



Land Use & Natural Resources Committee

October 23, 2014

Cap-and-Trade and Future Funding Opportunity Outlook

Issue: What approach should SACOG use to increase regional competitiveness in future funding round opportunities related to Cap-and Trade and other funding programs?

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

Discussion: The purpose of this staff report is to seek Board input and direction on the concept of a regional approach to increasing competitive performance at a statewide level in the Cap-and-Trade: Affordable Housing & Sustainable Communities (AHSC) Program, a \$130 million statewide competitive program. In the October committee meeting, there was a great amount of board member discussion on the topic of developing a transportation performance evaluation framework, focused on tools and methods to analyze transportation investments at the project-level. Staff noted future opportunities for the application of project-level performance evaluation including the first Cap-and-Trade funding round from the State of California.

Cap-and-Trade consists of eleven programs, each of which is in various phases of development. SACOG staff has been actively monitoring implementation and providing regular verbal committee updates. The AHSC Program is the first program to have released Draft Guidelines. Staff has been actively engaged in the development process conducted by the Strategic Growth Council (SGC) and has specific concerns related to restrictive project eligibility requirements in the Draft Guidelines and on the proposed manner of including MPOs into the process as required by SB 862. But this is definitely a moving target, and we likely will have new information by the time the committee meets. There will be four SGC workshops to solicit comments on these Draft Guidelines prior to the October 30 committee meetings; staff will be actively engaged in this process. Final Guidelines are anticipated to be posted December 1, 2014, and adopted by SGC on December 11, 2014. The Draft Guidelines point to a potential call for projects in January 2015 with awards to be announced in June of 2015.

SACOG staff is evaluating AHSC both in terms of the types of projects being solicited and how it will integrate with the timing of other statewide funding programs, such as Active Transportation Program (ATP), Highway Safety Improvement Program (HSIP), and the SACOG four-county 2015-2016 Flexible Funding Round. The attached table provides the anticipated timelines of these other programs based upon standard norms and best available information. Staff is considering how to coordinate or potentially consolidate programs to help ensure maximum benefits to the system from funding projects, easing local agency application fatigue, and discussing tools and methods to increase regional competitiveness while orienting members to evolving processes and how to best focus application efforts.

Approved by:

Mike McKeever
Chief Executive Officer

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Attachment

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Timelines

Actions	State ATP Cycle 2	MPO ATP Cycle 2	Flexible Funding Round (4- County)	Cap & Trade: AHSC	HSIP
Call for Projects Released	March 2015	May 2015	April 2015	January 2015	Spring 2015
Applications Due	May 2015	End of July 2015	End of June-July 2015	April 2015	TBD
Recommendations Released	September 2015	End of September 2015	End of September 2015	June 2015	TBD