



NAPA VALLEY TRANSPORTATION AUTHORITY Board Agenda Letter

TO: Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
(707) 259-8634 / Email: kmiller@nvta.ca.gov
SUBJECT: Federal and State Legislative Updates and State Bill Matrix

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board received the monthly Federal and State Legislative updates, and approve board position recommendations for bills on the State Bill Matrix (Attachment 3).

COMMITTEE RECOMMENDATION

None

EXECUTIVE SUMMARY

The Board will receive the Federal Transportation Legislative update (Attachment 1) provided by Van Scoyoc Associates, the State Legislative update (Attachment 2) provided by Platinum Advisors, and consider acting on the bills included on the State Bill Matrix (Attachment 3).

Regional Measure 3 has been included in the Bill Matrix for NVTA Board action. Staff will provide a presentation on the Regional Measure 3 Expenditure Plan and projects specific to Napa County.

At its February meeting, the NVTA board requested that staff provide additional analysis of SB 827 (Weiner). Attachment 4 provides that analysis.

FISCAL IMPACT

Is there a Fiscal Impact? No

SUPPORTING DOCUMENTS

- Attachments:
- (1) February 26, 2018 Federal Legislative Update (Van Scoyoc Associates)
 - (2) February 27, 2018 State Legislative Update (Platinum Advisors)
 - (3) February 27, 2018 State Bill Matrix (Platinum Advisors)
 - (4) SB 827 (Weiner) Analysis



TO: Kate Miller, NVTA
FROM: Steve Palmer, Channon Hanna, and David Haines
DATE: February 26, 2018
SUBJECT: Federal Legislative Update

The following is a summary of federal legislative activities related to transportation, housing, and environmental issues over the last month.

Legislative Action

Bipartisan Budget Agreement, Wildfire Relief, Debt Limit, and FY 2018 Continuing Resolution. Congress and the President agreed to legislation which increased the budget caps for defense and non-defense discretionary spending and contains a continuing resolution (CR) funding the government at FY 2017 levels until March 23, 2018. The agreement also extended the debt limit to March 1, 2019, extended some tax provisions for 2017, and provided hurricane and wildfire disaster relief.

The agreed-upon levels for discretionary spending adds \$63 billion for non-defense programs in for FY 2018 and an additional \$68 billion in FY 2019. Of these increases, \$10 billion in FY 2018 and FY 2019 is to be invested in infrastructure programs related to 1) rural water and wastewater, 2) clean and safe drinking water; 3) rural broadband; energy; 4) innovative capital projects; and 5) surface transportation. The House and Senate Appropriations Committees will now decide how to allocate the additional funds for FY 2018.

Environmental Protection Agency (EPA) Nomination. On February 7, the Senate Environment and Public Works Committee advanced the nomination of Andrew Wheeler to be Deputy Administrator of U.S. Environmental Protection Agency. Wheeler has previously worked for Murray Energy and as Chief Counsel for the Environment and Public Works Committee.

Mortgage Choice Act of 2017. On February 8, the House passed H.R. 1153, the Mortgage Choice Act of 2017. The legislation amends the Truth in Lending Act to specifically state that neither escrow charges for insurance nor affiliated title charges shall be considered “points and fees” for purposes of determining whether a mortgage is a “high-cost mortgage.” A high-cost mortgage designation restricts the terms of the loan and requires a lender to make certain disclosures to the borrower. The bill now moves to the Senate for further consideration.

Department of Transportation (DOT) Nominations. On February 13, the Senate confirmed the following nominations:

- Ronald Batory to be Administrator of the Federal Railroad Administration (FRA)
- Adam Sullivan to be Assistant Secretary for Government Affairs at DOT
- Raymond Martinez to be Administrator of the Federal Motor Carrier Safety Administration

Rail legislation. On February 14, the Transportation and Infrastructure Committee held a markup where the following bills were approved:

- H.R. 4921, the STB Information Security Improvement Act directs the Surface Transportation Board (STB) to implement an improvement plan for its information security system, as recommended by the DOT Inspector General.
- H.R. 4925, the FRA Safety Data Improvement Act ensures greater accuracy and quality of safety data collected and reported by FRA. The bill also instructs FRA to develop a plan and timeline to implement DOT Inspector General recommendations to improve the management and collection of railroad safety data.

Congressional Hearings

New and Emerging Threats to the Homeland. On February 7, the Senate Homeland Security and Governmental Affairs Committee held a roundtable that seeks to address new and emerging threats to homeland security. The roundtable is a part of information gathering related to reauthorizing the Department of Homeland Security (DHS). Witnesses included representatives from DHS, Government Accountability Office (GAO), and the DHS Inspector General. During the roundtable, the Inspector General expressed his belief aviation security must continue to be a focus for DHS and expressed concern with the latest audit of Transportation Security Administration (TSA) screening operations.

Impact of Environmental Regulations and Policies on Farming and Ranching. On February 7, the Senate Committee on Senate Environment and Public Works held a hearing on the impact of federal environmental regulations and policies on American farming and ranching communities. Representatives from the following entities participated as witnesses during the hearing: American Farm Bureau, National Cattleman's Beef Association, National Pork Producers Council, State of Delaware, and National Farmers Union.

Oversight of National Highway Traffic Safety Administration. On February 14, the Digital Commerce and Consumer Protection Subcommittee of the House Energy and Commerce Committee held a hearing to provide oversight of National Highway Traffic Safety Administration (NHTSA). NHTSA Deputy Administrator Heidi King testified. During the hearing, Subcommittee Chairman Bob Latta (R-OH) stressed that passage of the Safely Ensuring Lives Future Deployment and Research In Vehicle

Evolution Act “SELF DRIVE” Act remains a priority for the Committee. He highlighted that bipartisan bill passed out of the Committee by a 54-0 vote and passed by the House by voice vote, and that the bill will help update NHTSA’s federal safety standards to reflect emerging self-driving car technology.

New Source Review Permitting Challenges. On February 14, the House Energy and Commerce Committee’s Subcommittee on Environment held a hearing on New Source Review permitting challenges for manufacturing and infrastructure. The hearing focused on the impact of U.S. EPA’s New Source Review air permitting requirements. Witnesses included representatives from Pennsylvania Chamber of Business and Industry, American Forest & Paper Association and American Wood Council, Association of Air Pollution Control Agencies, Bracewell LLP, Natural Resources Defense Council, and George Washington University Law School.

PTC Implementation. On February 15, the Railroads, Pipelines and Hazardous Materials Subcommittee of the House Transportation and Infrastructure Committee held a hearing to examine the status of positive train control (PTC) implementation. Witnesses included representatives from Federal Railroad Administration, National Transportation Safety Board, Association of American Railroads, Amtrak, American Public Transportation Association, and Brotherhood of Locomotive Engineers and Trainmen. During the hearing, Subcommittee Chairman Jeff Denham (R-CA) stressed that Congress has provided more than \$1 billion for PTC implementation and wants to work with industry to tackle any remaining challenges to ensure that PTC deadlines are met. Members of the Subcommittee pressed FRA to ensure that PTC deadlines are met by all railroads.

TSA Outreach and Traveler Engagement. On February 27, the Transportation and Protective Security Subcommittee of the House Homeland Security Committee held a hearing to examine how TSA engages with the traveling public, through interactions at the checkpoint, customer service contact centers, and social media. Witnesses included TSA Acting Assistant Administrator Christine Griggs, TSA Deputy Assistant Administrator Stacey Fitzmaurice, and National Center for Transgender Equality Director of Policy Harper Jean Tobin.

Implementation of Positive Train Control. On February 28, the Senate Commerce, Science, and Transportation Committee held a hearing that focused on PTC implementation and concerns that some passenger railroads could fall short of meeting legal safety obligations. Witnesses included representatives from Government Accountability Office, DOT Office of Inspector General, the Metropolitan Transportation Authority, and Amtrak.

Executive Branch

Emergency Relief Docket for 2018. On February 2, the Federal Transit Administration (FTA) established an Emergency Relief Docket for calendar year 2018 so grantees and

sub-grantees affected by national or regional emergencies may request temporary relief from FTA administrative and statutory requirements.

Council on Environmental Quality Nomination. On February 4, the White House confirmed White House intention to withdraw the nomination for Kathleen Hartnett White to be Senior Advisor on Environmental Policy and the leader of the Council on Environmental Quality. Hartnett White's nomination struggled to receive sufficient votes to advance out of the Senate Environment and Public Works Committee after controversial statements on climate change, slavery, and other issues were publicized.

President's Budget Proposal. On February 12, the White House released its Fiscal Year 2019 budget proposal. The \$4.4 trillion federal budget includes \$200 billion to support the President's infrastructure proposal. Key DOT budget highlights include:

- \$16.1 billion for Federal Aviation Administration
 - \$3.35 billion for the Airport Improvement Program (AIP)
 - \$2 million for the Airport Technology Research Program for advance material testing
 - Does not include a passenger facility charge (PFC) increase
- \$45.79 billion for Federal Highway Administration (FHWA)
 - Funds Highway Trust Fund (HTF) programs at Fixing America's Surface Transportation (FAST) Act levels
 - Eliminates the Transportation Investment Generating Economic Recovery (TIGER) grants program
- \$854 million for FRA
 - \$200 million for FRA safety and operations, which includes resources to monitor compliance with the implementation of PTC and enable FRA to improve its automated track inspection program.
 - Eliminates funding for restoration and enhancement grants
- \$11.12 billion for FTA
 - Funds HTF programs at FAST Act levels
 - \$1 billion for Capital Investment Grants, funding only projects with Full Funding Grant Agreements.

Infrastructure Proposal. On February 12, the White House released its 10-year infrastructure proposal. The proposal calls for \$200 billion in direct federal spending over ten years for infrastructure which the Administration says would stimulate at least \$1.5 trillion in new infrastructure investments. The plan includes:

- \$200 billion federal investment
 - \$100 billion for an incentives program to spur additional dedicated funds from states, localities, and the private sector;
 - \$20 billion for a Transformative Projects Program

- \$20 billion for expanding Transportation Infrastructure Finance and Innovation Act (TIFIA), Water Infrastructure Finance and Innovation Act (WIFIA), Railroad Rehabilitation & Improvement Financing (RRIF), rural utility lending, and private activity bonds (PABs)
- \$10 billion for a new Federal Capital Revolving Fund to reduce inefficient leasing of federal real property which would be most cost-effective to purchase
- \$50 billion for a new Rural Infrastructure Program
- Flexibility for projects that have minimal federal funding but are currently required to seek federal review and approval
- Streamlines the permitting process and establishes a “one agency, one decision” structure for environmental reviews.

Automated Vehicle Policy Summit. On February 12, DOT announced a public meeting to seek input regarding *Automated Vehicles (AV) 3.0*. This document will provide a framework for automation in the surface transportation system and describe DOT's multimodal approach to the safe rollout of AVs. The objectives of the public meeting are to: (1) Get feedback on the draft AV 3.0 Framework; and (2) identify priority Federal and non-Federal activities that can accelerate the safe rollout of AVs.

Build America Bureau (BAB) and FHWA: P3-VALUE Tool. On February 13, the DOT Build America Bureau in cooperation with FHWA's Center for Innovative Finance support released an enhanced version of its P3-VALUE tool for evaluation of Public Private Partnership (P3) project delivery called P3-VALUE 2.1. The P3-VALUE 2.1 is a part of a P3 Toolkit consisting of tools and guidance documents to assist in educating transportation professionals as well as public sector policymakers and legislative and executive staff.

FY 2019 Capital Investment Grants Report. On February 13, FTA released its FY 2019 report on Capital Investment Grants that are in the FTA evaluation pipeline. FTA is required to submit its annual report to Congress in conjunction with the President's budget request.

Removing Regulatory Barriers for Automated Driving Systems. On February 13, NHTSA announced a public meeting as part of the Agency's effort to seek public comments to identify any regulatory barriers in the existing Federal Motor Vehicle Safety Standards (FMVSS) to the testing, compliance certification, and compliance verification of vehicles with Automated Driving Systems (ADSs) and certain unconventional interior designs.

FTA Administrator. On February 14, President Trump announced the nomination of former House Representative Thelma Drake to be the next FTA Administrator. She currently serves as the Assistant Director of Public Works – Transportation for the City of Norfolk, Virginia. During her time in Congress, Rep. Drake served on the House Transportation and Infrastructure Committee.

NOFO, Rail Capital Projects and Operating Assistance. On February 15, FRA announced that it is accepting applications for \$73 million in grant funding for projects that can strengthen intercity passenger rail, support capital projects and boost safety initiatives that may include the implementation of positive train control, improved highway-rail grade crossings, and congestion mitigation.

Small Area Fair Market Rent Rule. On February 20, the Department of Housing and Urban Development (HUD) agreed to allow the Small Area Fair Market Rent rule to go into effect after initial efforts to delay the rule for two years. The Small Area Fair Market Rent rule will require public housing officials to determine subsidies for rent based on formulas for zip codes, instead of formulas that have previously been used based on entire metropolitan areas.

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February 27, 2018

TO: Kate Miller, Executive Director
Napa Valley Transportation Authority

FR: Steve Wallauch
Platinum Advisors

RE: Legislative Update

Save SB 1 Campaign: The Fix Our Roads Coalition is shifting from advocating for SB 1 to fighting any repeal effort. This week the Fix Our Road Coalition announced the creation of the Coalition to Protect Local Transportation Improvements. This coalition will focus on promoting the passage of Proposition 69 on the June ballot, and opposing any initiative that would repeal the gains made by SB 1. Additional information on joining this effort can be found at: <https://fixcaroads.com/coalition-list/>

Appointments: Governor Brown has named Brian Annis to be the Secretary of California State Transportation Agency (CalSTA). Mr. Annis previously served as Acting Secretary of CalSTA, and Undersecretary for Transportation.

In addition, Governor Brown appointed Laurie Berman as the next Director of Caltrans. The transition to Director Berman will take place next week. The former District 11 Director will replace Director Malcolm Dougherty, who is moving on to the private sector.

The Governor also reappointed Fran Inman to the California Transportation Commission (CTC), and Robert Alvarado was also reappointed to the CTC.

Each of these appointments requires Senate confirmation. If you are interested in expressing support for any of these appointees, please let us know.

NEW CEQA Guidelines: The Natural Resources Agency is taking the final steps in adopting changes to the CEQA guidelines that were proposed in SB 743 of 2013. The bulk of the changes involve replacing the use of the Level of Service measurement when analyzing traffic impacts with the use of Vehicle Miles Traveled measurement.

The deadline to submit public comments is March 15th at 5:00. The Natural Resources Agency has scheduled two public hearings on the proposed changes. The first is set for March 14th from 1:30-4:30 at the California Science Center in Los Angeles, and March 15th from 1:30-4:30 at the California Energy Commission building in Sacramento.

Additional information on the proposed changes can be found at:

<http://resources.ca.gov/ceqa/>

VW Settlement: The California Air Resources Board (CARB) staff has released its discussion document on how it proposed to spend approximately \$423 million, which is California's share from the Volkswagen Environmental Mitigation Trust. The Trust is expected to be fully funded by November 2018, and California has 10 years to spend the funds. CARB has scheduled a series of workshops across the state. The first hearing was held in Sacramento on February 26th, another workshop is scheduled for March 1st in Oakland, one in Diamond Bar on March 7th, and the final workshop is set for Fontana on March 8th. A copy of the proposed plan can be found at:

https://www.arb.ca.gov/msprog/vw_info/vsi/vw-mititrust/meetings/021618_discussiondoc.pdf

Table 1: Recommended Categories and Allocations

Eligible Mitigation Action Category	Eligible Technology ¹	Benefiting DC or LIC ²	Recommended Allocation (millions)
Transit, School, and Shuttle Buses	Zero-Emission	50%	\$130
Class 8 Freight and Port Drayage Trucks	Zero-Emission	50%	\$90
Light-Duty ZEV Infrastructure	Charging Equipment and Hydrogen Dispensing Equipment	35%	\$10
Zero-Emission Freight / Marine			
Forklifts and Port Cargo Handling Equipment	Zero-Emission	75%	\$70
Airport Ground Support Equipment	Zero-Emission		
Oceangoing Vessel Shorepower	Shorepower Systems		
Combustion Freight / Marine			
Class 7-8 Freight Trucks	Low NOx ³	50%	\$60
Freight Switchers	Tier 4		
Ferries / Tugs	Tier 4 and Tier 4-Equivalent Hybrid		
Admin Reserve ⁴			\$63
Total		> 50%	\$423

The largest recipient is zero emission transit and school buses, with 31% of the funds, or \$130 million directed toward these projects. The discussion document states that these funds would be allocated on a first come-first served basis. The funds would be allocated in manner similar to the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) rebate program, and would provide grants of up to \$180,000 for a battery electric bus and up to \$400,000 for a new fuel cell electric bus. The fuel cell

bus amount includes \$100,000 for fueling infrastructure costs. These funds cannot be used in combination with HVIP funds.

SB 350 Report: In 2015 Governor Brown signed SB 350 that included provisions directing CARB to study the barriers low income residents face in accessing zero emission transportation options. This report will influence policy decisions and funding related to increasing access to clean transportation options for low income communities. CARB recently released this “guidance” document that can be found here: https://www.arb.ca.gov/msprog/transoptions/sb350_final_guidance_document_022118.pdf

The recommendations included in this document are wide ranging, and include providing funds to assist low income residents with the purchase of zero emission vehicles or creating neighborhood car share programs. The recommendations also include funding for zero emission buses and fueling infrastructure, and requiring cities and counties to develop new zero-emission vehicle readiness plans. The list also recommends that any local transportation sales tax measure should include a funding pot dedicated toward low income and disadvantaged communities.

Transportation Budget: The Legislative Analyst’s Office (LAO) released their overview of the governor’s January transportation spending proposals. This review provides the basis for the budget subcommittee discussions. The governor’s budget proposal contains \$22.5 billion from all funding sources for transportation in the 2018-19 budget year, an increase of \$4.2 billion over the current year. Revenues from SB 1 are estimated to be \$2.8 billion in the current fiscal year, \$4.6 billion in 2018-19, and \$6.8 billion annually within 10 years.

- *Caltrans* –\$13.6 billion in total funding is proposed for Caltrans, which is \$2.3 billion higher than the current fiscal year. Issues under consideration are the following:
 - Highway Maintenance Program – the Administration proposes a \$154 million increase in funding - \$100 million for maintenance contracts on bridges and culverts and \$54 million for 400 positions at Caltrans.
 - State Highway Operation and Protection Program (SHOPP) – the governor is proposing a \$570 million increase for highway rehabilitation projects (\$300 million for bridges and culverts).

LAO Commentary: The LAO estimates annual funding shortfalls of \$1.6 billion for major maintenance and \$600 million for SHOPP because of project backlogs. The Legislature may want to put more funding toward maintenance and less toward SHOPP, as maintenance will contribute to long-term savings. The governor is also directing some SB 1 funding to routine maintenance such as guardrails, lighting, and signs which the Legislature may not consider to be immediate priorities.

- Caltrans Efficiencies – SB 1 requires Caltrans achieve \$100 million in operational efficiencies each year.

While the Governor’s budget did not outline the proposed efficiencies, it did mention that Caltrans will generate “considerably more” saving than required. At the January California Transportation (CTC) meeting, Caltrans provided the Commission a report on how it will seek to implement efficiencies that will generate \$146-\$236 million in operational savings. The LAO has not had an opportunity to review and evaluate the proposed efficiencies. A copy of the full report can be found at: http://www.catc.ca.gov/meetings/2018/2018-01/25_4.4.pdf

The sources of the targeted savings are proposed for the following areas

Overhead in Project Delivery	\$40-\$45 million
Acceleration of Work	\$30-\$25 million
Innovative Contracting Tools	\$10-\$50 million
Value Engineering	\$20-\$50 million
Streamlining Environmental Review	\$20-\$25 million
New Technology	\$25-\$30 million
Process Improvement through Lean 6-Sigma	\$1-\$3 million

Lean 6-Sigma is management methodology aimed at collaboratively removing waste and reducing variations.

- Compensation – The Administration is proposing \$58 million from the State Highway Account (SHA) for costs related to compensation for temporary positions.

LAO Commentary: The Legislature should request details about how the funding shortfall for temporary workers has impacted the department, consider options to prevent a shortfall in the future, and find out what work will be performed with the funds. Other state departments have similar compensation issues which are not proposed to be remedied – why should this department’s compensation issues be specifically addressed? It also appears that it may be duplicative of another staffing proposal.

- The Administration is proposing to fund two proposals from the SHA – \$7 million ongoing for tort payments and \$4.9 million for two years to cover increases in vehicle insurance premiums.

LAO Commentary: California could establish a state liability limit as other states have done and explore ways to reduce collisions and improve highway conditions to reduce legal exposure. In prior years these costs were covered with redirected funding. Why is that no longer possible?

- The Administration is proposing \$2 million for Caltrans to contract with a vendor to develop an Information Technology (IT) architecture roadmap as well as manage and replace IT devices. They are also proposing \$12 million for implementing the roadmap.

LAO Commentary: The Legislature should approve \$2 million for the roadmap, but wait on approving additional funding without review.

- IT Security and Privacy Office – the governor is proposing \$10.4 million to implement activities identified in Caltrans' cybersecurity plan. The LAO is recommending that the Legislature approve this proposal.
- Road Usage Charge – \$3.2 million is included in the governor's budget proposal to implement a pay-at-the-pump pilot program. In analyzing the proposal, the LAO believes that this type of revenue collection would be convenient as drivers already pay fuel taxes at the pump, however it wouldn't work for those with alternative fuel vehicles. Because Caltrans is in the process of finding vendors that could provide the appropriate technology for a pay-at-the pump program, the LAO recommends that Caltrans report on progress during budget deliberations.



February 27, 2018

New Positions

Bills	Subject	Status	Client - Position
<u>AB 3124</u> <u>(Bloom D)</u> Vehicles: length limitations: buses: bicycle transportation devices.	AB 3124 makes a small change with a big impact. This measure amends existing law to add 4 inches to the length of a bicycle rack mounted on a transit bus. This increases the length a rack may extend from the front body of a bus from 36 inches to 40 inches. Since this measurement is taken from the body of the bus, but the rack is mounted on the bumper, this added length is needed to comply with the law.	ASSEMBLY PRINT	RECOMMENDED POSITION: SUPPORT
<u>Regional Measure 3/Senate Bill 595 (Beall)</u>	SB 595 authored by Senator Jim Beall was passed by the Legislature and signed into law by Governor brown in the fall of 2017. The bill authorizes the Bay Area Toll Authority to place Regional Measure 3 on the ballot. At its February 27 th meeting, the County Board of Supervisors approved adding Regional Measure 3 to the June 5, 2018 ballot. If approved Regional Measure 3 will allow the Bay Area Toll Authority to increase tolls on the seven (7) state owned bridges, as follows: \$1 January 1, 2019, \$1 January 1, 2022, and \$1 January 1, 2025. Revenues raised will fund transportation projects on the expenditure plan to relieve congestion in the bridge corridors.	June 5, 2018 Statewide Primary Election	RECOMMENDED POSITION: SUPPORT

Existing Positions

Bills	Subject	Status	Client - Position
<u>AB 1</u> (Frazier D) Transportation funding.	AB 1 was Assemblyman Frazier's renewed effort to address the funding shortfall facing our transportation infrastructure. With the passage of SB1, this bill will likely be used for another issue if it is moved forward.	ASSEMBLY TRANS DEAD	SUPPORT
<u>AB 399</u> (Grayson D) Autonomous vehicles: Contra Costa Transportation Authority: pilot project.	<p>Last year, legislation was enacted to authorize the Contra Costa Transportation Authority to conduct a pilot project testing the use of autonomous vehicles on streets that are open to the public, but located within a private business park.</p> <p>AB 399 extends the sunset date on the authority for the pilot project to operate according to existing law, prior to the requirement to then comply with regulations being developed by the DMV. Currently, this pilot program must comply with the DMV regulations within 180 days of the operative date of the regulations. AB 399 extends this "phase-in" period to 12 months.</p> <p>AB 399 has not been set by the Assembly Transportation Committee for hearing at the January 8th meeting, so it appears that this bill is not moving forward.</p>	ASSEMBLY 2 YEAR DEAD	SUPPORT
<u>AB 1454</u> (Bloom D) Transportation projects: lease agreements.	<p>AB 1454 is now a two-year bill that will not be acted on until the legislature returns in January.</p> <p>This bill was amended to remove the language that deletes the sunset date on the authority for Caltrans and regional transportation agencies to enter into public private partnerships. As amended, the bill merely states that it is the intent of the Legislature to reestablish the public-private partnership process.</p>	ASSEMBLY RULES COMMITTEE	SUPPORT

<u>AB 1454</u> (Bloom D) Continued	AB 1454 has also not been set for hearing, and will not be moving.		
<u>AB 1759</u> (McCarty D) General plans: housing element: production report: withholding of transportation funds	This bill would require the Department of Housing & Community Development to annually review and certify a local government's progress toward meeting its share of regional housing needs. If a city or county fails to be certified, the Controller is directed to withhold a city's or county's share of local street and road maintenance funds. Once the city or county becomes certified, the Controller would release the funds.	ASSEMBLY PRINT	OPPOSE
<u>AB 1866</u> (Fong R) Transportation funding.	This new measure makes numerous changes to transportation funding programs. These changes largely reflect the transportation funding proposal pushed by the Assembly Republican Caucus last year.	ASSEMBLY TRANS	WATCH
<u>AB 1901</u> (Obernolte R) California Environmental Quality Act: exemption: roadway projects.	This bill would extend indefinitely an existing CEQA exemption for counties or cities with a population of less than 100,000. The existing program provides a limited exemption from CEQA for maintenance projects within the existing right-of-way if specified conditions are met.	ASSEMBLY PRINT	SUPPORT
<u>ACA 4</u> (Aguiar-Curry D) Local government financing: affordable housing and public infrastructure: voter approval. <u>ACA 4</u> (Aguiar-	ACA 4 would generally lower the voter threshold to 55% for imposing the following taxes or issuing debt: <ul style="list-style-type: none"> Creates an additional exception to the 1% limit that would authorize a city or county, to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure or affordable housing. Authorizes a local government to impose, extend, or increase a 	ASSEMBLY L. GOV	SUPPORT

<u>Curry D)</u> - Continued	special tax for the purposes of funding the construction, rehabilitation or replacement of public infrastructure or affordable housing.		
<u>SB 760</u> <u>(Wiener D)</u> Bikeways: design guides.	As approved by the Senate, SB 760 was scaled back. As currently drafted, SB 760 would simply allow Caltrans and local entities responsible for the development or operation of bikeways or roadways where bicycles are permitted, to consider additional street design guides such as the National Association of City Transportation Officials' (NACTO) Urban Street Design Guide. Prior versions of this bill would have placed new restrictions on Caltrans when programming funds in the State Highway Operation and Protection Program (SHOPP).	ASSEMBLY DESK	WATCH
<u>SB 827</u> <u>(Wiener D)</u> Planning and zoning: transit-rich housing bonus	SB 827 would authorize a "transit-rich housing project" to be eligible for a "transit-rich housing bonus." A transit-rich housing project is a housing project that is located within ½ mile of a "major transit stop" or ¼ mile from a "high-quality transit corridor." If the housing project meets these requirements then it would be exempt from local controls on residential density or floor area ratio, parking restrictions, and some height restrictions.	SENATE T. & H.	WATCH
<u>SCA 2</u> <u>(Newman D)</u> Motor vehicle fees and taxes: restriction on expenditures.	With the passage of ACA 5, SCA 2 was placed on the Inactive File. SCA 2 and ACA 5 are identical and would prospectively prohibit the use of truck weight fees to pay for transportation bonds approved after January 1, 2017. The bill would also expand the protections for Public Transportation Account revenues to also include the 1.75% increase to the diesel fuel sales tax that was enacted as part of the gas tax swap. The ban on borrowing fees and taxes would also apply	SENATE INACTIVE FILE	SUPPORT

SCA 2 (Newman D) - Continued	to any vehicle fees or taxes dedicated to transportation accounts.		
SCA 6 (Wiener D) Local transportation measures: special taxes: voter approval.	SCA 6 would allow a local government to impose any special tax with a 55% approval of the voters if the special tax dedicates 100% of the revenues, not including collection and administrative expenses, to transportation programs and projects.	SENATE APPR – SUSPENSE FILE	SUPPORT
Proposition 69 /ACA 5	<p>The NVTA Board adopted a support position on SCA 2 last session. However, at the last minute ACA 5 was the vehicle used to make Constitutional changes as part of the SB 1 funding package. ACA 5 is identical to SCA 2. ACA 5 will appear on the June ballot as Proposition 69, which adds the following protections to the Constitution:</p> <ul style="list-style-type: none"> • Requires diesel fuel sales tax revenues to be deposited into the Public Transportation Account (PTA) and prohibit the Legislature from diverting or appropriating those funds for purposes other than transportation planning and mass transportation. While the Constitution currently protects the base level of funding allocated to the PTA, those protections do not apply to the diesel sales tax increase in SB 1. ACA 5 would correct this oversight. • Require revenues derived from a proposed Transportation Improvement Fee, including the vehicle registration fee, to be used solely for transportation purposes, prohibit those revenues from being used to pay for previously authorized transportation bond debt service, and prohibit the Legislature from borrowing or using those revenues for unauthorized purposes. 	June 5, 2018 Statewide Primary Election	SUPPORT

Proposition 69 /ACA 5 (cont.)	<ul style="list-style-type: none"> Exempts appropriations of revenues generated as part of the proposed Road Repair and Accountability Act of 2017 (SB 1, Beall) from counting towards the state appropriation limit (Gann Limit). 		
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SB 827 (Wiener)

SB 827 would require that a local government grant a developer of a transit-rich housing project a density bonus and other incentives or concession for the production of lower income housing units providing the development meets specified planning standards. A “transit-rich housing project” is defined as housing developments located within a ½ mile radius of a major transit stop or within a ¼ mile radius of a bus stop on a high-quality transit corridor. Projects receiving such a bonus would be exempt from locally-adopted residential density and floor area ratio maximums, parking minimums, and any design standards that restrict the developer’s ability to construct the maximum number of units consistent with any applicable building code. In transit-rich locations, the bill would establish new height maximums of 45 to 85 feet (equivalent to approximately four to eight stories), depending on the width of the street and proximity to a major transit stop or high-quality transit corridor as detailed in the chart below.

SB 827 Proposed Minimum Height Limits by Proximity to Transit and Street Width				
Radius Affected	Transit Type	Street Width (Right of Way)		
		≥ 70 feet		< 70 feet
1/4 mile	High-quality transit stop*	85-foot	minimum	55-foot
1 block	Major transit stop**	height limit		height limit
1/2 mile	Major transit stop	55-foot	minimum	45-foot
		height limit		height limit

Source: MTC

*A bus stop on a corridor with fixed-route bus service with service intervals no longer than 15-minutes during peak commutes.

**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.

Summary of Arguments:

Advocates of SB 827 argue the legislation is necessary to break through existing barriers for transit-oriented growth and in particular to help meet the state’s high demand for affordable housing. The bill’s fundamental premise is that California’s investment in transportation-specific projects is being met with local refusal to build housing anywhere near transit, and therefore, not making the best use of state resources.

Opponents of SB 827 argue the proposed law would undermine local control over zoning, lead to displacement – including of lower-income and rent-controlled residents – and incentivize developers to choose profit margins over affordable housing.

Wiener, however, asserts the proposed legislation would “readjust the balance between local and state housing decision-making,” which the senator considers “a long overdue reform.

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Wiener argues that restricting transit-rich areas to low-density housing significantly limits how many people can easily use transit. “By severely limiting who can live near transit, we push people farther away, force them to drive, create crushing commutes, and reduce transit ridership, all of which undermine our transit investments,” he wrote.

The California League of Cities, which is opposed to SB 827, takes the position California needs more time to assess impacts of a comprehensive 15-bill “housing package” enacted by the Legislature and signed by the Governor last year providing new sources of funding, streamlining the housing approval process and increasing oversight of local government land use decisions. The city of Napa joined with the League in expressing opposition to the bill.

On Feb. 27th, Wiener amended SB 827 to include affordability, anti-demolition and anti-displacement provisions, largely in response to concerns raised by a range of affordable housing developers, tenant advocates and equity organizations. The amendments clarify that locally adopted inclusionary housing policies and demolition controls would apply to transit-rich housing projects. Additionally, all existing tenants would be required to be guaranteed a “right to remain” as a condition for approval of any demolition permit for a transit rich housing project.

It should be noted that Napa County currently does not have any major transit stops or high-quality transit corridors, which means that SB 827 zoning changes wouldn’t impact the county today were the bill to be enacted. Service improvements called out in the Express Bus study may result in the City of Napa, the County of Napa, and American Canyon having 15-minute peak period headways and therefore these jurisdictions may be subject to such requirements in the future should the bill pass.