



Bike & Pedestrian Advisory Committee

July 23, 2014

Cap and Trade Update

Recommendation: None; this is informational.

Discussion: In 2006, the State of California enacted AB 32, which authorized the Air Resources Board to create a cap-and-trade greenhouse gas emissions trading market. In June 2014, the Governor signed the FY 2014-15 State Budget (and various trailer bills), which established several programs to direct the expenditure of cap-and-trade revenues. Attached is an overview of the programs from a regional transportation perspective.

One of the programs of interest to SACOG is the Affordable Housing and Sustainable Communities Program. SACOG, as the Regional Transportation Planning Agency, will coordinate with SGC and its partner state agencies to recommend projects for funding under the Affordable Housing and Sustainable Communities program.

On July 10, the Strategic Growth Council (SGC) took action to set up a basic framework and timeline for program implementation. SGC will hold three public workshops on guideline development in mid-August, with a release of draft guidelines anticipated in early October. The draft guidelines will also be reviewed in public workshops, with final guidelines anticipated to go before SGC in December 2014. SGC anticipates releasing the funding solicitation in January 2015 and making grant and loan awards in June 2015.

SGC elected to charge the Department of Housing and Community Development (HCD) with implementing the housing, transportation and infrastructure components of the program (i.e. contracting with awardees, managing contracts, etc.). HCD's Transit-Oriented Development and Infill Infrastructure Grant programs, which funded affordable housing and supporting infrastructure, including complete streets, utilities, and transit stations, were discussed as potential models for the new Sustainable Communities program guidelines. SGC has opted to establish a separate component for the Sustainable Communities Agricultural Land Preservation Program, which would be implemented by the California Natural Resources Agency or the Department of Conservation. For both programs, SGC will retain discretion over policy direction, approval of guidelines, approving projects for funding, and oversight of implementation.

EJ:pm

Key Staff: Sharon Sprowls, Senior Planner (916) 340-6235
Victoria S. Cacciatore, Transportation Planner, (916) 340-6214
Erik Johnson, Acting Manager of Policy and Administration, (916) 340-6247