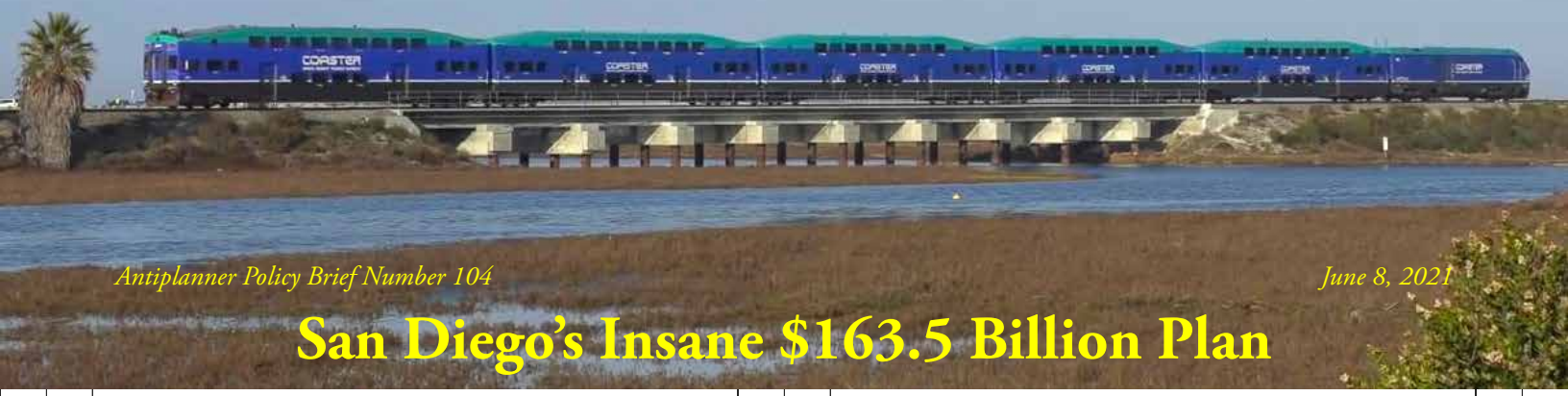
The Antiplanner

*Dedicated to the sunset of government planning*




*Antiplanner Policy Brief Number 104*

*June 8, 2021*

# San Diego's Insane $163.5 Billion Plan

If the definition of insanity is doing the same thing and expecting a different result, then San Diego's latest regional plan is completely insane. The draft *2021 Regional Plan*, which was released on May 28 by the San Diego Association of Governments (SANDAG), includes all of the latest planning fads: active transportation, complete streets, density, rail transit, density, transit-oriented development, microtransit, density, and vision zero. Did I mention density and rail transit?

The plan backs up these ideas with dollars, proposing to spend more than $80 billion on transit, $9.8 billion on high-density housing districts, $4.3 billion on bike paths, and $0.0 billion on new roads. In all, the plan proposes to spend $163.5 billion over the next 30 years, more than half of which would go for transit and transit hubs. Some of this is for operating expenses, but transit capital improvements alone would cost $52 billion.

In 2019, transit carried just 1.25 percent of the San Diego urban area's motorized passenger travel and just 3.2 percent of the region's employees to work. The plan justifies the great expenditure on transit by claiming that it will make a "transit leap" by introducing 120-mile-per-hour commuter trains.

The plan also contemplates land-use regulation forcing at least 65 percent of new housing into high-density developments next to transit stations. Planners hope that fast trains combined with high-density development will quadruple transit's share of commuting from 3.2 percent in 2019 to 12.8 percent in 2050. Before the pandemic, this would have been hopelessly optimistic; the pandemic has made it totally unrealistic.

The 2019 American Community Survey found that rail transit carries only 0.6 percent of the region's commuters to work. More San Diegans bicycle to work than take a train. Meanwhile, counting bus riders and cyclists, 95 percent of all workers in the San Diego urban area depend on roads to get to work. Even just counting auto users (including taxis and motorcycles), the share is 92 percent.

To accommodate road users, the plan proposes to convert existing highway lanes and some highway shoulders to express toll lanes, giving people the option to pay to drive on an uncongested lane. While that's laudable, planners clearly expect to use some of the revenues from such lanes to fund planners' transit dreams. The plan proposes to spend about $15 billion on express lanes but projects $27.7 billion in revenues from road user charges.

As far as roadway expansions go, the plan says that it has identified "a limited number of places around the region where stretches of highway are physically widened—but only where absolutely necessary." Apparently, planners don't think it will ever be necessary, as the budget for such expansions is $0.

The plan engages in some really warped thinking when it comes to parking. "Abundant free parking encourages people to drive alone, and high-traffic areas can become more congested as drivers search for parking," says a paper on parking management. "A study in Los Angeles revealed that within one 15-block area, cars travel about 950,000 miles annually looking for parking, which consumes 47,000 gallons of gasoline and emits 730 tons of carbon dioxide."

The solution, the plan says, is to reduce the amount of parking that is available and charge for what parking is left. Somehow, less parking is supposed to lead people to spend less time driving around looking for a parking space. What the plan doesn't explicitly say is that planners hope that limiting parking will force people to drive less.

The parking document also misleadingly claims that parking is expensive. "Building one parking space per housing unit increases total project costs by about 12.5%," it says. "Building two parking spaces per housing unit can increase total project costs up to 25%." That may be true for structured parking built into high-density, multistory developments, but it's not true for ground-level parking that is typically part of single-family homes. Even a two-car garage typically adds less than 10 percent to the price of a home.

Such flawed reasoning can be found throughout the plan and associated appendices and documents. Here are some of the main reasons why the plan will fail.

## It's Not a Plan

The rational planning process that is taught at every urban-planning school includes the development of a full range of alternatives, the selection of criteria for judging those alternatives, and the calculation of projections to see which alternative best meets those criteria. This so-called plan failed to take any of those steps. There are no alternatives, no criteria, and no evaluations.

In fact, there are almost no data in the main planning documents (chapters 1, 2, and 3) at all. Instead, SANDAG has presented the public with its preferred (and only) alternative and asked for comments while offering little information about the effects of the plan and none about its cost-effectiveness. The 55 pages in the main planning documents themselves are little more than sales brochures, full of hype but no real information.

All of the real information is buried in the appendices, of which there are 30 totaling well over 4,000 pages. A reader who started at the beginning and read the documents in order would not learn about the plan's estimated effects on commuting, for example, until reaching page 141 of appendix T, which is page 2,975 of the entire set of documents. Important data on projected costs and revenues are even later than that in appendices U and V. Few readers will get that far.

## Not Enough Money

Although the plan is expected to cost $163.5 billion, the revenues planners have identified to pay for it fall a little bit short, like at least $60 billion short. The region is currently spending about $2.3 billion a year on transportation; full implementation will require this to increase to $5.4 billion a year.

The funding plan fantasizes extorting more than $2 billion from ride-hailing companies and collecting more than $17 billion in mileage-based user fees without reducing gas taxes or other existing highway revenues while it imagines "future local, state, and federal revenues" for transportation without pinning down specific sources. There's no guarantee that any of these things will happen.

## It Hasn't Worked Yet

What makes the *2021 Regional Plan* insane is that it is only the latest in a series of smart-growth plans from SANDAG that have all failed to boost transit's share of travel. Since 1980, under SANDAG's rule, the San Diego area has gone from 0 to 116.5 miles of rail and the region's population density has increased from less than 2,800 people per square mile in 1980 to more than 4,300 in 2019.

Despite these changes, transit's share of commuting has shrunk while per capita driving has grown. In 1980, 3.5 percent of workers relied on transit to get to work. By 2019, this was down to 3.2 percent. In 1990, the earliest year for which data are available, San Diegans drove an average of 21 miles per person per year. By 2019, this was up to nearly 24 miles. The plan uses data from 2016 as a baseline, but total transit ridership has fallen in every year since then, with ridership in 2019 being 17.5 percent less than in 2016.

*Opened in 1981, the nation's first modern light-rail line, known locally as the Trolley, cost a mere $6 million per mile—less than $20 million in today's dollars. The* 2021 Plan *proposes to spend well over ten times that much per mile on commuter rail lines. Photo by Roger Puta.*

Past SANDAG plans have produced measurable results; they just aren't good ones. The insistence of previous plans to "focus growth in areas that are already urbanized, allowing the region to set aside and restore more open space in our less-developed areas" nearly tripled median home prices relative to median family incomes since 1970. Similarly, SANDAG's refusal to expand highways to serve a growing population has more than tripled the annual hours of delay per commuter since 1982.

More than 80 percent of San Diego County was rural open space in 2010, and thanks to SANDAG that percentage probably hasn't declined much since then. This artificial land shortage has created an artificial housing shortage that parallels the highway shortage. These are not achievements to be proud of, but neither are they unintended consequences: planners hope that higher housing prices will force more people into multifamily housing and more congestion will force more people to ride transit instead of drive. But neither congestion nor high housing prices have kept driving from increasing or transit from declining.

## Transit Numbers Are Unrealistic

The aforementioned appendix T projects that transit will increase its share of commuting from 3.4 percent in 2016 to 12.8 percent in 2050. That's completely unrealistic, and not just because San Diego transit ridership has declined in every year since 2016.

Since 1970, no urban area has ever come close to doubling, much less quadrupling, transit's share of commuting by building rail transit. In most cases, transit has lost share, whether because rail transit couldn't compete with the convenience of cars or the high costs of rail construction forced transit agencies to reduce the bus services used by most transit riders. The best case is Minneapolis-St.

Paul, whose light-rail line opened in 2004 and increased transit's share from 5.5 percent in 2000 to 6.4 percent in 2010, a 15 percent increase in share. But by 2019 transit's share was back down to 5.3 percent.

Since 1970, the only urban area that has doubled transit's share of commuting has been Las Vegas. It achieved this by taking over a poorly run private bus system in 1992 and greatly improving service, which increased ridership by six times. It did so without building any rail lines, but it had to increase bus service by nearly 10 times, showing serious diminishing returns to those improvements.

San Diego doesn't have such an opportunity, having taken over private transit in 1967. After opening the nation's first modern light-rail line in 1981, it has increasingly focused its attention on rail transit, spending nearly three-quarters of the region's transit capital dollars on rail since 1992.

## Faster Top Speeds Not Effective

Instead of focusing on bus service, San Diego is putting all of its transportation eggs into the 120-mph commuter-rail basket. The assumption is that faster trains will attract more riders. However, the benefits of faster trains are a lot smaller than some people might think.

Increasing the top speed of trains from 79 to 120 miles per hour will not reduce transit trip times by a third because transit trips necessarily include the time it takes to get to and from transit stations as well as the time spent waiting for buses or trains. Even the transit rides themselves will not be that much faster because the time required to stop at intermediate stations won't change.

*Fares cover just 12.6 percent of the costs of operating the* Sprinter*, San Diego's suburban, Diesel-powered light-rail line. Buses could do the same job for far less money. Photo by William Lindley.*

Increasing frequencies might make more of a difference, but there are diminishing returns. The existing commuter-rail line operates about every 30 minutes during peak periods and the plan proposes to increase this to every 10 minutes. If ridership were proportional to frequencies, this would triple ridership, but it probably isn't, so ridership might only double.

The plan also proposes to add new commuter-rail routes, increasing total commuter-rail miles from 41 to 200. But commuter rail in 2019 carried only 6 percent of the region's transit passenger-miles. Generously assuming that five times more route miles equals five times more riders; three times the frequencies equals three times more riders; and 50 percent faster speeds equals 50 percent more riders, total commuter-rail passenger miles will still be less than 0.2 percent of the region's total. That's not enough to justify tens of billions of dollars of capital spending.

## People Don't Want to Live in S&P

SANDAG admits that the success of its plan depends as much on stack-and-pack (S&P)—putting most new residents into high-density housing projects near transit stations as on the 120-mph trains. But most people don't want to live in such housing.

Planners pretend to view housing as a single market with people indifferent as to whether they live in a 1,000-square-foot unit of a multifamily complex or in a 2,200-square-foot single-family home. In this plan, as in so many others, their solution to the affordable housing problem (which they created by attempting to confine new development to existing urbanized lands) is to build more high-density, multifamily housing.

In fact, surveys continually show that the vast majority of Americans aspire to live in single-family homes and will live in multifamily housing only under duress. While there is a market for multifamily housing, it is a different market made of people with different preferences.

By making housing more expensive, SANDAG has pushed the share of the region's residents living in single-family detached homes from 65 percent in 1970 to 49 percent in 2019. Multifamily housing has grown from 27 percent to 37 percent while single-family attached housing (rowhouses) has grown from 3 percent to 11 percent. This purely artificial housing shortage has forced some 72,000 households to accept lower-quality housing—smaller housing units with less privacy and no yards—than they would have otherwise preferred.

Density would be fine if people really wanted to live in it. But if they did, then SANDAG and local cities wouldn't have to spend millions of dollars on a smart-growth incentive program. Nor would it have to include $2.6 billion in the *2021 Regional Plan* to subsidize transit-oriented developments plus another $7.2 billion to subsidize the "mobility hubs" where most of those developments are to be located.

## People Don't Want to Live Next to S&P

Among the opponents to SANDAG's density plans are officials and residents of suburban cities who don't want the increased traffic and other costs associated with density. People can argue about whether putting a high-density development next to a single-family neighborhood will reduce the quality of life or home values in that neighborhood, but with four-fifths of the county in rural open space, there is plenty of room for multifamily housing away from existing developments.

Planners, however, aren't content with building multifamily housing just anywhere. Instead, the plan specifically calls for more "higher density planning in jurisdictions with more single-family homes" in order to have a greater

"mix of housing types." But just because a housing type exists doesn't mean it should be located everywhere, especially if the demand for that type isn't that great. Resistance from existing residents will make it harder to implement the plan.

## S&P Won't Change Transportation Use

People who live in high-density housing today may be more likely to ride transit than to drive, but that's because a self-selection process: people who are more inclined to ride transit will be more likely to choose to live in high-density housing. After reviewing the literature on this subject, University of California, Irvine, economist David Brownstone concluded that, once self-selection is accounted for, "the link between the built environment and VMT [vehicle-miles traveled] is so small that feasible changes in the built environment will only have negligible impacts on VMT."

## Not Socially Just

Most of the local funds used to support San Diego transit come from sales taxes or other regressive taxes. Yet 94 percent of San Diego-area workers who earn less than $25,000 a year don't take transit to work. They will have to disproportionately pay for commuter trains that will disproportionately be used by high-income workers.

Even if SANDAG's efforts to promote density near transit stations succeed, most people won't live close to a commuter-rail station. SANDAG expects the region's population to grow by 13 percent between now and 2050, and if 65 percent of them live in transit-oriented developments, that's just 8.5 percent of the region's population. Despite paying lip service to affordable housing, most of those people won't be low-income earners.

This has raised the ire of social justice groups, who are demanding improvements to buses serving minority neighborhoods rather than trains service high-income suburbanites. "Our current system doesn't work for the people who depend on it the most—low-income communities of color," says one activist, who criticizes the plan for failing to correct that.

## Not Climate Friendly

There is no carbon case for transit in the *2021 Regional Plan*. In 2019, San Diego transit used more energy and emitted more greenhouse gases per passenger mile than either the average car or average light truck. The *Coaster*, San Diego's commuter train, used more energy and emitted more greenhouse gases per passenger mile and almost as much as the average light truck. Cars and trucks are getting more fuel-efficient each year, but running commuter trains at 120 miles per hour will reduce their fuel efficiency and increase their emissions.

Similarly, because of all the concrete and steel needed for high-density multistory developments, construction of such housing emits more greenhouse gases than low-rise housing. Heating of multifamily housing also uses more energy per square foot than single-family homes.

## Fails to Account for the Pandemic

One of the problems with long-range plans is that they can take so long to write that they are obsolete before they are finished. SANDAG released the *2021 Regional Plan* more than 14 months after the pandemic brought into sharp focus the decline of urban transit and accelerated trends away from high-density living and mass transportation. Yet it completely ignored the effects of the pandemic on the plan, as if the pandemic had never taken place. The main planning documents only say that the pandemic is "passing into history" and that it somehow "reaffirmed the need for a transportation system that offers choices."

In fact, what the pandemic has reaffirmed is that SANDAG's tired old smart-growth plans don't work. They didn't work before the pandemic despite planners' frequent claims that members of the X, Y, and Z generations wanted to live in dense urban centers. They certainly won't work after the pandemic when more people work at home, many are questioning the desirability of inner-city lifestyles, jobs are likely to move away from downtowns, and people view driving in their private automobiles as the safest mode of travel.

Thanks to increased numbers of people working at home, San Diego may be less congested after the pandemic than it was before. But that won't be a result of this plan, which assumes that people are going to completely ignore the lessons of the pandemic. In fact, the only people ignoring them are urban planners.

## Commenting on the Plan

SANDAG has invited public comments on the plan until July 30, 2021. Considering how much of the plan doesn't apply to the post-pandemic world, SANDAG should scrap it and start over. A revised plan would make housing more affordable by opening most of the 80 percent of the county that is rural to new development. It would save taxpayers' money by deleting the fantasies of high-speed commuter trains. And it would relieve congestion by using variable pricing on roads, dedicating any surplus funds from such pricing to the construction of more roads.

*Randal O'Toole, the Antiplanner, is a land-use and transportation policy analyst and author of* The Best-Laid Plans: How Government Planning Harms Your Quality of Life, your Pocketbook, and Your Future. *Masthead photo of San Diego's* Coaster *commuter train is by Amtrak455.*