

# Green Means Go 2022 Funding Program

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## REVISED GUIDELINES, AUGUST 2022 VERSION

- **AUGUST CHANGES:** UNDERLYING REAP 2 FUNDS NOW ALL STATE REVENUES (I.E., NO MORE FEDERAL FUNDS IN GREEN MEANS GO)
- **JULY CHANGES:** EARLY ACTIVATION CALENDAR
  - APPLICATION DEADLINE EXTENDED TO SEPT 15, 2022
  - DEADLINE TO EXPEND FUNDING EXTENDED TO OCT 2024



## Guidelines Summary

This document contains the guidelines for the 2022 Green Means Go funding program of the Sacramento Area Council of Governments (SACOG).

The Green Means Go funding program is SACOG's newest funding program. The program will award roughly \$34 million in one-time funding through planning and capital infrastructure investments for non-transportation projects in locally-adopted Green Zones that improve housing affordability. The primary fund source for Green Means Go is the state-wide REAP 2.0 program.

The broader Green Means Go effort, informed by the past two years of stakeholder engagement and board direction, provides the policy foundation for this funding program. SACOG conducted program-specific outreach to develop the objectives, guidelines, eligibility and criteria contained here. These final guidelines incorporated substantial feedback generated from multiple months of program outreach.

## Program Objectives

The 2022 Green Means Go program has five objectives:

- Accelerate infill residential development that improves housing affordability
- Reduce vehicle miles traveled
- Foster inclusive communities and affirmatively further fair housing
- Deliver cost effective projects
- Leverage partnerships and policy match

## Program Categories

The 2022 Green Means Go funding program has three categories:



These program guidelines explain each of the three categories, as well as provide more information on schedule, eligibility and evaluation criteria.

## Contact

Please direct any questions regarding the 2022 Green Means Go funding program or the application process to:

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## Schedule

Please note all dates are subject to change. SACOG has not yet received approval from the state agency partners overseeing the REAP 2.0 funds, which could impact the Green Means Go program schedule. To view the most recent information please go to: <https://www.sacog.org/reap-2-green-means-go>

### Ongoing:

**Pre application consultation-** SACOG strongly encourages sponsors to meet with Green Means Go program staff to discuss potential applications. See the pre-application consultation section later in this document for more detail. Consultations are available up to the application deadline.

**Green Zone revisions-** Through the 2022 Green Means Go funding program, project sponsors can update their local [Green Zones](#). See the Green Zone revision section later in this document for more detail.

### Guidelines (all categories)

**April 28, 2022** Draft program guidelines released

**May 20, 2022** Deadline for comments on draft guidelines

**June 16, 2022** SACOG board acts on final program guidelines

### Category A: Early Activation projects

**July 11, 2022** Call for projects in Early Activation category

**September 15, 2022** Early Activation project applications due by 4:00 p.m.

**Nov 1, 2022** Staff releases recommendation for Early Activation category

**Nov 10, 2022** SACOG board acts on funding awards in Early Activation category

### Categories B and C: Planning and Capital projects

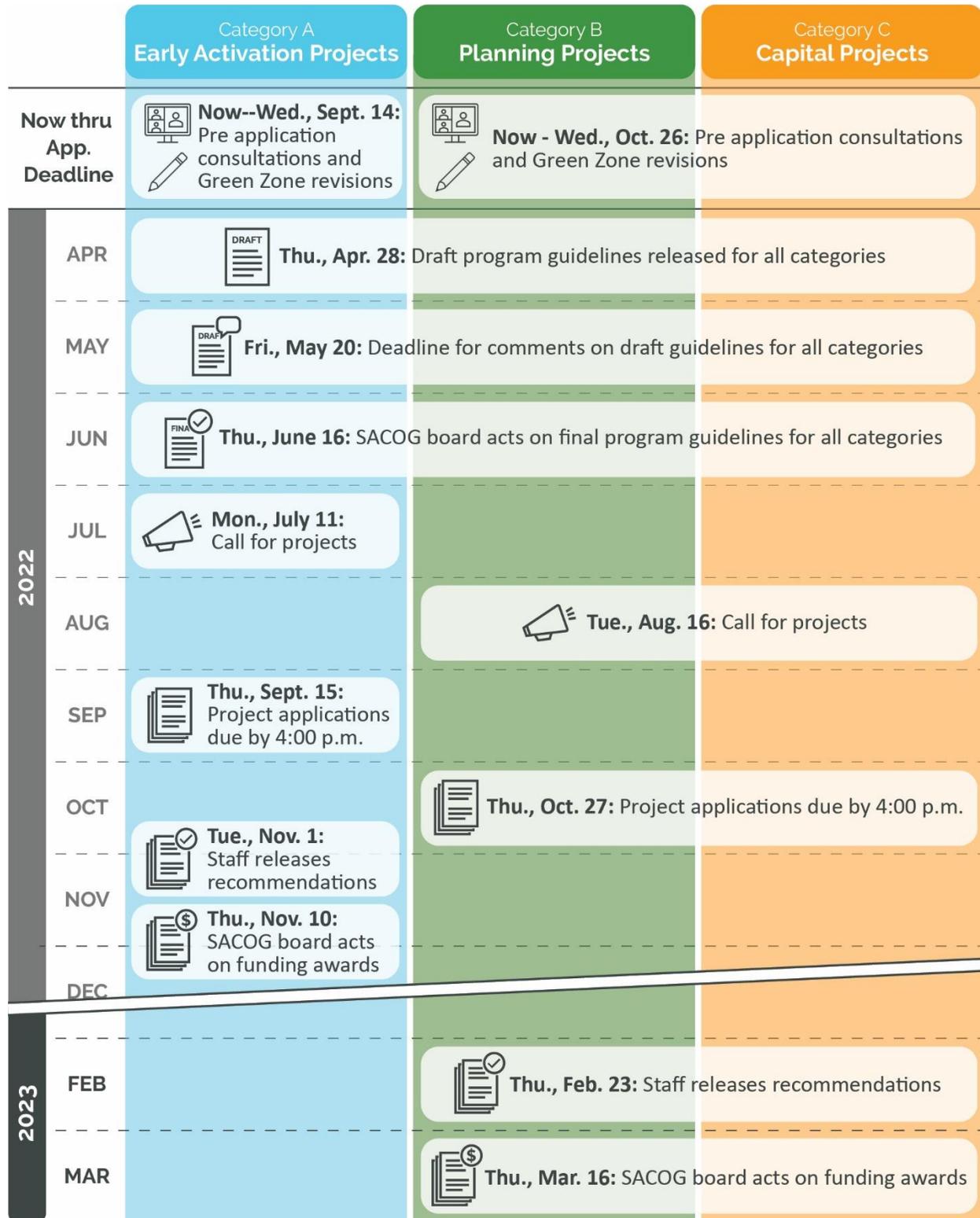
**August 16, 2022** Call for projects in Planning and Capital categories

**October 27, 2022** Project applications due by 4:00 p.m.

**February 23, 2023** Staff releases funding recommendation for Planning and Capital categories

**March 16, 2023** SACOG board acts on funding awards in Planning and Capital categories

Schedule Graphic



## Available funding

The 2022 Green Means Go program will competitively award \$34,300,000 to projects that meaningfully contribute to the performance outcomes, overall policy, and evaluation criteria identified by the SACOG Board of Directors.

There are two revenue streams supporting the \$34.3 million Green Means Go program: state revenues from the [Regional Early Action Planning Grants \(REAP 2.0\)](#) program and a grant to SACOG from the Strategic Growth Council (SGC). Originally, the REAP 2 program included substantial federal funds. Working with its regional partners, the state has updated the funding source of REAP 2 to be solely from state general funds (i.e., no longer any federal funds). As such, all the revenues supporting Green Means Go grants now derive from state funds.

### GREEN MEANS GO CATEGORIES

	Category A <b>Early Activation Projects</b> 	Category B <b>Planning Projects</b> 	Category C <b>Capital Projects</b> 
<b>Description</b>	Flexible category for site-specific projects that accelerate infill in near term	Corridor-wide rezoning, environmental and infrastructure planning	Corridor-wide non-transportation infrastructure
<b>Funding Available</b> (\$34.3 million total)	\$3 million	\$5 to \$10 million	\$21.3 to \$26.3 million
<b>Deadline to Submit Application</b>	Sept. 15, 2022	Oct. 27, 2022	
<b>Deadline to Expend Funding</b>	Oct. 23, 2024	Obligate by June 2024 Spend by June 2026	
<b>Underlying Revenue Source</b>	SGC Grant (state revenue)	REAP 2.0 (state revenue)	

The final total within the Planning and Capital categories will be based on submitted applications' alignment with program objectives (i.e., the Planning category will award at least \$5 million and the Capital category will award at least \$21.3 million).

The eligibility section that follows gives more detail on the types of uses funded by each category.

## General Eligibility (Categories A, B, and C)

- The 2022 Green Means Go funding program will award projects located within the six-county SACOG region of El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba Counties.
- Awarded projects must be in an adopted [Green Zone](#) within this six-county region. In other words, projects that fall outside of an adopted Green Zone will not be eligible in this program or any of its categories (a sponsor can update its Green Zone through the pre-application period, as described in the Green Zone section below).
- Eligible project sponsors (i.e., lead applicants) will be the 22 cities and 6 counties within the SACOG region (El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba counties). Partnerships between lead agencies and other public agencies or community groups are encouraged. The program application will provide space to identify, when applicable, if the lead applicant (city or county) differs from the implementing agency (city/county, special district, community group, etc.).
- Applications must include a letter of support from a Community Based Organization located within (or working within) the Green Zone.
- Each proposed use must be supportive of increasing residential infill development within Green Zones that improves housing affordability. Mixed-use developments/corridors meet this requirement, as long as the applicant can make the case that housing is a predominant use. The minimum threshold for predominate use is 51% of the corridor/project area devoted to housing. Note that this is a minimum eligibility threshold, and that applications will be evaluated on their ability to achieve further housing, in particular, housing that is affordable to low and moderate income cohorts.
- Each proposed use must be consistent with the objectives of REAP 2.0, including affirmatively furthering fair housing. Further, each use must align with the SACOG board's commitment to economic and racial equity and inclusion.
- The program will fund non-transportation infrastructure and planning that accelerates infill housing and supports housing affordability. In other words, transportation projects are not eligible in the 2022 Green Means Go programs; instead, transportation projects in Sacramento, Sutter, Yolo and Yuba counties seeking regionally-administered transportation funds are encouraged to apply in SACOG's [Regional Transportation funding round](#) (El Dorado and Placer counties have their own transportation funding programs).
- Projects receiving Green Means Go funding must commit to reporting requirements for three years after the grant award. The reporting will ask for evidence that the changes referenced in the application have materialized.
- Projects that receive an award through Green Means Go must submit a signed one-page letter following the award. The letter serves as a commitment to follow the state reporting requirements, as well as the ability to manage the received funds within the established timeline. SACOG will provide the letter template (i.e., all that is needed is the signature). This brief additional step is to meet the requirement of the underlying funding sources.

### ***Category A: Early Activation - Additional Eligibility and Uses***

The \$3 million Early Activation category is designed to be the most flexible of the three Green Means Go categories. This category will fund either planning or implementation activities that accelerate infill residential development in the near-term that improves housing affordability, including site-specific activities (i.e., the funds can be used to support the development of specific housing projects). Eligible uses in this category will be the same non-transportation planning and infrastructure investments supported through Green Means Go (i.e., the distinction is that this category is project specific, while the other categories are corridor-wide). In addition to the general eligibility requirements described above for all categories, the Early Activation category includes the following additional eligibility screen:

- Projects funded in the Early Activation category must fully spend the grant award by October 2024. As awards will be made in November 2022, this represents a quicker timeframe for spending the grant funds.

### ***Category B: Planning - Additional Eligibility and Uses***

The guidelines for the statewide REAP 2.0 funding establish eligible planning uses in the Green Means Go program:

1. Rezoning and updating planning documents and zoning ordinances, including community and specific plans, that lead to more infill housing that improves housing affordability. Note that per REAP 2.0, all uses that include the creation of planning documents must be accompanied by a commitment to adopt and implement. Further, the effort must target a Green Zone (see final bullet of this section for more detail on the link between planning and Green Zones)
2. Eliminating the need for project-specific review for infill development that improves housing affordability through program level environmental clearance
3. Conducting infrastructure plans and studies, such as for upgrading sewer, water, and dry utility systems in Green Zones that would support residential development that improves housing affordability
4. Revamping local planning processes through other efforts that accelerate infill development that facilitates housing affordability, supply, and choice.

### ***Other eligibility criteria***

The Planning category includes the following additional eligibility criteria:

- The maximum funding request in this category is \$650,000 per project (though sponsors can apply for multiple projects)
- As for all projects in any category, the project must be within a locally adopted Green Zone. In other words, the rezoning/planning document, environmental clearance, infrastructure planning or other planning use must be within a Green Zone. If a sponsor feels it has a more widespread planning activity that fits the objectives of Green Means Go, the sponsor must reach out to the Green Means Go program manager prior to the application submittal for a pre-application review to determine eligibility. In rare cases the use can be eligible if the sponsor can

demonstrate the primary benefit is to the locally-adopted Green Zone and meets the objectives of the Green Means Go program.

- Sponsors must encumber the award by June 2024 and spend by June 2026 (though earlier use of the funds is preferred).

### ***Category C: Capital - Additional Eligibility and Uses***

The largest category of the Green Means Go funding program will fund non-transportation infrastructure that accelerates infill residential development that improves housing affordability. Non-transportation infrastructure can consist of:

- Water
- Sewer
- Stormwater
- Electricity
- Broadband

The capital category aims to fund corridor-level infrastructure investments that help unlock an area for increasing residential development. In other words, the category does not aim to award site-specific activities unless the site is at sufficient scale (in recognition of the local context) to meet the objectives of Green Means Go.

Sponsors can use the award to fully complete the project. For example, a sewer project that opens up a roadway to upgrade the underground sewer line can repave the roadway facility once the sewer is upgraded. But no costs for added transportation features beyond existing conditions can be included as part of the 2022 Green Means Go funding program project scope/cost (though these costs can be covered through other funding sources). As part of the leverage and cost effectiveness criteria (covered below in the evaluation criteria section), sponsors are encouraged to discuss if the Green Means Go project will be paired with a transportation or other corridor investment. This can be one way a sponsor demonstrates leverage.

Finally, sponsors must encumber the award by June 2024 and spend by June 2026.

## Project Evaluation Criteria

The 2022 Green Means Go program will evaluate projects on five criteria. Three of the criteria (accelerate infill housing that improves housing affordability, reduce vehicle miles traveled, and foster inclusive communities) relate to project benefits/performance outcomes, while the other two gauge the project’s feasibility and ability to impact other complementary efforts in the Green Zone. These program guidelines give a summary overview of the five criteria. The categories’ individual applications will give more detail on each objective, including the quantitative data and qualitative narrative factors used in the applications to assess each of the criteria. Across each criteria, the evaluation guidance will recognize the differences between rural, suburban and urban environments and stress context-sensitive solutions. The quantitative metrics will use a placetype average so that projects are compared to those in similar community types.

### Evaluation Criteria

#### Project benefit

- Accelerate infill residential development that improves housing affordability
- Reduce vehicle miles traveled
- Foster inclusive communities and affirmatively further fair housing

#### Other factors

- Deliver cost effective projects
- Leverage partnerships and policy match

The Early Activation and Capital categories use each of these five criteria. The Planning category only uses the three performance outcome criteria (as part of a proposed planning application may be to determine project deliverability, cost, or partnerships).

#### WEIGHTS OF EVALUATION CRITERIA BY PROGRAM CATEGORY

Evaluation Criteria	Category A: Early Activation	Category B: Planning	Category C: Capital
Accelerate Infill that Improves Affordability	30	30	30
Reduce VMT	20	20	20
Inclusive Communities	20	20	20
Deliverability/Cost Effectiveness	10	-	10
Leverage	20	-	20

## **Description of the 5 evaluation criteria**

### *Accelerate Infill Residential Development that Improves Housing Affordability*

The overarching objective of Green Means Go funding is to accelerate infill housing in Green Zones that improves housing affordability, particularly for lower and moderate income cohorts. Sponsors will be asked to demonstrate how the proposed activity increases housing supply, choice and affordability. By improving housing affordability for impacted households, the program will support economic equity as well as recovery from the negative economic impacts of the COVID-19 pandemic, which has exacerbated housing unaffordability in the region.

Together, the projects funded through Green Means Go must make the connection of how the planning or infrastructure investment unlocks a Green Zone with strong planned or actual housing affordability components that serve low and moderate-income households. Guidance from the state partners supporting REAP 2.0 define low and moderate income as incomes at or below the threshold designated by Department of Housing and Community Development's [State Income Limits](#) (by county). The application should reference how the planned densities on the corridor support housing at a variety of income levels.

In addition to the statewide guidance, the SACOG board added an explicit reference in Green Means Go to economic equity. The program supports economic equity through efforts to improve housing affordability, which can be met by multiple strategies (such as increased supply, densities, design approaches, subsidized housing, etc.). However, project applications should not rely on an increase in supply as the sole means of meeting the housing affordability objective.

While there will be differences between the three program categories, sponsors will need to show the planned densities on the corridor, the sites made available for low and moderate income cohorts, and the unit capacity based on the volume of infrastructure added as evaluation criteria for meeting this objective. Sponsors will also be asked to describe readiness from a market and planning perspective. As for the other evaluation criteria, projects will be evaluated compared to those in similar placetypes.

Further, projects in categories B & C (Planning and Capital) will be evaluated on how transformative the investment will be in leading to changes in land use patterns and behavior that accelerate infill housing. In other words, those projects will be evaluated on their impact to a broader corridor, not solely an individual site.

### *Reduce Vehicle Miles Traveled (VMT)*

Proposed activities will need to demonstrate how the housing-supportive investment helps complement VMT-reducing elements in the broader corridor. For example, does the accelerated infill housing help support a better jobs/housing balance or fit? Does it serve an area with a diversity of land uses, pedestrian and bicycle infrastructure, or transit service? Is the housing situated in an area with high accessibility to neighborhood services that can be met through short vehicle trips or active modes? As for the other evaluation criteria, projects will be evaluated compared to those in similar placetypes.

### *Foster Inclusive Communities and Affirmatively Further Fair Housing*

In this objective, applications will be evaluated on their potential to meet meaningful, inclusive, and equitable housing outcomes within the Green Zone.

There are two key components in this criterion:

- Affirmatively furthering fair housing (AFFH)
- Considering economic and racial equity and inclusion

The state framework for the broader REAP 2.0 program defines AFFH as meaningful actions to address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns and transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

Projects in high-resource areas need to include affordability components that open the area's opportunity to a broader set of participants. Projects in disadvantaged communities need to include community revitalization, anti-displacement, or other place-based strategies.

Projects within the Green Means Go program will also be evaluated on their ability to advance racial equity and inclusion. While connected to AFFH, the SACOG board added this explicit reference to racial equity and inclusion.

To demonstrate alignment to AFFH and racial equity and inclusion, first, applications will be asked to describe their community engagement to date, including the number of people reached and efforts to connect with underserved community groups. Further, the sponsor will describe how community input has shaped the vision and direction for the corridor (recognizing that the infrastructure investment may be just one part in activating this vision). As part of this response, sponsors can reference a completed planning process for the corridor, but should not rely on a planning document/process that is older than five years.

Note that projects in Category B (Planning) can use a Green Means Go award for community engagement (a preferred use), so projects in this category will instead be asked to show what engagement will be conducted in the project timeline, and how that engagement will target underserved groups.

Next, the application also needs to demonstrate companion strategies, tailored to the local context, that aim at preserving or enhancing community vitality. Possible strategies could include affordable housing supportive ordinances, incentives for affordable developers, planned affordable unit production, preservation of existing affordable housing, anti-displacement or inclusion programming, rental assistance approaches, or other efforts in the broader Green Zone corridor that mitigate displacement pressures or open a high resourced area to more affordable unit production. Green Means Go doesn't prescribe which of these strategies should be used except that if a project is in an environmental justice community, the application must describe what mitigation and anti-displacement approaches will be included as part of the project. SACOG is compiling a layer for the application that will provide the definition used in this program for environmental justice.

### *Deliver Cost Effective Projects*

Longstanding SACOG board direction places an emphasis on making the most cost-effective funding decisions, which is achieved by selecting implementable projects that maximize performance outcomes and minimize project costs. The program recognizes the high upfront costs for housing-supportive infrastructure. Applicants can use a life-cycle approach to pair upfront costs with future benefits. Program staff are working on a life-cycle estimate to include in the program application.

Evaluation criteria for project delivery will look for evidence that the project phase can be implemented within the program timeframe.

### *Leverage Partnerships and Policy Match*

Green Means Go aims to catalyze infill development within the SACOG region. Yet the \$34.3 million the program will award is only a small portion of the amount needed to implement the region's Sustainable Communities Strategy. In the 5<sup>th</sup> program criteria, project applications within Green Means Go will be evaluated on leverage: what other resources (besides the Green Means Go award) the sponsor or its partner(s) are bringing to the corridor to make the investment more transformative. The program will evaluate leverage through three aspects:

#### **1. Local policy commitments**

Sponsors will be asked to describe how the local policy environment facilitates or supports increased residential densities within the Green Zone. Sponsors should point to policies/planning/zoning/processes in place in support of infill residential development, or to work that will be done in removing barriers to new housing in infill communities. As a resource, SACOG's [Housing Policy Toolkit](#) gives a menu of many policy options and best practices in support of infill housing. Sponsors can also speak to complementary efforts at the local level, such as prohibiting heavy duty vehicular traffic in environmental justice communities as an example.

#### **2. Other funding (local agency match)**

There is no minimum match requirement for Green Means Go. But one way to demonstrate leverage is through a local agency investment, either on the project itself (e.g., the cost for the improvement is split between the Green Means Go award and local or other revenues) or another local investment in the Green Zone (including transportation, housing, or other infill-supporting projects). As described above in the eligibility section, the sponsor could pair a transportation investment with a Green Means Go non-transportation capital improvement as a form of match (though the Green Means Go award could not be used to pay for any part of the transportation improvement).

The local match could come from a variety of sources (does not necessarily have to be locally-controlled revenues) but should be from the lead or implementing agency (i.e., other federal/state/regional grants could be used as match, as long as the grants are to the lead or implementing agency. Financial commitments from other agencies can be accounted for in the Partnerships aspect below).

### 3. Partnerships (partner match)

Green Means Go seeks evidence of supporting partnerships within the Green Zone corridor. Sponsors should reference any other activities, projects, or programs by partner groups in supporting the Green Zone investment. The below are just a few possible examples of partner match (i.e., the list is meant to give some ideas, not be exhaustive)-

- The transit district is improving service within the corridor
- The utility district has adjusted rates or put in charging infrastructure in the Green Zone
- An air district funds a shared electric vehicles program in the zone or partners on an urban greening/carbon capture project
- A financial commitment to the project (from a developer, community partner, etc).
- A recently completed community visioning or other neighborhood effort

#### Leverage Criteria Summary

The leverage criteria is designed to be flexible, in order to provide multiple ways for the sponsor to describe partnerships and momentum, and recognize that not all communities have the ability to put forward a financial match. At a minimum, the applicant needs to show how the local policy environment is supportive of residential infill development, either through existing conditions or a commitment to new housing-supportive policy actions. This commitment to residential infill development is essential since the state and federal funding sources require a nexus to infill housing.

The applicant can also discuss the other aspects of leverage (funding and partnerships). The application does not need to respond to each, though it should demonstrate a sufficient case in meeting the program objective of leverage. The guidelines deliberately built flexibility in this objective to recognize the differences in communities across the region.

### ***Project Review and Tiering***

Each category's specific application will describe the evaluation criteria in more detail, as each category will have slightly different areas of emphasis within the five program objectives. Overall, both quantitative data and qualitative narrative factors are part of the evaluation in each category, as will be described in the forthcoming evaluation guidance document. SACOG aims to limit the data needs to readily-available sources (such as the Project Performance Assessment tool, existing HCD opportunity maps, housing element site inventories, or other locally available data/information).

SACOG will convene two technical working groups to evaluate the data and narrative components of the five criteria. One working group will evaluate the project benefit and leverage criteria. A second will focus on the project's deliverability and cost estimate.

A policy working group will complete the final evaluation by taking input from the technical project delivery working group and the performance outcomes-based working group. The policy working group integrates the projects into three tiers (high/medium/low) to develop the staff recommendation, using the evaluation input as well as a qualitative assessment that the REAP 2.0 objectives, as defined in the statewide guidelines (blend of planning and implementation, transformative approaches, recognition of difference between community types), are met by the final funding recommendations.

## Green Zone Revisions and Pre-application Consultation

### *Pre-application Consultation*

SACOG strongly encourages sponsors to meet with Green Means Go program staff to discuss potential applications and/or concepts (this is not required as part of the application process but is strongly encouraged). We find these conversations have most value before the sponsor has begun its application and is still considering concepts. The consultation can take place any time up to the deadline for project applications, though the earlier, the better (i.e., preferred spring 2022, but up to close of the application period). A sponsor does not need to have a tangible idea in order to take advantage of the consult (i.e., can use the session to talk through how to form a project).

If there is value, the sponsor can request multiple consultation meetings (such as a preliminary meeting to go over top-level concepts, a follow up meeting with more refined proposals, etc.). SACOG staff will make every effort to accommodate the need for multiple pre-application consultations from a single sponsor.

Finally, we have found the pre-application consultations are most productive when paired with an initial scan of project performance criteria. If requested, SACOG will provide any relevant information from SACOG's [Project Performance Assessment tool](#) as part of the pre-application consultation. The sponsor would need to request SACOG put together this analysis at least three business days before the consultation meeting.

### *Green Zone Revisions*

Project sponsors can work with Green Means Go program staff to update their existing Green Zones as part of the 2022 program.

First, sponsors should review SACOG's existing [Green Zone](#) map for accuracy. If there are minor administrative changes (such as missing parcels, etc.), SACOG staff can make those updates at the administrative level.

If a sponsor wants to make larger changes to its existing Green Zone, the sponsor needs to make a written request to SACOG Green Means Go staff. SACOG will review the request using the [same criteria](#) as the original process (in an infill area, local housing supportive policies/plans in place or in process, and potential for VMT reduction). If accepted, the changes can be approved by SACOG's Executive Director (i.e., no need for a resolution, though local staff should assess whether the change needs to go before their own board/council). Requests for new Green Zones will follow the same process, though SACOG may require a resolution.

All Green Zone revisions must be completed by the time applications are due (September 15 for Category A. Early Activation, and October 27 for Category B. Planning and Category C. Capital). Once the application period closes, SACOG will not be able to make any Green Zone revisions until the close of the funding program and project awards are announced (in March 2023).