

Solutions for Congested Corridors Program Land Use Efficiency Supplement

This supplement was developed by the California Transportation Commission in partnership with the California Department of Housing and Community Development and the Governor’s Office of Planning and Research as a resource for applicants preparing project nominations for the Solutions for Congested Corridors Program. The purpose of this document is to provide information on local land use policies that can serve as indicators of the potential for efficient land use patterns. The presence of these policies in a project area can be used to help demonstrate the ability of a project to support the efficient land use co-benefit as described in Section 16.2 of the program guidelines.

For purposes of the Solutions for Congested Corridors Program, projects meeting the “Efficient Land Use” co-benefit should support transportation-efficient land use principles such as:

- Infill development, and
- Mixed-use development with multimodal choices.

By integrating a greater mix of uses into congested corridors, efficient land use reduces vehicle-miles-traveled and congestion by placing more individuals within walkable distance to daily or regular destinations, such as jobs, services, retail, or transit.

In order to assist the development of project nominations’ narratives relating to the “Efficient Land Use” co-benefit, this document includes:

- I. Land Use Efficiency Indicator Descriptions:** Detailed descriptions, and best practices resources for eight indicators that may be consulted, on a voluntary basis, to help guide the development of the narrative regarding the project nomination’s “Efficient Land Use” co-benefit. Use of these indicators in the project application is optional but encouraged if applicable.
- II. Optional Pre-Application Technical Assistance:** Land-use experts with the California Department of Housing and Community Development (HCD), in partnership with the California Transportation Commission, are available to assist prospective applicants with any questions relating to the “Efficient Land Use” co-benefit.
- III. Available Resources:** New grant funding opportunities and online resources that are available to assist local and regional jurisdictions in planning and implementing activities that promote efficient land use, including achieving indicators listed in the Land Use Efficiency Supplement.

INDICATOR DESCRIPTIONS:

- 1. Is the project located in a jurisdiction(s) that has a by-right (nondiscretionary) approval process, adopted or in development, for multifamily residential and mixed-use development?***

By-right approval process means the review of a proposed development shall not require:

- A conditional-use permit,
- A planned unit development permit,
- Other discretionary, local-government review or approval that would constitute a “project” as defined by CEQA (Public Resources Code section 21100).

A by-right approval process does not preclude local planning agencies from imposing design review standards. However, the review and approval process must remain ministerial and the design review must not constitute a “project” as defined in Public Resources Code section 21100.

For example, a by-right approval process allows a hearing officer (e.g., zoning administrator) or other hearing body (e.g., planning commission) to review a project’s design merits and call for a project proponent to make design-related modifications, but this process also prohibits the hearing officer or hearing body from deliberating on the project’s merits or exercising judgment to reject or deny the “residential use” itself.

For purposes of assessing the “Efficient Land Use” co-benefit under the Solutions for Congested Corridors Program, this indicator looks at whether the project is located in a jurisdiction that has adopted a by-right approval process in all zones permitting multifamily residential and mixed-use development. This by-right approval process may be existing policy of the jurisdiction, or the by-right approval process may be actively in development with specific expectations that the process is adopted by a time certain.

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2. Is the project located in, or adjacent to, an existing or proposed Specific Plan area, or similar area, that allows streamlined plan-level environmental analysis for multifamily residential and/or mixed-use development?

The California Planning and Zoning Law authorizes a city or county to adopt a Specific Plan, which is a comprehensive planning and zoning document designed to carry out the General Plan policies within a particular geographic area by providing a special set of development standards for that area (Government Code section 65450, et seq.). Special standards may include form-based code coupled with CEQA streamlining to help facilitate higher-density housing production and mixed-use development within core areas.

Prior to adopting a Specific Plan, a city or county must prepare an Environmental Impact Report (EIR) pursuant to the California Environmental Quality Act (CEQA). To meet this requirement, the jurisdiction may adopt a "Program EIR" which facilitates CEQA streamlining by including project-level analysis and project-level mitigation measures that may account for and effectively cover future proposed projects within the Specific Plan area (CEQA Guidelines section 15168, et seq.).

Accordingly, Government Code section 65457 specifies that residential and mixed-use projects that are consistent with a Specific Plan, with a certified Program EIR, are exempt from CEQA. By adopting a Specific Plan, local jurisdictions can significantly help accelerate future approval and permitting processes for infill housing development projects and efficient land use.

For information and guidance on CEQA streamlining through Specific Plans, see the Governor's Office of Planning and Research's *CEQA Review of Housing Projects Technical Advisory*: http://opr.ca.gov/docs/20190208-TechAdvisory-Review_of_Housing_Exemptions.pdf.

Examples of Specific Plans that allow streamlined plan-level CEQA analysis include:

- The City of San Diego recently adopted two Specific Plans to rezone areas along trolley stations to facilitate the development of approximately 9,000 new homes, taking advantage of the planned Mid-Coast Trolley Blue Line Extension to promote transit-oriented development. Each Specific Plan includes a Program EIR, facilitating CEQA streamlining for future development by including project-level analysis and mitigation measures. The two Specific Plans include:
 1. The Balboa Station Specific Plan, which allows for an additional 3,508 housing units, over the 1,200 units allowed in the previous zoning designation, within a half-mile of the planned station. For more information, see: <https://www.sandiego.gov/planning/community/specificplans/balboa-station>
 2. The Morena Corridor Community Plan, which allows for 5,630 additional housing units, over the 1,387 allowed in the previous zoning designation. For more information, see: <https://www.sandiego.gov/planning/community/specificplans/morena-corridor>

For purposes of assessing the "Efficient Land Use" co-benefit under the Solutions for Congested Corridors Program, this indicator looks at whether the project is located in, or adjacent to, a Specific Plan area, or similar area, that allows streamlined plan-level environmental analysis for multifamily residential and/or mixed-use development; or whether the project is located in, or adjacent to, an area for which the jurisdiction is actively developing a Specific Plan, or similar policy to allow streamlining, with specific expectations to adopt one by a time certain.

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3. Is the project located in a jurisdiction(s) that has a density bonus ordinance, adopted or in development, whose allowable density increase exceeds the requirements of State Density Bonus Law?

Context: State Density Bonus Law

Under Government Code section 65915, State Density Bonus Law requires cities and counties to grant a “density bonus” to a housing development, in exchange for the housing development providing affordable units, or units for senior housing, student housing, or childcare facilities.

A “density bonus” means an increase of residential units over the otherwise maximum density allowed by the applicable zone. State Density Bonus Law requires each city and county to adopt an ordinance that specifies how its density bonus will be implemented.

- For a guide to California’s State Density Bonus Law, see: <https://www.meysnave.com/wp-content/uploads/California-Density-Bonus-Law.pdf>
- For information on recent updates to State Density Bonus Law, see “California’s Density Bonus Law: 2019 Update”: <https://www.meysnave.com/californias-density-bonus-law-2019-update/>

Exceeding Statutory Requirements

State Density Bonus Law requires cities and counties to adopt an ordinance defining the density bonuses available to housing developments. Typically, the exact amount of the bonus must be determined by a sliding scale (from 5 percent to 35 percent) set forth in Government Code section 65915. Also, developments that meet special criteria for affordability, or proximity to transit, are also entitled to higher density bonuses. In adopting their local ordinances, cities and counties have the *option*, but not the obligation, to *also* offer density increases which exceed these ranges required in state law.

Examples of local density bonus ordinances which exceed the requirements of state law include:

- The City of San Diego’s density bonus program allows certain housing developments to receive a density increase that is 15 percent above the range set by State Density Bonus Law, for a maximum density bonus of 50 percent. This special increase is available to housing developments for low-, very low-, and moderate-income households. For a description of San Diego’s density bonus program, see Municipal Code Article 3: Supplemental Development Regulations Division 7: Affordable Housing Regulations: <https://docs.sandiego.gov/municode/MuniCodeChapter14/Ch14Art03Division07.pdf>
- The City of Fresno’s municipal code exceeds statutory requirements by offering a density bonus for transit-oriented development projects that can be combined with the density bonus required by State Density Bonus Law. Fresno’s program provides a maximum density bonus of 100 percent of the underlying zone’s typical density. For a description of the Fresno’s density bonus program, see City of Fresno Municipal Code, Article 21 (Transit-Oriented Development Height and Density Bonus) and Article 22 (Affordable Housing Density Bonus): https://www.fresno.gov/darm/wp-content/uploads/sites/10/2016/11/Complete_Code_March_2017.pdf
- Sonoma County’s density bonus program exceeds statutory requirements by allowing a by-right 100-percent increase in density for rental housing developments that provide 40 percent of the total units as affordable to households with incomes at 50 to 60 percent of AMI. The county’s website promotes the density bonus ordinance by providing a description of its purpose, applicability, permit

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requirements, and summary of provisions. See:

<https://sonomacounty.ca.gov/PRMD/Regulations/Housing/Density-Bonus-Program/>.

- The City of Santa Rosa has adopted a supplemental density bonus, used in addition to State Density Bonus Law, within certain areas of the city. Housing developments within these areas may receive, if they qualify, a supplemental density bonus of up to 100 percent above the General Plan's residential density limit depending upon a number of factors. Those factors are the project site's General Plan land use designation, its proximity to transit and schools, and its location within a housing opportunity site or a historic preservation district. For a description of the density bonus ordinance, including the supplemental density bonus, see: <https://srcity.org/2555/Density-Bonus>.
- The City of Ontario's municipal code allows a density bonus that exceeds statutory requirements, within a program specifically for senior housing developments. In addition to the general sliding scale of potential density bonuses jurisdictions are required to offer (from 5 percent to 35 percent), State Density Bonus Law also creates a special type of density bonus for senior housing developments, requiring local jurisdictions to offer a bonus of up to 20 percent for qualified senior housing developments. The City of Ontario meets and exceeds this requirement by offering a 30-percent density bonus for senior housing developments. For a description, see: Municipal Code Section 5.03.360 Senior Citizen Housing Development at https://www.ontarioca.gov/sites/default/files/Ontario-Files/Planning/Documents/chapter_5.0_-_zoning_and_land_use_20180501.pdf

For purposes of assessing the "Efficient Land Use" co-benefit under the Solutions for Congested Corridors Program, this indicator looks at whether the project is located in a jurisdiction with an ordinance whose allowable density increase exceeds the requirements of State Density Bonus Law. This ordinance may be existing policy of the jurisdiction, or the ordinance may still be actively in development with specific expectations that the ordinance be adopted by a time certain.

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4. *Is the project located in a jurisdiction(s) that has an ordinance or other policy, adopted or in development, allowing reduced parking requirements for all sites zoned for multifamily residential or mixed-use development?*

The Government Code authorizes local jurisdictions to set the number of parking spaces required for each residential unit being developed. However, for projects that qualify for a density bonus, the State Density Bonus Law limits these requirements. In general, State Density Bonus Law limits parking requirements for these developments to not exceed the following (Government Code section 65915[p][1]):

- Zero to one bedroom: one onsite parking space.
- Two to three bedrooms: two onsite parking spaces.
- Four and more bedrooms: two and one-half parking spaces.
- If the development is located within one-half mile of a major transit stop, inclusive of handicapped and guest parking, 0.5 parking spaces per bedroom.
- Senior housing, or special needs housing, with either paratransit service or unobstructed access, within one-half mile to fixed bus route service that operates at least eight times per day: 0.5 parking spaces per unit.

For more information, see Government Code section 65915:

http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=1.&title=7.&part=&chapter=4.3.&article.

For purposes of assessing the “Efficient Land Use” co-benefit under the Solutions for Congested Corridors Program, this indicator looks at whether the project is located in a jurisdiction that imposes parking requirements, throughout the area of the jurisdiction, that are less than, or can be reduced to below, the parking requirements specified in Government Code Section 65915(p)(1). These parking requirements may be existing policy of the jurisdiction, or they may still be actively in development with specific expectations that they be adopted by a time certain.

5. Is the project located within a half-mile of a major transit stop, as defined by Public Resources Code section 21064.3; or a high-quality transit corridor, as defined by Public Resources Code section 21155?

Proximity to transit is one of the best indicators of location efficiency. Improved access to transit stops can serve as an effective solution for congested corridors by encouraging alternative modes of transportation.

Major Transit Stops

Public Resources Code section 21064.3 defines a major transit stop as “a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.”

High-Quality Transit Corridors

Public Resources Code section 21155 defines a high-quality transit corridor as “a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours.”

For purposes of assessing the “Efficient Land Use” co-benefit under the Solutions for Congested Corridors Program, this indicator looks at:

- Whether the project is located within a half mile of a major transit stop, **or**
- Whether the project is located within a half mile of a high-quality transit corridor.

In collaboration with the Governor’s Office of Planning and Research, HCD is developing an online mapping tool that will show areas of the state where housing projects may qualify for CEQA exemptions or streamlining. In this tool, major transit stops, high-quality transit corridors, and average per capita vehicle miles traveled will be mapped. Accordingly, applicants are encouraged to utilize this tool when determining whether their project areas or sites may qualify under Indicator #5 and Indicator #7. **This resource will be available in late 2019. A link will be included in subsequent materials.**

6. *If the project is a transit stop or station, is it substantially surrounded (75 percent or more) by parcels developed for residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses?*

State law encourages development on infill sites (Government Code section 65041.1). Infill sites are typically defined as areas that were previously developed or are substantially surrounded by qualified urban uses. (See Public Resources Code Sections 21061.3, 21099, 21094.5, 21159.25, and CEQA Guideline 15332.) “Qualified urban uses” are defined as “*any residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses*” (Public Resources Code section 21072).

By placing transportation investments in these infill areas, projects can facilitate future infill development.

For more information and guidance on infill developments, see the Governor’s Office of Planning and Research’s *CEQA Review of Housing Projects Technical Advisory*: http://opr.ca.gov/docs/20190208-TechAdvisory-Review_of_Housing_Exemptions.pdf.

For purposes of assessing the “Efficient Land Use” co-benefit under the Solutions for Congested Corridors Program, this indicator looks at whether the project is substantially surrounded (75 percent or more) by parcels developed for residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

7. Is the project located in an area with per capita household vehicle travel that is 15 percent below regional or city average?

In addition to proximity to transit, the per capita vehicle miles traveled of an area, as compared to a regional or city average, is a good indicator of location efficiency.

The Governor's Office of Planning and Research and the California Air Resources Board have determined that focusing development in areas that are 15 percent below the regional or city average will help the state meet its climate goals.

These are also the areas of the state where housing, jobs, and amenities are in close proximity. With the right infrastructure investments, citizens could use alternative forms of transportation to access their daily needs, removing personal vehicles from the road and alleviating congestion.

For purposes of assessing the "Efficient Land Use" co-benefit under the Solutions for Congested Corridors Program, this indicator looks at:

- Whether the project is located in an area with per capita household vehicle travel that is 15 percent below *regional* average, or
- Whether the project is located in an area with per capita household vehicle travel that is 15 percent below *city* average.

In collaboration with the Governor's Office of Planning and Research, HCD is developing an online mapping tool that will show areas of the state where housing projects may qualify for CEQA exemptions or streamlining. In this tool, major transit stops, high-quality transit corridors, and average per capita vehicle miles traveled will be mapped. Accordingly, applicants are encouraged to utilize this tool when determining whether their project areas or sites may qualify under Indicator #5 and Indicator #7. **This resource will be available in late 2019. A link will be included in subsequent materials.**

8. Does the project further the forecasted development pattern of the applicable Regional Transportation Plan's Sustainable Communities Strategy?

Federal legislation requires each MPO to develop an RTP as part of its transportation planning process (23 U.S.C. 134[g] and 49 U.S.C. 5303[f]). The RTP must cover a minimum 20-year horizon, include long- and short-range strategies and actions, and describe the ways the region intends to invest in the transportation system (23 CFR §450.322).

In 2008, California Senate Bill 375 required each MPO to develop and adopt, as part of its RTP, a Sustainable Communities Strategy (SCS). The SCS must demonstrate how the RTP meets regional targets for reducing greenhouse gas (GHG) emissions through the planned transportation network, a forecasted development pattern, and transportation measures and policies within the RTP. Specifically, SB 375:

- Requires the California Air Resources Board to develop regional GHG reduction targets for cars and light trucks for each of the 18 MPOs in California.
- Requires each MPO, through its respective planning processes, to prepare an SCS that will specify how the GHG reduction targets for 2020 and 2035 can be achieved.
- Provides streamlining of California Environmental Quality Act (CEQA) requirements for specific residential and mixed-use developments that are consistent with an SCS or APS that has been determined by Air Resources Board to achieve the regional emissions reduction target.
- Synchronizes the Regional Housing Needs Assessment (RHNA) process with the RTP process.

Under state law, the SCS must 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 region's GHG from cars and light trucks (Government Code Section 65080[b][2][B]). This forecasted development pattern must be designed to achieve, if there is a feasible way to do so, the GHG reduction targets approved by the Air Resources Board.

Additionally, state law requires the SCS to:

- Identify the general location of uses, residential densities, and building intensities within the region.
- Identify areas within the region sufficient to house all the population of the region, taking into account net migration, population growth, household formation and employment growth.
- Identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region. Identify a transportation network to service the transportation needs of the region.
- Gather and consider the best practically available scientific information regarding resource areas and farmland in the region.
- Consider state housing goals.
- Utilize the most recent planning assumptions, considering local general plans and other factors.
- Provide consistency between the forecasted development pattern and RHNA.
- Allow the RTP to comply with Section 176 of the federal Clean Air Act (42 U.S.C. Section 7506)

OPTIONAL PRE-APPLICATION TECHNICAL ASSISTANCE:

If prospective applicants would like clarification on any requirements or guidance associated with the “Efficient Land Use” co-benefit, questions submitted prior to Friday, February 21, 2020, will be considered for response in a Frequently Asked Questions (FAQs) section of the SCCP website located at: <https://catc.ca.gov/programs/sb1/solutions-for-congested-corridors-program>. Multiple FAQs may be released if questions are submitted throughout the project application development period, and applicants are encouraged to regularly check the website for review of FAQs that may be relevant to their application.

Additionally, to assist with any questions about the “Efficient Land Use” co-benefit, land-use experts with the California Department of Housing and Community Development (HCD), in partnership with the California Transportation Commission, are available to prospective applicants. Prospective applicants interested in a pre-application meeting or teleconference with HCD specialists to discuss questions about the “Efficient Land Use” co-benefit, may request an optional meeting by emailing Josh Rosa, HCD Policy and Program Support Manager, at josh.rosa@hcd.ca.gov.

AVAILABLE RESOURCES:

Local jurisdictions and regional jurisdictions may access new resources to support the development or implementation of activities to help meet the indicators listed above. These resources include new one-time grant funding and technical assistance.

Grant Funding

New funding is available to assist local jurisdictions and regional jurisdictions in starting or completing planning activities necessary to meet the indicators listed above, including, but not limited to, developing or adopting:

- A Specific Plan that allows streamlined plan-level analysis for multifamily residential and/or mixed-use development (Indicator #2)
- An ordinance or other policy allowing reduced parking requirements for all sites zoned for multifamily residential or mixed-use development (Indicator #4)
- A by-right (nondiscretionary) approval process for multifamily residential and mixed-use development (Indicator #1)

New funding to assist with the development and adoption of these policies, and/or other policies that support efficient land use, is available through the Early Action Planning Grants Program. Established by legislation in 2019, this new planning grants program provides one-time over-the-counter funding to local and regional jurisdictions for activities that accelerate the production of affordable housing, including:

- Technical assistance
- Preparation and adoption of planning documents
- Process improvements

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The Early Action Planning Grants Program is administered by the California Department of Housing and Community Development (HCD), which plans to issue a Notice of Funding Availability and begin accepting applications in early 2020. For additional information, please email EarlyActionPlanning@HCD.ca.gov.

Online Resources

- To assist with questions about a local jurisdiction's zoning policies, municipal codes and zoning codes can be found at Municode: <https://library.municode.com/ca>. This resource can also assist applicants in identifying information to address Indicators #1 through #4.
- To assist with identifying local jurisdictions with an adopted or proposed by-right (nondiscretionary) approval process, the California Streamline Approval Open Data Map identifies local jurisdictions subject to a streamlined approval process for residential developments. This resource (also called the Interactive SB 35 Determination and Housing Element Open Data Map) can also assist applicants in identifying information for Indicator #1. Hosted by the California Department of Housing and Community Development (HCD), this resource can be used by prospective applicants to identify areas where Indicator #1 (Nondiscretionary approval) would apply.
 - **Streamline Approval Open Data Map:** <http://cahcd.maps.arcgis.com/apps/webappviewer/index.html?id=29fd695819064f38afee6c9880c30ae3>
 - **Mapping Webinar:** <https://www.youtube.com/watch?v=wH4DY-OteLc&feature=youtu.be>
 - **Mapping Webinar Presentation:** http://www.hcd.ca.gov/community-development/housing-element/docs/SB_35_HE_OpenDataMappingWebinar.pdf
- In collaboration with the Governor's Office of Planning and Research, HCD is also developing an online mapping tool that will show areas of the state where housing projects may qualify for CEQA exemptions or streamlining. In this tool, major transit stops, high-quality transit corridors, and average per capita vehicle miles traveled will be mapped. Accordingly, applicants are encouraged to utilize this tool when determining whether their project areas or sites may qualify under Indicator #5 and Indicator #7. **This resource will be available in late 2019. A link will be included in subsequent materials.**