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### **MEMORANDUM**

Cap and Trade Programs

# FINAL UPDATED FUNDING GUIDELINES FOR ADMINISTERING AGENCIES FOR ALL PROGRAMS FUNDED BY THE GREENHOUSE GAS REDUCTION FUND

**Summary:** On December 21, 2015, ARB released Final Updated Funding Guidelines for Administering Agencies for all programs funded by the Greenhouse Gas Reduction Fund (funded by Cap and Trade Auction Proceeds). Details on the Updated Funding Guidelines can be found at:

http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/fundingguidelines.htm.

In addition to updated guidelines, ARB has also been working on the Second Investment Plan (Fiscal Years 2016-17 through 2018-19) for Cap and Trade auction proceeds (as part of the overall California Climate Investments). The revised draft was discussed at the December 17, 2015 ARB Meeting. Details on the revisions can be found at: <a href="http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/investmentplan.htm">http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/investmentplan.htm</a>.

In relation to cap and trade, efforts are moving forward to update the AB 32 Scoping Plan, which reflects California's new goal to reduce greenhouse gas emissions 40 percent below 1990 levels by 2030, as directed in Executive Order B-30-15. The 2030 Scoping Plan will also help expand on the post-2020 GHG reductions outlined in the first update to the Climate Change Scoping Plan. Scoping plan materials can be found at the ARB's Climate Change website at http://www.arb.ca.gov/cc/cc.htm.

Below are details on each of the Transportation and Sustainable Communities Funding

City of Clovis

City of Coalinga

City of Firebaugh

City of Fowler

City of Fresno

City of Huron

City of Kerman

City of Kingsburg

City of Mendota

AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES (AHSC) PROGRAM

Funding Authority: Strategic Growth Council (SGC)

programs associated with California Climate Investments.

**Application Deadline:** Round 2 Dates:

City of Orange Cove

City of Reedley

City of Parlier

City of San Joaquin

City of Sanger

City of Selma

County of Fresno

Friday, January 29, 2016
Monday, February 1, 2016
Mid-March, 2016
Wednesday, March 16, 2016
Week of April 25, 2016
Monday, June 20, 2016
September 2016

**Amount:** Minimum \$1 Million for TOD and 500k for ICP and RIPA; Maximum \$20 Million. (\$320 Million Total Funding)

**Match:** None required – but funding leverage improves scoring ability

**Eligibility:** A Locality, public housing authority, redevelopment successor agency, transit agency or transit operator, Regional Transportation Planning Agency (RTPA), local Transportation Commissions, Congestion Management Agencies, Joint Powers Authority (JPA), school district, facilities district, University or Community College District, a Developer or Program Operator.

**Summary:** This program is administered by the Strategic Growth Council (SGC), and implemented by both the Department of Housing and Community Development (HCD) and Natural Resources Agency's, with a fiscal year 2014/15 funding allocation of \$130 million. The program aims to fund land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce GHG emissions, while significantly benefiting disadvantaged communities and providing affordable housing. Program activities are intended to yield in projects that include transit-oriented development, intermodal affordable housing, transit capital projects, active transportation and complete streets.

On December 3, 2015, the SGC released a Request for Proposals for a Technical Assistance Pilot for the 2015-16 Affordable Housing and Sustainable Communities Program, aimed at delivering application support to those applicants that were unsuccessful in Round One. San Joaquin COG (SJCOG), in partnership with and on behalf of the eligible SJV MPO's, submitted a joint application to provide such assistance to those applicants who submitted projects within the Valley. On December 30, 2015, the SGC announced that this application was successful, and they intend to provide one of the three selected awards to SJCOG. An MOU will be established between SJCOG and the participating MPOs in the Valley. Additional information can be found on the February TTC/PAC and Policy Board agenda's.

At their December 17, 2015 meeting, the SGC adopted updated guidelines for the next round of funding, which is anticipated to have an allocation of \$400 million in fiscal year 2015/16. Significant improvements associated with transparency and coordination is included within the adopted guidelines, in-line with the feedback given to the SGC by MPO's throughout the State, including Fresno COG.

Additional information from the December 17<sup>th</sup> meeting, including actions taken for the Sustainable Agricultural Lands Conservation Program, can be found at: <a href="https://www.sgc.ca.gov/s\_121715meetingmaterials.php">https://www.sgc.ca.gov/s\_121715meetingmaterials.php</a>.

In late January, the Strategic Growth Council (SGC) released some significant information for the 2016 Affordable Housing and Sustainable Communities (AHSC) Program, including a Notice of Funding Availability (NOFA), workshop schedule, application schedule, and more. Below are highlights and links for these items, for your reference and convenience. Links for application and workshop materials are available on the main AHSC webpage.

#### **Workshop Dates:**

Tuesday, February 2, 2016	Fresno

Wednesday, February 3, 2016	Sacramento
Thursday, February 4, 2016	Oakland
Monday, February 8, 2016	Riverside
Tuesday, February 9, 2016	Los Angeles (with videoconferencing)
Wednesday, February 17, 2016	San Diego

#### **General AHSC Links**

AHSC Main Page: <a href="https://www.sgc.ca.gov/s\_ahscprogram.php">https://www.sgc.ca.gov/s\_ahscprogram.php</a>

AHSC NOFA: <a href="http://www.hcd.ca.gov/financial-assistance/affordable-housing-and-sustainable-communities/docs/fy1516ahsc">http://www.hcd.ca.gov/financial-assistance/affordable-housing-and-sustainable-communities/docs/fy1516ahsc</a> nofa final.pdf

AHSC Funding Guidelines: <a href="https://www.sgc.ca.gov/docs/ADOPTED\_FINAL\_15-16\_AHSC\_Guidelines\_with\_QM.pdf">https://www.sgc.ca.gov/docs/ADOPTED\_FINAL\_15-16\_AHSC\_Guidelines\_with\_QM.pdf</a>

As always, Fresno COG is here to provide technical assistance and support for applicants seeking to place projects within the Fresno County region.

#### **HIGH SPEED RAIL PROGRAM**

**Summary:** This program is administered by the High Speed Rail Authority, with a funding allocation of \$250 million. Activities within the program consist of the planning, design, and right-of-way acquisition, and construction of the initial operating segment. Appropriations for the fiscal year 2015/16 are \$500 million for HSR.

The Authority currently has a Request for Qualifications (RFQ) out for the building of the Phase Four of High-Speed Rail in the Central Valley, which can be found at: <a href="http://www.hsr.ca.gov/Programs/Construction/design\_build\_construction\_contracts.html">http://www.hsr.ca.gov/Programs/Construction/design\_build\_construction\_contracts.html</a>. The homepage for the HSR is: <a href="http://hsr.ca.gov/">http://hsr.ca.gov/</a>.

#### TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM (TIRCP)

**Summary:** This program is administered by the California State Transportation Agency (CalSTA), with a funding allocation of \$25 million. Activities within this program consist of capital improvements and operational investments that will modernize California's transit systems and intercity, commuter, and urban rail systems to reduce GHG emissions, expand and improve rail service and increase ridership, integrate the rail service of the state's various rail operations, including integration with the high-speed rail system, and improve safety.

Updated Draft Guidelines for this program were released in October of 2015, with informational workshops being held in Southern California (San Diego) and Northern California (Sacramento) in November. Workshops on these guidelines took place in these same locations on January 19<sup>th</sup> (Southern) and January 20<sup>th</sup> (Northern). Appropriations for fiscal year 2015/16 are \$265 million. Additional information on the program can be found at: <a href="http://www.dot.ca.gov/hq/MassTrans/tircp.html">http://www.dot.ca.gov/hq/MassTrans/tircp.html</a>.

#### LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)

**Summary:** This program is administered through the Department of Transportation (Caltrans), with a funding allocation of \$25 million. Activities within this program are designed to provide operating and capital assistance for transit agencies to reduce GHG emissions and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions.

Notifications regarding transit agency shares of available funding were provided by the State Controller's Office in November 2015. Updated guidelines for the program were released in December 2015, with submission of transit agency expenditure proposals due by February 1, 2016. Appropriations for fiscal year 2015/16 are \$100 million with review and approval of eligible projects expected by March 1, 2016. Additional information on the program can be found at: <a href="http://www.dot.ca.gov/hq/MassTrans/lctop.html">http://www.dot.ca.gov/hq/MassTrans/lctop.html</a>.

## AIR QUALITY IMPROVEMENT PROGRAM (AQIP) AND LOW CARBON TRANSPORTATION PROGRAM

**Summary:** This program is administered by the California Air Resources Board (ARB), with a funding allocation of \$230 million. Within this program, Cap and Trade auction proceeds provide an additional funding source for ARB's advanced technology, clean transportation incentive programs, thus expanding the types of projects ARB has funded through the Air Quality Improvement Program (AQIP). Activities within the program include zero and near-zero emission passenger vehicle rebates, heavy duty hybrid/ZEV trucks and buses, freight demonstration projects, and pilot programs (car sharing, financing, etc.) in disadvantaged communities.

Appropriations for fiscal year 2015/16 are \$350 million. Additional details for the various program activities can be found at: http://www.arb.ca.gov/msprog/aqip/aqip.htm.