

Achieving California's Greenhouse Gas Reduction Goals

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Strategic Growth Council

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SGC Composition & Support

- California Business, Consumer Services & Housing Agency
- California Environmental Protection Agency
- California Health & Human Services Agency
- California Department of Food & Agriculture
- California Natural Resources Agency
- California State Transportation Agency
- Governor's Office of Planning & Research
- Public Member Appointed by the Governor
- Public Member Appointed by the Speaker of the Assembly
- Public Member Appointed by Senate Rules Committee

SGC Member
Key Staff

SGC Staff

SGC Programs:
Administering
Departments/
Agencies

Other Technical Staff

State Planning Priorities

In 2002, Governor Davis signed AB 857 (Wiggins) establishing the state's planning priorities.

- To **promote infill development and equity;**
- To **protect open space, agricultural, and other natural land resources;** and
- To **ensure that new development that is not infill uses land efficiently** and is adjacent to other developed areas.

Sustainable Communities: Planning & Implementation

Proposition 84 Grants

- Planning Grants: \$50.6 million of plans across California supporting sustainable communities in a post-SB 375 world.
- Urban Greening: \$41.5 million in capital projects and plans
- Modeling Incentives: \$10.9 million to regional governments, increase capacity and improving technical analysis

FRESNO GENERAL PLAN UPDATE

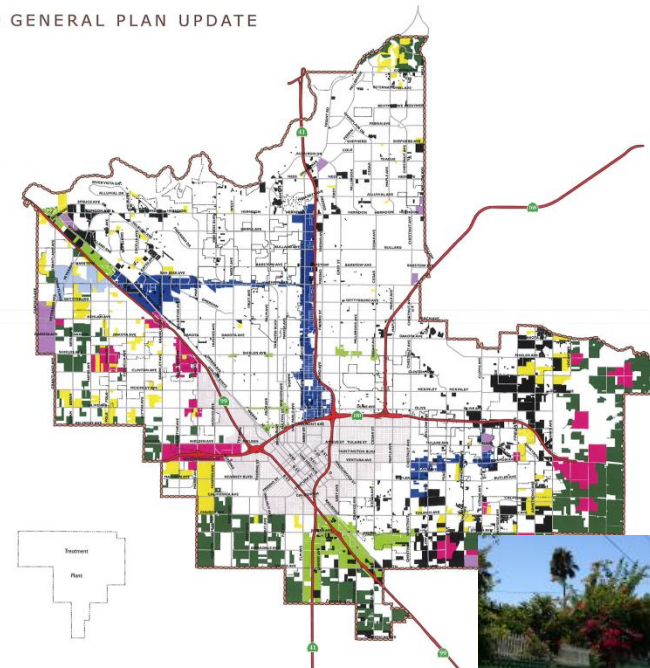


Figure X.X
Opportunity Sites



Cap and Trade Auction Proceeds & Greenhouse Gas Reduction Fund

Cap and Trade and the Greenhouse Gas Reduction Fund (GGRF)

- The California Air Resources Board (ARB) adopted a [Scoping Plan](#) that describes California's approach to reduce GHG emissions and achieve the goal of reducing emissions to 1990 levels by 2020.
- The Cap-and-Trade Program, a key element of the Scoping Plan, began in 2012. A portion of the GHG emissions permits (allowances) established by the Cap-and-Trade Program are sold at quarterly auctions and reserve sales.
- The Legislature and Governor appropriate auction proceeds from the Greenhouse Gas Reduction Fund (GGRF) to State agencies and programs through the annual Budget process for projects that support the goals of AB 32.

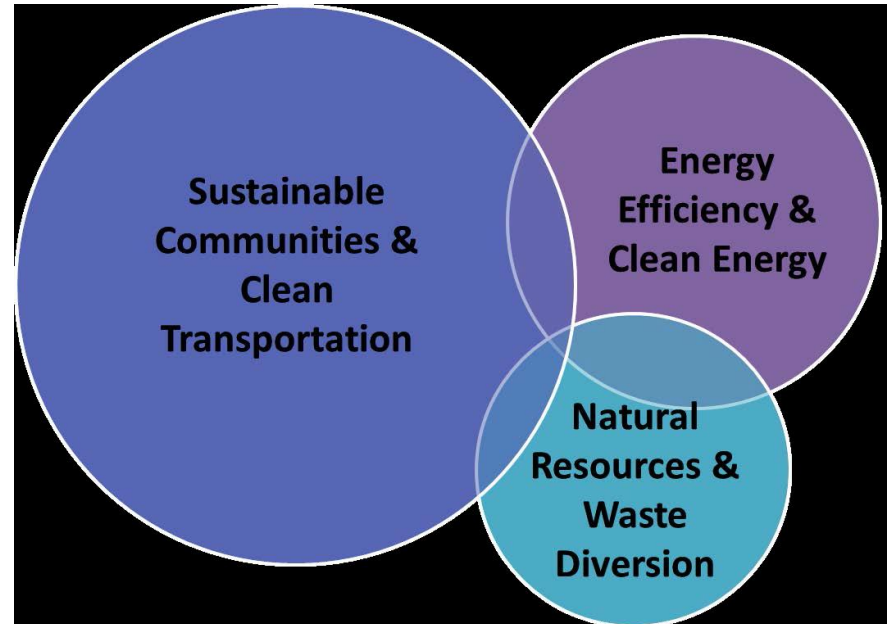
California
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AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM

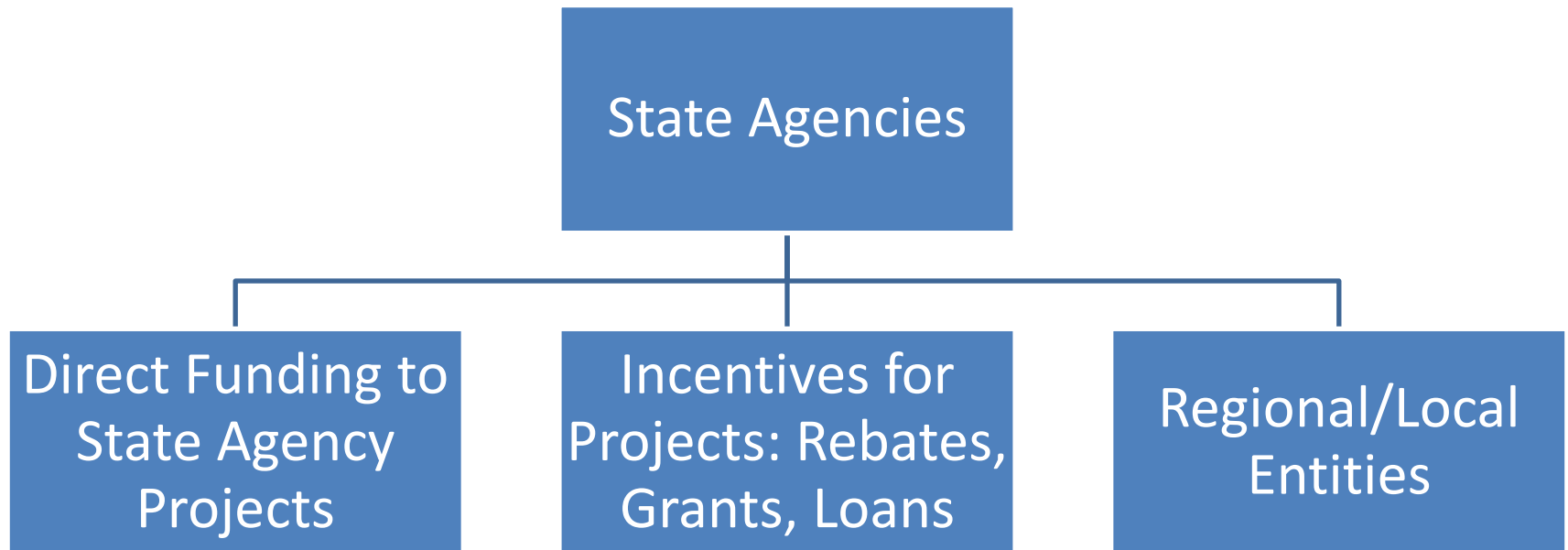
| | | |
|------|---------|---|
| 2006 | AB 32 | California Global Warming Solutions Act |
| 2008 | SB 375 | Sustainable Communities and Climate Protection Act |
| 2012 | SB 535 | Requires auction proceeds benefit and invest in Disadvantaged Communities |
| 2012 | AB 1532 | Establishes public process and directs funds to reduce GHGs and achieve co-benefits |
| 2012 | SB 1018 | Established the Greenhouse Gas Reduction Fund and accountability requirements |
| 2014 | SB 862 | Created the Affordable Housing and Sustainable Communities Program |

Auction Proceeds: Investment Plan

- Strategic investment of these proceeds furthers the goals of AB 32 by reducing GHG emissions, providing net GHG sequestration, and supporting the long-term, transformative efforts needed to improve public and environmental health and develop a clean energy economy.
- Three-year investment plan completed in May 2013
- Through FY 2016
- Focus on enhancing or expanding existing programs



Expenditure of Auction Proceeds



| Category | Department | Program | 2014-15 |
|--|---|---|----------------|
| Sustainable Communities and Clean Transportation | High-Speed Rail Authority | High-Speed Rail Project | \$250 m |
| | State Transit Assistance | Low Carbon Transit Operations Program | \$25 m |
| | Caltrans | Transit and Intercity Rail Capital Program | \$25 m |
| | <i>Strategic Growth Council</i> | <i>Affordable Housing and Sustainable Communities Program</i> | <i>\$130 m</i> |
| | Air Resources Board | Low Carbon Transportation | \$200 m |
| Energy Efficiency and Clean Energy | Dept. of Community Services and Development | Energy Efficiency Upgrades/Weatherization | \$75 m |
| | Energy Commission | Energy Efficiency for Public Buildings | \$20 m |
| | Dept. of Food and Agriculture | Agricultural Energy and Operational Efficiency | \$15 m |
| Natural Resources and Waste Diversion | Dept. of Fish and Wildlife | Wetlands and Watershed Restoration | \$25 m |
| | Dept. of Forestry and Fire Protection | Fire Prevention and Urban Forestry Projects | \$42 m |
| | Cal Recycle | Waste Diversion | \$25 m |
| TOTAL | | | \$832 m |

SGC Affordable Housing and Sustainable Communities Program

Structure of SGC-led Cap and Trade Proceed Investments

Greenhouse Gas Reduction Fund Investments

Air Resources Board

GHG Reductions

Co-Benefits

Disadvantaged
Communities

Strategic Growth Council

Resources Agency

Department of Housing and
Community Development

Ag Lands Conservation

Affordable Housing and
Sustainable Communities

Purpose of the AHSC Program

To fund projects that result in the reduction of greenhouse gas emissions and vehicle miles travelled (VMT) and increase accessibility of housing, employment centers and key destinations through low-carbon transportation options such as walking, biking and transit.

Projects must demonstrate GHG reductions that focus on VMT reductions.

Projects may also demonstrate ancillary GHG reductions through:

- Improved energy efficiency
- Net GHG sequestration
- Other GHG reductions or emissions avoidance

Demonstration of reduced GHG emissions will be subject to methodologies and reporting requirements established by the California Air Resources Board.

Eligible Project Types

- Transit-Oriented Development (TOD) Projects
- Integrated Connectivity Projects (ICP)

Eligible Costs

Eligible Capital Projects

- Affordable Housing Development
- Housing-Related Infrastructure
- Transportation-Related Infrastructure

Eligible Planning & Program Costs*

- Pre-Development Costs Related to Project Implementation
- Active Transportation Programs
- Transit Ridership Programs
- Criteria Air Pollutant Reduction Programs

** Eligible planning and program costs must be combined with at least one identified Capital Project.*

Transit-Oriented Developments

- Located within a ½ mile of Qualifying High Quality Transit

Required

**Affordable Housing
or Housing-Related
Infrastructure**

+

Required

**Transportation-
Related
Infrastructure**

Optional

**Additional
Capital or
Program Uses**

TOD Project Examples

**Affordable
Housing
Development**

OR

**Housing-
Related
Infrastructure**

+

**At least one Transportation Capital Project,
such as...**

**Station area improvements, including bus
stop benches or shelters**

OR

**Sidewalks and dedicated bicycle paths
providing connectivity between housing
and a transit station**

OR

Transit signal priority technology systems

Integrated Connectivity Projects

- Must have Qualifying Transit
- May include affordable housing, but not required



ICP Project Examples

Capital Use

+

Capital or Program Use

**Bicycle/pedestrian
connections from
employment center to
transit**

+

**Improvements to a transit
station**

**Affordable Housing
Development**

+

**Complete Streets
improvements to increase
walking and biking to a
transit stop**

Vanpool Fleet

+

Transit Ridership Program

Eligible Applicants

- Locality (city or county)
- Transit Agency/Operator
- Regional Transportation Planning Agency
- Congestion Management Agency
- School District
- University
- Developer (for- or non-profit)
- Public Housing Authority
- Joint Powers Authority
- Local Transportation Commission
- Redevelopment Successor Agency
- Facilities District
- Community College District
- Program Operator (public, non-profit, or private)

Award Ranges

TOD

\$1-\$15 million

ICP

\$500,000-\$8 million

- A Locality (city or county) may receive total maximum awards of \$15 million per funding cycle*
- A single developer may receive no more than \$15 million per funding cycle*

* May be waived in order to meet statutory set-aside requirements.

AHSC Program Set-Aside Minimums*

- Affordable Housing: 50%
- Disadvantaged Communities: 50%
- Transit Oriented Developments: 40%
- Integrated Connectivity Projects: 30%
 - Remaining 30% can be awarded to either category (TOD or ICP)

Multiple set-aside objectives can be met in some of the same applications. Ex: **TOD project with required **Affordable Housing Development** in a **Disadvantaged Community**.*

Statutory Thresholds

- GHG Reduction
- Supports implementation of a Sustainable Community Strategy*
- Consistent with State Planning Priorities
- Project Readiness

**SB 862: “If a Sustainable Communities Strategy is not required for a region by law, a regional plan that includes policies and programs to reduce greenhouse gas emissions” will meet this requirement.*

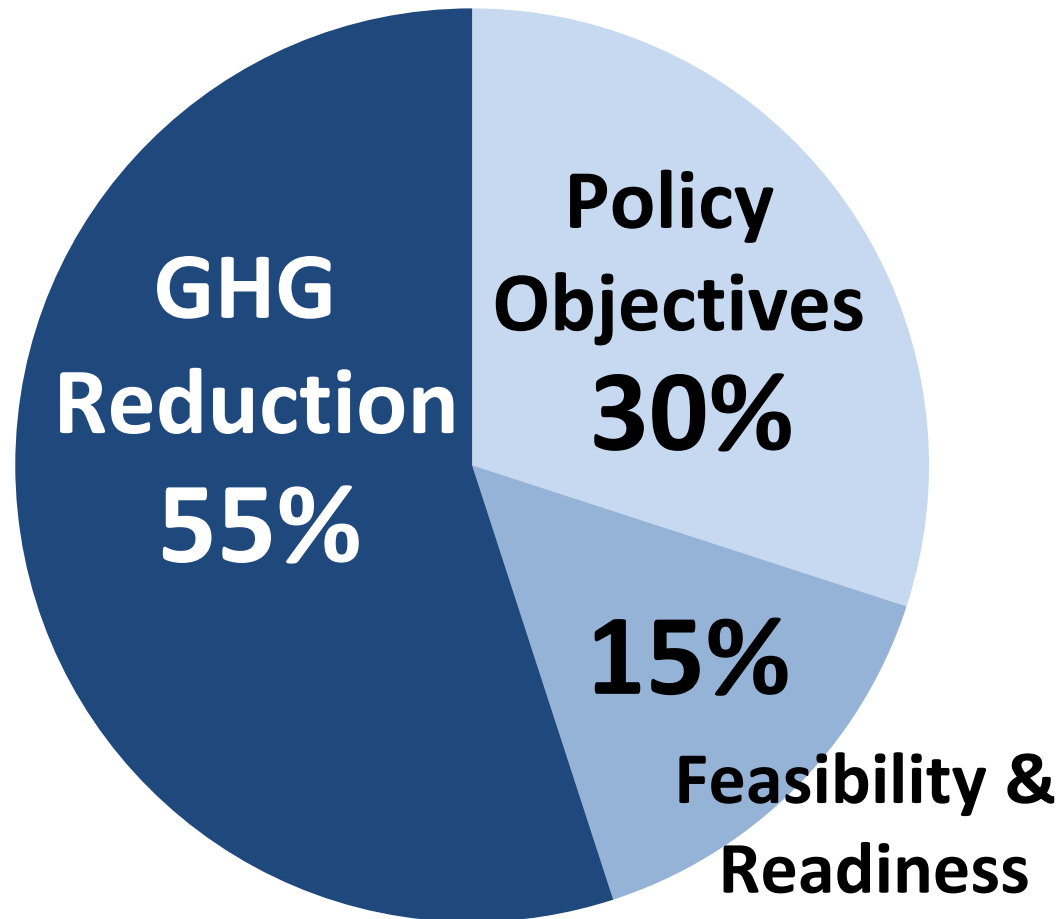
Key Thresholds

(Must be secured by the full application deadline of April 15)

- Site control
- Environmental clearances
- Entitlements
- No outstanding legal challenges to Project
- Construction has not started
- Climate Adaptation
- No conversion of working or natural resource lands

Refer to the AHSC Program Thresholds handout and AHSC Program guidelines Section 106 for a complete listing of all program thresholds.

Scoring Criteria – Applied at Full Application



Concept & Full Application Process

Concept Proposal Stage

Approved Concepts Invited for Full Application

Full Application Submittal

Funding Recommendations to SGC

Timeline

| | | |
|---|----------------------------|---|
| ✓ | JANUARY 9, 2015 | Release Draft Final Guidelines |
| ✓ | JANUARY 20, 2015 | Final Guidelines to Council for Approval |
| ✓ | JANUARY 30, 2015 | Concept and NOFA Requirements Released |
| | FEBRUARY 4-11, 2015 | Concept Technical Assistance Workshops |
| | FEBRUARY 19, 2015 | Concepts Due |
| | MARCH 11, 2015 | Approved Concepts Invited for Full Application |
| | APRIL 15, 2015 | Full Applications Due |
| | Late June 2015 | Awards Recommended |

More Information!

- SGC e-blast: sign up via web: www.sgc.ca.gov
 - Sustainable Ag Lands Conservation Program
 - Affordable Housing and Sustainable Communities Program
- AHSC Public Workshops -
 - Tuesday February 10 – Stockton
 - Wednesday February 11 – Oakland
- ARB GGRF Programs
 - <http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/ggrfprogrampage.htm>