Date of Hearing: June 26, 2017

### ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

SB 680 (Wieckowski) – As Introduced February 17, 2017

**SENATE VOTE**: 35-2

**SUBJECT**: San Francisco Bay Area Rapid Transit District

**SUMMARY:** Extends the distance from one-quarter mile to one-half mile from a transit facility that the San Francisco Bay Area Rapid Transit District (BART) can engage in Transit Oriented Development (TOD) projects.

#### **EXISTING LAW:**

- 1) Authorizes BART to acquire property, including by eminent domain, in order to operate its transit system within its jurisdiction.
- 2) Authorizes BART to dispose of property when it is in the best interests of the transit system.
- 3) Authorizes BART to take property within one-quarter of a mile from the external boundaries of a BART facility to use for TOD, as specified.
- 4) Defines a transit priority project as a residential or mixed-use residential development within one-half mile of a major transit stop or high-quality transit corridor for purposes of the implementation of a sustainable communities strategy (SCS).
- 5) Authorizes transit priority projects, defined as within one-half mile a major transit stop or high-quality transit corridor, to qualify as an enhanced infrastructure financing district (EIFD), project.
- 6) Requires a transit village development district to include land and housing within not more than one-half mile of the main entrance of a transit station.
- 7) Requires the state's metropolitan planning organizations (MPOs) to meet specific greenhouse gas reduction targets set by the California Air Resources Board through a variety of strategies, including the development of TOD.

FISCAL EFFECT: None. This bill is keyed non-fiscal by the Legislative Counsel.

**COMMENTS**: TOD is a form of urban development that emphasizes the creation of compact, walkable, pedestrian-oriented, mixed-use communities centered around high quality transit systems. TODs typically include a central transit stop, such as a train station, light rail, or bus stop, surrounded by high-density residential, business, retail and civic development. TODs are designed to be walkable with the pedestrian as the highest priority, increasing transit and active transportation use and reducing the need for parking facilities. Additionally, TOD can be new construction or redevelopment of one or more buildings whose design and orientation facilitate transit use. According to the Transit Oriented Development Institute, Americans believe that TOD provides numerous benefits to their lifestyle including reduced dependency on driving,

allowing residents to live, work, and play in the same area, stimulating the local area's economy, and reducing the area's carbon footprint or negative environmental impact.

BART operates a 104-mile rail transit system with 43 stations that runs in four Bay Area counties, with an average weekday ridership of approximately 430,000 trips. Additionally, BART has an extensive TOD program and has completed or has in progress 20 TOD projects at its stations, representing over \$2.4 billion in private investment. BART has completed 11 of these projects, including around the Castro Valley, Hayward, Fruitvale and Richmond stations. BART recently developed a new TOD policy with updated goals and strategies, including committing the agency to lead in the delivery of the region's land use and transportation vision through the Plan Bay Area 2040, the Bay area region's SCS. Current law authorizes BART to create TOD developments within one-quarter mile of their stations. SB 680 would authorize BART to expand their TOD boundaries to one-half mile from their stations, which is consistent with other TOD laws in California.

As the sponsor of this bill, the Bay Area Council writes that increasing TOD opportunities around BART stations will reduce dependence on the use of the private automobile, reduce long commutes, reduce the use of fossil fuels, improve energy efficiency, reduce carbon dioxide emissions, and help meet air quality standards.

BART estimates that expanding the range of TOD development around stations, as defined by This bill, would assist in achieving its ambitious TOD goals, including producing 20,000 units of housing on BART property by 2040 with 7,000 of those units being affordable; increasing the density threshold for BART TOD projects, and pursuing more aggressive parking ratios; and reducing car ownership and drive-alone modes of travel for residents within one-half mile of stations.

Currently, California is facing a housing crisis, with the Bay Are having the highest housing prices in the state. For example, California is home to the some of the most expensive rental markets in the country and San Francisco and San Jose are in the top five. According to the California Department of Housing and Community Development, some of the housing challenges facing California include housing production averaged less than 80,000 new homes annually over the last 10 years, and ongoing production continues to fall far below the projected need of 180,000 additional homes annually. The majority of California renters pay more than 30% of their income toward rent, and nearly one-third pay more than 50% of their income toward rent.

Additionally, California has adopted targets to reduce greenhouse gas emissions (GHG) with the passage of AB 32 (Núñez), Chapter 488, Statutes of 2006, and SB 32 (Pavley), Chapter 249, Statutes of 2016, which require the state to reduce GHG emissions to 1990 levels by 2020 and further by 40% below 1990 levels by 2030, respectively. As part of the overall state strategy, the state's transportation planning agencies, MPOs, are required by SB 375 (Steinberg), Chapter 728, Statues of 2008, to adopt an SCS as part of their regional transportation plan to help integrate land use and transportation to reduce GHG emissions in their region. MPOs utilize numerous strategies in their SCS to lower GHG's, including changes to land use and housing, like TOD. As noted above, BART's new TOD policy reflects the agency's commitment to helping the Bay area meet its SCS targets.

According to the author, "as the housing crisis continues to worsen, people are being forced to move further away from cities in the hopes of finding more affordable housing. This not only displaces residents, but can also increase their average commute time and, subsequently, their carbon footprint. TOD is an important solution to this problem."

Further he states that, "previously, a one-quarter of a mile was considered an "easy walk," which influenced earlier TOD legislation to create statute reflecting this distance. However, recent studies have discovered the distance of an "easy walk" is about one-half mile or a ten minute walk, rather than the one-quarter mile previously established. Conveniently, one-half mile also happens to be the average walk home from BART."

This bill expands the area that BART can participate in TOD from one-quarter mile to one-half mile, which brings this policy in line with other laws governing TOD in California. As California continues to struggle to meet the housing needs of its citizens and meet its GHG and clean air goals, TOD can be an important part the strategy.

*Previous legislation:* SB 628 (Beall), Chapter 628, Statues of 2014, established EIFDs and authorized the funding of transit priority projects, defined as within one-half mile a major transit stop or high-quality transit corridor.

AB 987 (Ma), Chapter 354, Statues of 2010, expanded the size of a transit village development district from one-quarter mile to one-half mile from a transit station.

## **REGISTERED SUPPORT / OPPOSITION:**

## Support

Bay Area Council (Sponsor)
Building Industry Association of the Bay Area
California Apartment Association
California Renters Legal Advocacy and Education Fund
Center for Creative Land Recycling

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**NHA Advisors** 

Non-Profit Housing Association of Northern California

North Bay Leadership Group

Oakland Chamber of Commerce

San Francisco Bay Area Planning and Urban Research Association

San Francisco Bay Area Rapid Transit District

San Francisco Chamber of Commerce

San Mateo County Economic Development Association

Yimby Action

# **Opposition**

None on file

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