



## Land Use & Natural Resources Committee

January 29, 2015

### Conceptual Framework for Integrating Upcoming Funding Programs with Air Quality and Planning Efforts

**Issue:** How can SACOG best coordinate the 2015 Regional Funding Program with evolving processes related to new funding opportunities, the 2016 Metropolitan Transportation Plan / Sustainable Community Strategy update, and ongoing work related to the Ozone State Implementation Plan?

**Recommendation:** None; this is an information item for discussion.

**Discussion:** During the November 2014 SACOG committee cycle, staff previewed upcoming funding opportunities including State Cap-and-Trade programs, Cycle 2 of the Statewide Active Transportation Program (ATP) and six-county Regional ATP, and the SACOG Four-County Flexible Funding Round (2015 Funding Round). Initial committee input in November supported SACOG approaching these 2015 funding opportunities in a manner that would help maximize benefits to agencies by increasing funding prospects, reducing local agency application fatigue, improving tools and methods to increase regional competitiveness, and helping to focus application efforts. Outlined below are concepts for discussion to inform policy development for the 2015 Funding Round over the coming months.

#### *Streamline Programs - Further Integrate State and Regional Funding Programs*

Following initial committee direction, staff has evaluated schedules, policies and goals of both state and SACOG-led funding programs and has identified two opportunities to maximize benefits to local agencies. The first opportunity is for integrating the grant application and review processes for the State ATP, Regional ATP, and 2015 SACOG Bicycle & Pedestrian Funding Program. Each of these three individual programs have overlapping policies and goals, sequential schedules, and incrementally more focused eligibility requirements, which presents an opportunity to create a single streamlined application process for all three programs. Similarly, staff has evaluated the Cap-and-Trade Affordable Housing and Sustainable Communities (AHSC) Program guidelines and sees the opportunity for projects to compete within this program and then in the 2015 Funding Round through application and data integration.

#### *Link Air Quality and GHG Reduction Funding*

Staff could seek to set aside funding for yet-to-be-determined air quality improvement projects. These projects would be funded through the Air Quality Funding Program and would reduce vehicle emissions and, where possible, greenhouse gas emissions. The Air Quality Funding Program has been non-competitive up to this point because of adopted Transportation Control Measure (TCM) commitments. The 2015 Funding Round will program projects for the years 2018 and 2019, and, in doing so, will fulfill adopted 2008-2018 TCM commitments. It is not yet known what, if any, new TCMs will be adopted for the years 2019 through 2027 as part of the Ozone State Implementation Plan (SIP). Until SACOG staff analyzes the necessity of possible future TCMs in conjunction with local air districts, it cannot define how much of the current Air Quality Funding Program might be competitive and how much might be set aside for the implementation of future TCMs. Work on this TCM analysis is anticipated to begin in February and a final product is expected in mid-summer 2015. The results of this TCM analysis will inform the shape this program takes, and could include an approach that prioritizes projects that reduce greenhouse gas emissions.

*Next Steps*

Staff is seeking feedback/discussion of the options described above. Staff will then return in March with draft policy frameworks for the 2015 Funding Round, in advance of an anticipated April approval and call for projects.

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