



Connecting Citizens, Shaping Solutions

REPORT

Barriers to Infill Development in the Sacramento Area

a special report commissioned by
the **Sacramento Metropolitan Air Quality
Management District**

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Valley Vision, a nonprofit "Action Tank," is a source of independent and impartial information on economic, social, and environmental issues and best practices affecting the Sacramento Region.

www.valleyvision.org



Cleaner Air Partnership

Executive Summary of Outcomes: **2007 Assessment of Barriers to Infill Development**

Valley Vision/Cleaner Air Partnership
December 2007

Introduction

The Infill Barrier Assessment Project is an initiative of the Cleaner Air Partnership, a 20-year-old air quality alliance between Breathe California of Sacramento-Emigrant Trails, the Sacramento Metro Chamber, and recently, Valley Vision. This project was funded by the Sacramento Metropolitan Air Quality Management District with the support of the Partnership's three organizations listed above, the North State Building Industry Association, members of the environmental and public health communities, and other key stakeholders in the Sacramento region.

The goal of the six-month project was to:

- Identify barriers to infill development in Sacramento County and jurisdictions within the county;
- Prioritize the barriers that could be addressed locally; and
- Share these strategies with key decision-makers in our region to help facilitate and support action.

Further and more detailed information on the project approach, stakeholders, options and outcomes is contained in attachments at the end of this summary.

Background

Major regional planning processes underway for the past 18-24 months have focused attention on the public infrastructure that will be needed to accommodate a doubling of our six-county region's population in the next few decades. Sustainable development practices, such as compact land development, open space preservation and access to alternative transportation modes, have been widely discussed in several forums such as the development process for the region's long-term transportation funding plan, the Metropolitan Transportation Plan or MTP, now in the public-comment phase; in General Plan updates now in progress in the City and County of Sacramento; and in the region's State Implementation Plan to achieve state and federal air quality standards. Regional Transit's Master Plan update is also now in progress and will also include these concepts.

These major planning processes have offered an opportunity for many interests to become part of a dialogue and to understand the linkage between land use, transportation and air quality. Beginning in 2008 with the MTP and continuing as individual General and Master Plans are adopted, successful implementation will be a regional priority.

Linkage Between Land Use, Transportation & Air Quality

The Sacramento region has made great progress in cleaning our air in the last two decades. Cleaner engine and fuel technologies implemented at the local and state levels have accounted for much of this progress. But ever-stricter air quality standards require more emission reductions, and a third air-pollution-fighting strategy has been taking on greater prominence and long-term importance for our region: advancing “infill development,” or the principles and practices of development that reclaim and reuse properties within existing communities. Sustainable land use reduces vehicle miles traveled and associated ozone-forming gases, as well as greenhouse gases, and can help to conserve resources.

This is demonstrated by the region’s new MTP, which forecasts significant reductions in per-household vehicle miles traveled, amount of open space used, and other key indicators when compared to past regional transportation plans. The new MTP incorporates findings of the Regional Blueprint Transportation and Land Use Study, which emphasizes infill development, alternative modes of travel and other “smart-growth” principles. The Blueprint was recognized with a Governor’s Environmental and Economic Leadership Award, a U.S. EPA National Award for Smart Growth Achievement and several honors from regional non-governmental organizations. The state government now uses grants to promote Blueprint visioning in other regions, and a recent national university study called the Blueprint process a model of civic engagement and a tool to combat climate change.

Approach

More than 20 key informants and stakeholders were interviewed at the start of this project, representing a diverse sampling of public, private and nonprofit public/environmental health sectors such as:

- Cities and counties
- Transportation planning agencies
- Air districts
- Private infill developers
- Private architects, planners and land-use attorneys
- Building industry trade groups
- Environmental and air quality organizations
- Chambers of Commerce

A summary white paper outlined their views and identified common themes and is attached as Appendix D. A list of individual participants in the initial interviews, follow-up interviews and/or subsequent discussions is included as Appendix A.

At an initial stakeholder gathering on Sept. 24, 2007, stakeholders reviewed and verified the white paper and its conclusions and discussed the range of local barriers to infill development, and possible options to help remove them. Attendees also cast votes for the three top-priority barriers that they felt should be the subject of local efforts in 2008.

Based on this feedback, four options emerged for consideration at a second stakeholder meeting on Oct. 30, 2007 (attendees below):

Organization	Name
SACOG	Mike McKeever, Rebecca Sloan, Joe Concannon, Jin Eui Hong-Terrell
City of Sacramento	Carol Shearly
BIA Infill Council (& SKK Developments)	Sotiris Kolokotronis
Regional Transit	Fred Arnold
County of Sacramento	Steve Pedretti, Judy Robinson
Mogavero-Notestine	Mike Notestine
SHRA	Lisa Bates, Cindy Cavanaugh
Treasure Homes	Jim Bayless
Local Government Commission	Paul Zykofsky
City of Sacramento Development Oversight Commission & General Plan Advisory Committee (& LDBG)	Bruce Starkweather
Taylor and Wiley	John Taylor
Valley Vision/Cleaner Air Partnership	Bill Mueller, Karen Wilson, Jon Jeisel

Attendees considered the following options:

- **Option One:** Change the dialogue about transportation level of service (LOS) to reflect the realities and benefits of infill development;
- **Option Two:** Apply computer-based technology to an infill project and demonstrate its effectiveness in educating and in achieving consensus;
- **Option Three:** Create an enhanced coalition voice to provide active public education and support for higher-density infill projects; and
- **Option Four:** Support the establishment of expedited permitting programs for infill projects that are consistent with General Plans.

Findings

Stakeholders clearly acknowledged that many factors bear on whether infill projects come to fruition. A systemic approach taking all of these into account would be the optimal approach. While participants expressed support for all four options, there was strongest overall support for prioritizing a combination of Options Two and Three, focusing on education and support.

Of top-priority barriers and options, **Options Two (computer modeling) and Three (enhanced coalition voice)** reflect the desire for systemic improvement by raising the overall level of fact-based community knowledge and dialogue about infill and sustainable development. Both neighborhood and regional needs would be on the table for discussion as projects move forward.

Specifically, participants discussed a coalition that would provide ongoing, long-term education and public support for higher-density infill projects. Such an effort could include policymakers, developers and neighborhood advocates. Regional goals for sustainable communities, as well as neighborhood needs, would be included in the dialogue as projects come forward. Participants offered suggestions for community models that might be reviewed for elements

that might be modified for use in a potential Sacramento-area coalition. (A list of these potential models is contained in Appendix B)

Success for such a coalition would include two-way education among stakeholders affected by higher-density infill projects. As an outcome of this ongoing communication and education, community members representing a broad array of interests would step forward to support projects and policies that implement sustainable community goals.

Throughout the process, stakeholders have agreed that sustainable development, including infill, is a priority for the business community, which must be represented in any future coalition effort. The region's business community has already advanced quality of life and entrepreneurial innovation around environmental improvement as attractors of both a quality workforce and of capital investment. An enhanced education and coalition effort would carry this message further into the community and help to implement these goals.

Participants recognized that raising the overall level of knowledge about the technical and policy aspects of infill and compact development is a priority in order to move the community as a whole toward new ways of thinking about the interrelation of land use, transportation and the environment. Interactive technology to facilitate fact-based discussion already exists, and more is being developed. Models that show specific impacts on multiple parameters of projects at the neighborhood and regional level are available. Examples of parameters that can be measured include not only traffic impacts, but also job creation, the impact of project orientation and massing on a site, and many others. These impacts can also be weighed against each other in modeling exercises that reflect community dialogue. Such dialogue can engage the public, ensuring that they are heard, and assist in providing better data for local decision-making and, potentially, fewer challenges at the end of the process.

Options One (LOS) and Four (expedited permitting) reflect the sense of urgency stakeholders expressed to implement changes as soon as possible, so that positive infill projects can continue to be built and become examples. The "Complete Streets" concept, which incorporates sidewalks and bike lanes in urban transportation planning to move people as well as cars, was one idea participants supported as a way to change the dialogue about LOS from a "loss" of traffic speed to a gain for alternate ways to move people.

There is already some movement on these fronts. The City and County of Sacramento are considering incorporating updated LOS standards at "E" and "F" for infill areas in General Plan updates. SACOG is reviewing potential language for model ordinances that would address many of the concerns expressed by stakeholders. The City and County of Sacramento are also undertaking zoning code revisions. These efforts, currently at the staff level, represent significant changes in development standards, and will need support from policy makers as well as the public as they move toward implementation and as individual projects come forward for review.

Participants expressed concern throughout the process about the infrastructure needs that must be addressed for successful higher density development, including major upgrades to sewer systems and the electrical grid. Fact-based, community-wide education and dialogue will be needed to advance these substantive capital improvements.

Appendices and Further Reading:

Listed and attached in chronological order:

- A – Overall list of participants as of Dec. 2007
- B - Successful models list, Dec. 2007
- C - Stakeholder Priorities: Areas for Further Development, Oct. 30, 2007
- D - Infill Barrier Assessment White Paper, Sept. 24, 2007

Appendix A: Overall List of Participants

Assessment of Barriers to Infill Development
Valley Vision/Cleaner Air Partnership

Breathe CA of Sacramento-Emigrant Trails	Jane Hagedorn
City of Citrus Heights	Janet Ruggiero
City of Elk Grove	Christine Crawford
City of Sacramento	Carol Shearly, Scot Mende, Desmond Parrington
City of Sacramento Development Oversight Commission & GPAC (&LDBG)	Bruce Starkweather
City of Sacramento	Councilmember Kevin McCarty
County of Sacramento	Robert Sherry, Rob Leonard, Steve Pedretti, Judy Robinson, Rich Maddux, Troy Givens
ECOS	Graham Brownstein
Friends of the Swainson's Hawk	Jude Lamare
Fulcrum Properties	Mark Friedman
Law Offices of Gregory Thatch	David Tembladore
Local Government Commission	Paul Zykofsky
Mogavero-Notestine	David Mogavero, Mike Notestine
New Faze Development	Martin Tuttle
North State BIA	Ardie Zahedani
Regional Transit	Fred Arnold
Remy, Thomas, Moose & Manley	Tina Thomas
SACOG	Mike McKeever, Greg Chew, Rebecca Sloan, Joe Concannon, Jin Eui Hong-Terrell
Sacramento Asian-Pacific Chamber	Pat Fong-Kushida
Sacramento Hispanic Chamber	Diana Borroel
Sacramento Metro Chamber	Matt Mahood
SHRA	Lisa Bates, Cindy Cavanaugh
Signature Properties	David Nybo, Steve Hicks
North State BIA Infill Council (& SKK Developments)	Sotiris Kolokotronis, Al Esquivel
SMAQMD	Larry Greene
St. Anton Partners	Steve Eggert
Taylor and Wiley	John Taylor
Treasure Homes	Jim Bayless
ULI Sacramento (& EPS)	Tim Youmans
Valley Vision/Cleaner Air Partnership staff	Bill Mueller, Karen Wilson, Jon Jeisel

Appendix B: Sampling of Coalition Models & Tools

Assessment of Barriers to Infill Development
Valley Vision/Cleaner Air Partnership
December 2007

Background

Stakeholder participants in the Valley Vision/Cleaner Air Partnership Infill Barrier Assessment Project recommended further research into other existing public outreach and education models centered around smart growth and infill development, to assist in creating a menu of further resources and some examples of specific elements and tools that might be applicable to Sacramento in establishing its own enhanced coalition voice for education and support of higher-density infill development.

Participants particularly highlighted Los Angeles, San Francisco and Oregon as metro areas with partnerships in place that provide long-term support for education and outreach around infill development. It should be noted that the California Environmental Quality Act or CEQA imposes unique requirements for environmental review that may make California models more readily transferable to Sacramento than out-of-state models.

Initial review suggests some common elements in long-term coalitions perceived as successful include:

- A broad base of participants representing many interests;
- An overarching vision and platform that participants endorse; and
- Proactive participation in implementing the vision.

These broad areas would appear to be consistent with the needs expressed by participants in this project.

Note: Coalition models and examples listed below are intended to provide an overview of the kinds of coalitions that can be built around the common interest of broad-based and long-term public education and outreach. This project and report does not express opinion about or endorse specific policy positions and actions of the organizations listed below; it is only meant to highlight processes and policy tools that these coalitions may use in their efforts, as possible models for Sacramento-area stakeholders.

In addition to education and outreach, the coalitions discussed here have sometimes participated in other activities specific to their regions, i.e., advocacy and, in some cases, litigation. These activities came out of longstanding participation in region-specific issues. This project and report is not suggesting litigation as a specific coalition tactic barring other more cooperative or diplomatic mechanisms.

Sample Coalition Models and Elements

- Transportation Land Use Collaborative of Southern California www.tluc.net
- Bay Area Transportation and Land Use Coalition www.transcoalition.org
- Great Communities Collaborative www.greatcommunities.org
- 1000 Friends of Oregon www.friends.org

Transportation Land Use Collaborative of Southern California

www.tluc.net

Mission Description:

"TLUC is a nonprofit organization committed to significantly improving the quality of life for people who live and work in Southern California by ensuring that there is balance between growth, economic development and environmental stewardship."

Vision:

"TLUC forges unique connections across issues and constituencies, and provides education, outreach and advocacy on the importance of methodologies and policies that are essential to realizing this balance. We believe that, in order to accomplish this, both the public and policymakers must be informed and engaged in the planning process. We believe that creating and nurturing unusual partnerships across diverse interests are crucial to successfully implementing this balance in Southern California."

Focus Areas:

- Government Leadership Institute - Educating elected and appointed officials and staff on growth issues and the importance of regional and holistic planning. This carries over from the SCTL program.
- Making Regionalism a Reality - Working to make regionalism relevant to a wide public and bring awareness to the importance of regional and holistic planning in Southern California. TLUC will continue SCTL's pioneering work as an independent and strong voice for regional solutions to regional problems.
- Entrepreneurial Planning - Informing and educating diverse groups on planning and growth, and applying progressive planning techniques to specific situations. Using technology and visual approaches to public engagement as bridges to new constituencies, TLUC will work to educate and involve people on housing production, land use, transportation, and environmental issues.
- Planning for Public Health - Expanding public awareness of the linkages between community planning and public health, focusing on two specific areas, new city design and retrofitting existing communities to include pedestrian, recreation and accessibility options (linked to improved public transit) that can contribute to healthier lifestyles.

Bay Area Transportation and Land Use Coalition

www.transcoalition.org

Mission Description:

The Transportation and Land Use Coalition (TALC) is a partnership of over 90 groups including transportation, environmental and social justice organizations and agencies. Their interest is "working for a sustainable and socially just Bay Area."

TALC's Vision:

"We envision a region with healthy, vibrant, walkable communities that provide all residents with transportation choices and affordable housing. TALC analyzes county and regional policies, works with community groups to develop alternatives, and coordinates grassroots campaigns."

TALC Platform (April 2005):

"The Bay Area has outstanding beauty, a dynamic economy, and incredible opportunities. However, poorly planned, sprawling development in the Bay Area poses a threat to our quality of life and our environment.. The Members and Affiliates of the Transportation and Land Use Coalition (TALC) believe that current development patterns and projections for the future do not have to be our destiny. The Bay Area can retain its environment and quality of life, while ensuring that all residents have access to economic opportunities, by:

- developing a world-class transportation system
- creating great communities
- promoting transportation justice

This platform lays out actions to implement these principles. TALC Member and Affiliate groups promote the platform through a broad range of activities: policy analysis and recommendations, public education, research, and grassroots action. We are campaigning together for smart growth, affordable housing, a better regional transportation plan, transportation justice, and bicycle and pedestrian access.

Great Communities Collaborative

www.greatcommunities.org

Mission Description:

The Great Communities Collaborative is a cooperative relationship between four Bay Area nonprofit organizations – Greenbelt Alliance, the Nonprofit Housing Association of Northern California, the Transportation and Land Use Coalition, and Urban Habitat – and the national nonprofit Reconnecting America. The East Bay Community Foundation and The San Francisco Foundation are also part of the collaborative.

Vision/Platform:

"The goal of the Collaborative is for half of the Bay Area's new homes, between now and 2030, to be located in walkable neighborhoods near transit. These neighborhoods will have a mix of jobs, shops, community services, and homes affordable to families of all income levels. The members of the collaborative are committed to promoting this vision of sustainable and equitable development and to ensuring that residents are deeply engaged in planning for transit-oriented development (TOD) in their neighborhoods."

1000 Friends of Oregon

www.friends.org

Mission Description:

"1000 Friends of Oregon coordinates a statewide network of local and regional organizations with a strong interest in land use and growth management. 1000 Friends of Oregon was founded in 1975 by Governor Tom McCall and Henry Richmond as the citizens' voice for sound land use planning. Their goal was to protect Oregon's quality of life from the effects of uncontrolled growth, using the tools of Senate Bill 100, passed in 1973.

During this period, hundreds of people became land use activists, testifying before county commissioners, appealing cases to the Land Use Board of Appeals, with some support and

assistance from 1000 Friends. But, 1973 was a generation ago. Over half the people living in Oregon today weren't here in 1973. People realize things look different here, but may not understand that our land use laws are a big reason why."

Vision:

"Today, 1000 Friends focuses on education and advocacy, to engage Oregonians in a fresh conversation about Oregon's future, and how to make sure it's a future we all want. We seek to enhance the quality of life we enjoy in Oregon, with beautiful natural areas, the family-owned farms and woodlots that comprise our working landscapes, and vibrant, livable communities for urban and rural residents alike."

Appendix C: Stakeholder Priorities/Areas for Further Development

Assessment of Barriers to Infill Development
Valley Vision/Cleaner Air Partnership
October 30, 2007

Introduction

This Infill Barrier Assessment Project is an initiative of the Cleaner Air Partnership (the Partnership), the 20-year-old air quality alliance between Breathe California of Sacramento-Emigrant Trails, the Sacramento Metro Chamber, and recently, Valley Vision. This unique project was funded by the Sacramento Metropolitan Air Quality Management District with the backing of the Partnership's three organizations, the North State Building Industry Association, members of the environmental and health communities, and others. The goal of this 6-month project is to identify barriers to infill development within the bounds of Sacramento County and the cities therein, prioritize the barriers that if lowered or removed would create the highest value relative to the amount of invested energy or capital, and to share these top barriers and barrier-fighting strategies with key decision-makers in our region for action.

Scope

This assessment incorporates the views and opinions of a diverse sampling of stakeholders from the public, private, and nonprofit public/environmental health sectors operating within the bounds of Sacramento County. During the research phase in July and August 2007, staff interviewed representatives of more than 20 stakeholder organizations ranging from the City and County of Sacramento, builders who have significant experience with infill development, the Building Industry Association, environmental representatives, and local agencies.

The interviews provided information for a white paper and a matrix of infill barriers discussed at an initial stakeholder gathering Sept. 24, 2007 at Sierra Health Foundation (attendees below).

Organization	Name
City of Sacramento	Carol Shearly
SMAQMD	Larry Greene
SACOG	Greg Chew & Rebecca Sloan
Sacramento Metro Chamber	Matt Mahood
North State BIA	Ardie Zahedani
BIA Infill Council (& SKK Developments)	Al Esquivel
Signature Properties	David Nybo
Sacramento Asian-Pacific Chamber	Pat Fong-Kushida
Sacramento Hispanic Chamber	Diana Borroel
St. Anton Partners	Steve Eggert
Breathe CA of Sacramento-Emigrant Trails	Jane Hagedorn
Mogavero-Notestine	David Mogavero
SHRA	Lisa Bates
ULI Sacramento (&EPS)	Tim Youmans
ECOS	Graham Brownstein
Remy, Thomas, Moose & Manley	Tina Thomas
New Faze Development	Martin Tuttle
Valley Vision/Cleaner Air Partnership	Bill Mueller, Karen Wilson, Jon Jeisel

NOTE: Because resident/neighbor viewpoints on infill are highly localized, dependent on specific project details and well documented, a decision was made to dedicate limited assessment resources to examine public, private, and nonprofit infill stakeholder views at this time. Some of the most consistently-cited neighborhood concerns, and how they have been addressed, are noted.

Interview outcomes & themes

On Sept. 24 attendees reviewed and verified the white paper and its conclusions, and discussed the range of local barriers to infill and possible options to help remove them. At the meeting's conclusion they were asked to cast votes for three top-priority barriers that should be the subject of local efforts to overcome or remove them in 2008.

Input from the first meeting was analyzed for common themes, areas of convergence and divergence of opinion and unique ideas. Based on this feedback, the following options emerged for consideration:

Option 1: Change the dialogue about level of service or "LOS".

Goal:

- Support policy changes that increase levels of service for pedestrians and bicyclists, and recognize that slower traffic makes walking and biking safer and more of an option. This strategy recognizes the automobile traffic impacts of higher density as a natural outcome of sustainable community strategies, and supports "complete streets serving many users, not just vehicles.

Regional impact:

- SACOG staff reports that while additional trips will be one of the outcomes of infill development, ideally these will be shared among transportation modes rather than be concentrated as vehicle trips. Staff is supportive of efforts to help recharacterize LOS to include this concept. On a regional basis SACOG does not anticipate that specific projects' LOS will affect projections made in the Metropolitan Transportation Plan.

Stakeholders:

- Neighborhood groups, planning bodies, builders, local agencies, business owners

Based on feedback to date, next steps might include:

- Circulation of existing information such as the Complete Streets initiative now underway, and sharing opportunities to promote implementation, such as public hearings, comments on ordinances and policies, participation in neighborhood level meetings and forums.
- Sharing information on status of efforts in General Plan updates to implement new methods of assessing transportation impacts of infill projects, and actively supporting their implementation.

Option 2: Apply computer-based technology to a project and demonstrate its effectiveness in achieving consensus.

The technology: Note that “PLACES” in this context is a placeholder term for computer technology that includes:

- GIS-based information (including PLACES model)
- Computer visualization software. This technology has been used in the Sunrise Marketplace Visioning Project, and will be used in other settings as it makes sense and resources are available.

Successful results:

- A result of the project would be better data for local decision-making by neighborhood groups, stakeholders, planning commissioners, Councils.
- The technology goal is interactivity with stakeholders so that both data and visual representation would be available to further the dialogue. This would include the number of jobs, energy use, and a wide range of parameters associated with the project under discussion.
- Success is engaging the public and making sure that their input is heard. Education would occur on both sides.

Potential projects for technology application:

- North Watt Ave.
- 65th Street Target project is generating a lot of neighborhood response.
- R Street

Project parameters needed for success:

- A project that is far enough along to model varying parameters.
- Availability of data for the model.
- Willing partners/stakeholders to provide input for modeling.
- Resources to populate and run the model.

Option 3: Create a coalition to provide active public education and support for higher-density infill projects.

Parameters for Success

- Two-way education would occur among stakeholders affected by higher density infill projects. Regional goals for housing, job growth, environmental protection, infrastructure improvements, and other concerns as appropriate, would be considered as projects come forward for review. Likewise, neighborhood concerns such as traffic, parking, setbacks, drainage, parks, schools and other site-specific issues, would be heard and considered.
- As an outcome of ongoing communication and education, community members representing a broad array of interests would step forward to support projects and policies that further General Plan goals. This support could take the form of participating in project or policy review, writing letters of support, testifying in support at planning councils/commissions or Councils, etc.

Coalition Mission:

- To provide a forum for an ongoing exchange of views and information among policymakers, developers, and neighborhood advocates to inform the project review process, and further neighborhood and regional goals for a sustainable community.

Participants (starting list)

Business, neighborhood advocates, environmental organizations, local planning, transportation, economic development, public works agencies, others?

How would this effort add to what existing forums already do?

- Provide ongoing education and dialogue about development projects, identify areas of consensus and concern, and opportunities to resolve problems early. This could apply to a corridor or a specific project.
- Bring regional as well as neighborhood goals to bear in project review.
- Provide education about overarching problems that affect neighborhoods, development projects, and the community as a whole. These might include infrastructure and housing needs, for example.

Option 4: Support establishment of expedited permitting programs for infill projects, consistent with General Plans.

Background:

Stakeholders expressed interest in implementing an expedited permitting program and environmental review for higher-density infill projects consistent with General Plans. A request was made to consider a program like that in place in San Diego.

The City of San Diego has implemented an “Expedite Program” that attaches specific timeframes for review of projects. This program expedites construction of affordable housing, housing that uses sustainable technology, such as photovoltaic cells on a specified percentage of the units, as well as mixed use that incorporates affordable housing. While the City’s process has been expedited considerably, there is still neighborhood opposition to some projects that must be worked through.

The Centre City Redevelopment Corporation, formed in the 1970s, covers a large area in the downtown core. It was formed in response to the City’s declaration of an emergency relative to blight conditions. A CEQA document was done on the original plan and is updated as the plan is updated. Findings of Significant but Unmitigatable have been made as to traffic impacts and several other areas. A Statement of Overriding Concerns in the FEIR notes the relationship of the plan to regional goals.

Potential action:

- The City of San Diego’s Expedite Program resembles the City of Sacramento’s MATRIX program. Local builders have recommended expansion of MATRIX to other jurisdictions.
- Projects that address multiple regional goals might lend themselves to expedited review. SHRA’s efforts, with Regional Transit, to implement Transit Oriented Developments (TODs) would further high-density infill goals, and help to make housing more affordable by reducing auto dependence.

Appendix D: Barriers Analysis White Paper

Assessment of Barriers to Infill Development
Valley Vision/Cleaner Air Partnership
Sept. 24, 2007

Introduction

Traditionally cleaning our air has meant reducing pollution from mobile sources like diesel trucks and cars or stationary sources such as power plants or private industry. Over the past few years, a third air-pollution-fighting strategy has been taking on greater prominence and long-term importance for our region – advancing principals and practices that reclaim and re-use properties within existing communities – “infill development” – which can reduce vehicle miles traveled and the related air pollution it causes. This link between the make-up of our transportation networks and land uses and their impact upon community and environmental health has spotlighted the importance of accommodating and accelerating infill development in urban and suburban settings where possible. Add to this the need to house a million more people in our region due to forecasted population growth over the next few decades and it becomes clear that reducing barriers to infill development is of great importance to our overall community health and maintaining our high quality of life.

This Infill Barrier Assessment Project is an initiative of the Cleaner Air Partnership (the Partnership), the 20-year-old air quality alliance between Breathe California of Sacramento-Emigrant Trails, the Sacramento Metro Chamber, and recently, Valley Vision. This unique project was funded by the Sacramento Metropolitan Air Quality Management District with the backing of the Partnership’s three organizations, the North State Building Industry Association, members of the environmental and health communities, and others. The goal of this 6-month project is to identify barriers to infill development within the bounds of Sacramento County and the cities therein, prioritize the barriers that if lowered or removed would create the highest value relative to the amount of invested energy or capital, and to share these top barriers and barrier-fighting strategies with key decision-makers in our region for action.

Scope

This assessment incorporates the views and opinions of a diverse sampling of stakeholders from the public, private, and nonprofit public/environmental health sectors operating within the bounds of Sacramento County. During the research phase in July and August 2007, staff interviewed representatives of more than 20 stakeholder organizations ranging from the City and County of Sacramento, builders who have significant experience with infill development, the Building Industry Association, environmental representatives, and local agencies (see list below).

The Cities of Citrus Heights and Elk Grove were included in the interview sample as representatives of widely varying suburban growth situations – Citrus Heights as a city chiefly involved in suburban infill renewal and revitalization and Elk Grove as an “edge city” with greater reserves of undeveloped land.

It is important to note that this assessment of barriers to infill development also includes barriers to higher densities. Infill by definition involves more units per acre than currently exist on a vacant parcel. This tends to generate neighborhood opposition and other barriers even when proposed densities are the same as those of nearby areas.

Interviewees

Discussions with interviewees ranged from 60-90 minutes in length and informants were encouraged to elaborate on their thoughts and opinions and provide concrete examples of their ideas, where possible. Interviews were conducted by Valley Vision consultant Karen Wilson between July 1 and Aug. 31, 2007.

Organization	Name
City of Sacramento	Scot Mende and Desmond Parrington
SMAQMD	Larry Greene
SACOG	Greg Chew
Local Government Commission	Paul Zykofsky
North State BIA	Ardie Zahedani
Signature Properties	David Nybo and Steve Hicks
Friends of the Swainson's Hawk	Jude Lamare
Councilmember Kevin McCarty	
County of Sacramento	Robert Sherry, Rob Leonard, Rich Maddux, Troy Givens
St. Anton Partners	Steve Eggert
Breathe California of Sacramento-Emigrant Trails	Jennifer Finton
Mogavero-Notestine	David Mogavero
Law Offices of Gregory Thatch	David Tembladore
SKK Developments & BIA Infill Council	Sotiris Kolokotronis
Fulcrum Properties	Mark Friedman
City of Elk Grove	Christine Crawford
City of Citrus Heights	Janet Ruggiero
New Faze Development	Martin Tuttle

NOTE: Because resident/neighbor viewpoints on infill are highly localized, dependent on specific project details and well documented, a decision was made to dedicate limited assessment resources to examine public, private, and nonprofit infill stakeholder views at this time. Some of the most consistently-cited neighborhood concerns, and how they have been addressed, are noted.

Interview outcomes & themes

Interview notes were analyzed for common themes, areas of convergence and divergence of opinion and unique ideas. This report breaks responses into three areas:

1. Common themes arising from the interviews, summarized and paraphrased. While some issues exceed the scope of this assessment, they have been noted here.
2. A compilation of ideas by stakeholder group regarding what is working and their ideas on what could be done to remove barriers to infill; and
3. A list of areas where there appears to be support for collective action.

In some cases, comments are grouped by stakeholder sector if they differ significantly or are unique from other sectors. When there is no differentiation, the views stated were generally held across all sectors.

Section One: Common themes raised in assessment interviews

Neighborhood opposition to higher-density projects.

Across all groups interviewed, “not in my back yard,” or “NIMBYism,” rose as the most significant barrier to infill development. Interviewees suggested that the “regional good” argument for higher-density projects does not often resonate at the neighborhood level or with everyday citizens.

Residents also tend to mistrust change, stakeholders said. As noted previously, infill by definition involves more units per acre than currently exist on a vacant parcel. This generates opposition from neighbors, even when proposed densities are the same as those of the surrounding areas. The issue is often elevated in neighbors’ eyes when higher density is proposed. Citizens often consider suburban areas “rural places,” despite the rapid growth that may occur there.

Interviewees suggested the transition from higher-density to single-family neighborhoods has to be planned and executed carefully or risk public perception that the project is “dumping” affordable units on a neighborhood.

Density has a bad reputation.

Interviewees suggested infill proposals tend to surface in areas where there is already a good deal of multi-family development, and this raises concerns about over-concentration. For example, the Florin Road corridor has many opportunities, but it is suggested there is already a negative perception of density and of the quality of management of some complexes.

Other factors affecting the reputation of density cited during interviews include:

- Bad past experiences with poor design;
- A public perception that higher density brings lower-income tenants; and
- Use of exceptions to zoning codes in order to achieve densities. While municipal planning staff may accept these exceptions, interviewees said the exceptions themselves can drive community perception that a project is negative because it does not meet existing standards on the books.

Building costs are high, but infill building costs are even higher.

Municipal-sector interviewees noted a wide number of factors that contribute to high infill development costs including, but not limited to:

- High land prices and builders can’t recover costs for underground parking unless rents are high;
- The costs associated with upgrading existing infrastructure to suit;
- Design is extremely important to community acceptance, adding to cost;
- Neighborhood opposition can draw out the development process, increasing the cost of financing and out-of-pocket expenses
- While all construction costs are high, concrete and steel used in multi-story structures are especially high presently;

- Insurance is high for construction defect liability – larger developers can self-insure, but smaller builders have a harder time; and
- The California Department of Transportation (CalTrans) freeway impact mitigation fees have raised costs for several recent projects.

Developers interviewed for this assessment also relayed several key points:

- The cost of building is \$75-80 per square foot in the suburbs, and \$250 per square foot in high-density urban/downtown areas;
- It's inherently more expensive to stack uses on top of each other in the build-out of steel and stone than it is to build light structure single-family stucco houses. Fundamentally you can't overcome this, and builders must look for other ways to reduce project costs (see fees discussion below).
- Example of unexpected costs: the Capital Area Development Authority (CADA) warehouse project at 11th and R Streets (a Saris Regis project) is taking many years due to complete due to contaminated site cleanup issues.

The California Environmental Quality Act (CEQA) allows neighborhood opposition to delay or stop projects often for reasons not related to the environment.

This was a common theme among all stakeholders interviewed. Informants cited difficulties with the agency review process itself, the minimal threshold project opponents must meet to prove harm, and the ability for objections to be raised at the end of the review process.

State legislative relief for CEQA is widely supported by builders, and the need is acknowledged by local agencies. Specifically, infill developers noted that one such proposal, SB 375 (Steinberg), would alter the CEQA process for Blueprint-projects to require that a threshold of "substantial evidence" be presented that a project will cause harm to a community, rather than the current "fair argument" standard. "Substantial evidence" is a much higher standard for blocking an approved project. Since development moves slowly, it would take several years to determine the actual impact of this change if it is enacted in the 2008 legislative session.

Another problem interviewees associated with CEQA is the length of time various agencies take to review projects. Some interviewees note that approval times can be lengthened by an effort to avoid legal action, while some feel that institutional culture can be changed to expedite the review process. There is also a view among many stakeholders that most of the "easy" infill sites are already developed and the ones remaining pose problems that prolong the review process.

Traffic impact studies required by CEQA are a problem.

Traffic impacts caused by infill development must be assessed and, where possible, mitigated under CEQA, and traffic is often the first issue raised by neighbors. Interviewees cited Sacramento County's traffic level of service (LOS) standards as a barrier to infill development. LOS designations, based on the anticipated number of trips generated by a project, were set years ago when the population and associated trips were much lower. If LOS is currently "C" or "D" headed for "D" or "F" once a project is built, it becomes significant to people in surrounding neighborhoods that resist its dismissal as "not significant" or "unavoidable" in an environmental report. Interviewees suggest that when neighborhood opposition gets "stuck" on LOS, the review process is drawn out, often without productive solutions.

Inclusionary housing ordinances cited as creating disincentives to infill and density.

City and County ordinances are currently under review. The City of Sacramento's General Plan Housing Element offers an opportunity to extend current requirements from "new growth" areas to the entire city, including downtown and Midtown. Our research did not reveal any infill builders who support this approach, based on experience with the existing ordinance.

Builders offered evidence of how inclusionary housing requirements can negatively impact infill development. Examples include, but are not limited to, the following:

- The more dense a project, the more expensive inclusionary housing becomes on a per market rate unit;
- Homeowners' associations are costly and impact affordability. Dues for a town home project can be \$250 per month, and as much as \$500 per month for high rises;
- The cost of building in the suburbs is \$75-80 per square foot but in high density downtown areas it is ~\$250 per square foot. Affordable housing requirements include 2-3 bedrooms for families. The present market is not strong enough to carry the burden of affordable housing requirements.
- New units in downtown/midtown go for about \$450,000. For low-income units this price would have to be \$170,000-200,000. Given this financial reality, one informant said "We can find better ways to produce housing for people who need it;" and
- A noted misperception by some elected officials who argue only rich people are infill consumers, but in fact many units are going to moderate-income families who are very sensitive to cost.

Existing zoning does not encourage, or in some cases even allow, higher-density infill.

Stakeholders said barriers created by zoning codes are especially critical in inner-ring suburbs. As an example, informants suggested that zoning in the Arden/Arcade area was not intense enough – that setbacks are too great and sewer and water systems are problematic. This is also true in the other areas targeted by the County's draft General Plan. Informants said such zoning makes neighborhood acceptance even harder, creating a perception that higher-density projects violate existing zoning codes and require variances, special permits, or changes to the code, and therefore must be "bad projects."

Some stakeholders suggested that while the Regional Blueprint Project made infill a priority among policymakers, this priority or vision is not always held by line staff at the permit desk. Informants said this occurs because infill often requires significant deviation from existing zoning standards. For example, fire departments often prefer 60-foot street widths rather than the 20-24 feet identified in infill-friendly community design. Separated sidewalks or parallel parking on arterials for infill success are oftentimes barred by local government zoning codes.

The institutional culture of approving bodies can help make or break projects.

Several developers noted that the biggest factor is the will of approving bodies.

Impact fees add to cost of infill and density.

In the unincorporated County, interviewees said impact fees are usually the same or higher for infill development as for "Greenfield" development.

Environmental stakeholders noted that impact fees in Greenfield areas are not high enough to pay the cost of extending infrastructure and building new schools and parks. Meanwhile, older school districts in inner-ring suburbs and urban areas are closing schools. Fees in Greenfield areas of the City of Sacramento, and in other jurisdictions, are approximately \$30,000-50,000 per unit.

Section Two: What is working and ideas on what could be done

City of Sacramento

Builder informants cited the City of Sacramento's MATRIX permitting model as an example of what is working. MATRIX is a relatively new approach to the development process in the City based upon development type or product. The City fields a project team containing the essential city staff members to ensure a project is developed from conception to completion with a timely, seamless, and predictable development review process. According to a description of the MATRIX model on the City Website, the overall goal of MATRIX is to "get the customer to success." Builders cited the importance of a "top-down-message" and culture embraced by staff that they are to work in close partnership with builders to bring development projects to completion.

Development fees were characterized as approximately \$10,000 per unit in the core area of the City, said informants, low enough to allow higher density projects to "pencil out." In contrast, Greenfield areas of the City of Sacramento and in other jurisdictions were cited at approximately \$30,000 to \$50,000 per unit.

Interviewees said apartments or condominiums must be well-designed and maintained, and marketed to all income brackets, including higher-income. The project has to be seen as a catalyst for positive change, and provide tangible benefits to the neighborhood such as needed retail, restaurants, schools, parks and drainage improvements, said interviewees.

Small projects that "shoe horn" one or two units at a time on a parcel are rarely financially viable, said informants. Infill sites are scattered throughout a city and county and for one or two units, developers must install curb, gutter, sidewalk and streetlights in blocks where no other houses have them. The City of Sacramento's strategy of targeting neighborhoods willing and able to pay assessments for improvements, and to use workforce housing funding to install improvements as incentive for existing neighborhoods to accept higher density was cited as an effective, Council-adopted strategy that is paying off. Informants gave examples of infill incentives including play equipment in Meadowview at Steve Jones Park; streetscape improvements in Oak Park at Broadway and Martin Luther King Boulevard, and sewer improvements on R Street.

Some interviewees offered that if a regional traffic impact fee existed and a local project complied by paying the fee, that this ought to satisfy the CEQA requirement for traffic impact mitigation. Informants said this kind of fee is called for under Measure A, the one-half percent sales tax measure approved by Sacramento County voters in 1988 for a 20-year period (1989-2009) to fund a comprehensive program of roadway and transit improvements. While each jurisdiction is required to develop a fee mechanism under Measure A, interviewees said this has not yet occurred. However, CalTrans now has imposed its own impact fee on some high-profile projects, informants said, with the proceeds going to the State instead of locally-controlled improvements.

County of Sacramento

Interviews revealed:

- A desire to streamline the permitting process and assemble a team of engineers, planners and architects to make projects work. Design, function and economics should be linked to move projects forward, informants said;
- A desire for “case studies” of successful infill project experiences and outcomes in the County showing that an infill project can “work;”
- A desire to adjust zoning codes to encourage mixed use. Example: parking requirements are the same in the urban core as in the suburbs despite dramatically different building contexts;
- A desire for a realistic assessment of County infrastructure (sewer, water, etc.) to determine whether it would support density of 20 dwelling units per acre;
- A renewed focus on good design, since neighbors can cite past bad experiences;
- A need to re-evaluate the merits of small-lot single-family subdivisions around 10 dwelling units per acre. Some interviewees said this trend doesn’t achieve needed density while also resulting in dissatisfaction by surrounding neighborhoods;

Suburban Jurisdictions

Interviews revealed:

- Informants said outreach and involvement of residents in planning processes are often limited to multi-family housing developments and should be expanded
- A sense of difficulty in convincing developers to take a risk on higher-density mixed-use projects because “strip centers are easier and more lucrative,” said informants;
- Market prices were pushing higher density and leading to condominium proposals, and apartment conversions;
- Some projects of less than 150 units are exempt from design review if they are part of the state-required housing element, said informants;
- Interviewee’s said “all the easy sites have been taken.” Today projects are being proposed that are challenging in terms of land-use compatibility;
- A perception that residents and neighbors believe infill projects (both similar and higher density) are appropriate in urban settings, not suburban locations, and resist them on those grounds;
- Providing a rounded education on a project or issue is time-consuming and not always productive. There is an obligation to benefit the future community, but project opponents resist this view;
- There is a need for business to support infill, said informants. “The Bay Area has the Silicon Valley group that goes to City Councils saying, ‘We need these housing projects for the regional economy for job growth. It’s important to who we are.’ We need that here to support responsible growth, so it’s not just the project proponent and some vulnerable Council members;” and
- Planning academies should teach neighborhoods how to negotiate for things they want. Despite “Planning 101” for neighborhood groups, citizens still revert to opposing projects as their default strategy where negotiation might prove more beneficial to all parties.

Government agencies

While informants offered wide ranging views, the need for strong examples of higher-density development outside of downtown was a unique consideration for this group. Once an initial

quality density project was built in an inner-ring suburb and was successful, others were much easier to get built, said informants. Meanwhile there is desire for political will to maintain momentum, as it will take years for projects to come up out of the ground and become examples.

Environmental & Public Health Stakeholders

Interviewees suggested a better understanding of the development process would help environmental advocates to understand how to negotiate project review more productively. They also suggested that Planning Commissioners often could benefit from more education.

There is a desire that open space preservation remain a requirement for developers through fees, land set-asides and other requirements, as well as whatever creative programs can be developed. Infill growth is vulnerable to failure unless government, business, community, and nonprofit partners focus on ways to revitalize older areas so they are desirable and affordable places to live, with nearby jobs, good schools and places to shop, said informants.

Informants acknowledged that provisions of CEQA can impede infill projects, but also expressed concern that CEQA reform could overreach, reducing or eliminating basic protections for human health and the environment.

Builders:

Interviewees said that LOS standards for infill consistent with General Plans should be at a lower level. Examples of where this has occurred in the region include the City of Jackson which has reduced LOS on Hwy 49 and Yuba City which has lowered LOS on Hwy 20. Informants said this helps with the CEQA issues.

Informants said urban standards should be used instead of suburban ones for high-rise development. For example, suburban park land set-asides or fee requirements may not make sense for a high-rise project because the overall acreage of the project is too small. Because parks and public places are vital and desirable in urban settings, innovative strategies need to be developed to bring this about. This will help market and sell infill projects.

Additional comments:

- Pay attention to the needs of smaller developers as well as the larger developers who are served by the MATRIX program now;
- Jurisdictions could offer help in aggregating parcels large enough for infill development;
- San Diego is a model of a successful master EIR approach for targeted infill areas
- General Plans should talk about the future of existing developed areas in as much detail as in Greenfield areas. Lacking that detail, residents often don't realize the consequences of more edge development and resulting air pollution. None of those costs get factored into the equation in a way that people see them, said informants;
- Develop strategies to effectively communicate the advantages of infill. Informants said it is clearly better for us to concentrate development densely and not consume more open space, and make greater use of our infrastructure; and
- Continue working on CEQA reform.

Section Three: Areas with support for collective action

- Specific plans that address infill and density issues upfront in the environmental approval process rather than at the end
- Expedite updating of zoning codes to reduce barriers to higher-density infill (Examples: parking ratios, setback requirements and traffic mitigation requirements).
- Reduce LOS to D, E or F for infill projects consistent with new General Plans
- Scalable review for smaller projects
- Rezone parcels slated for mixed use from industrial/commercial
- Develop a coalition voice including the business, environmental, and public health communities supporting density and infill projects
- Foster a regional culture supportive of Blueprint-level density and infill projects.
- Outreach to planning bodies and neighborhoods.
- Citizen involvement and education about the development and planning process.
- Restructure fees to encourage infill development.
- Support development of Master Environmental Impact Reports (EIRs) for infill in specific plans.
- Develop a menu of funding sources to subsidize projects that would facilitate infill development.
- Expedite pursuit and completion of “case study” projects built in the inner-ring suburbs.

Important considerations beyond the scope of this assessment:

Regional Housing Needs Assessment

With the region’s population projected to double, the state’s Regional Housing Needs Assessment (RHNA) requires jurisdictions within Sacramento County, and the County government itself, to zone significant acreage for densities of 20 dwelling units per acre within the next 7.5 years. The City of Sacramento, now designated an urban metropolitan area for RHNA, must show that it will zone sufficient acreage at 30 dwelling units/acre.

This could occur through a combination of incorporating more land into jurisdictions, imposing higher density requirements in these new areas, and changing existing zoning to allow more units per acre.

The RHNA emphasis is on getting housing built, without consideration of where it goes. For example, the City of Sacramento’s draft number in the regional housing needs assessment is 26,000 housing units. Some 13,000 units must be affordable, including 8,000 for low- and very-low income. In infill areas, housing must go in scattered sites where infrastructure is uncertain and expensive. According to City of Sacramento staff, RHNA requirements can end up encouraging Greenfield/edge development.

As of August, 2007, RHNA goals for the Sacramento Region are subject to revision following scheduled discussion with the state Department of Finance. These goals may be reduced as a result of these discussions, but they will still require jurisdictions to zone land to accommodate population growth. RHNA revisions will not be a part of our infill barrier assessment, except to provide background.

CEQA

Changes to the California Environmental Quality Act to facilitate infill development are being discussed at the state level, most recently through SB 375 (Steinberg). This will be a two-year bill, and local jurisdictions, builders and SACOG are intensely engaged in the discussions. SB 375 as currently drafted offers exemption from CEQA review for a narrow range of projects where jurisdictions have adopted land-use plans that conform to a Blueprint-like scenario for compact development that minimizes auto trips and preserves open space, including agricultural lands. If enacted, SB 375 may offer substantial incentives for infill development. This is beyond the scope of this Infill Barriers project, but may represent a potential remedy in the opinion of some informants.

Inclusionary Housing Ordinance Revision

Review of existing City and County inclusionary housing ordinances is currently underway. The public process at the City will lead to Council hearings this fall. Negotiations are now underway for a potential settlement of a lawsuit regarding the County's ordinance. While inclusionary housing requirements can have a major effect on builders' financial considerations, it would be counterproductive for this assessment to weigh in on these processes.

Next Steps

Valley Vision will share this report with all of the people that participated in the Interview Assessment and invite them to participate in additional conversations about these matters.

This study would not have been possible without the support of the interviewees. We would like to extend our sincere appreciation to them for their honest input on the present challenges and future opportunities to collaborate towards lowering the barriers to infill development in the Sacramento area.

Disclaimer

Opinions and views expressed in this summary report are paraphrased for brevity and do not necessarily represent views and opinions of Valley Vision and/or its consultants, the Cleaner Air Partnership and its partners and funders, or the Sacramento Metropolitan Air Quality Management District.

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