



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: Planning Committee

DATE: June 29, 2010

FR: Executive Director

RE: SB 375 Greenhouse Gas Target Principles, *MTC Resolution No. 3970*

Background

At your April and May meetings, staff provided a summary of MTC's and the other major metropolitan region's data-exchange activities with the Air Resources Board (ARB) related to potential strategies to reduce greenhouse gas (GHG) emissions. By law, ARB is required to release draft 2020 and 2035 GHG reduction targets for the State's 18 regions by June 30, 2010 and final targets by September 30, 2010.

Several of the regions have completed a number of scenario assessments that are intended to narrow the target-setting process to an achievable range of GHG emission reductions (measured in % reduction of weekday pounds per capita in 2020 and 2035 compared to a 2005 base year). For our target-setting scenario assessments, MTC/ABAG has for the most part relied on recent analyses done for the Transportation 2035 Plan, which was adopted by the Commission in April 2009.

Recent Target-Setting Activities

Staff from the State's 18 Metropolitan Planning Organizations (MPOs) continue to work with ARB staff to provide the board with sufficient data to help inform the statewide target-setting process. A number of regional and ARB activities have occurred since our May 2010 meeting:

- The four large MPOs submitted a summary report of data to the Regional Targets Advisory Committee (RTAC), which is advising ARB on GHG target-setting methodology, on May 25, 2010 in Sacramento (see ARB's website at: <http://www.arb.ca.gov/cc/sb375/mpo/prelimreport.mtc.sacog.sandag.scag.pdf>)
- ARB has announced that it will hold several SB 375 target-setting workshops during mid- to late July 2010. A Bay Area workshop is scheduled for July 21, 2010 in Oakland at the Caltrans District Office from 10:30 a.m. to 1:30 a.m. See ARB's website at <http://arb.ca.gov/cc/sb375/meetings/meetings.htm> for future workshop details
- ARB staff gave their board a briefing on June 24, 2010 on the GHG target-setting process. The four large MPO Executive Directors also gave a presentation to the board (see: <http://www.arb.ca.gov/cc/sb375/meetings/meetings.htm> for more details). The main issues discussed were:
 - The adopted regional transportation plans move MPOs in the right GHG emissions reduction direction, and also provide important health, mobility and social equity co-benefits
 - While the MPOs have developed ample sound technical information to help with the target-setting process, there are still some outstanding questions about the data that need to be sorted out over the summer months

- ARB staff recommended release of draft ranges of GHG emission targets based on data the MPOs have submitted thus far; the range is intended to give ARB staff and the MPOs more time to sort out remaining data questions (see the ARB staff report in Attachment A)
- ARB is still on track to adopt final GHG targets by September 30, 2010 as required by law. While we believe that the law would prohibit adopting ranges, ARB may consider adopting group targets for MPOs that share similar attributes (e.g. fast vs. slow-growing regions)

Bay Area GHG Target Principles

Moving forward, MTC staff recommends that the Commission adopt a set of “Bay Area Principles for Establishing Regional Greenhouse Gas Reduction Targets” (see Attachment B) to help further inform ARB in its GHG target-setting deliberations between now and September 30, 2010, when it adopts final statewide targets. You’ll note that the principles acknowledge the ongoing work of MTC and ABAG that support SB 375, including Transportation 2035, ABAG infill/transit oriented Projections, FOCUS/Priority Development Areas (PDAs), and the Resolution 3434 TOD Policy.

Specifically, the principles recommend that: ARB should not establish a GHG target for the Bay Area that exceeds a 7% per capita reduction for 2020 or a 10% per capita reduction for 2035. We believe these are ambitious targets that can be attained with additional effort; however implementing the necessary GHG reduction strategies at a systematic scale cannot be done by MTC/ABAG alone. Significant local consensus-building will be required, and in many cases, additional legislative action by the State Legislature and United States Congress.

Next Steps

Staffs will continue to work over the next several weeks to refine our target setting analysis.

The time between June 30 and September 30 will allow time to share results with our policy boards and stakeholder groups. Several “bites at the apple” still exist to provide additional input on proposed GHG targets:

- July 21, 2010: ARB target-setting workshop in Oakland
- July 28, 2010: MTC meeting
- August 2010: ARB staff releases proposed final targets
- September 10, 2010: MTC Planning Committee, with ABAG’s Administrative Committee and Joint Policy Committee members
- September 22, 2010: MTC meeting
- September 30, 2010: ARB adopts final targets

Recommendation

Staff recommends that the Planning Committee refer Resolution No.3970 to the Commission, which sets forth “Bay Area Principles for Establishing Regional Greenhouse Gas Reduction Targets” to inform and guide ARB in setting these targets for the Bay Area.

Steve Heminger

Attachment B

BAY AREA PRINCIPLES FOR ESTABLISHING REGIONAL GREENHOUSE GAS REDUCTION TARGETS – JULY 2010

1. The Bay Area's adopted long-range transportation plan (Transportation 2035) is extremely climate friendly by devoting over 80% of all available resources to operation and maintenance of the existing transportation network which will support the region's in-fill development strategy; 14% of remaining resources to a public transit expansion program subject to a transit-oriented development policy; and only 3% to road expansion featuring congestion pricing for single occupant auto access to almost all new highway capacity that will be constructed.
2. The Transportation 2035 Plan is expected to achieve a 3% per capita greenhouse gas (GHG) emission reduction by 2020 and a 2% per capita GHG reduction by 2035. The lower per capita reduction in 2035 likely is due to the forecast growth in vehicle travel and its impact in worsening congested highway speeds and their associated GHG emissions.
3. The strategies that the Bay Area is pursuing to reduce GHG emissions were significant co-benefits in improving mobility and access to vital destinations, reducing emissions of criteria pollutants, and creating more livable communities throughout the nine-county region.
4. The Metropolitan Transportation Commission (MTC) is nearing completion of an upgrade of its travel demand models from a trip-based to activity-based orientation. While this is expected to improve the accuracy of our models in predicting future travel behavior by all modes, it is unlikely to produce dramatic changes in the scenario planning results that MTC already has submitted to ARB.
5. Repeated MTC analyses dating back to our 1994 Regional Transportation Plan have consistently shown that the two most powerful strategies for altering travel behavior are changes in land development patterns and the price of auto travel. Implementing these strategies at a systematic scale will require significant local consensus-building and, in many cases, authorization by the State Legislature and United States Congress.
6. The Regional Targets Advisory Committee recommended that the California Air Resources Board (ARB) adopt a single statewide target for per capita GHG emission reductions in the state's metropolitan areas. If this is not achievable, ARB should only adopt different targets for different metropolitan areas based on sound planning practice and meaningful demographic differences, not arbitrary geographical classifications.
7. Based on the scenario planning conducted by MTC and federal requirements that regional transportation plans be grounded in realistic forecasts for available revenue and future growth, ARB should not establish a GHG target for the Bay Area that exceeds a 7% per capita reduction for 2020 or a 10% per capita reduction for 2035.

8. ARB should work with other executive agencies and the State Legislature to identify financial, regulatory, and other incentives that could be provided to help regions achieve and, if possible, exceed their per capita GHG reduction targets.
9. As required by Senate Bill 375, ARB should regularly review the GHG targets established in 2010 and consider revisions based on changing economic and demographic conditions as well as the actual results achieved in the implementation of the Sustainable Communities Strategies.