

CONCURRENCE IN SENATE AMENDMENTS

AB 512 (Holden)

As Amended August 1, 2022

Majority vote

SUMMARY

Establishes a process for the relinquishment to a city or county a portion of a state highway that constitutes an infrastructural barrier and has features that displaced residences or create an obstacle to connectivity, as specified.

Senate Amendments

- 1) Remove the contents of the bill relating to unimproved property within the State Route 710 corridor in the cities of Los Angeles, Pasadena, and South Pasadena and replace them with authorizing the California Transportation Commission (CTC) to relinquish a portion of a state highway that contains an infrastructural barrier, as defined, to a city or county if the Department of Transportation (Caltrans) and the applicable city or county enter into an agreement subject to conditions.**
- 2) Specifically, these amendments;**
 - a. Define an “infrastructural barrier” as a state highway for which speed, grade separation, or other design factors displaced residences or create an obstacle to connectivity, including any of the following:**
 - i. Obstacles to walking, biking, or mobility.**
 - ii. Diminished access to destinations across the infrastructural barrier.**
 - iii. Barriers to the economic development of the surrounding neighborhood.**
 - b. Authorize the CTC to relinquish a portion of a state highway that constitutes an infrastructural barrier to a city or county, if Caltrans and the city or county have entered into an agreement providing for that relinquishment, subject to the following conditions:**
 - i. The relinquishment must be initiated on or after January 1, 2023.**
 - ii. The portion of the state highway is located within the territorial limits of the city or county entering into the agreement.**
 - iii. The CTC determines the relinquishment is in the best interest of the state.**
 - iv. The CTC holds a public hearing on the proposed relinquishment.**
 - v. The purposes of the relinquishment are for restorative economic and social justice, including for transit-oriented development, affordable housing, green space, or active transportation infrastructure.**
 - vi. The infrastructural barrier shall be removed or retrofit in a manner that enhances community connectivity, which may include placing a freeway cap or replacing the facilities with an at-grade arterial roadway, as specified.**
 - vii. Any land made available by the removal or retrofit of the barrier must be redeveloped for the purposes identified above.**
 - viii. A part of the relinquished portion will be used for transportation purposes to ensure traffic flow continuity.**

- ix. The relinquishment is consistent with federal law and regulations, and does not require reimbursement to the federal government of federal funding.
 - x. The relinquishment is consistent with Article XIX of the state Constitution.
 - xi. The city or county determines that the construction of the infrastructural barrier had a significant impact on a disadvantaged community, as specified.
- c. Specify that a relinquishment under the bill would become effective on the date following the county recorder's recordation of the relinquishment resolution containing CTC's approval of the terms and conditions.
- d. The relinquished segment would no longer be a part of the state highway system (SHS), and would be ineligible for future adoption as a state highway.

COMMENTS

This bill was substantially amended in the Senate and the Assembly-approved version of this bill was deleted. This bill, as amended in the Senate, is inconsistent with the Assembly actions and the provisions of this bill, as amended in the Senate, have not been heard in an Assembly policy committee.

Existing law identifies the California SHS through a description of portions of the state's regional and interregional roads that are owned and operated by Caltrans. Existing law requires the CTC to relinquish to cities and counties portions of state highways that have been deleted from the SHS by legislative enactment. The CTC may also relinquish any portion of a state highway that has been superseded by relocation, but only after Caltrans has placed the highway into a "state of good repair," which includes litter removal, weed control, and tree and shrub trimming, but does not obligate Caltrans to perform widening, new construction, or major reconstruction, unless directed by the CTC.

Relinquishment provides the recipient agency with greater control over local transportation projects and relieves Caltrans of any further responsibility to improve, maintain, or repair infrastructure, and also from exposure to tort liability related to the relinquished segment of state highway. Caltrans may provide State Highway Account funding to a local entity that is assuming control over state highway segments pursuant to a legislative relinquishment, in order to bring the roadway up to a "state of good repair," although there is no statutory obligation to do so. The actual amounts vary for each relinquished highway segment and are determined by a negotiation of terms and conditions between Caltrans and the local jurisdiction. Those costs are based upon a cost-benefit analysis covering a ten-year period, which is included in a Project Scope Summary Report prepared for relinquishments. The CTC must determine that the agreement for relinquishment is in the best interests of the state.

This bill expands the CTC relinquishment authorization process to include infrastructural barriers that impede neighborhood connectivity.

Freeways can be harmful to adjacent neighborhoods and the construction of freeways has broken apart communities. In 2021, the federal Infrastructure Investment and Jobs Act (IIJA) established a \$1 billion grant program known as the Reconnecting Communities Pilot Grant Program to restore community connectivity through the removal, retrofit, mitigation or replacement of eligible transportation infrastructure that creates barriers in communities. A similar program has been proposed by the Newsom Administration, known as the Highways to Boulevards program.

The IIJA makes clear that federal investments should revitalize cities and prioritize historically disadvantaged communities. In order for a project to be considered “shovel ready,” projects must prioritize a comprehensive vision of what is in the best interests of all users, including those voices from stakeholders and communities previously ignored. Objectives include, but are not limited to; reconnecting freeway-separated neighborhoods; improving public health with cleaner air; capturing and scrubbing surface water runoff from highways; building affordable housing close to urban workplaces; improving local transit systems; and testing and adopting innovative transportation technologies.

Property that was acquired using federal funds must continue to be used for that purpose even if relinquished to a city or county. This bill contemplates using relinquished property for affordable housing, green space, and transit-oriented development. Some of these purposes may conflict with the restrictions on the use of the federal funds. If so, the federal government will seek reimbursement which would be an unanticipated cost for the city or county. Similarly, the California Constitution limits the use of gas tax revenues for certain types of transportation investments, and some of the purposes authorized by this bill may conflict with those limitations. This bill provides that any relinquishment shall not be subject to federal reimbursement and may not conflict with the California Constitution.

According to the Author

“AB 512 allows the CTC to relinquish a portion of a state highway to a city or county if the purpose of the relinquishment is for restorative economic and social justice including, but not limited to affordable housing, transit oriented development and green space. As many of you know, division has been at the center of so much unrest not only in California, but also throughout the country. This bill, metaphorically and in actuality seeks to remove infrastructural barriers that have uprooted and divided communities throughout this state by establishing a set of criteria for relinquishment designed to enhance community connectivity. It also takes a step towards allowing the state and the city to right historic wrongs.”

Arguments in Support

The California Apartment Association writes, “Decades ago, California’s highways were built to improve mobility despite the impact they would have on adjacent communities. AB 512 remedies this prior oversight by providing a statewide process to reconnect these communities once that highway is no longer of service. By allowing cities to develop land formerly earmarked for highways into affordable housing for low- and moderate-income families, AB 512 creates another tool for local communities to address their housing needs.”

Arguments in Opposition**None on file.****FISCAL COMMENTS****According to the Senate Appropriations Committee:**

- **Unknown, potentially significant future costs related to the relinquishment of highway segments, to the extent the agreements between the Department of Transportation (Caltrans) and local agencies include one-time payments or new costs related to the removal or retrofit of the infrastructural barrier. These costs may be partially or fully offset in future years due to avoided maintenance costs on a relinquished segment. Actual costs or savings would depend upon the details of each agreement and the characteristics of a particular infrastructural barrier. (State Highway Account)**
- **The California Transportation Commission (CTC) indicates that costs and resource needs are unknown and would depend upon how many new relinquishment proposals are considered each year as a result of this bill. Costs could be minor and absorbable, to the extent that the number of relinquishments do not significantly increase, but the bill may impact staff workload and impose new costs on the CTC if it results in additional proposals at each CTC meeting. (State Highway Account)**

VOTES:**ASM HOUSING AND COMMUNITY DEVELOPMENT: 8-0-0****YES:** Chiu, Seyarto, Gabriel, Kalra, Kiley, Maienschein, Quirk-Silva, Wicks**ASM APPROPRIATIONS: 13-0-3****YES:** Lorena Gonzalez, Calderon, Carrillo, Chau, Fong, Gabriel, Eduardo Garcia, Levine, Quirk, Robert Rivas, Akilah Weber, Holden, Luz Rivas**ABS, ABST OR NV:** Bigelow, Megan Dahle, Davies**ASSEMBLY FLOOR: 68-0-11****YES:** Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bloom, Boerner Horvath, Bryan, Burke, Calderon, Carrillo, Cervantes, Chau, Chen, Chiu, Cooley, Cooper, Cunningham, Daly, Davies, Flora, Fong, Frazier, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Lorena Gonzalez, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Lee, Levine, Low, Maienschein, Mathis, Mayes, McCarty, Medina, Mullin, Muratsuchi, Nazarian, O'Donnell, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Seyarto, Stone, Ting, Villapudua, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon**ABS, ABST OR NV:** Bigelow, Choi, Megan Dahle, Gray, Kiley, Lackey, Nguyen, Patterson, Smith, Valladares, Voepel**UPDATED**

VERSION: August 1, 2022

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