



March 3, 2023

Honorable Senator María Elena Durazo
 Chair, Senate Budget Subcommittee 5
 California State Senate

Honorable Assemblymember Steve Bennett
 Chair, Assembly Budget Subcommittee 3
 California State Assembly

RE: Public Transit Operating Support

Dear Chair Durazo and Chair Bennett,

As housing organizations, we are writing to request the state take action to protect public transit, which provides an essential mobility option for residents of infill housing developments across California.

Many transit agencies are forecasting significant deficits as one-time federal COVID relief funds dry up, which would lead to devastating service cuts without new funding from the state. These potential cuts would isolate residents of transit-oriented buildings from opportunity and slow down new infill housing development at a time when the industry is already facing intense challenges. Inaction is not an option: public transit is simply too important to the state’s housing, equity and climate goals. We support our transit agency partners’ request for a new multi-year operations funding commitment to assist California’s transit operators as they recover from the pandemic and develop a path to financial stability for the following reasons:

1. **Left unaddressed, transit’s “fiscal cliff” will harm the state’s most vulnerable residents, undermining the state’s commitment to address racial and economic disparities through housing.** Based on 2021 U.S. Census data, almost 60 percent of California residents who commute via public transit have a household income below \$35,000. Over half a million California households do not own a vehicle and count on public transit for their daily needs, including access to healthcare, K-12 education and college. For many affordable housing residents, public transit offers a ladder of economic opportunity, providing affordable connections to jobs, schools, and other essentials of daily life.

In recent years, the state has worked hard to create more housing opportunities for people of all incomes, especially by providing incentives for producing infill housing near high-quality transit such as increased density, reduced parking requirements, and anti-displacement protections. Without high-quality transit (generally defined as transit service at least every 15 minutes), fewer sites will be eligible for these incentives which make it possible to produce more housing and increase transit access for people at all income levels without exacerbating sprawl.

If public transit operators do not have the funding they need to provide reliable, high quality transit service, Californians with the greatest need for transit service will be cut off from essential mobility, creating a risk of isolation and financial instability. This also means that low-income and cost-sensitive Californians would need to pay more for — or forego — basic mobility. [Households that live in transit oriented developments spend \\$1,232 less per year on transportation expenditures](#) than households that do not, even when controlling for household demographics, because they own fewer cars, drive fewer miles, and take transit more.

2. **Left unaddressed, transit’s “fiscal cliff” will undermine the production of infill housing by making it more costly and difficult to build.** Without high-quality transit, housing developers will face more pressure to build parking, which significantly increases the cost of construction, making it harder for projects to be economically feasible. The cost of parking is sometimes the difference between building homes, or not. Not only are these infill and transit-oriented homes essential for housing all Californians, but they are precisely the right places to build in order to help regrow transit ridership. [The Turner Center](#) found that a single structured parking spot added nearly \$36,000 to the cost of each housing unit funded by state tax credits over the past decade, greatly diminishing the number of housing units funded per state dollar. Finally, cuts to transit will exacerbate fears of more traffic congestion, creating a new reason for communities to reject affordable housing.
3. **Finally, the transit fiscal cliff would undermine the state’s climate strategy.** Putting dense, infill housing near transit is also central to the state’s climate strategy because it can help reduce vehicle miles traveled (VMT) and greenhouse gas emissions, while supporting the preservation of natural and working lands. Less reliable public transit may prompt people to move further from major urban centers, increasing their commute times, exacerbating traffic and air pollution, and contributing to sprawl.

For these reasons, we strongly request your support to help ensure the state’s public transit systems avoid looming cuts to transit service that millions of Californians rely upon and that is foundational to solving our housing crisis.

Sincerely,

Kevin Buchanan
SLOCo YIMBY, Volunteer Lead

Adam Buchbinder
South Bay YIMBY, Volunteer Lead

Ken Chan
Housing Leadership Council of San Mateo County, Senior Organizer

Mike Chen
Northern Neighbors, Volunteer Lead

Adrian Covert
Santa Rosa YIMBY, Volunteer Lead

Maxwell Davis
Urban Environmentalists, Volunteer Lead

Rev. Sophia DeWitt
EBHO, Senior Director of Programs

Laura Foote
YIMBY Action, Executive Director

Andrew Fremier
Metropolitan Transportation Commission, Executive Director

Robert Fruchtman
San Francisco YIMBY, Volunteer Lead

Candice Gonzalez
Sand Hill Properties, Chief Housing Officer & Managing Director

Elizabeth Hansburg
People for Housing Orange County
Cofounder & Director

Meea Kang
Council of Infill Builders, Director

Jen Klose
Generation Housing, Executive Director

Jeremy Levine
Peninsula for Everyone, Volunteer Lead

Glenn Loveall
Napa-Solano for Everyone, Volunteer Lead

Jane Natoli
Grow The Richmond, Volunteer Lead

Ryan O'Connell
How to ADU, Principle

Steve Marzo

South Side Forward, Volunteer Lead

Colin Parent

Circulate San Diego, Executive Director

Corey Smith

Housing Action Coalition, Executive Director

Rafa Sonnenfeld

Santa Cruz YIMBY, Volunteer Lead

Laura Tolkoff

SPUR, Transportation Policy Director

Milo Trauss

Progress Noe Valley, Volunteer Lead

David Watson

Mountain View YIMBY, Volunteer Lead

Cc:

Senator Nancy Skinner, Chair, Senate Budget and Fiscal Review

Assemblymember Phil Ting, Chair, Assembly Committee on the Budget

Senator Scott Wiener, District 11