

AHSC: An Integrated Approach to Housing, Infrastructure, and GHG Reduction Strategies

League of California Cities Annual Conference

October 1, 2015

Outline

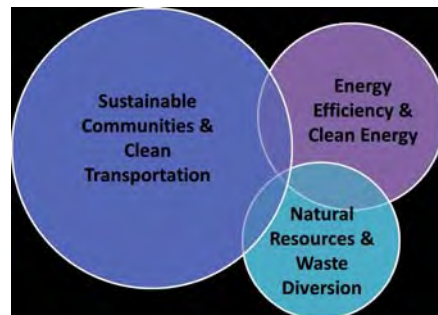
- Overview of California Climate Investments
- Affordable Housing & Sustainable Communities Program
 - Round 1 Investments
 - Revised 2015-16 Program Guidelines
- Opportunities for Technical Assistance

California Climate Investments

(aka Cap and Trade)

California Climate Investments

- Three-year investment plan completed in May 2013
- Covers FY 13-14, FY 14-15, FY 15-16
- Focus on enhancing or expanding existing programs
- Update to the Expenditure Plan in 2015
 - Workshops held in August and November



GGRF Appropriations by Fiscal Year	2013-14	2014-15	2015-16
HSRA - High Speed Rail*	--	\$ 250M	\$ 500M
Caltrans - Low Carbon Transit Operations*	--	\$ 25M	\$ 100M
CalSTA - Transit and Intercity Rail Capital*	--	\$ 25M	\$ 265M
SGC – Afford. Housing/Sustainable Communities*	--	\$ 130M	\$ 400M
ARB - Low Carbon Transportation	\$ 30M	\$ 200M	\$ 90M
CSD – Residential Weatherization/Solar	--	\$ 75M	\$ 79M
CEC - Energy Efficiency for Public Buildings	--	\$ 20M	--
DWR – Water Energy Efficiency	\$ 30M	\$ 40M	\$ 20M
CDFA - Agricultural Energy Efficiency	\$ 10M	\$ 35M	\$ 40M
CDFW - Wetlands and Watershed Restoration	--	\$ 25M	--
CALFIRE – Sustainable Forests	--	\$ 42M	--
Cal Recycle - Waste Diversion	--	\$ 25M	--
Total (as of Sept. 2015)	\$ 70M	\$ 892M	\$1,494M

*Continuously appropriated agencies. FY2015-16 amounts from 2015 May Revise Budget estimates

**Affordable Housing & Sustainable
Communities Program**

Objectives

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.

- **Competitive Statewide Program**
 - 50% required investment in affordable housing
 - 50% required investment in disadvantaged communities
- **Awarded \$121.9 million in 2014-15**
- **\$400 million* available in 2015-16**
- **Eligible Applicants: Local Governments, Transportation and Transit Agencies, For- and Nonprofit Developers and Program Operators**

2014-15 Statistics

**723,286 METRIC TONS IN AVOIDED GHG EMISSIONS =
TAKING 140,000 CARS OFF THE ROAD FOR ONE YEAR**

2,003 new
affordable units
near transit

28 projects

19 counties

21 cities

\$92 million to
benefit
Disadvantaged
Communities

\$32 million for transit,
walking & biking

Key Factors in Year One

- Timing of Application
- Project Readiness (Site Control, Permits and Environmental Clearances)
- Leverage: Other Funding Sources
- Housing Unit Density
- Proximity to Dense Job Centers
- Balancing Transit and Active Transportation Investments
- Jurisdictional Caps

AHSC 2015-2016

Revised Program Guidelines and Year 2 Timeline

Highlights of Proposed Round 2 Changes

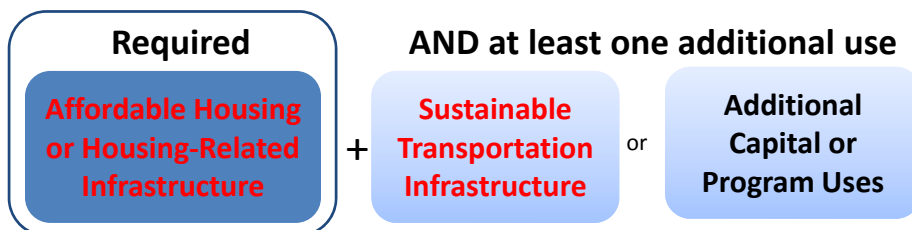
- Restructured GHG Reductions scoring criteria to better balance GHG Quantifications with other Supplemental Strategies
- Creation of New Project Area Type – Rural Innovation Project Area
- Greater Emphasis on Transportation Investments that Support Mode Shift
- Refinement of TOD and ICP Project Areas to encourage a stronger balance of housing, transportation, and transit investments, while encouraging housing and transportation collaboration
- Replaces Funds Leveraged and Financial Readiness as a Concept filter
- Incentives to Encourage use of 4% low income housing tax credits

Eligible Project Area Types

- Transit-Oriented Development (TOD) Project Area
- Integrated Connectivity Project Area (ICP)
- Rural Innovation Project Areas (RIPA)

Project Type: Transit-Oriented Developments

- Located within a ½ mile of High-Quality Transit
- NEW for 2015: May include transportation, but not required*



* Pending SGC adoption of 2015-16 AHSC Guidelines in December 2015

High-Quality Transit

Peak Period headway frequency of 15 minutes or less and service seven days a week **AND** meet one of the following:

- Operate on a railway or dedicated right-of-way
 - OR -
- Contain at least two of the following characteristics:
 - ✓ Middle-of-road alignment bus-only lanes
 - ✓ Off-board fare collection
 - ✓ Intersection treatments that prohibit mixed-traffic from making turns across dedicated right-of-way
 - ✓ Use of more limited-stop service including express service and skip-stopping
 - ✓ Use Intelligent Transportation Systems (ITS) technology
 - ✓ Platform level boarding

TOD Project Examples

Affordable
Housing
Development

OR

Housing-
Related
Infrastructure

+

At least one Capital Project, such as...

Station area improvements, including bus
stop benches or shelters

OR

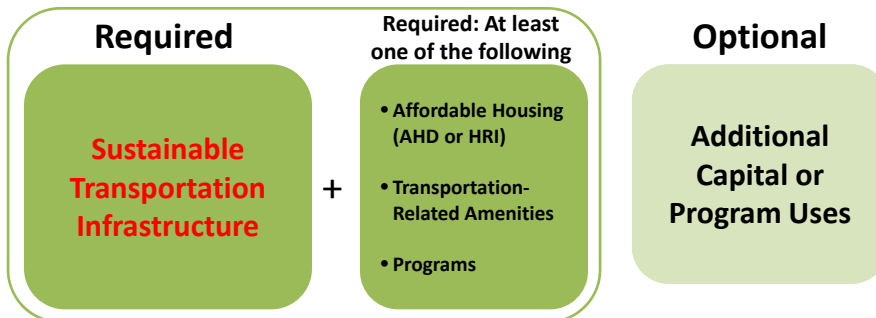
Sidewalks and dedicated bicycle paths
providing connectivity between housing
and a transit station

OR

Transit signal priority technology systems

Project Type: Integrated Connectivity Projects

- Must have Qualifying Transit
- **NEW for 2015: Must include Transportation Infrastructure***



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ICP Project Examples

Sustainable Transportation Infrastructure

+

Capital or Program Use

Bicycle/pedestrian connections from employment center to transit

+

Improvements to a transit station

Transit Station Improvements

+

Affordable Housing Development

Vanpool Fleet

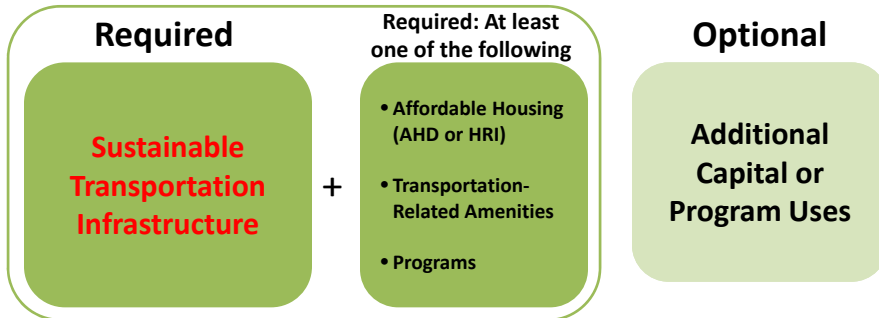
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Transit Ridership Program

Project Type: **Rural Innovation Project Area**

NEW for 2105:

- CANNOT be served by High Quality Transit
- Must be located in a Rural Area
- Must meet same requirements as an ICP



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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 in secured or addressed by the full application deadline of April 15)

- 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.

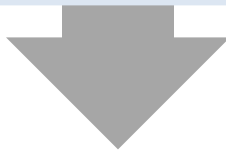
Concept & Full Application Process

Concept Proposal Stage

Approved Concepts Invited for Full Application

Full Application Submittal

Funding Recommendations to SGC



Concept Proposal Filter

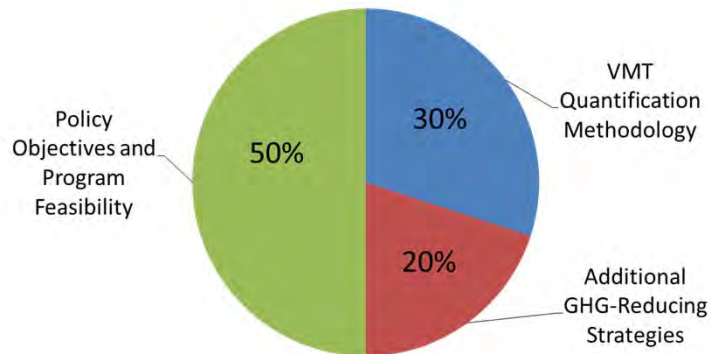
Demonstration of level of Enforceable Funding Commitments calculated as follows*:

$$\frac{\text{AHSC funds requested} + \text{EFCs} - \text{Deferred Costs}}{\text{Total Development Costs}}$$

At least one eligible application from each MPO will be invited to apply

* Pending SGC adoption of 2015-16 AHSC Guidelines in December 2015

Full Application Scoring Criteria*



* Pending SGC adoption of 2015-16 AHSC Guidelines in December 2015

AHSC Scoring Criteria Framework	
	POINTS
VMT Quantification Methodology	
1. ARB Methodology (CalEEMod and TAC):	
a. Total Project GHG Reductions	15
b. Efficiency of Reductions (Total Project GHG Reductions/AHSC \$)	15
Supplementary GHG-Reducing Policy Strategies	
2. Active Transportation Improvements	10
3. Water, Energy, and Greening (WEG)	10
GHG REDUCTIONS CATEGORY SUBTOTAL	50
Policy Objectives	
4. Depth and Level of Housing Affordability	10
5. Housing and Transportation Collaboration	10
6. Community Benefit and Engagement	8
7. Project Area Connectivity	8
8. Capital Project Leverage	5
9. Anti-Displacement Strategies	4
10. Programs	3
11. Prior Planning Efforts	2
READINESS CATEGORY SUBTOTAL	50
TOTAL POINTS	100

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AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM

Scoring Criteria:

GHG Emissions Reductions - 30 points

(Scale of Reductions)

Total Project
GHG Reduction
Score

+

(Efficiency of Reductions)

Total Project GHG Reductions
AHSC \$ Request

=

Total
Quantified
GHG Reduction
Score

Total Project GHG Reductions Score	+	Efficiency of Reductions Score	=	Total GHG Reduction Score
Bin 1 = 15 points		Bin 1 = 15 points		
Bin 2 = 12 points		Bin 2 = 12 points		
Bin 3 = 9 points		Bin 3 = 9 points		
Bin 4 = 6 points		Bin 4 = 6 points		
Bin 5 = 3 points		Bin 5 = 3 points		

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Scoring Criteria: Complementary GHG Reducing Strategies- **20 points**

Active Transportation Improvements – 10 points

- Installation, expansion or improvement of active transportation infrastructure
 - Purpose and Need
 - How proposed Project addresses purpose and need

Water, Energy and Greening – 10 points

- Incorporation of infrastructure components or building standards that contribute to reduction in GHG emissions through:
 - Carbon Sequestration
 - Energy Efficiency
 - Renewable energy solutions

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Scoring Criteria: Housing & Transportation Collaboration - **10 points**

- 9 points for applications brought forth as a joint-application between a housing developer and a public agency
- 6 points for applications with represent a coordinated housing and transportation investment
 - At least \$1 million in AHSC funds requested for both AHD/HRI and STI
- 1 point for a narrative explanation demonstrating thoughtful integration of housing and transportation infrastructure investment.

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Additional Scoring Criteria Changes

Community Benefit and Engagement – 8 points

- Demonstration of meaningful public engagement and implementation of community benefits that reflect needs and interests

Walkability and Bike-ability – 8 points

- Walkscore and Bikescore

Funds Leveraged – 5 points

- Capital and Program funds leveraged

Anti-Displacement Strategies – 5 points

- Points for strategies to address both physical and economic displacement

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Other Programmatic Changes

- Acquisition and Rehabilitation projects exempt from minimum density requirements
- Requires for AHSC funded Affordable Housing Developments (AHD) to include secure overnight bicycle parking (1 space/2 units)
- Limits AHSC funds for parking at AHD
- Incentivizes use of 4% tax credits
- Clarifies Joint and Several Liability requirements
- Clarifies threshold requirements for CEQA and NEPA

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Estimated Timeline for 2015-16 Funds

JULY 2015	SGC Workshops: Lessons Learned (Sacramento & LA)
AUG/SEPT 2015	Revise Guidelines
FALL 2015	Release Draft Revised Guidelines and hold 3-4 Regional Workshops on Guidelines
WINTER 2015	Revise Guidelines and hold Council Meeting to vote on approval of Guidelines
EARLY 2016	Release 2015-16 Notice of Funding Availability and Application

Estimated Process for Future Year Projects

Planning & Community Engagement	<ul style="list-style-type: none"> Local General, Specific Community Plans Sustainable Community Strategy/Metropolitan Transportation Plan Active Transportation Plans
AHSC Project Exploration	<ul style="list-style-type: none"> Identification and prioritization of potential projects – transportation & housing Identification and cultivating relationships between applicants and partners
AHSC Project Design	<ul style="list-style-type: none"> Identify core components of project and lead applicant Identify additional partners Understand potential GHG reductions from project variations
Pre-Application	<ul style="list-style-type: none"> Stay apprised of AHSC Program Updates & Technical Assistance opportunities

2015-16 Technical Assistance

The 2015-16 Budget supports the following efforts for technical assistance for AHSC:

- Disadvantaged Community Liaison for SGC. Outreach on AHSC/SALC programs, as well as coordination with other GGRF programs
- \$500,000 available to develop a pilot technical assistance program to support projects in disadvantaged and low-income communities.

Questions about the AHSC Program?

Email: ahsc@sgc.ca.gov

http://www.sgc.ca.gov/s_ahscprogram.php

Thank you!