

SOUTHERN CALIFORNIA



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GOVERNMENTS**

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Transportation

Keith Millhouse, Ventura County

Transportation Commission

**No. 556
MEETING OF THE**

REGIONAL COUNCIL

***Thursday, February 6, 2014
12:15 p.m. – 2:00 p.m.***

**SCAG Main Office
818 W. 7th Street, 12th Floor
Board Room
Los Angeles, CA 90017
(213) 236-1800**

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Lillian Harris-Neal at (213) 236-1858 or via email at harris-neal@scag.ca.gov. In addition, regular meetings of the Regional Council may be viewed live or on-demand at <http://www.scag.ca.gov/NewsAndMedia/Pages/SCAGTV.aspx>

Agendas & Minutes for the Regional Council are also available at:
<http://www.scag.ca.gov/committees/Pages/default.aspx>

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Regional Council

Members – February 2014

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9. Hon. Gary Ovitt	San Bernardino County
10. Hon. Jeff Stone	Riverside County
11. Hon. Linda Parks	Ventura County
12. Hon. Matthew Harper	OCTA
13. Hon. Adam Rush	<i>Eastvale</i> RCTC
14. Hon. Alan Wapner	<i>Ontario</i> SANBAG
15. Hon. Keith Millhouse	<i>Moorpark</i> VCTC
16. Hon. Jim Hyatt	<i>Calimesa</i> District 3
17. Hon. Jeff DeGrandpre	<i>Eastvale</i> District 4
18. Hon. Ronald Roberts	<i>Temecula</i> District 5
19. Hon. Jon Harrison	<i>Redlands</i> District 6
20. Hon. Larry McCallon	<i>Highland</i> District 7
21. Hon. Deborah Robertson	<i>Rialto</i> District 8
22. Hon. Paul Eaton	<i>Montclair</i> District 9
23. Hon. Ed Graham	<i>Chino Hills</i> District 10
24. Hon. Bill Jahn	<i>Big Bear Lake</i> District 11
25. Hon. Mike Munzing	<i>Aliso Viejo</i> District 12
26. Hon. Kathryn McCullough	<i>Lake Forest</i> District 13
27. Hon. Steven Choi	<i>Irvine</i> District 14
28. Hon. Leslie Daigle	<i>Newport Beach</i> District 15
29. Hon. Michele Martinez	<i>Santa Ana</i> District 16
30. Hon. John Nielsen	<i>Tustin</i> District 17
31. Hon. Leroy Mills	<i>Cypress</i> District 18

Regional Council

Members – February 2014

<u>Members</u>		<u>Representing</u>
32. Hon. Kris Murray	<i>Anaheim</i>	District 19
33. Hon. Tri Ta	<i>Westminster</i>	District 20
34. Hon. Art Brown	<i>Buena Park</i>	District 21
35. Hon. Brett Murdock	<i>Brea</i>	District 22
36. Hon. Bruce Barrows	<i>Cerritos</i>	District 23
37. Hon. Gene Daniels	<i>Paramount</i>	District 24
38. Hon. Mario Guerra	<i>Downey</i>	District 25
39. VACANT		District 26
40. VACANT		District 27
41. Hon. Dan Medina	<i>Gardena</i>	District 28
42. Hon. Steven Neal	<i>Long Beach</i>	District 29
43. Hon. James Johnson	<i>Long Beach</i>	District 30
44. Hon. Roy Francis	<i>La Habra Heights</i>	District 31
45. Hon. Margaret Clark	<i>Rosemead</i>	District 32
46. Hon. Gene Murabito	<i>Glendora</i>	District 33
47. Hon. Barbara Messina	<i>Alhambra</i>	District 34
48. Hon. Margaret E. Finlay	<i>Duarte</i>	District 35
49. Hon. Donald Voss	<i>La Cañada/Flintridge</i>	District 36
50. Hon. Carol Herrera	<i>Diamond Bar</i>	District 37
51. Hon. Paula Lantz	<i>Pomona</i>	District 38
52. Hon. James Gazeley	<i>Lomita</i>	District 39
53. Hon. Judy Mitchell	<i>Rolling Hills Estates</i>	District 40
54. Hon. Pam O'Connor	<i>Santa Monica</i>	District 41
55. Hon. Jess Talamantes	<i>Burbank</i>	District 42
56. Hon. Steven Hofbauer	<i>Palmdale</i>	District 43
57. Hon. Mark Rutherford	<i>Westlake Village</i>	District 44
58. Hon. Carmen Ramirez	<i>Oxnard</i>	District 45
59. Hon. Gilbert Cedillo	<i>Los Angeles</i>	District 48
60. Hon. Paul Krekorian	<i>Los Angeles</i>	District 49
61. Hon. Bob Blumenfield	<i>Los Angeles</i>	District 50
62. Hon. Tom LaBonge	<i>Los Angeles</i>	District 51

Regional Council

Members – February 2014

<u>Members</u>		<u>Representing</u>
63. Hon. Paul Koretz	<i>Los Angeles</i>	District 52
64. Hon. Nury Martinez	<i>Los Angeles</i>	District 53
65. Hon. Felipe Fuentes	<i>Los Angeles</i>	District 54
66. Hon. Bernard C. Parks	<i>Los Angeles</i>	District 55
67. Hon. Curren D. Price, Jr.	<i>Los Angeles</i>	District 56
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70. Hon. Mitchell Englander	<i>Los Angeles</i>	District 59
71. Hon. Mitch O'Farrell	<i>Los Angeles</i>	District 60
72. Hon. José Huizar	<i>Los Angeles</i>	District 61
73. Hon. Joe Buscaino	<i>Los Angeles</i>	District 62
74. Hon. Karen Spiegel	<i>Corona</i>	District 63
75. Hon. Jim Katapodis	<i>Huntington Beach</i>	District 64
76. Hon. Ryan McEachron	<i>Victorville</i>	District 65
77. Hon. Lupe Ramos Watson	<i>Indio</i>	District 66
78. Hon. Marsha McLean	<i>Santa Clarita</i>	District 67
79. Hon. Rusty Bailey	<i>Riverside</i>	District 68
80. Hon. Julio Rodriguez	<i>Perris</i>	District 69
81. Hon. Andrew Masiel, Sr.	<i>Pechanga Band of Luiseño Indians</i>	Tribal Government Representative
82. Hon. Lisa Bartlett	<i>Dana Point</i>	TCA
83. Mr. Randall Lewis	<i>Lewis Group of Companies</i>	(Ex-Officio)
84. Hon. Eric Garcetti	<i>Los Angeles</i>	(At-Large)

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REGIONAL COUNCIL AGENDA FEBRUARY 6, 2014

The Regional Council may consider and act upon any of the items listed on the agenda regardless of whether they are listed as Information or Action Items.

CALL TO ORDER & PLEDGE OF ALLEGIANCE

(Hon. Greg Pettis, President)

PUBLIC COMMENT PERIOD – Members of the public desiring to speak on items on the agenda, or items not on the agenda, but within the purview of the Council, must fill out and present a Public Comment Card to the Assistant prior to speaking. Comments will be limited to three (3) minutes per speaker. The President has the discretion to reduce the time limit based upon the number of speakers. The President may limit the total time for all public comments to twenty (20) minutes.

REVIEW AND PRIORITIZE AGENDA ITEMS

EXECUTIVE DIRECTOR'S REPORT

(Hasan Ikhata, Executive Director)

- Air Resources Board Meeting Update
- California Transportation Commission Meeting Update

PRESIDENT'S REPORT

- New Members
- New Committee Appointments
- Business Update
- Update from Richard Backlund, Associate Division Administrator Federal Highway Administration (FHWA)

SALTON SEE UPDATE

To be distributed under separate cover

COMMITTEE REPORTS/ACTION ITEMS

Executive/Administration Committee (EAC) Report

Page No.

(Hon. Greg Pettis, Chair)

1. GLUE Council Recommended Next Steps from the Southern California Economic Recovery & Job Creation Summit
(Hasan Ikhata, Executive Director)

Attachment 1

Recommended Action: 1) Review and discuss Summit recommendations; and 2) Approve GLUE Council recommendations regarding SCAG role in Economic Summit follow-up actions.

REGIONAL COUNCIL AGENDA FEBRUARY 6, 2014

Executive/Administration Committee (EAC) Report - continued
(Hon. Greg Pettis, Chair)

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| <p>2. <u>Memorandum of Understanding/Joint Work Program with San Bernardino Associated Governments (SANBAG)</u>
<i>(Huasha Liu, Director, Land Use & Environmental Planning)</i></p> | Attachment | 8 |
|--|-------------------|----------|

Recommended Action: Adopt a Memorandum of Understanding (MOU)/Joint Work Program with SANBAG for the implementation of the 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (2012 RTP/SCS).

- | | | |
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| <p>3. <u>Waiver of Fiscal Year (FY) 2013-14 Membership Dues for the City of Jurupa Valley</u>
<i>(Hasan Ikhrata, Executive Director)</i></p> | Attachment | 17 |
|--|-------------------|-----------|

Recommended Action: Approve the waiver of the City of Jurupa Valley's FY 2013-14 membership dues amounting to \$8,922.

- | | | |
|--|-------------------|-----------|
| <p>4. <u>2014 State & Federal Legislative Priorities</u>
<i>(Darin Chidsey, Director of Strategy, Policy & Public Affairs)</i></p> | Attachment | 19 |
|--|-------------------|-----------|

Recommended Action: Approve.

Transportation Committee (TC) Report
(Hon. Keith Millhouse, Chair)

Community, Economic and Human Development (CEHD) Committee Report
(Hon. Margaret E. Finlay, Chair)

Energy and Environment Committee (EEC)
(Hon. James A. Johnson, Chair)

Legislative/Communications and Membership Committee (LCMC)
(Hon. Pam O'Connor, Chair)

CONSENT CALENDAR

Approval Items

- | | | |
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| <p>5. <u>Minutes of the January 2, 2014 Meeting</u></p> | Attachment | 26 |
| <p>6. <u>SCAG Annual Memberships</u></p> | Attachment | 34 |

REGIONAL COUNCIL AGENDA FEBRUARY 6, 2014

CONSENT CALENDAR

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| 7. <u>Contracts \$200,000 or Greater: Contract Nos. 14-009-C1 and C2, On-Call Outreach Services for the 2016-2040 Regional Transportation Plan/ Sustainable Communities Strategy (2016 RTP/SCS)</u> | Attachment | 36 |
| 8. <u>Resolution No. 14-556-1 for California Strategic Growth Council Sustainable Communities Planning Grant and Incentive Program Application</u> | Attachment | 41 |
| 9. <u>Resolution No. 14-556-2 for the Federal Highway Administration (FHWA) Implementing Eco-Logical Project</u> | Attachment | 47 |
| 10. <u>SB 1 (Steinberg) – Sustainable Communities Investment Authority</u> | Attachment | 51 |
| 11. <u>SB 69 (Roth) – Local Government Finance: Vehicle License Fee Adjustment</u> | Attachment | 60 |
| 12. <u>H.R. 3636 (Blumenauer) – “UPDATE” Act of 2013</u> | Attachment | 63 |
| 13. <u>T4America 21st Century Transportation Investment Plan</u> | Attachment | 65 |

Receive & File

- | | | |
|---|---|-----------|
| 14. <u>SCAG Sustainability Planning Grants Program – Monthly Update</u> | Attachment | 71 |
| 15. <u>2014 Regional Council and Policy Committees Meeting Schedule</u> | Attachment | 76 |
| 16. <u>February 2014 State and Federal Legislative Update</u> | To be distributed
under separate cover | |
| 17. <u>CFO Monthly Report</u> | Attachment | 77 |

FUTURE AGENDA ITEM/S

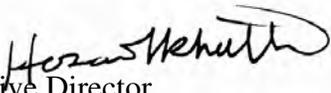
ADJOURNMENT

The next meeting of the Regional Council is scheduled for Thursday, March 6, 2014, at the SCAG Los Angeles Office.

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DATE: February 6, 2014

TO: Executive/Administrative Committee (EAC)
Regional Council (RC)

FROM: Hasan Ikhata, SCAG Executive Director 

SUBJECT: GLUE Council Recommended Next Steps from the Southern California Economic Recovery & Job Creation Summit

RECOMMENDED ACTIONS:

- 1) Review and discuss Summit recommendations; and
- 2) Approve GLUE Council recommendations regarding SCAG role in Economic Summit follow-up actions.

EXECUTIVE SUMMARY:

On December 5, 2013, SCAG in partnership with the Southern California Leadership Council (SCLC), held the 4th Annual Southern California Economic Recovery & Job Creation Summit. At the Summit, more than 300 local officials, business leaders and other guests participated to hear progress on job recovery since the last Summit and discuss next steps. This year, the discussion focused on the rise of poverty in the region and the need for better workforce development as one of the biggest challenges/impediments for business investment and expansion Southern California. On January 13, 2014, I discussed the following recommendations with the GLUE Council. The SCAG Board Officers participated in the discussion. The below report reflects their comments. I have invited representatives of the GLUE Council to attend the February 6th Regional Council meeting to discuss the report and recommendations below.

STRATEGIC PLAN:

Goal 1. Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies: a. Create and facilitate a collaborative and cooperative environment to produce forward thinking regional plans

BACKGROUND:**Recap of 4th Annual Summit Findings**

The Southern California Association of Governments (SCAG), in partnership with the Southern California Leadership Council, successfully held the 4th Annual Southern California Economic Recovery & Job Creation Summit on December 5, 2013 in Downtown Los Angeles. More than 300 local officials, business leaders and other guests participated to hear progress on job recovery since the last Summit and discuss next steps. The Summit is the largest of its kind in the SCAG region, focusing on collaborative solutions to Southern California's short- and long-term regional economic strategy and job recovery challenges.

For those members who were unable to attend the December 5th Summit, I encourage you to review the summary impacts in the Summit program, the progress since the last Summit, job recovery update facts,

and detailed economists reports by county, handouts and presentations from guest speakers at the SCAG website. Please go to:

[4th Annual Southern California Economic Recovery & Job Creation Summit](#)

Southern California is a land of opportunity. There are few areas in the world that have such a diversified economy: manufacturing, entertainment, logistics, healthcare, tourism, energy, construction, agriculture, and natural resource extraction. Southern California literally does it all. Our region is 16th in the world economy (generating \$924 billion/year Regional Gross National Product). We must be proactive, however, in order to not only maintain the jobs and industries that we currently have, but also to grow these industries and expand into new industries to maintain the region's competitiveness.

This year's Summit featured an update on the regional economy, with SCAG's team of independent economists, led by Dr. Wallace Walrod of the Orange County Business Council, providing a comprehensive overview and outlook on each county's economy and when we can expect to return to pre-recession unemployment levels.

Like in previous years, the 4th Annual Summit focused on a theme. This year, the discussion focused on "workforce development" as a result of business leaders expressing one of their biggest challenges/impediments in Southern California for business investment and expansion.

According to research and data presented at the Summit, California has not fully recovered from the 2007 recession and that Southern California particularly the inland portions of the region are slower to recover from the job loss. 840,000 jobs have still not been recovered and are contributing to increased poverty for the region. The Summit attendees heard that California has a 22% poverty rate and that within the region; Imperial County has the highest poverty rate (23.2%). Because of the unemployment rate and slower job recovery in the SCAG region (from California or the nation), poverty has jumped 69 percent since 1990, with one-in-four children now living in poverty. The numbers from the United States Census Bureau show that 3.2 million people in the SCAG region lived in poverty in 2012, up from 1.9 million in 1990. The 69 percent increase is nearly three times the population growth rate (26 percent) during that period. The continuing high jobless rate has a domino effect on educational opportunities for the youth of the jobless parents and the high priority need expressed by business leaders on a current and future trained/educated workforce. The lack of trained employees has been expressed by business leaders in all Southern California core job industries such as entertainment, manufacturing, goods movement, health services as their key business challenge.

The Summit included excellent informational guest speakers with suggestions on working together for breaking down silos to seek meaningful change and improvement in the growing poverty and lack of education for future workforce development. Senate Pro Tem Steinberg encouraged Summit attendees to take advantage and recommend how to maximize the recently established \$250 million Career Pathways Trust and in a LA Times article on January 21, Senator Steinberg referenced the specific need for workforce development in Southern California and sited information discussed at the summit. SCAG's team of economists, as well as representatives from the City of Los Angeles, Los Angeles Community College District, Chaffey College, Los Angeles/Orange Counties Building & Construction Trades Council, and others, elaborated extensively at the Summit on the rising concern with the continuing rise of the poverty rate in and throughout the region.

REPORT

From the data and analysis provided by the economists and input from others, key points from the Summit included:

- **Communication:** We can do more to provide options on educating our workforce (current and future) towards employment including informing students by telling them not only what is available, but also asking what it is that they want to do.
- **Collaboration:** The region's educators, workforce investment boards, and business leaders need to work in partnership, breakdown silos, and admit when current programs are not working/need elimination or improving.
- **Create A Skilled Local Labor Force:** With improvements in communication and collaboration, we can increase knowledge of opportunities for participating in different workforce development options resulting in an improved skilled local labor force so local employers have enough locally-sourced skilled labor to fill job openings.

Summary of Media Coverage of 4th Annual Economic Summit

Since the Summit, there has been extensive positive media coverage regarding the material presented and recognition action must be taken. Please go to the Summit website at <http://goo.gl/kVoP4B> to view all Summit materials, media coverage highlights, and a full media summary.

Discussion of Draft Recommended Next Steps for Southern California Economic & Job Creation Efforts

At the Summit Wrap-up and at the GLUE Council meeting, I stated that the comments from the Summit indicated how serious the lack of workforce development and the growing poverty statistics are for our children and how these issues affecting every community in our region and Southern California's economic viability. The economists have clearly identified the economic consequences of the problem, that it is growing, and that it is not going away on its own. I suggested by working together on workforce development and giving it an urgent priority will require collaboration unlike anything we have seen at the local, regional, and state level. I recognized in the wrap-up discussion that this is a daunting issue that many have been tirelessly working on over the years. SCAG is not attempting to takeover, or be the expert on workforce development and growing poverty but simply to be a convener of decision makers to increase awareness and contribute towards improving this serious public issue.

Starting with the development of the Southern California Economic Recovery & Job Creation Strategy in 2010 and adoption of that Strategy in June 2011, SCAG has provided collaboration and technical support as well as garnered input feedback from throughout the region to address a regional economic strategy needed as a result of the 2007 recession. The agency's work on the Economic Recovery & Job Creation Strategy, economic analysis of the 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), project acceleration analysis, and the recent report on poverty in the SCAG region, show that there are intrinsic linkages between the region's inhabitants, transportation, and the economy. SCAG's Regional Council had provided the unique ability to bring the region's decision makers together in a forum to resolve regional challenges.

With SCAG and its unique ability to facilitate and foster dialogue, and a number of existing programs and events, we have the fundamental building blocks in place.

- **Raise The Issue:** Through the Economic Recovery & Job Creation Summit, we have ignited numerous conversations throughout the region.

- **Regional Forum:** Bring together the region's educators, workforce investment boards, business community, labor representatives, and civic leaders under one roof. SCAG has commissioned work on economic cluster analysis, and together with partners from throughout the region, we can determine which areas are likely to see growth and find ways to partner education with industry. This is a natural extension of SCAG's Jobs & Labor Summits (Inland Empire, Los Angeles/Orange Counties), which brought together the civic, business, and labor communities to discuss transportation infrastructure funding and construction, goods movements, and the role of labor in the continuing economic recovery.
- **Update The Strategy:** SCAG has already produced and adopted the Southern California Economic Recovery & Job Creation Strategy, which includes a common set of regional priorities that help businesses, public agencies, and communities improve their economic viability with immediate and long-term recommendations. The addition of workforce development and education into the Strategy will allow for a better-rounded document, one that will ultimately aid the region in expanding its economic base. Like the RTP/SCS, the Economic Recovery & Job Creation Strategy can only be an effective tool if it is continuously updated and reflects current trends. The original Strategy was adopted in June 2011. Following a four-year cycle, an update of the Strategy could be adopted in June 2015.
- **Outreach:** Capitalize on the agency's experience and breadth to communicate key recommendations to the six counties, 191 cities, business community, labor groups, and educators.
- **Advocacy Strategy:** Support key recommendations and policy initiatives by partnering with stakeholders. In addition, incorporate those recommendations and initiatives into the agency's legislative and regulatory reform agenda.

Recommended Phase I Next Steps (not in priority order)

1. Business leaders & SCAG continue to provide OP ED's to regional media on increasing awareness of unemployment, the rising poverty issue and the need workforce development as an economic development tool.
2. SCAG continues work on State and Federal previously Board approved Economic Job Recovery legislative priorities in partnership with business leaders (GLUE Council and SCLC) and the legislative leadership. (This includes legislative work already underway with key business sectors on accelerating project delivery, tax credit, RDA alternative solution legislation.)
3. SCAG continues to partner with labor leaders to seek input and support on job recovery legislative priorities in Sacramento by holding the third labor summit in February/March.
4. SCAG conducts Sacramento Legislative Reception and key meetings March 19th in partnership with business (GLUE Council and SCLC) to follow up on Senate Pro Tem Darrell Steinberg's suggestion on maximizing \$250 Career Pathways Trust linking investments to tangible results.
5. SCAG expands the current SCAG University Advisory Council role and University membership to seek input and recommendations on improving workforce development.
6. SCAG doubles the current SCAG High School Scholarship Student Program by county.
7. SCAG doubles the current SCAG Student Internship program (to 24 students).
8. When considering participating in sponsorship events, SCAG gives priority consideration for participating in event opportunities where student scholarships are provided within the region.
9. SCAG distributes 4th Annual Economic Summit information to the Mayors of the regions and recommends them to issue template press statements to their local media on the issue. Request should include request for suggested solutions from their constituents and resulting information shared with other member cities and stakeholders.
10. SCAG in partnership with GLUE Council and SCLC provide results from Summit and seek input on next steps from faith based organizations, veterans, tribal, community colleges and universities for update at May 1-2 Regional Conference and General Assembly to the 191 cities and 6 counties.
11. Invite leaders from teachers unions to future GLUE Council meeting to discuss common goals.

REPORT

12. Identify ‘shining star’ of best practices that can be shared with interested agencies and stakeholders (e.g. “Think Together” “Pathways out of Poverty”).
13. Increase communication with Governor and Go Biz officials to share information and discuss common next steps.

Recommended Phase II Next Steps (not in priority order)

1. In partnership with GLUE, SCLC and other interested stakeholders update the Southern California Job Recovery and Economic Strategy.
2. Identify examples of “best practices” where there has been meaningful improvement in educational level/graduation rate, linked to jobless/poverty from cities and other organizations within the region (or nation) and distribute information to Mayors within the region and other leaders.
3. Identify faith based leaders and convene a meeting to discuss coordination of this issue and their role and recommendations on next steps.
4. Convene meeting with leaders of Community College Districts and business leaders to identify specific next steps on improving curriculum parallel to business workforce development needs and discuss opportunities for increasing enrollment options.

FISCAL IMPACT:

The FY 2014/15 budget will include \$14,000 for the High School Scholarship Student program (General Fund) and \$180,000 for Student Internship program (TDA). The FY 15 budget may need additional funding for the update of Southern California Job Recovery and Economic Strategy (when the full scope of that effort is determined later in the year). The remaining activities will be covered by ongoing operational funding.

ATTACHMENT:

State to award grants for schools providing career pathways, LA Times, January 21, 2014 <http://www.latimes.com/local/political/la-me-pc-state-to-award-grants-for-schools-providing-career-pathways-20140121,0,805671.story#ixzz2rrKDj1cF>

Los Angeles Times

LOCAL

PolitiCal

ON POLITICS IN THE GOLDEN STATE

State to award grants for schools providing career pathways



Tom Torlakson, California's superintendent of public instruction, shown in 2010, on Tuesday announced that applications were being taken for grants for career pathway programs. (Brian van der Brug / Los Angeles Times / December 14, 2010)

By Patrick McGreevy

January 21, 2014 10:41 a.m.

SACRAMENTO -- California schools, starting Tuesday, may apply for grants from the state's new \$250-million Career Pathways Trust aimed at preparing high school and community college students for well-paying jobs.

"This kind of career pathways education works," said State Superintendent of Public Instruction Tom Torlakson. "It's truly an investment in the students and the state's economic development."

Applicants competing for grants of up to \$15 million each will propose programs designed to provide a clear path from school to specific kinds of jobs in demand in high growth industries, tailoring instruction to the skills needed for those positions.

“This model of learning helps bring curriculum to life, by making education more relevant to college and careers,” said Senate President Pro Tem Darrell Steinberg (D-Sacramento). “Where this career pathways approach has been applied, we’ve seen reduced dropout rates and avenues to good-paying jobs.”

Steinberg said he was concerned to learn during a visit to the Southern California Assn. of Governments that more than 40% of the people in the eligible workforce have only a high school diploma or less.

He said the program will hopefully provide higher education, allowing students to fill a need for engineers and scientists among other positions in demand.

<http://www.latimes.com/local/political/la-me-pc-state-to-award-grants-for-schools-providing-career-pathways-20140121,0,805671.story#ixzz2rvkyemxE>

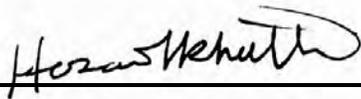
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DATE: February 6, 2014

TO: Regional Council

FROM: Community, Economic, and Human Development Committee (CEHD)
Energy and Environment Committee (EEC)
Transportation Committee (TC)
Huasha Liu; Director, Land Use and Environmental Planning; (213) 236-1838; liu@scag.ca.gov

SUBJECT: Memorandum of Understanding (MOU)/Joint Work Program with San Bernardino Associated Governments (SANBAG)

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Adopt a Memorandum of Understanding (MOU)/Joint Work Program with SANBAG for the implementation of the 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (2012 RTP/SCS).

EXECUTIVE SUMMARY:

As a follow-up to the adoption of the 2012 RTP/SCS, SCAG has endeavored to develop agreements and joint work programs with each of the six (6) County Transportation Commissions (CTCs) in the region. These agreements identify initiatives of mutual interest that further the policies of the plan. At this time, the SANBAG Board has approved an MOU/Joint Work Program in coordination with SCAG staff. On January 2, 2014, each of the policy committees acted to recommend adoption of the attached MOU by the Regional Council.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies: a. Create and facilitate a collaborative and cooperative environment to produce forward thinking regional plans

BACKGROUND:

The 2012 RTP/SCS was adopted on April 5, 2012. Since that time, SCAG has worked collaboratively with partner agencies, including the six (6) County Transportation Commissions in the region to advance and implement key policies and strategies in the Plan. This cooperative effort includes the development of agreements and joint work programs committing to initiatives of mutual interest, along with other activities such as the convening of an ongoing CEOs Sustainability Working Group.

SCAG's approach for the upcoming 2016 RTP/SCS will be to record progress made on implementation action, and identify next steps. As such, these focused follow-up efforts, along with other activities, are of critical importance for future planning.

SANBAG has developed an MOU/Joint Work Program, working in consultation with SCAG staff. The MOU was approved by SANBAG's Governing Board on November 6, 2013, and includes 16 identified activities, as listed in the attachment. These activities are sorted into three categories: 1) planning work; 2) coordination; and 3) advocacy.

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Highlights of the program include:

- Ongoing development and implementation of the Countywide Vision for sustainability
- The development of a Countywide Safe Routes to School Inventory
- Extensive study on development and access in key transit corridors
- Collaborative work in conservation and open-space identification and planning

The SANBAG MOU is the second such agreement between SCAG and a CTC subsequent to the adoption of the 2012 RTP/SCS. On October 4, 2012, the Regional Council approved a resolution and joint work program with Los Angeles County Metro. The Metro joint work program includes 11 activities, many of which have been completed. On January 2, each of the policy committees recommended adoption of the MOU with SANBAG. At this time, SCAG is continuing to work with staff from the remaining four (4) CTCs on developing draft programs for consideration.

To note, the agreement between SCAG and SANBAG commits the two agencies to cooperative action. Each activity notes which agency is to lead. The agreement does not transfer funding, and each activity listed is subject to funding availability - as has been the case with Metro, SCAG and SANBAG will share costs for the completion of the program as a whole. At this time, SCAG and SANBAG have worked together to identify funding for item #7 (Metrolink Corridor Study) and item #4 (conservation planning).

FISCAL IMPACT:

No direct fiscal impact associated with the recommended action. The item commits SCAG to joint work efforts with SANBAG subject to future separate and on-going budget development actions and/or agreements.

ATTACHMENT:

Proposed MOU and Joint Work Program, as approved by SANBAG

MEMORANDUM OF UNDERSTANDING NO. M-008-14-00

**BETWEEN THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG)
AND THE
SAN BERNARDINO ASSOCIATED GOVERNMENTS (SANBAG)
CONCERNING COLLABORATION BETWEEN SANBAG AND SCAG TO IMPLEMENT
THE 2012-2035 REGIONAL TRANSPORTATION PLAN/SUSTAINABLE COMMUNITIES
STRATEGY (RTP/SCS)**

Whereas, the development of a regional Sustainable Communities Strategy is required by state law under California's Sustainable Communities Strategy and Climate Protection Act, commonly referred to as Senate Bill 375, and is a critical element of achieving statewide greenhouse gas (GHG) reduction goals established in the Global Warming Solutions Act of 2006 (Nunez, Chapter 488, Statutes of 2006), commonly referred to as AB 32;

Whereas, a regional Sustainable Communities Strategy is a component of the Regional Transportation Plan that specifies how the GHG reduction targets established for a region by the California Air Resources Board (CARB) will be achieved;

Whereas, on April 4, 2012, the Southern California Association of Governments Regional Council unanimously approved the region's first RTP/SCS;

Whereas, the adopted RTP/SCS includes land-use and transportation strategies that will support the region in meeting the established GHG reduction targets of 8% per capita by 2020 and 13% per capita by 2035;

Whereas the Air Resources Board on June 4, 2012, accepted the SCAG Sustainable Communities Strategy as having met the GHG target;

Whereas, by virtue of having met the state established GHG target, local governments in the SCAG region may choose to access a streamlined process under the California Environmental Quality Act (CEQA) for certain types of qualifying development projects;

Whereas, the RTP/SCS provides additional co-benefits including reducing land consumption, infrastructure costs, household costs, health incidences as well as improving mobility and creating jobs;

Whereas, SCAG developed the RTP/SCS in collaboration with SANBAG, other County Transportation Commissions, and local governments from the six-county Southern California region through a bottom-up, collaborative process that engaged a wide range of stakeholder groups, elected officials, special interest groups, and the general public through a series of workshops and public meetings;

Whereas, the RTP/SCS addresses many challenges including projected growth, changing demographics, climate change adaptation, housing needs, and transportation demands;

Whereas, the RTP/SCS includes a land-use strategy and growth forecast that focuses growth in High-Quality Transit Areas and along main streets, downtowns and other appropriate infill locations; recognizes a shift in development from single-family toward multi-family residential development to reflect recent market trends; and promotes the implementation of Compass Blueprint Demonstration projects and other supportive land use implementation;

Whereas, the RTP/SCS includes transportation policies and investments that: reflect the investments being made by the County Transportation Commissions through 2035; triple the amount of funding available in the previous RTP to support Active Transportation; emphasize and provide additional resources for transportation demand management strategies and transportation systems management; maintain a focus on efficient goods movement; and establish a financial plan that addresses deferred maintenance and includes new revenue sources and innovative financing techniques to transition our fuel tax-based system to a more direct, user fee approach;

Whereas, while SCAG develops the RTP/SCS, the land-use and transportation changes within it are largely driven by the actions of local governments and County Transportation Commissions, like SANBAG, that program the majority of transportation funds flowing into the region;

Whereas, it is therefore critical that SANBAG be engaged in the implementation of the RTP/SCS in order for the RTP/SCS's benefits to be realized, as well as to ensure the region continues to make progress that can be reflected in the 2016 RTP/SCS;

Whereas, CARB through the AB 32 Cap-and-Trade Program may be providing funding for programs and projects throughout the state that reduce GHG emissions and help implement local climate action plans;

Whereas, SANBAG submitted a letter to SCAG dated February 14, 2012, supporting approval of the RTP/SCS by the April 2012 deadline and has committed staff support in the implementation of the RTP/SCS;

Whereas, SANBAG has demonstrated leadership and strong support for advancing sustainable transportation options in the region through a broad range of actions including: adopting the San Bernardino Countywide Vision (Countywide Vision), which includes multiple elements related to sustainability; investing in transit; preparation of the countywide Non-Motorized Transportation Plan; coordinating with local jurisdictions on land use strategies for transit corridors; participating in 14 local Compass Blueprint Projects since 2006; collaborating with the San Bernardino County Active Transportation Network; leading the effort to develop the San Bernardino County Regional Greenhouse Gas Inventory and Reduction Plan; programming federal funding for clean fuel buses; programming federal and State funding for bicycle infrastructure; advancing bicycle policies; supporting applications for sustainability grant programs; implementing the San Bernardino County HERO (Home Energy and Renovation Opportunity) program and joint Solar Power Purchase Agreement program; developing countywide public health framework; applying state and federal grants in partnership with a private fleet to deploy a clean fuel truck fleet; and adopting policies that reduce the agency's environmental footprint as well as promote

cleaner air, GHG reduction, healthier communities, and a stronger economy through transportation planning and programming, among others;

Whereas, to continue to demonstrate countywide leadership on sustainability issues, SANBAG will continue to implement the Countywide Vision in partnership with local jurisdictions and stakeholder groups. Five Vision Elements are pertinent to sustainability in varying degrees: the Environment, Housing, Infrastructure, Quality of Life and Wellness Elements. Although the Vision will not contain a stand-alone sustainability policy, sustainability principles will be integrated within the elements listed above. In addition, individual jurisdictions incorporate sustainability planning policies into their General Plans. The further development and sharing of this information will continue to occur through regular meetings of the SANBAG Planning/Community Development Directors and SANBAG policy committees;

Whereas, implementation of the Countywide Vision, in conjunction with the implementation of the RTP/SCS, will advance SANBAG's mission of creating a more efficient and effective transportation system in concert with a broad set of sustainability priorities that are increasingly important to SANBAG's member agencies and constituents; and

Whereas, SANBAG and SCAG currently collaborate on a broad range of initiatives to advance common transportation objectives, and it is in the interest of both agencies to continue to leverage resources toward achieving the common goals expressed in the RTP/SCS and the Countywide Vision and toward creating a more sustainable transportation system.

Now, therefore, be it resolved by the Board of Directors of the San Bernardino Associated Governments that the Executive Director is authorized to initiate and/or continue the following RTP/SCS implementation activities, to be referred to collectively as the **RTP/SCS Joint-Work Program:**

PLANNING WORK/PRODUCTS

(1) Continue SANBAG's leadership role in the development and implementation of the San Bernardino Countywide Vision. The SANBAG role is to facilitate several of the Vision Elements and to serve as a convener of leadership and ideas for moving the county forward with Countywide Vision implementation. The Vision effort includes groups working in the following subject areas: education, environment, housing, jobs/economy, public safety, water, and wellness. SANBAG will be involved in all elements to link these subject specific groups to the elected leadership and policy makers from every city. SANBAG will also be the lead on the environment and jobs/economy groups.

(2) Initiate implementation of the recommendations in the Final Report entitled "Improvement to Transit Access for Cyclists and Pedestrians" to "extend" the station areas and expand the reach of transit in transit catchment areas and at transit stops in the Metrolink and E Street sbX corridors. The report documents processes, guidelines, and specific improvements that serve as a resource for local governments seeking to partner with the SANBAG, Omnitrans, and SCAG on bicycle/pedestrian improvements in

high-capacity transit station catchment areas. Additional funding will be sought to advance implementation of these improvements. Opportunities to optimize access through programmatic, technology and/or marketing solutions in the transit catchment areas will also be explored.

(3) Develop a Countywide Safe Routes to School Inventory to help local communities identify SRTS needs and to prioritize the most cost-effective and competitive projects. The Inventory will: document current SRTS efforts and needs; coordinate with agencies, organizations, and stakeholders for exchange of information and ideas; and identify options for pursuing additional funding sources to increase SRTS investment in San Bernardino County.

(4) Support SCAG in developing a Conservation Planning Policy, as recommended in the 2012-2035 RTP/SCS. This policy is intended to build upon already-established programs that assist with more efficient transportation project delivery, including but not limited to, OCTA's Measure M Environmental Mitigation Program and Riverside County's Multiple Species Habitat Conservation Plans (MSHCP). The policy will explore opportunities to optimize the use of transportation mitigation funds to support natural land restoration, conservation, protection and acquisition, and will offer GHG emissions reduction benefits. The deliverables will likely include identification of priority conservation areas and the development of regional mitigation policies or approaches for the 2016 RTP/SCS. SANBAG will coordinate with SCAG on the development of policies appropriate for San Bernardino County in conjunction with proposals for more comprehensive habitat preservation/conservation approaches undertaken within the Environment Element of the Countywide Vision.

(5) Explore opportunities, together with SCAG, to expedite Active Transportation funding planned in the RTP/SCS for local infrastructure to support the operation and expansion of the rail and Express Bus/Bus Rapid Transit systems and for improved bicycle/pedestrian connectivity county-wide. SANBAG will complete a bicycle system "Gap-closure Analysis" in conjunction with local jurisdictions, and will amend the San Bernardino County Non-Motorized Transportation Plan (NMTP) accordingly. SANBAG will develop a funding strategy for specific Active Transportation priority projects in the NMTP and identify specific funding opportunities for each project, such as grant applications, calls for projects, and allocation of Federal, State, and local formula funds, as appropriate. This will include pursuing funding for improvements identified in the study "Improvement to Transit Access for Cyclists and Pedestrians". A mobile bicycle map application will also be developed under the SCAG Sustainability Grant program, as funding becomes available.

(6) Support SCAG in conducting a High Quality Transit Area Study to review possible incentive programs that could be offered by SANBAG and SCAG to help realize the RTP/SCS vision for reducing GHG emissions and capturing growth in High Quality Transit Areas (as defined in the RTP/SCS). The study should document existing rules and practices, consider best practices, and provide recommendations for program modifications. The study will be initiated when additional SCAG funding or staff resources become available.

(7) Conduct the study “**Creating a Vision and Implementation Strategy for Sustainability in the San Bernardino Metrolink Corridor**” under the Caltrans Statewide or Urban Transportation Planning Grant program. The purpose of the effort is to provide focus on the corridor in San Bernardino County with the greatest near-term opportunities for transit-oriented development. The study will identify ways to overcome barriers to further TOD implementation in Metrolink station areas and will identify investment needs for additional transit infrastructure to stimulate the additional TOD planned for in the RTP/SCS.

(8) Continue collaborative efforts to improve **Performance Measurement and Monitoring** of the benefits and co-benefits (health, greenhouse gas reduction, etc.) of transportation projects and plans through efforts such as: monitoring of travel time on major highways through upgrades to the Congestion Management Program (CMP); monitoring of transit performance; collection of bicycle use data through the bicycle data clearinghouse; monitoring of milestones for the Countywide Vision; continuation of the San Bernardino County Community Indicators Reports, and preparation of the San Bernardino County Community Vital Signs Report.

(9) Support the SCAG RTP/SCS through the coordinated development of complete streets policies and implementable strategies by identifying the following: achievable opportunities for deployment of complete streets strategies in a way that recognizes the diversity of urban and rural contexts in San Bernardino County; principles for integration of “complete streets thinking” into arterial network and land use planning within the County; specific locations that could serve as opportunities for low cost “early action” complete streets projects; possible incentives for the planning and development of complete streets projects in the County.

ADVOCACY

(10) Seek funding and support legislative initiatives to assist local agencies with planning, programming, and/or capital funds to implement Compass Blueprint projects or other innovative, multimodal approaches that exemplify the direction of the Countywide Vision and transit-oriented development (TOD).

(11) Pursue grant funding to incentivize additional freight vehicle conversion to clean energy sources and to support the installation of associated fueling stations, similar to the Ryder fleet conversion previously sponsored by SANBAG. SANBAG will track advancements in technology in the clean fuels arena and will work with public and private sector partners to marry funding opportunities with cost-effective fleet conversion opportunities.

(12) Work with state and federal representatives to **Develop Legislation** in support of the above activities and the broader goals of the RTP/SCS. Progress on these items shall be reported to the SANBAG General Policy Committee, or other appropriate ad hoc committee, and SCAG's Energy and Environment Committee on a quarterly basis starting January 2014. An interim report on the RTP/SCS Joint-Work Program shall be prepared by January 2015 and include recommendations to the SANBAG Board and SCAG Regional Council for inclusion in the 2016 RTP/SCS.

COORDINATION

(13) Appoint a representative to the **Regional Sustainability Working Group**, an effort initiated by the CEOs of County Transportation Commissions and led by SCAG, to actively work on the implementation of the RTP/SCS, document and monitor progress, and develop recommendations for opportunities in the upcoming 2016-2040 RTP/SCS.

(14) Continue SANBAG's involvement in the San Bernardino Active Transportation Network (Network). The Network is a convening of county agencies, community organizations, residents and cities interested in improving the experience of and increasing facilities for walking and bicycling in San Bernardino County. In addition to SANBAG, some of the stakeholders include Omnitrans, San Bernardino County Public Health Department, Safe Routes to School (SRTS) National Partnership, American Lung Association and Inland Empire Bicycle Alliance. The Network aims to: expand on the region's multi-modal planning efforts, especially for bicyclists and pedestrians; improve safety and accessibility for bicyclists and pedestrians; assist in the county implementation of the RTP/SCS; and further improve the quality of life in the county, including economic development, air quality, public health and connectivity. It is also intended to create a space for cities, agencies, organizations and communities to collaborate, educate and impact local and regional policies as partners.

(15) Continue to support SCAG and collaborate with regional stakeholders on the Regional Plug-In Electric Vehicle (PEV) Readiness Plan, to identify the best locations for charging infrastructure based on market demand and travel patterns. The Regional PEV Readiness Plan will become part of a larger effort to support regional sustainability while promoting economic development within the green technology sector. SCAG will continue to work with a diverse group of stakeholders to serve as a clearinghouse for zero and near-zero emission vehicle resources and implementation strategies. The key deliverables include a Regional PEV Readiness Plan and two model Subregional PEV Readiness Plans (South Bay and Western Riverside COGs). This effort is funded with grants obtained from the California Energy Commission and the U.S. Department of Energy.

(16) Support local jurisdictions in developing Climate Action Plans (CAPs) that would serve as the local implementation and monitoring documents for the reduction of greenhouse gases in response to Assembly Bill 32, the Global Warming Solutions Act of 2006. SANBAG will collaborate with local jurisdictions to develop templates jurisdictions may use as starting points for incorporation of specific schedule, funding, and implementation action items into their CAPs. SANBAG is nearing completion on a 21-city partnership effort to develop a Regional Greenhouse Gas Emissions Inventory and Reduction Plan and its associated Environmental Impact Report. The Plan and EIR will be used as the foundation for the local jurisdictions' CAPs.

Be it further resolved by the Regional Council of the Southern California Association of Governments that its Executive Director or his designee is authorized to lead the work effort of Items No. 4 (Conservation Planning Policy), No. 6 (High Quality Transit Area Study), No. 9 (Complete Streets policies and implementation strategies) and No. 15 (PEV Readiness Plan) of the above-referenced RTP/SCS Joint Work Program, and to work cooperatively with SANBAG on all other remaining Items as appropriate.

This Memorandum of Understanding (MOU) No. 13-___ is executed by duly authorized representatives of SANBAG and SCAG to memorialize the partnership of the two agencies in the RTP/SCS Joint Work Program, and shall be effective as of the last date signed below by the parties. This MOU may be amended only by the execution of the parties of a written amendment.

San Bernardino Associated Governments (SANBAG)

Bill Jahn
President

Date: _____

Southern California Association of Governments (SCAG)

Greg Pettis
President
Councilmember, Cathedral City

Date: _____

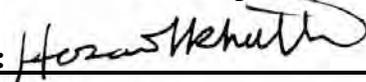
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DATE: February 6, 2014

TO: Executive /Administration Committee (EAC)
Regional Council (RC)

FROM: Hasan Ikhata, Executive Director, ikhata@scag.ca.gov, 213-236-1944

SUBJECT: Waiver of Fiscal Year (FY) 2013-14 Membership Dues for the City of Jurupa Valley

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Approve the waiver of the City of Jurupa Valley's FY 2013-14 membership dues amounting to \$8,922.

EXECUTIVE SUMMARY:

The City of Jurupa Valley was assessed \$8,922 in FY 2013-14 SCAG membership dues but has not paid due to very limited financial resources. This action would waive payment of these dues.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan Goal 3: Enhance the Agency's Long Term Financial Stability and Fiscal Management.

BACKGROUND:

Prop. 1A provided for cities incorporated before 2004 to receive additional property tax to offset the loss of Motor Vehicle License Fees (MVLFF) to the State. The City of Jurupa Valley was incorporated effective July 1, 2011 and so was not eligible for the additional property tax. AB 1602 was enacted in 2006 to provide additional MVLFF to the City of Jurupa Valley and three (3) other similarly affected cities (Menifee, Eastvale, and Wildomar). The incorporation efforts of these four (4) cities were predicated on the revenue promised in AB 1602. In June 2011, SB 89 eliminated the distribution of MVLFF to all cities, effectively negating the relief provided by AB 1602. All MVLFF revenues were diverted to law enforcement grants that were previously funded by the State's General Fund.

Thus, Jurupa Valley lost 47% of its first-year funding and continues to lose 35% of subsequent years' funding. SB 56 is co-sponsored by Senators Richard Roth and Bill Emmerson and seeks to restore state funding to the Cities of Jurupa Valley, Menifee, Eastvale, and Wildomar. However, if no legislative fix is found, Jurupa Valley will be insolvent by the middle of 2015.

The City of Jurupa Valley became a member of SCAG in FY 2012-13 and paid pro-rated dues of \$2,179 on May 1, 2013. Since this was after the FY 2013-14 dues assessment had been submitted to the General Assembly for its May 2, 2013 meeting, the City's current year dues of \$8,922 were computed using the equivalent per-capita rate of \$0.0925. The City has recently indicated that it does not have the resources to renew its membership in SCAG.

SCAG's Bylaws provide that the "Regional Council, for not more than one (1) year at a time, may defer, waive, or reduce payment of the annual dues. In taking any of the actions above, the Regional Council shall adjust the General Fund Budget to provide a balanced General Fund Budget reflecting any of the above actions. Any action of the Regional Council deferring, waiving, or reducing the payment of the annual dues

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shall be reported at the following General Assembly meeting.” (See SCAG Bylaws, Article VIII, Section C regarding “Yearly Membership Assessment”).

The City of Jurupa Valley is a new member and an enthusiastic participant in SCAG’s activities, which is demonstrated by the recent approval by the Executive Committee of the Western Riverside Council of Governments (WRCOG) to have one of Jurupa Valley’s council members serve on a SCAG Policy Committee to represent WRCOG. Since this is a genuine case of financial hardship and to support the City’s participation in SCAG activities, staff recommends that Jurupa Valley’s FY 2013-14 dues of \$8,922 be waived.

FISCAL IMPACT:

SCAG’s General Fund would forgo \$8,922 in revenues which could be covered from reserves.

ATTACHMENT:

None

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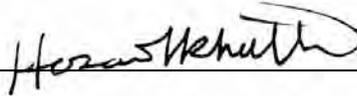
DATE: February 6, 2014

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Darin Chidsey; Director, Strategy, Policy & Public Affairs; (213) 236-1836; chidsey@scag.ca.gov

SUBJECT: 2014 State & Federal Legislative Priorities

EXECUTIVE DIRECTOR'S APPROVAL:


RECOMMENDED ACTION:

Support.

EXECUTIVE SUMMARY:

This report contains updated recommendations of SCAG's State & Federal Legislative Priorities for 2014. With prior input from the business community at SCAG's 4th Annual Economic Recovery and Job Creation Summit on December 5, 2013, the Legislative/Communications and Membership Committee (LCMC), at its January 21, 2014 meeting recommended that the Regional Council adopt the following legislative state and federal priorities.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 2: Obtain Regional Transportation Infrastructure Funding and Promote Legislative Solutions for Regional Planning Priorities; Objective b) Identify and support legislative initiatives.

BACKGROUND:

The LCMC makes the following recommendations for Regional Council consideration for adoption in 2014.

STATE LEGISLATIVE PRIORITIES

- 1. Project Streamlining & Expediting:** Support legislation directed at California Environmental Quality Act (CEQA) modernization and process reform that expedite project delivery and promote the creation of jobs. Examples include legislation promoting concurrent rather than consecutive environmental review, expedited judicial review of challenges to environmental rulings, and other such acceleration measures. A top legislative priority for 2013, there was much activity through the year for significant CEQA reform, with numerous proposed CEQA reform bills introduced but, the only significant bill passing was SB 743 (Steinberg) dealing principally with expedited development of the new Sacramento Kings arena and entertainment complex, with some statewide provisions to make easier development around Transit Priority Areas consistent with provisions of SB 375.

Continued efforts to enact CEQA modernization legislation to enhance project acceleration are expected in 2014, and these outcomes consistently have been policy objectives approved by the Regional Council through the years and have been part of SCAG's legislative program for several years. SCAG has worked successfully with its partner organizations at the local and national levels

to include similar, consistent provisions regarding federal environmental review processes contained within the “Breaking Down Barriers” provisions developed by the Orange County Transportation Authority (OCTA) within the surface transportation authorization law, MAP-21 (Moving Ahead for Progress in the 21st Century), passed by Congress in 2012. At SCAG’s December 2012 Economic Summit, prominent economists from throughout the SCAG region analyzed the impacts of accelerating project delivery, moving a 5-year tranche of the 2012–2035 RTP/SCS forward 5 years. This analysis concluded that approximately 300,000 jobs per year would be created or brought forward. Advancing five years of projects would result in a decrease in construction cost by \$1.25–1.95B (or 5–9% of construction cost). Staff recommends pursuing this legislative priority in 2014 through partnership with affected local and statewide transportation, business, labor, and environmental stakeholders to more quickly develop projects that will reduce harmful emissions and promote creation of jobs to effectuate continued economic turnaround throughout the region.

- 2. Financing, Economic Development & Community Reinvestment:** Support legislation to expand use of innovative finance structures to create new opportunities for economic development, community reinvestment, and the development of transportation projects and infrastructure investment, including Public-Private Partnerships (P3s), Private Equity finance, and flexibility of local government to adopt alternate financing structures such as Infrastructure Financing Districts and local, targeted finance authorities.

In the wake of the elimination of Redevelopment Agencies (RDAs) in the 2011-12 session, a large number of post-RDA succession, alternative and clean-up bills were introduced in 2013 to assist the process of winding down former RDAs and to provide alternate structures and tools for local government to continue with some form of community economic investment. Senate President pro tempore Darrell Steinberg introduced SB 1 in 2013, which is substantially the same as his SB 1156 from the prior year (vetoed by the Governor), which provides an alternate mechanism to use tax increment finance by local government to fund development according to a plan incorporating land-use strategies that help implement sustainable communities strategies. Speaker Perez, too, introduced AB 32, a bill that would increase the amount of a tax credit allowed under existing law of a qualified investment made into a community development financial institution for local economic development.

The Governor, at the end of the 2013 legislative year, requested that the legislative leadership not send ‘son-of-RDA’ bills to him for signature this year and, with very few exceptions, no such bills passed in 2013. However these bills and others are now two-year bills and it is likely that post-RDA economic development legislation will continue to occupy the attention of the legislature in 2014. Examples of such bills introduced in 2013 that are carried over into 2014 include AB 1080 (Alejo), which would authorize certain public entities of a community revitalization and investment area to form a community revitalization plan within a community revitalization and investment authority to carry out the Community Redevelopment Law; and SB 33 (Wolk), which would eliminate the requirement of voter approval for creation of infrastructure finance districts and for bond issuance, and would authorize the local legislative body to form a newly created public financing authority, consisting of 5 members, 3 of whom are members of the city council or board of supervisors that established the district, and 2 of whom are members of the public, to adopt the infrastructure financing plan and issue bonds by majority vote of the authority.

Additionally, there continues to be significant support expressed by local elected officials and business leaders for legislation promoting enhanced local, community economic development and

flexible finance structures to aid economic recovery at the local and regional level. Senator Steinberg, in his keynote address at SCAG's 4th Annual Economic Growth and Job Creation Summit, emphasized the importance of providing local government with tools to grow in a sustainable manner in the post-RDA environment and indicated passage of his SB 1 allowing local government to do that through their creation of Sustainable Communities Investment Authorities as a viable alternative to RDAs.

- 3. Cap-and-Trade Funding:** Support legislation that ensures an equitable portion of revenues generated from the implementation of the Cap-and-Trade program are allocated to transportation improvements that result in the reduction of pollution and GHG emissions commensurate with the transportation sector's impact in causing these emissions.

The Regional Council, following the recommendations of the LCMC, at its October 2012 meeting, adopted support of principles developed by a statewide transportation coalition of which SCAG is an active, participating member, for the use of cap-and-trade auction revenues. The coalition principles are consistent with long-standing SCAG objectives to seek enhanced financing sources for transportation purposes throughout the region, and to seek and support funding to implement sustainable communities strategies mandated by SB 375. The principles also provide for flexibility at the regional and local levels to develop the most cost effective ways to meet GHG reduction goals through transportation and land use investment; and specify that project-funding determinations be made at the regional level under established statewide criteria to encourage local innovation and flexibility.

SCAG, working with the statewide Transportation Coalition of Livable Communities, authored SB 574 (Lowenthal), a bill that would achieve the principles set forth by the Coalition and would, among numerous other provisions, direct cap-and-trade revenues from the Greenhouse Gas (GHG) Reduction Fund to projects that:

- Provide cost effective and feasible reductions in GHG emissions;
- Combine transportation investments with local land use modifications and other local policy changes to provide GHG emissions reductions and, where feasible, to achieve other public benefits;
- Implement an approved SCS within existing urbanized or developed areas in regions with an MPO, or for regions that do not have an MPO, projects that reduce GHG emissions consistent with the regional transportation or other regional plan;
- Comply with existing requirements to benefit economically disadvantaged communities.

SB 574, along with all other bills impacting the allocation of cap-and-trade revenues, was made into a two-year bill by legislative leadership. The Governor, as part of the fiscal year 2013-14 budget process, borrowed \$500 million of revenues from cap-and-trade emissions revenues from auctions held in 2012-13 for general fund purposes, to be repaid to the GHG Reduction Fund and used for purposes set forth in existing law for cap-and-trade revenues. The Administration cited as justification for borrowing these funds the fact that the scoping plan under preparation by the California Air Resources Board is not yet completed and, thus, the full range of potential uses for cap-and-trade monies will not be known until the plan is finalized. It is anticipated that the Department of Finance will commence development of the expenditure plan for cap-and-trade monies, with affected agencies and stakeholder input, in early 2014 for passage by the legislature

and adoption in conjunction with passage of the 2014-15 state budget. SCAG, working with and through the Coalition, will continue to advocate for policies and expenditure priorities adopted by the Regional Council and embodied within the principles of the Coalition. Cap-and-trade revenue remains the only significant new source of funding during this time of severe budgetary and fiscal constraint at the state level to finance these important projects.

4. **Maintenance Funding for Streets and Roads and Transit Systems:** Support state legislation to provide dedicated, secure funding to state highways, streets and roads to support the maintenance and rehabilitation of the state and local road and transit system.
5. **'MAP-21' Implementing Legislation:** Support state legislation that ensures funding under the new federal surface transportation reauthorization law, MAP-21 (Moving Ahead for Progress in the 21st Century), is invested in transportation projects that improve air quality and expand the capacity of the entire transportation system from state highways to intercity rail. In 2013, two state legislative bills that were supported by SCAG were signed into law implementing portions of the MAP-21 surface transportation implementation bill. AB 14 (Lowenthal) requires the state transportation agency to establish the state freight plan containing specified elements to govern the immediate and long-range planning activities and capital investments of the state with respect to the movement of freight, consistent with the goals and objectives of MAP-21.

Additionally, SB 99 was enacted, and consolidates various active transportation programs into one, called the Active Transportation Program (ATP), a \$124 million program which, among many provisions consolidates various federal funds into the ATP including: Federal Transportation Alternatives Program (except that allocated to MPOs); Recreational Trails Program (except that allocated to Parks and Recreation); and Highway Safety Improvement Funds (HSIP). It also requires that no less than 25% of overall funds benefit disadvantaged communities during each program cycle. Subsequently, the California Transportation Commission (CTC) has held numerous ATP Workgroup meetings, of which SCAG is a participant, to provide expertise and recommendations to the CTC to develop program guidelines and subsequent revisions, project selection criteria, performance measures, and other guidance.

Staff recommends continuing to support 2014 state legislation that promotes implementation of the MAP-21 surface transportation law.

6. **International Trade and Ports:** Support legislation that will increase exports congruent with President Barack Obama's National Export Initiative (NEI) to double exports and creates two million jobs over five years. In addition, prevent the loss of international trade-related jobs in the Southern California region that are at jeopardy from the expanded investments by East and Gulf Coast Ports and the Panama Canal. Suggested/recommended ideas include providing tax credit certificates to exporters and importers and establishing a successor agency to the former California Export Finance Office (CEFO) to assist businesses throughout the state expand their business, revenues, and employment.

SB 592 (Price), introduced in 2013, calls for promotion of trade at California ports by requiring the Governor's Office of Business and Economic Development to provide to the Legislature, a strategy for promoting trade for California airports, land ports and seaports, and to require that the strategy be submitted to various legislative offices, and would also require the Governor's Office of Business

and Economic Development to convene a statewide business partnership for promotion of trade for California ports and to explore greater utilization of California ports. Staff recommends continued support of legislation such as SB 592, and SB 810 (Price), supported by SCAG, that would authorize tax credit certificates to any qualifying exporters and importers that demonstrate that they have increased their cargo tonnage or value through California ports and airports by specified amounts, had a net increase in qualified full-time employees hired in the state, or have incurred capital costs for a cargo facility in the state; and any other legislative bills that promote trade at California ports.

- 7. Entertainment Tax Credit:** Support legislation that will extend the entertainment tax credit long-term (i.e., five years or more) in order to stop the loss of entertainment jobs, investment and support industries unique to one of Southern California's touchstone industries. California's \$100 million annual Film/TV Tax Credit program, in place since 2009, was extended to 2017 pursuant to legislation signed by Governor Brown in 2012. The program provides for a 20% tax credit for a qualified motion picture which includes feature films, movie of the weeks, mini-series, as well as new television series licensed for original distribution on basic cable with specified exclusions. It also includes a 25% tax credit for qualified TV series that filmed all of its prior season or seasons outside of California, and for qualified independent films. This successful program is deemed by the industry to be insufficient compared to the demonstrated need to keep more of California's large, vibrant film and entertainment industry from going to other jurisdictions with very favorable tax incentives to produce projects that might otherwise be produced in California: jurisdictions such as New York, which recently tripled its post-production tax credit, Louisiana, Michigan, Georgia, and locations throughout Canada such as Vancouver. Currently, California projects are selected by 'lottery' with many more qualifying projects competing than are selected for available credits. L.A. Mayor Eric Garcetti has signaled, as a priority this year, his intent to vigorously advocate for a more robust film/entertainment tax credit program, citing its importance in particular to the Southern California economy and to the state as a whole.
- 8. Water Bond:** Support legislation that invests in water infrastructure that establishes a sufficient and reliable source of water to the Southern California region, which comprises approximately half of the state's population. The 2014 water bond is the product of a comprehensive legislative package crafted in 2009 by Governor Schwarzenegger and state lawmakers to meet California's growing water challenges, and was composed of four policy bills and an \$11.14 billion bond. The water bond measure was originally set to be on the state's 2010 ballot, was later moved to the 2012 ballot and, on July 5, 2012, the legislature took the measure off the 2012 ballot and put it on the 2014 ballot to provide a public cost share for elements of the package that benefit the public. Since then, there have been a number of bills introduced, none of which have passed, that would in various ways reduce the overall size of the bond, generally reduce 'earmarked' projects of the bond, and protect various priority areas. Given the state's overall severe budget constraints and the program cuts that have occurred in recent state budgets, staff plans a more comprehensive update at the March meeting. During the interim, staff is compiling Southern California - Water Board positions on the proposed bond. Staff recognizes the extreme need for California to invest in its water infrastructure, and to support equitable distribution of state funded water resources to the Southern California region, including as allocated by legislation that may pass in 2014 amending the current water bond.

FEDERAL LEGISLATIVE PRIORITIES

9. Surface Transportation Authorization Legislation: The federal surface transportation authorization, MAP-21, is set to expire on September 30, 2014. The authorizing Committees of the Senate and House have expressed intent to write and move the successor authorizing bill to MAP-21. The House Transportation and Infrastructure Committee convened a Special Panel on 21st Century Freight Transportation, comprised of nationwide transportation stakeholders from the public and private sectors, to make recommendations to the Committee for inclusion into the next authorization bill. SCAG, through its membership in the Coalition for America's Gateways and Trade Corridors and working with California members on the Panel supported its efforts, and staff recommends among its legislative principles the support of Panel recommendations to Congress that it:

- **Authorize dedicated, sustainable funding for multimodal freight Projects of National and Regional Significance (PNRS):** Authorize dedicated, sustainable funding for multimodal freight PNRS through a competitive grant process and establish clear benchmarks for project selection;
- **Establish a national, multimodal freight policy and network:** As called for in Panel Member Rep. Sires' (D-NJ) MOVE Freight Act of 2013 (H.R. 974), freight policy and planning should incorporate the many modes of transportation that move goods;
- **Ensure robust public investment in all modes:** Freight does not move on highways alone – where public benefit is derived, public investment must be made. Further, private investment should be encouraged when possible and appropriate; and
- **Explore additional funding mechanisms:** Sustainable freight revenue sources should be identified and evaluated by the U.S. Department of Transportation and Congress prior to the next surface transportation authorization.

SCAG concurs with the panel's conclusion that a broad, multimodal perspective is required for the freight transportation system. As such, the National Freight Network should be expanded to comprise roadways, freight rail, navigable waterways, inland ports, seaports, land ports of entry, freight intermodal connectors, and airports. Further, it is in the nation's economic interest that the Primary Freight Network (PFN) should be increased beyond the maximum of 27,000 centerline miles to accommodate a multimodal network. MAP-21 provides that the PFN be updated and submitted to Congress every 10 years. However SCAG supports renewal of the network every 5 years to appropriately support an expanded multimodal freight network.

In addition to the recommendations of the Panel, it is recommended to support full restoration into the successor surface transportation authorization bill, the \$2 billion per year funding of the National Freight Program, which was established by MAP-21 to distribute these funds to states for the purpose of improving the flow of goods throughout the nation. This vital funding authorization was removed from MAP-21 in conference committee; restoring it into the next authorization bill should remain a top priority for the next authorization bill.

In addition to freight related issues, the federal Highway Trust Fund is not sustainable under the present financing mechanism. Consistent with the SCAG Board adopted RTP/SCS financial plans, SCAG supports all reasonable and fiscally prudent financing options to address the pending insolvency of the federal Highway Trust Fund (HTF), which the Congressional Budget Office

(CBO) has concluded that, beginning in fiscal year 2015, will have insufficient resources to meet all of its obligations which will result in steadily accumulating shortfalls. According to CBO, since 2008 the Congress has transferred over \$41 billion from the general fund to the HTF to keep it solvent.

Staff recommends SCAG support all reasonable solutions to provide stable, sufficient funding to address HTF solvency. SCAG's 2012-2035 Regional Transportation Plan/Sustainable Committees Strategy assumes that additional 15 cents-per-gallon gasoline tax imposed by the state and federal government starting in 2017 through 2024 and an estimated \$0.05 per mile (in 2011 dollars) is assumed starting in 2025 as enacted by Congress to replace existing gas tax revenues.

10. Project Streamlining & Expediting: Support legislation to build upon the provisions of MAP-21 to continue to improve efficiency of environmental reviews, advance pre-construction activities, promote integrated planning and programming, and clarify environmental roles to eliminate duplication to further accelerate project delivery without compromising environmental review. Support America Fast Forward and policies allowing for the use of “design-build” where appropriate, combining projects to accelerate construction, expanded use of private funding partners, and allowing greater flexibility to purchase right of way ahead of the final NEPA decision, and to design at risk ahead of the NEPA decision.

Additionally, SCAG continues to support enhancement of existing programs to expedite the funding and delivery of projects throughout the region. This includes but is not limited to the America Fast Forward program championed by MTA, which allows communities to issue America Fast Forward bonds for local initiatives with a tax credit in order to secure favorable financing terms so that a large percentage of public resources are supporting immediate private sector job creation at the local level to deliver needed projects in an accelerated manner. Another example is support of an expanded Transportation Infrastructure Finance and Innovation Act (TIFIA) program, administered by FHWA, which provides credit assistance for qualified projects of regional and national significance. Eligible projects come from state and local governments, transit agencies, railroad companies, special authorities, special districts, and private entities. The TIFIA credit program offers secured (direct) loans, loan guarantees, and/or standby lines of credit for qualifying projects, providing supplemental and subordinate capital throughout their life-cycle. Innovative leveraging of funds such as those provided by AFF and the TIFIA program are an important component of the overall strategy to accelerate project delivery, relieve congestion, move people and goods, and create jobs.

FISCAL IMPACT:

None

ATTACHMENT:

None

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NO. 555
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL
MINUTES OF THE MEETING
THURSDAY, JANUARY 2, 2014

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE REGIONAL COUNCIL. A VIDEO RECORDING OF THE ACTUAL MEETING IS AVAILABLE ON THE SCAG WEBSITE AT: www.scag.ca.gov/scagtv/index.htm

The Regional Council (RC) of the Southern California Association of Governments (SCAG) held its meeting at the SCAG Los Angeles Office. There was a quorum.

Members Present

Hon. Greg Pettis, President	<i>Cathedral City</i>	District 2
Hon. Carl Morehouse, 1 st Vice President	<i>San Buenaventura</i>	District 47
Hon. Cheryl Viegas-Walker, 2 nd Vice President	<i>El Centro</i>	District 1
Hon. Glen Becerra, Immediate Past President	<i>Simi Valley</i>	District 46
Hon. Jack Terrazas		Imperial County
Hon. Michael D. Antonovich		Los Angeles County
Hon. Shawn Nelson		Orange County
Hon. Linda Parks		Ventura County
Hon. Jeff Stone		Riverside County
Hon. Adam Rush	<i>Eastvale</i>	RCTC
Hon. Alan Wapner	<i>Ontario</i>	SANBAG
Hon. Jim Hyatt	<i>Calimesa</i>	District 3
Hon. Jeff DeGrandpre	<i>Eastvale</i>	District 4
Hon. Ed Graham	<i>Chino Hills</i>	District 10
Hon. Bill Jahn	<i>Big Bear Lake</i>	District 11
Hon. Mike Munzing	<i>Aliso Viejo</i>	District 12
Hon. Kathryn McCullough	<i>Lake Forest</i>	District 13
Hon. Steven Choi	<i>Irvine</i>	District 14
Hon. Leslie Daigle	<i>Newport Beach</i>	District 15
Hon. Michele Martinez	<i>Santa Ana</i>	District 16
Hon. John Nielsen	<i>Tustin</i>	District 17
Hon. Leroy Mills	<i>Cypress</i>	District 18
Hon. Kris Murray	<i>Anaheim</i>	District 19
Hon. Art Brown	<i>Buena Park</i>	District 21
Hon. Brett Murdock	<i>Brea</i>	District 22
Hon. Bruce Barrows	<i>Cerritos</i>	District 23
Hon. Gene Daniels	<i>Paramount</i>	District 24
Hon. Mario Guerra	<i>Downey</i>	District 25
Hon. Dan Medina	<i>Gardena</i>	District 28
Hon. Steven Neal	<i>Long Beach</i>	District 29
Hon. James Johnson	<i>Long Beach</i>	District 30
Hon. Roy Francis	<i>La Habra Heights</i>	District 31

Members Present – continued

Hon. Margaret Clark	<i>Rosemead</i>	District 32
Hon. Barbara Messina	<i>Alhambra</i>	District 34
Hon. Donald Voss	<i>La Cañada/Flintridge</i>	District 36
Hon. Carol Herrera	<i>Diamond Bar</i>	District 37
Hon. Paula Lantz	<i>Pomona</i>	District 38
Hon. James Gazeley	<i>Lomita</i>	District 39
Hon. Judy Mitchell	<i>Rolling Hills Estates</i>	District 40
Hon. Pam O’Connor	<i>Santa Monica</i>	District 41
Hon. Jess Talamantes	<i>Burbank</i>	District 42
Hon. Carmen Ramirez	<i>Oxnard</i>	District 45
Hon. Steven Hofbauer	<i>Palmdale</i>	District 43
Hon. Karen Spiegel	<i>Corona</i>	District 63
Hon. Matthew Harper	<i>Huntington Beach</i>	District 64
Hon. Ryan McEachron	<i>Victorville</i>	District 65
Hon. Lupe Ramos Watson	<i>Indio</i>	District 66
Hon. Marsha McLean	<i>Santa Clarita</i>	District 67
Hon. Lisa Bartlett	<i>Dana Point</i>	TCA

Members Not Present

Hon. Mark Ridley-Thomas		Los Angeles County
Hon. Gary Ovitt		San Bernardino County
Hon. Keith Millhouse	<i>Moorpark</i>	VCTC
Hon. Ronald Roberts	<i>Temecula</i>	District 5
Hon. Deborah Robertson	<i>Rialto</i>	District 8
Hon. Jon Harrison	<i>Redlands</i>	District 6
Hon. Larry McCallon	<i>Highland</i>	District 7
Hon. Paul Eaton	<i>Montclair</i>	District 9
Hon. Tri Ta	<i>Westminster</i>	District 20
Hon. Gene Murabito	<i>Glendora</i>	District 33
Hon. Margaret E. Finlay	<i>Duarte</i>	District 35
Hon. Mark Rutherford	<i>Westlake Village</i>	District 44
Hon. Gilbert Cedillo	<i>Los Angeles</i>	District 48
Hon. Paul Krekorian	<i>Los Angeles</i>	District 49
Hon. Bob Blumenfield	<i>Los Angeles</i>	District 50
Hon. Tom LaBonge	<i>Los Angeles</i>	District 51
Hon. Paul Koretz	<i>Los Angeles</i>	District 52
Hon. Nury Martinez	<i>Los Angeles</i>	District 53
Hon. Felipe Fuentes	<i>Los Angeles</i>	District 54
Hon. Bernard C. Parks	<i>Los Angeles</i>	District 55
Hon. Curren D. Price, Jr.	<i>Los Angeles</i>	District 56
Hon. Herb Wesson, Jr.	<i>Los Angeles</i>	District 57
Hon. Mike Bonin	<i>Los Angeles</i>	District 58
Hon. Mitchell Englander	<i>Los Angeles</i>	District 59
Hon. Mitch O’Farrell	<i>Los Angeles</i>	District 60
Hon. José Huizar	<i>Los Angeles</i>	District 61
Hon. Joe Buscaino	<i>Los Angeles</i>	District 62

Members Not Present - continued

Hon. Andrew Masiel, Sr.

Pechanga Band of Luiseño

Tribal Government Representative

Hon. Eric Garcetti

Los Angeles

(At-Large)

Staff Present

Hasan Ikhata, Executive Director

Sharon Neely, Chief Deputy Executive Director

Joe Silvey, General Counsel

Joann Africa, Chief Counsel

Basil Panas, Chief Financial Officer

Rich Macias, Director of Transportation Planning

Huasha Liu, Director of Land Use & Environmental Planning

Darin Chidsey, Director of Strategy, Policy and Public Affairs

Lillian Harris-Neal, Clerk of the Board

Tess Rey-Chaput, Office of Regional Council Support

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

President Greg Pettis called the meeting to order at 12:15 p.m. Rich Macias, Director of Transportation Planning, led the Pledge of Allegiance.

PUBLIC COMMENT PERIOD

President Pettis opened the Public Comment Period.

José Andrade, resident, City of Commerce, commented regarding police shootings and suggested a change in policy to protect law enforcement officers and the public.

Pauline Chow, Esq., Southern California Regional Policy Manager, Safe Routes to School National Partnership (SRTSNP), stated SRTSNP's support for the adoption of the Memorandum of Understanding (MOU)/Joint Work Program with the San Bernardino Associated Governments (SANBAG) for the implementation of the 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (2012 RTP/SCS).

President Pettis closed the Public Comment Period.

REVIEW AND PRIORITIZE AGENDA ITEMS

There was no reprioritization of the agenda.

EXECUTIVE DIRECTOR'S REPORT

Hasan Ikhata, Executive Director, reported the addition of two (2) new staff members: Sarah Jepson, Manager of Active Transportation and Special Programs; Maria Lopez, Manager of the Federal Transportation Improvement Program; and the promotion of the following staff: Darin Chidsey, Director of Strategy, Policy and Public Affairs; Bernice Villanueva, Manager of Budget and Grants; and Joan Chen, Manager of Accounting.

Mr. Ikhata also reported on the successful 4th Annual Southern California Economic Recovery & Job Creation Summit and thanked the Regional Council and Policy Committee members who attended and noted that the Summit materials are available online for those who were unable to attend. Mr. Ikhata also noted that copies of the Summit's media coverage are included in the RC Board Information Packet.

Lastly, Mr. Ikhata reported that SCAG undergoes a certification process every four (4) years as a federally-designated Metropolitan Planning Agency (MPO). This MPO certification process has begun and is expected to continue until Spring 2014. Mr. Ikhata acknowledged and thanked Michael Morris, from FHWA, who is coordinating the recertification process.

PRESIDENT'S REPORT

New Regional Council Members

Hon. Jim Katapodis, Huntington Beach, representing District 64

Hon. Matthew Harper, representing OCTA

Appointment to the Transportation Committee

Hon. Frank Navarro, Colton, representing SANBAG

Appointment of Bylaws and Resolutions Committee

San Bernardino County: Hon. Larry McCallon (Chair)

Hon. Paul Eaton

Los Angeles County: Hon. Mike Bonin

Hon. Steven Neal

Orange County: Hon. Art Brown

Hon. Michele Martinez

Hon. Leroy Mills

Riverside County: Hon. Jeff Stone

Hon. Andrew Masiel, Sr.

Ventura County: Hon. Linda Parks

Hon. Keith Millhouse

Imperial County: Hon. Cheryl Viegas-Walker

Hon. Jack Terrazas

Appointment of General Assembly Host Committee

Hon. Cheryl Walker-Viegas (Chair)

Hon. Greg Pettis

Hon. Judy Mitchell

Hon. Margaret Finlay

Hon. Barbara Messina

Hon. Carl Morehouse

Hon. Alan Wapner

Hon. Glen Becerra

Hon. Leslie Daigle

Hon. Deborah Robertson

Appointment of Nominating Committee

Ventura County:	Hon. Glen Becerra (Chair)
Los Angeles County:	Hon. Mike Antonovich
Orange County:	Hon. Lisa Bartlett
San Bernardino County:	Hon. Deborah Robertson
Riverside County:	Hon. Jim Hyatt
Imperial County:	Hon. Jack Terrazas

California Air Resources Board (ARB) Update

As an ARB Board Member, representing the South Coast Air Quality Management District (SCAQMD), Councilmember Judy Mitchell, Rolling Hills Estates, District 40, reported on the following: ARB recommendations for initial nonattainment areas for the 2012 Revised Annual PM2.5 National Ambient Air Quality Standard to the United States Environmental Protection Agency (EPA); enhanced fleet modernization program; proposed regulations and regulatory amendments to reduce greenhouse gas (GHG) and oxides (NOx) from on-road trucks; a forthcoming discussion regarding a sustainable freight policy; and the completion of an agreement between the Government of Québec and the State of California that defines the process for working collaboratively to jointly harmonize and integrate their cap-and-trade programs.

Business Update

Randall Lewis, Lewis Group of Companies, provided an update regarding the business climate and echoed Mr. Ikhrata's comment regarding the positive feedback received from the successful 4th Annual Southern California Economic Recovery & Job Creation Summit. Mr. Lewis encouraged members to attend the Global Land Use and Economic (GLUE) Council meeting to discuss follow-up recommendations that will be brought to the February 6, 2014 Regional Council meeting.

Other Business Items

President Pettis asked the members to inform staff of their need for additional handicapped parking spaces in the building.

President Pettis reported that due to the enactment of SB 751 (Yee), legislation that took effect on January 1, 2014, public agencies, such as SCAG, must report not only any action taken at a public meeting but also the vote or abstention on that action by every member present for the action. President Pettis noted that starting today's meetings, SCAG staff will manually record individual votes in the minutes of every meeting until an electronic voting system is in place. President Pettis asked the members to inform staff when they leave the meeting room prior to adjournment.

COMMITTEE REPORTS/ACTION ITEMS**Audit Committee Report**1. **FY 2012-13 External Financial Audit**

As Chair of the Audit Committee, 2nd Vice President Cheryl Viegas-Walker reported that SCAG's external auditor, Vasquez and Co., LLP, completed its FY 2012-13 Audit Report and introduced Peggy McBride, CPA, to present the results of the audit. Ms. McBride reported that there were no findings of non-compliance

and no internal control deficiencies were identified. 2nd Vice President Viegas-Walker thanked Basil Panas, Chief Financial Officer, and the Finance Department staff.

2. Actuarial Report as of June 30, 2013, for Other Post Employment Benefits (OPEB)

2nd Vice President Cheryl Viegas-Walker introduced SCAG's outside independent actuary, Marilyn Jones, of Nyhart Epler, to present the actuarial report for SCAG's OPEB. Ms. Jones reported on the retiree health program; financial results; projected cash flows; benefit plan provisions; valuation data; actuarial assumptions and methods; and actuarial certification.

Discussion ensued and questions/comments were made regarding the length of SCAG's participation in the CalPers program; annual return on investment; and scenario testing (Daigle, Clark and Voss).

Community, Economic and Human Development (CEHD) Committee Report

3. 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) Plan Update: Subregional Sustainable Communities Strategy Framework and Guidelines

In the absence of CEHD Committee Chair Margaret Finlay, Vice Chair Councilmember Bill Jahn, Big Bear Lake, District 11, reported that the CEHD recommended that that the Regional Council adopt the proposed Subregional Sustainable Communities Strategy Framework and Guidelines.

A MOTION was made (Jahn) and SECONDED (Hofbauer) to adopt the proposed Subregional Sustainable Communities Strategy Framework and Guidelines. The motion passed by the following votes:

AYES: Pettis, Morehouse, Viegas-Walker, Becerra, Terrazas, Antonovich, Nelson, L. Parks, Stone, Wapner, Hyatt, DeGrandpre, Graham, Jahn, Munzing, McCullough, Choi, Daigle, M. Martinez, Nielsen, Mills, Murray, Brown, Barrows, Daniels, Guerra, Medina, Neal, Johnson, Francis, Clark, Messina, Voss, Herrera, Lantz, Gazeley, Mitchell, O'Connor, Talamantes, Ramirez, Hofbauer, Spiegel, Harper, McEachron, Ramos Watson, McLean, and Bartlett

NOES: None

ABSTAIN: Murdock

Hon Adam Rush, RCTC, recused himself from this item; left the meeting room; and did not participate in any discussion or vote due to a potential conflict-of-interest.

4. Proposed Regional Housing Needs Assessment (RHNA) and Housing Element Reform Subcommittee Charter

Vice Chair Councilmember Bill Jahn, Big Bear Lake, District 11, reported that the CEHD Committee reviewed and recommended approval of the proposed Charter on November 7, 2013, which was developed to describe the RHNA and Housing Element Reform Subcommittee's purpose and responsibilities.

A MOTION was made (Jahn) and SECONDED (Hofbauer) to approve the RHNA and Housing Element Reform Subcommittee Charter. The motion passed by the following votes:

AYES: Pettis, Morehouse, Viegas-Walker, Becerra, Terrazas, Antonovich, Nelson, L. Parks, Stone, Wapner, Hyatt, DeGrandpre, Graham, Jahn, Munzing, McCullough, Choi, Daigle, M. Martinez, Nielsen, Mills, Murray, Brown, Barrows, Daniels, Guerra, Medina, Neal, Johnson, Francis, Clark,

Messina, Voss, Herrera, Lantz, Gazeley, Mitchell, O'Connor, Talamantes, Ramirez, Hofbauer, Spiegel, Harper, McEachron, Ramos Watson, McLean, and Bartlett

NOES: None

ABSTAIN: Rush and Murdock

Transportation Committee (TC) Report

In the absence of TC Chair Keith Millhouse, Vice Chair Councilmember Alan Wapner, Ontario, SANBAG, reported that the TC approved the MOU/Joint Work Program with SANBAG and that various reports were presented related to the State and Federal Freight Activities; Preliminary Draft of the Active Transportation Program Guidelines; and SB 743.

Energy and Environment Committee (EEC)

As Chair of the EEC, Councilmember James Johnson, Long Beach, District 30, noted that the EEC had discussions related to the ports and effects of the regional air quality including improvements that will be needed to improve national air standards; improvements of City fleets by collaboration with City Managers; and reduction of energy consumption while incorporating clean energy.

Legislative/Communications and Membership Committee (LCMC)

As Chair of the LCMC, Councilmember Pam O'Connor, Santa Monica, District 41, noted that the January 2014 State and Federal Legislative Update has been distributed to the Regional Council members and reported that the House Transportation and Infrastructure (T&I) Committee will hold a public hearing on January 14, 2014 regarding Building the Foundation for Surface Transportation Reauthorization and that the LCMC will report back to the Regional Council regarding this item at the February 6, 2014 meeting.

Executive/Administration Committee (EAC)

President Pettis reported that the EAC met in Closed Session regarding the quarterly evaluation of the Executive Director and asked that the Regional Council members to complete the annual evaluation form which will be distributed at the February 6, 2014 meeting.

CONSENT CALENDAR

Approval Items

5. Minutes of the November 7, 2013 Meeting
6. SCAG Sponsorship & Memberships
7. Contract Amendment that increases the Contract's value over \$200,000: Contract No. 11-052-C1, Audit Services

A motion was made (O'Connor) and SECONDED (M. Martinez) to approve Agenda Item Nos. 5 through 7. The motion passed by the following votes:

AYES: Pettis, Morehouse, Viegas-Walker, Becerra, Terrazas, Antonovich, Nelson, L. Parks, Stone, Wapner, Hyatt, DeGrandpre, Graham, Jahn, Munzing, McCullough, Choi, Daigle, M. Martinez, Nielsen, Mills, Murray, Brown, Barrows, Daniels, Guerra, Medina, Neal, Johnson, Francis, Clark,

Messina, Voss, Herrera, Lantz, Gazeley, Mitchell, O'Connor, Talamantes, Ramirez, Hofbauer, Spiegel, Harper, McEachron, Ramos Watson, Bartlett, Rush and Murdock

NOES: None

ABSTAIN: McCullough and McLean

Receive & File

8. 2014 Regional Council and Policy Committees Meeting Schedule
9. January 2014 State and Federal Legislative Update
10. Purchase Orders \$5,000 but less than \$200,000; Contracts \$25,000 but less than \$200,000; and Amendments \$5,000 but less than \$75,000
11. CFO Monthly Report
12. Selection of SCAG Region Designated Recipients for FTA's Section 5310 Program

Agenda Item Nos. 8 through 12 were received and filed.

FUTURE AGENDA ITEM/S

President Pettis stated that a future Joint Meeting of the Regional Council and the Policy Committees will be held to discuss the Salton Sea and its environmental issues.

Supervisor Linda Parks, Ventura County, asked that a future agenda item be discussed regarding an update on the Bay Delta Conservation Plan (BDCP).

ADJOURNMENT

There being no further business, the Regional Council meeting adjourned at approximately 1:19 p.m. in memory of Jon Mikels, former SCAG President (1987 and 2001) and former 2nd District Supervisor, San Bernardino County (1986 – 2002), who recently passed away.

The next meeting of the Regional Council is scheduled for Thursday, February 6, 2014, at the SCAG Los Angeles Office.



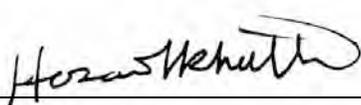
Lillian Harris-Neal, Clerk of the Board

DATE: February 6, 2014

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Darin Chidsey; Director, Strategy, Policy & Public Affairs; (213) 236-1836; chidsey@scag.ca.gov

SUBJECT: SCAG Annual Memberships

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Approve.

EXECUTIVE SUMMARY:

The Legislative/Communications & Membership Committee (LCMC) met on January 21, 2014 and recommended approval up to \$30,000 in annual memberships for: 1) Mobility 21 (\$25,000); and 2) Los Angeles County Business Federation – BizFed (\$5,000).

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan: Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; and Goal 2: Obtain Regional Transportation infrastructure Funding and Promote Legislative Solutions for Regional Planning Priorities.

BACKGROUND:

1) Mobility 21 (\$25,000)

Mobility 21 is a coalition of public, business, and community stakeholders to pursue regional solutions to transportation challenges facing the SCAG region and San Diego County. Created in 2002 as an effort in Los Angeles County, Mobility 21 became a regional effort in 2007 with the primary goals to support practical solutions to the transportation challenges of all Southern California; mobilize regional support for transportation funding and legislative priorities at the Federal and State levels; unite political leaders around common transportation priorities; and bring together residents, civic leaders, business groups and industry experts to effectively speak out in support of transportation. The annual dues are \$25,000.

2) Los Angeles County Business Federation – BizFed (\$5,000)

BizFed is made up of 94 business associations representing over 160,000 companies throughout the Los Angeles region, along with Southern California's leading civic-minded corporations and public agencies. This membership will allow SCAG access to utilize BizFed's massive business networks to actively promote SCAG's initiatives as part of the agency's ongoing work on the Southern California Economic Recovery & Job Creation Strategy. A \$5,000 Bronze Level Membership of the Los Angeles County Business Federation (BizFed) will give SCAG a seat on the BizFed Board of Directors and as a seat on the BizFed Advocacy Committee.

REPORT

FISCAL IMPACT:

\$30,000 for memberships are included in the approved FY 13-14 General Fund budget.

ATTACHMENT:

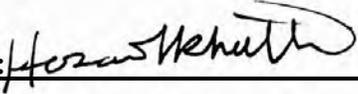
None

DATE: February 6, 2014

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Basil Panas, Chief Financial Officer, (213) 236-1817, panas@scag.ca.gov

SUBJECT: Contracts \$200,000 or Greater: Contract Nos. 14-009-C1 and C2, On-Call Outreach Services for the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (2016 RTP/SCS)

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Approve Contract Nos. 14-009-C1 and C2 with The 20/20 Network and The Sierra Group, in an amount not-to-exceed \$1,000,000, to provide on-call outreach services for the 2016-2040 RTP/SCS, for a three-year period.

EXECUTIVE SUMMARY:

SCAG will coordinate with its Federal, State, transportation, and air quality partners as well as other stakeholders to address all State and Federal requirements in the development of the 2016-2040 RTP/SCS. This includes, but is not limited to the development of a technical growth forecast, multimodal transportation projects, various land use strategies, and a credible financial plan. Similar to 2012-2035 RTP/SCS, SB 375 adds an additional layer of requirements intended to reduce greenhouse gas emissions from automobiles and light trucks through integrated transportation, land use, housing and environmental planning. The selected consultants will collaborate with SCAG management and staff to assist with convening and conducting the 2016 RTP/SCS workshops, public hearings, targeted briefings, presentations to various groups and organizations as needed.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies.

BACKGROUND:

Staff recommends executing the following contract \$200,000 or greater:

<u>Consultant/Contract #</u>	<u>Contract Purpose</u>	<u>Contract Amount</u>
The 20/20 Network and The Sierra Group (14-009-C1 and C2)	The selected consultants will provide support to maximize media involvement and coverage of public outreach, as well as other major SCAG projects and programs that may be incorporated into the 2016 - 2040 RTP/SCS.	\$1,000,000

FISCAL IMPACT:

Funding of \$200,000 is available in the FY 2013-14 budget and \$400,000 will be available in the FY 2014-15 and 2015-16 budgets.

ATTACHMENT:

Consultant Contract No. 14-009-C1 and C2

CONSULTANT CONTRACT 14-009-C1 and 14-009-C2

Recommended Consultants:

The 20/20 Network and The Sierra Group

Background & Scope of Work:

As the designated Metropolitan Planning Organization (MPO) for the six-county region of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties, SCAG is required to develop and update a Regional Transportation Plan and a Sustainable Communities Strategy (RTP/SCS) at least once every four years through a continuous, collaborative and comprehensive process, also known as the 3C process. Through this process, SCAG seeks to define a regional transportation vision and provide the framework to address transportation challenges through consensus with local, regional, state, and federal stakeholders. The development of the 2016-2040 RTP/SCS will require significant coordination with stakeholders from myriad interest groups varied by policy, geography, politics, etc.

SCAG will coordinate with its Federal, State, transportation, and air quality partners as well as other stakeholders to address all State and Federal requirements in the development of the 2016-2040 RTP/SCS. This includes, but is not limited to the development of a technical growth forecast, multimodal transportation projects, various land use strategies, and a credible financial plan. Similar to 2012-2035 RTP/SCS, SB 375 adds an additional layer of requirements intended to reduce greenhouse gas emissions from automobiles and light trucks through integrated transportation, land use, housing and environmental planning.

SCAG has selected two consultants for the contract award, and will request on-call services. The selected consultants will collaborate with SCAG management and staff to assist with convening and conducting the 2016 RTP/SCS workshops, public hearings, targeted briefings, presentations to various groups and organizations as needed. The selected consultants will also provide support to maximize media involvement and coverage of public outreach, as well as other major SCAG projects and programs that may be incorporated into the 2016 RTP/SCS.

Project's Benefits & Key Deliverables:

The project's benefits and key deliverables include, but are not limited to:

- Meeting all Federal and State regulations related to public and stakeholder engagement in the development of the 2016 RTP/SCS;
- Report identifying key constituents and regional champions;
- Briefing packets describing the major objectives, elements, why get involved and benefits of the 2016 RTP/SCS;
- Materials associated with RTP/SCS workshops/hearings;
- Assistance implementing RTP/SCS workshops/hearings;
- Documentation and meeting summaries of RTP/SCS workshops/hearings; and
- Materials to maximize media involvement and coverage of public meetings, including media advisories and news releases.

Strategic Plan:

This item supports SCAG's Strategic Plan Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies.

Contract Amount: **Total not-to-exceed** **\$1,000,000**

Note: This is for on-call, as needed services. Hourly rates are dependent on labor categories and level of expertise needed; therefore, award amounts are not listed on this report.

The 20/20 Network	As Needed
The Sierra Group	As Needed

Contract Period: Notice-to-Proceed through June 30, 2017

Project Number: 095-SCG01533.01 \$1,000,000
Funding sources: Consolidated Planning Grant – FTA, FHWA, and TDA

Request for Information and Qualifications (RFIQ): SCAG staff notified 2,083 firms of the release of RFP No. 14-009-C1. Staff also posted the RFP on SCAG’s bid management system. A total of 60 firms downloaded the RFP. SCAG received the following six (6) proposals in response to the solicitation:

- Arellano Associates (2 subconsultants)
- The Better World Group, Inc. (2 subconsultants)
- Lee Andrews Group (3 subconsultants)
- MBI Media (2 subconsultants)
- The 20/20 Network LLC (1 subconsultant)
- The Sierra Group (5 subconsultants)

Selection Process: The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC interviewed all six (6) offerors.

The PRC consisted of the following individuals:

- Shefa Bhuiyan, Branch Chief-Office of Advance Planning, Caltrans-District 7
- Mark Butala, Manager of Regional Services, SCAG
- Darin Chidsey, Director of Strategy, Policy and Public Affairs, SCAG
- Jacob Lieb, Manager of Sustainability, SCAG

Basis for Selection: The PRC recommends the contract be awarded to the two highest ranked firms because it will allow SCAG to retain the best qualified consultant depending on nature of services that may be needed. Both firms demonstrated:

- The best understanding of the proposed scope of work and the key elements involved. Specifically, their scope of work outlined, in detail, a three-phase work program to address the outreach and media requirements of the complex 2016-2040 RTP/SCS development process;
- A team of the most qualified and diverse subconsultants, each with specific strengths and expertise to ensure engaging myriad stakeholders and members of the public reflecting the diversity of the SCAG region;
- A strong understanding of the many potential challenges of the project and offered thoughtful solutions to addressing these challenges should they arise

throughout the course of the project;

- The ability to use state-of -the-art social media tools to engage the stakeholders that rely extensively on this medium for participating in civil discourse;
- A realistic and responsive project schedule for meeting all deliverables in a timely manner; and
- Hourly rates and fees that are within the industry standard for the services performed, ensuring that all deliverables will be met within the allocated budget.

**Conflict Of Interest Form - Attachment
For February 6, 2014 Regional Council Approval**

Item #: 7

Approve Contract No. 14-009-C1 and 14-009-C2, in an amount not to exceed \$1,000,000, for the 2016-2040 RTP/SCS Outreach Services.

This consultant teams for the contracts include:

The 20/20 Network LLC

Sub: David Lang & Associates

The Sierra Group

Sub: T&T Public Relations

Sub: Caltrop Communications

Sub: Pacific Strategies

Sub: The Milagro Strategy Group

Sub: SAESHE

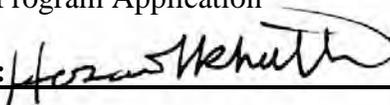
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DATE: February 6, 2014

TO: Community, Economic and Human Development Committee (CEHD)
Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Huasha Liu, Director, Land Use and Environmental Planning, 213-236-1838, liu@scag.ca.gov

SUBJECT: Resolution No. 14-556-1 for California Strategic Growth Council Sustainable Communities Planning Grant and Incentive Program Application

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION FOR CEHD:

Receive and File

RECOMMENDED ACTION FOR EAC:

Recommend that the Regional Council approve Resolution No. 14-556-1, authorizing SCAG to apply for funds from the California Strategic Growth Council Sustainable Communities Planning Grant and Incentive Program as part of a Joint Proposal with selected local jurisdictions.

RECOMMENDED ACTION FOR RC:

Approve the attached Resolution No. 14-556-1, authorizing SCAG to apply for funds from the California Strategic Growth Council Sustainable Communities Planning Grant and Incentive Program as part of a Joint Proposal with selected local jurisdictions.

EXECUTIVE SUMMARY:

The California Strategic Growth Council (SGC) recently issued the Request-for-Proposals (RFP) for the third round of its Sustainable Communities Planning Grant and Incentive Program ("Grant Program"). Approximately \$16 million will be available, a significant decrease from the last round of over \$24 million. Staff is proposing a Joint Proposal with SCAG as the lead applicant and selected local jurisdictions as co-applicants (as further discussed in the staff report) which is intended to focus on facilitating the implementation of the 2012 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). The Joint Proposal seeks \$1,000,000 in grant funding to be used over a maximum 36 month grant period. It will provide additional funding support to successfully implement and fund SCAG's Board-approved Sustainability Grant Program. Based on the RFP requirement, the attached resolution must be approved by the Regional Council and included with the application. The deadline for submittal is February 28, 2014.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies, and Objective (a): Create and facilitate a collaborative and cooperative environment to produce forward thinking regional plans.

BACKGROUND:

On December 6, 2013, SGC issued the RFP for the third round of its Sustainable Communities Planning Grant and Incentive Program. The Grant Program is funded by Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. It authorized the Legislature to appropriate funds for planning grants and planning incentives that reduce energy consumption, conserve water, improve air and water quality, and provide other community benefits.

A total of approximately \$16 million will be available for the third round grant program. Eligible applicants include cities, counties, Metropolitan Planning Organizations (MPOs), Joint Powers Authorities (JPAs), Regional Transportation Planning Agencies (RTPAs), Councils of Governments (COGs), or combinations thereof. The three (3) Focus Areas are as follows:

Focus Area #1: Innovative Incentives for Sustainable Development Implementation

Focus Area #2: Sustainable Community Planning in Transit Priority Planning Areas

Focus Area #3: Collaborative Community Planning in Preparation for High Speed Rail

SCAG's application of \$1,000,000 (maximum allowable), currently under development, is intended to facilitate the implementation of the 2012 RTP/SCS in Southern California. A minimum 10% local match is required, half of which must be a cash match and the balance may be in-kind. (See Fiscal Impact section below.)

Proposed Approach

SCAG staff proposes to submit an application with an approach described as the following:

Project Title: Sustainable Communities Strategy Implementation in Southern California through Sustainability Projects

Proposal Type: Joint Proposal with SCAG as the lead applicant with selected local jurisdictions as co-applicants (as described further below).

It should be noted that SGC strongly encourages submittals of joint proposals by multiple eligible applicants as specifically indicated in the RFP. A successful joint proposal must include meaningful, actionable internal and external collaboration and demonstrate a commitment (e.g., match funding, Memorandum of Understanding, etc.) to the joint proposal from each participating eligible organization.

Proposed Grant Amount: \$1,000,000 (maximum amount for a joint proposal)

(Note: For a single-applicant [non-joint] proposal, the maximum grant amount is \$500,000.)

Focus Area: #1 (Innovative Incentives for Sustainable Development Implementation)

SCAG staff proposes to apply for the grant under Focus Area #1. The RFP states that Focus Area #1 supports local planning activities that implement a proposed or adopted Regional Transportation Plan, and when applicable, a Sustainable Communities Strategy, or any other local or regional plan, in a way that incentivizes sustainable, infill development, location- and resource-efficient development, or preserves or enhances natural or agricultural lands. SCAG staff believes that a proposal under Focus Area #1 increases the agency's chances of a grant award as Focus Area #2 limits proposals to transit priority areas only, and Focus Area #3 limits proposals to collaborative community planning in preparation for high-speed rail.

Proposal Objectives:

SCAG's grant proposal includes local sustainability projects in selected local jurisdictions (see table below) that are aimed to implement SCAG's 2012 RTP/SCS through a variety of strategies, including as examples, a downtown specific plan, a complete street plan, a local climate action plan, and new development standards. These strategies will not only help implement the policies of the 2012 RTP/SCS but are needed and being pursued by many local jurisdictions in the region. Each sustainability project is expected to serve as an example with lessons learned to benefit the rest of the region. The selected jurisdictions have indicated their support to SCAG staff of the Joint Proposal. SCAG staff will continue to work with the cities to obtain commitment letters and/or resolutions to be included as part of the grant application.

Strategy for Selecting Local Projects for Joint Proposal:

- Selections from the local proposals originally submitted to SCAG's Sustainability Program Call for Proposals and approved by the Regional Council at its September 12, 2013 meeting, and for which funding still needs to be secured
- Selections of proposals which support the intent of Focus Area #1 and proposed objectives (including diversity of SCS implementation strategies to serve as examples for similar needs)
- Selection of at least one proposal from each of the four counties (Los Angeles, Orange, Riverside and San Bernardino) within the region (since funding for all local proposals from Imperial and Ventura counties for SCAG's Sustainability Program have already been secured by SCAG)

REPORT

Proposed Local Sustainability Projects:

City (Co-Applicants)	County	Project Focus	Estimated Value of Consultant Services*
Burbank	Los Angeles	Mixed-use Development Standards	\$200,000*
Rancho Cucamonga	San Bernardino	Sustainability Action Plan	\$150,000*
Pasadena	Los Angeles	Form-based Street Design Guideline	\$175,000*
Lancaster	Los Angeles	Complete Street Master Plan	\$125,000*
Seal Beach	Orange	Climate Action Plan	\$150,000*
Hemet	Riverside	Downtown Specific Plan	\$200,000*

TOTAL \$1,000,000

*If awarded by the SGC, SCAG will offer consultant services valued at the estimated amount to the co-applicant cities, free of charge, to implement the respective sustainability projects. This is generally consistent with the practice to implement all other SCAG Sustainability Call for Proposals.

In the event that any city above could not provide the documentation of commitment to join the application, as required by the SGC’s RFP, SCAG staff may substitute other Board-approved local projects (from SCAG’s Sustainability Grant Program) consistent with the overall approach described in this report.

Key Dates Related to the Grant Application

1. December 6, 2013 – SGC issued the RFP for the Sustainable Communities Planning Grant
2. February 6, 2014 – SCAG Regional Council to Authorize staff to apply for the Grant
3. February 28, 2014 – Grant application due to SGC (by 5pm)
4. May 19, 2014 – SGC to take action on grant award

FISCAL IMPACT:

If awarded, the grant funds, \$50,000 cash match and in-kind match and the proposed scope of work will be incorporated into the Overall Work Program through budget amendment.

ATTACHMENT:

Resolution No. 14-556-1 approving SCAG’s application for grants funds for the California Strategic Growth Council Sustainable Communities Planning Grant and Incentive Program



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Cheryl Viegas-Walker, El Centro

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Executive/Administration Committee Chair

Greg Pettis, Cathedral City

Policy Committee Chairs

Community, Economic and

Human Development

Margaret Finlay, Duarte

Energy & Environment

James Johnson, Long Beach

Transportation

Keith Millhouse, Ventura County

Transportation Commission

RESOLUTION NO. 14-556-1

A RESOLUTION OF THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS APPROVING THE APPLICATION FOR GRANT FUNDS FOR THE SUSTAINABLE COMMUNITIES PLANNING GRANT AND INCENTIVES PROGRAM UNDER THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL PROTECTION BOND ACT OF 2006 (PROPOSITION 84)

WHEREAS, the Legislature and Governor of the State of California have provided funds for the Sustainable Communities Planning Grant and Incentives Program described above; and

WHEREAS, the Strategic Growth Council has been delegated the responsibility for the administration of this grant program, establishing necessary procedures; and

WHEREAS, said procedures established by the Strategic Growth Council require a resolution certifying the approval of application by an applicant’s governing board before submission of said application to the State; and

WHEREAS, the Southern California Association of Governments (“SCAG”) is the designated Metropolitan Planning Organization (MPO), pursuant to 23 U.S.C. Section 134 et seq. and 49 U.S.C. Section 5303 et seq., serving the nation’s largest metropolitan planning area comprised of Los Angeles, Orange, San Bernardino, Riverside, Ventura and Imperial Counties; and

WHEREAS, SCAG seeks to submit a grant application to the State under the aforementioned grant program for the following project: “Sustainable Communities Strategy Implementation in Southern California through Sustainability Projects” (“Proposal”); and

WHEREAS, SCAG shall serve as the lead applicant with selected local jurisdictions as co-applicants; and

WHEREAS, if awarded, the grant funds will be used for local sustainability projects that are aimed to implement SCAG’s 2012 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) through a variety of strategies, including as examples, a downtown specific plan, a complete street plan, a local climate action plan, and new development standards. These strategies will not only help to implement the policies of the 2012 RTP/SCS but are needed and being pursued by many local jurisdictions in the region.

Each sustainability project is expected to serve as an example with lessons learned to benefit the rest of the region; and

WHEREAS, SCAG, if selected, will enter into an agreement with the State of California to carry out the development of the Proposal.

NOW, THEREFORE, BE IT RESOLVED that the Regional Council of Southern California Association of Governments:

1. Approves the filing of an application for the “Sustainable Communities Strategy Implementation in Southern California through Sustainability Projects;”
2. Certifies that SCAG understands the assurances and certification in the application;
3. Certifies that SCAG will have sufficient funds to develop the Proposal or will secure the resources to do so;
4. Certifies that the Proposal will comply with any applicable laws and regulations; and
5. Appoints the SCAG Executive Director, or his designee, as agent to conduct all negotiations, execute and submit all necessary documents including, but not limited to applications, agreements, payment requests and so on, which may be necessary for the completion of the aforementioned Proposal on behalf of the Regional Council.

PASSED, APPROVED AND ADOPTED by the Regional Council of the Southern California Association of Governments at its regular meeting on the 6th day of February, 2014.

Hon. Greg Pettis
President, SCAG
Councilmember, Cathedral City

Attested by:

Hasan Ikhata
Executive Director

Approved as to Form:

Joann Africa
Chief Counsel

DATE: February 6, 2014

TO: Environment and Energy Committee (EEC)
Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Basil Panas, Chief Financial Officer, (213) 236-1817, panas@scag.ca.gov

SUBJECT: Resolution No. 14-556-2 for the Federal Highway Administration (FHWA) Implementing Eco-Logical Project

EXECUTIVE DIRECTOR'S APPROVAL:**RECOMMENDED ACTION FOR EEC:**

Receive and File

RECOMMENDED ACTION FOR EAC:

Recommend that the Regional Council approve Resolution No. 14-556-2, authorizing SCAG to accept FHWA funds to support the Implementing Eco-Logical Program.

RECOMMENDED ACTION FOR RC:

Approve the attached Resolution No. 14-556-2, authorizing SCAG to accept FHWA funds to support the Implementing Eco-Logical Program.

EXECUTIVE SUMMARY:

SCAG has received a grant award from FHWA, in Second Strategic Highway Research Program (SHRP2) User Incentive Implementation Assistance Funds ("FHWA Funds"), to deploy the Implementing Eco-Logical Program. The grant will be used for the Regional Habitat Conservation Assessment Methodology and Database project. This project will feed into the development of SCAG's 2016 Regional Transportation Plan/Sustainable Communities Strategy with a focus on the mitigation approaches required under federal planning law. The project will develop a potential assessment methodology to aid in identifying important areas for conservation and develop a regional habitat conservation database that will collect existing and planned plans, programs, studies and data on open space and biotic resources. Furthermore, in order to receive the funds, the State of California Department of Transportation (Caltrans) must be the direct recipient of the FHWA Funds and SCAG will be reimbursed as the sub-recipient. Caltrans Division of Local Assistance requires SCAG to submit a governing board resolution that clearly identifies the project and the official authorized to execute the agreement.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan Goal #1: Improve Regional Decision making by Providing Leadership and consensus Building on Key Plans and Policies. Objective A: Create and facilitate a collaborative and cooperative environment to produce forward thinking regional plans.

BACKGROUND:

SCAG has received FHWA Funds in the amount of \$25,000 to support deployment of the FHWA Implementing Eco-Logical Program. The primary goal of Implementing Eco-logical is to bring early consideration of ecological resources into the standard long-range transportation planning processes of State

REPORT

Departments of Transportation and Metropolitan Planning Organizations, and into environmental review processes of State and Federal resource and regulatory agencies. The Eco-Logical approach brings together transportation, resource and regulatory agencies to integrate their plans and arrive at a joint set of environmental priorities across the eco-system.

The FHWA Funds will be used for the Regional Habitat Conservations Assessment Methodology and Database project, which will involve consulting services to develop: 1) a regional open space database that will collect, catalog, and organize existing and proposed plans, programs, studies and data on open space and biotic resources; and 2) an assessment methodology to aid in identifying important areas for conservation.

Authorized under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), SHRP2 builds on the success of the first SHRP, which produced, among other innovations, Superpave – a process for creating more durable roads – and new technology for addressing snow and ice. The Moving Ahead for Progress in the 21st Century Act (MAP-21) has authorized additional funding to support SHRP2 implementation activities.

SHRP2 will continue to launch proven innovations through 2015 as research and pilot projects are completed. By implementing SHRP2 Solutions, the transportation community will more efficiently strengthen the nation’s highway system to serve us through the 21st century.

FISCAL IMPACT:

The combined grant program will authorize SCAG to receive \$25,000 in FHWA Funds that will be utilized for the Regional Habitat Conservation Assessment Methodology and Database project.

ATTACHMENT:

Resolution No. 14-556-2



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James Johnson, Long Beach

Transportation

Keith Millhouse, Ventura County Transportation Commission

RESOLUTION NO. 14-556-2

A RESOLUTION OF THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS APPROVING THE ACCEPTANCE OF FEDERAL HIGHWAY ADMINISTRATION (FHWA) FUNDS TO SUPPORT THE IMPLEMENTING ECO-LOGICAL PROGRAM

WHEREAS, the Southern California Association of Governments (“SCAG”) is the designated Metropolitan Planning Organization (MPO), pursuant to 23 U.S.C. Section 134 et seq. and 49 U.S.C. Section 5303 et seq., serving the nation’s largest metropolitan planning area comprised of Los Angeles, Orange, San Bernardino, Riverside, Ventura and Imperial Counties; and

WHEREAS, SCAG has received an award of \$25,000 in Federal Highway Administration (FHWA), Second Strategic Highway Research Program (SHRP2) User Incentive Implementation Assistance Funds (“FHWA Funds”), to support deployment of the FHWA Implementing Eco-Logical Program; and

WHEREAS, the primary goal of Implementing Eco-logical is to bring early consideration of ecological resources into the standard long-range transportation planning processes of State Departments of Transportation and Metropolitan Planning Organizations, and into environmental review processes of State and Federal resource and regulatory agencies; and

WHEREAS, the Eco-Logical approach brings together transportation, resource and regulatory agencies to integrate their plans and arrive at a joint set of environmental priorities across the eco-system; and

WHEREAS, the FHWA Funds will be used for the Regional Habitat Conservations Assessment Methodology and Database project, which will involve consulting services to develop: 1) a regional open space database that will collect, catalog, and organize existing and proposed plans, programs, studies and data on open space and biotic resources; and 2) an assessment methodology to aid in identifying important areas for conservation; and

WHEREAS, in order to receive the FHWA Funds, the State of California Department of Transportation (Caltrans) must be the direct recipient of the funds and SCAG will be reimbursed as the sub-recipient.

NOW, THEREFORE, BE IT RESOLVED by the Regional Council of Southern California Association of Governments (SCAG) to authorize SCAG to accept and administer the FHWA Funds to support the Implementing Eco-Logical Program.

BE IT FURTHER RESOLVED by the SCAG Regional Council as follows:

1. That the Regional Council hereby authorizes SCAG to accept the FHWA Funds in the amount of \$25,000 from Caltrans to support the Implementing Eco-Logical Program.
2. That SCAG's Executive Director or his designee is hereby designated and authorized by the Regional Council to execute all necessary agreements and other documents on behalf of the Regional Council as they relate to supporting the Implementing Eco-Logical Program.

PASSED, APPROVED AND ADOPTED by the Regional Council of the Southern California Association of Governments at its regular meeting on the 6th day of February, 2014.

Hon. Greg Pettis
President, SCAG
Councilmember, Cathedral City

Attested by:

Hasan Ikhata
Executive Director

Approved as to Form:

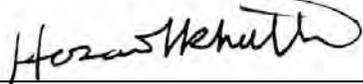
Joann Africa
Chief Counsel

DATE: February 6, 2014

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Darin Chidsey; Director, Strategy, Policy & Public Affairs; (213) 236-1836; chidsey@scag.ca.gov

SUBJECT: SB 1 (Steinberg) – Sustainable Communities Investment Authority

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:
Support.

EXECUTIVE SUMMARY:

On December 3, 2012 President Pro Tempore Darrell Steinberg (D-Sacramento) introduced SB 1, which as introduced was identical to SB 1156 (Steinberg) from the 2011-12 session that SCAG supported, and is consistent with SCAG's previously adopted legislative priorities. The bill would allow a local government to establish a Sustainable Communities Investment Authority and direct tax increment revenues to that Authority in order to address blight by supporting development in transit priority project areas, small walkable communities, and clean energy manufacturing sites. The bill is currently one of the few remaining bills in the legislature likely to pass that would viably replace former redevelopment agencies dissolved by statute. Accordingly, the Legislative/Communications and Membership Committee (LCMC), at its January 21, 2014 meeting recommended that the Regional Council adopt a support position on SB 1.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 2: Obtain Regional Transportation Infrastructure Funding and Promote Legislative Solutions for Regional Planning Priorities; Objective b) Identify and support legislative initiatives.

BACKGROUND:

Until 2011, the Community Redevelopment Law allowed local officials to set up redevelopment agencies (RDAs), prepare and adopt redevelopment plans, and finance redevelopment activities. AB 26x1 (Blumenfield, 2012) dissolved redevelopment agencies and community development agencies and provided for the designation of successor agencies, typically the city that established the agency, to take control of all redevelopment agency assets, properties, and other items of value. Successor agencies are to dispose of an agency's assets as directed by an oversight board, made up of representatives of local taxing entities, with the proceeds transferred to the county auditor-controller for distribution to taxing agencies within each county.

AB 26x1 also included provisions allowing the host city or county of a dissolving redevelopment agency to retain the housing assets and functions previously performed by the agency, except for funds on deposit in the agency's Low and Moderate Income Housing Fund (L&M fund), and thus become a successor housing agency. If the host city or county chooses not to become the housing successor

agency, a local housing authority or the Department of Housing and Community Development (HCD) takes on that responsibility.

SB 1 would allow a local government to establish a Sustainable Communities Investment Authority (Authority) and direct tax increment revenues to that Authority in order to address blight by supporting development in transit priority project areas, small walkable communities, and clean energy manufacturing sites.

SB 1 provides a voluntary alternative to loss of RDA to cities and counties. SB 1 would authorize cities and/or counties representing a Sustainable Communities Investment Area (Area), as described, to form a Sustainable Communities Investment Authority (Authority) to carry out the Community Redevelopment Law. The bill would require the Authority to adopt a Sustainable Communities Investment Plan (Plan) for an Area, and would authorize the Authority to direct tax increment revenues to that Authority in order to address blight by supporting development in transit priority project areas, small walkable communities, and clean energy manufacturing sites.

The bill requires that the communities' investment plan terminate on a specified date not to exceed 30 years from the date of the first issuance of bond indebtedness by the Authority. The bill provides that an Authority is not required to make a finding of blight or conduct a survey of blight in a project area, but can rely upon the legislative findings in this bill to establish blight. SB 1 prohibits a city or county that created a redevelopment agency from forming an Authority unless the designated local authority or the successor agency has received a finding of completion from Department of Finance (DOF) that it has complied with the provisions of AB 26X1. The most recent copy of SB 1 (as of the date of this report) is available online at: <http://goo.gl/phv9PZ>.

Formation of an Authority

SB 1 provisions provide that an Authority may be formed in the following ways:

- A city and county representing the geographic territory of an sustainable communities investment area may form an Authority by entering into a joint powers agreement that establishes the governing board and the sustainable communities investment area;
- A city may form the governing board and establish the parameters of the proposed economic development within the sustainable communities investment area in an incorporated area of the city provided the economic development parameters and the sustainable communities investment plan are approved by the county;
- A city and county may appoint a governing board for a sustainable communities investment area comprised of two members appointed by the city with geographic jurisdiction and two appointed by the county with geographic jurisdiction and a fifth member appointed by those members. The governing board will designate the sustainable communities' investment area in an incorporated area, an unincorporated area or both. The city and the county must approve the sustainable communities' investment plan and any amendments to it;
- if the sustainable communities' investment area is within an unincorporated area, the county may form an Authority and appoint the governing body;
- A city may form an Authority and appoint a governing board that designates the sustainable communities' investment area without county approval if the area is within the incorporated limits of the city.

SB 1 requires an Authority's governing board to consist of five members appointed for four-year terms. The governing body of an Authority created by a city and county must be composed of five members appointed by the mayor of that city, if the appointment is subject to confirmation by the county board of supervisors. SB 1 excludes school districts from participating in an Authority.

Sustainable Communities Investment Area

Bill provisions specify that a sustainable communities' investment area shall include only the following:

- Transit priority areas that meet the following parameters:
 - A transit priority project including a high-speed rail station. The transit stop or corridor must be completed within the planning horizon established by specified federal regulations. The transit priority area may include a military base reuse plan that meets the definition of a transit priority area and it may include a contaminated site within a transit priority area;
 - It is within the geographic boundaries of a MPO with an approved SCS.
- Areas that are small walkable communities, as defined, except that small walkable communities may also be designated in a city that is within the area of an MPO. Specifies that no more than one small walkable community project area shall be designated within a city; and
- Sites that have land use approvals, covenants, conditions and restrictions, or other effective controls restricting the sites to clean energy manufacturing, and that are consistent with the use, designation, density, building intensity, and applicable policies specified for the sustainable communities investment area in the SCS, if those sites are within the geographic boundaries of an MPO.

Additionally, the bill specifies that clean energy manufacturing shall consist of the manufacturing of any of the following:

- Components, parts, or materials for the generation of renewable energy resources;
- Equipment designed to make buildings more energy efficient or the component parts thereof;
- Public transit vehicles or the component parts thereof; or,
- Alternative fuel vehicles or the component parts thereof.

Tax Increment Provisions

The bill would allow a sustainable communities investment plan for a sustainable communities investment area to include a provision for the receipt of tax increment funds providing that the local government with land use jurisdiction has adopted all of the following:

- 1) A sustainable parking standards ordinance that restricts parking in transit priority project areas to encourage transit use to the greatest extent feasible;
- 2) An ordinance creating a jobs plan. The bill specifies that all entities receiving financial support from the Authority shall, at a minimum, require that any and all agreements approved by the Authority include a jobs plan, which shall describe how the project will further create construction careers that pay prevailing wages, living wage permanent jobs, and create a program for community outreach, local hire, and job training. Specifies that the plan shall also describe the project developer's commitment to offer jobs to disadvantaged California residents,

including veterans of the Iraq and Afghanistan wars, people with a history in the criminal justice system, and single-parent families;

- 3) For transit priority areas and small walkable communities within an MPO, a plan consistent with the use designation, density, building intensity, and applicable policies specified for the sustainable communities investment area density of at least 20 dwelling units per net acre and for nonresidential uses, provides a minimum floor area ratio of 0.75;
- 4) Within small walkable communities outside of an MPO, a plan for new residential construction that provides a density of at least 20 dwelling units per net acre and, for nonresidential uses, provides a minimum floor area ratio of 0.75; and
- 5) An ordinance that prohibits the number of housing units for extremely low-, very low- and low-income households in the sustainable communities investment area from being reduced during the effective period of the sustainable communities investment plan. And requires the replacement of these housing units within two years of their displacement.

Other tax increment provisions require that the county auditor controller allocate to an Authority the tax increment as specified in a sustainable communities investment plan in proportion to the levied taxes for the city and or county in excess of the amount specified in Health and Safety Code Section 33670 (a). The auditor-controller may only allocate tax increment revenues to an Authority if the taxing agency whose tax increment would be allocated adopts a resolution authorizing the allocation.

SB 1 provides that if a sustainable communities investment area includes in whole or in part a former redevelopment area and the sustainable communities investment plan includes a provision for receipt of tax increment revenues, then it shall include a provision that tax increment amounts collected and received by the Authority are subordinate to existing enforceable obligations. The bill further provides that an Authority that collects tax increment revenues must dedicate no less than 25% of the allocated tax increment for affordable housing purposes.

Sustainable Communities Investment Plan Provisions

The Community Redevelopment Law (CRL) specifies numerous elements that must be included in a redevelopment plan for a project area. In addition, SB 1 requires a Sustainable Communities Investment Plan to include:

- A fiscal analysis of projected tax increment revenue and other revenue and projected expenses over five-year planning horizons for the life of the Authority.
- A statement of the principal goals and objectives of the plan together with findings of the public purposes and uses that will be achieved.
- A statement of how the plan will relieve blight as follows:
 - How it will implement the goals of a sustainable communities strategy, if the Sustainable Communities Investment Area is within a metropolitan planning organization.
 - How it will contribute to more efficient transportation infrastructure.
 - How it will contribute to a reduced cost for the combined costs of housing and transportation for California residents.
 - How it will contribute to improved public health.
 - How it will promote more efficient water consumption.
 - How it will avoid loss of prime farmland.

- How it will reduce air pollution, energy consumption and greenhouse gas emissions by reducing vehicle miles traveled.
- A statement of how the plan will implement the Authority's sustainable parking standards.
- A statement of how the plan will implement the Authority's jobs plan.

SB 1 provides that a sustainable communities investment plan, in addition to meeting the housing provisions of the CRL, may include, to the extent applicable to the sustainable communities investment area, the following:

- Farmworker housing;
- Transitional and supportive housing including former foster youth, persons with mental health treatment needs persons with substance use disorder treatment needs, and various offender populations;
- Health and safety related infrastructure investments for disadvantaged and rural communities. Infrastructure investments to support countywide services including health clinics, hospitals, medical provider offices, child care facilities, day reporting centers, and grocery stores in food desert areas.

Other Bill Provisions

A number of other important provisions pertaining to requirements and responsibilities of the Authority and the Plan include:

- Requires an Authority to contract for an independent and financial audit every five years, conducted by guidelines established by the Controller, and submit it to the Controller, Director of DOF, and the Joint Legislative Budget Committee;
- Requires the audit to determine compliance with the affordable housing maintenance and replacement requirement including provisions to ensure that the replacement requirements are met within the five year period covered by the audit;
- Provides that if the Authority fails to meet the maintenance and replacement requirement for affordable housing it must adopt and submit to a plan with the audit to show how it will comply with those provisions within two years;
- Require the Controller to review and approve an Authority's plan to meet the replacement housing requirements and ensure that the plan includes one or more of the following means of achieving compliance:
 - Expenditure of an additional 10% of gross tax increment revenue on increasing, preserving, or improving the supply of low-income housing;
 - An increase in the production by an additional 10% of housing for very low-income households as required under the CRL housing production requirements; and/or
 - The targeting of expenditures from the Low- and Moderate -Income Housing Fund toward rental housing affordable to and occupied by person of very low and extremely low income.
- Requires the Authority to approve any bond financing;
- Specifies that school district property taxes cannot be pledged for the repayment of bonds issued by an Authority;
- Specifies, in the event a tax increment financing provision is included as part of an sustainable communities investment area, and for the purposes of collecting tax increment under Section 16

of Article XVI of the California Constitution, that the terms "district" and "affected taxing entity" shall exclude a school district and special districts;

- Permits a state or local pension fund system to invest capital in the public infrastructure projects and private commercial residential developments undertaken by an Authority;
- Allows an Authority to exercise the powers granted under the Mello-Roos Act;
- Allows an Authority to implement local transaction and use tax, except that the resolution authorizing the tax may designate the use of the tax;
- Establishes a process to prequalify developers for construction contracts in excess of \$1 million;
- Requires the Department of Industrial Relations to monitor and enforce compliance with prevailing wage requirements for projects that include funds from an Authority and shall charge each awarding body or developer for the reasonable and directly related costs of monitoring and enforcing compliance with the prevailing wage requirements of each project.

Summary of Amendments and Clarifications

SB 1 was reviewed by the LCMC and the Regional Council in February and March of 2013 and, at those meetings there were a number of clarifications sought by members of both bodies concerning provisions of this bill. Additionally, since then the bill has been amended several times throughout 2013. These amendments include:

- If a city, county, or city and county that is part of an Authority declares a fiscal emergency that city, county or city and county must develop a plan for how the county auditor-controller shall reduce the amount of the tax increment revenue allocated to the authority during the period of time of the fiscal emergency;
- Prohibit an Authority from including land that is subject to a contract pursuant to the Williamson Act or more than two acres of prime farmland, farmland of statewide importance, unique farmland, or farmland of local importance as defined by the United States Department of Agriculture (USDA) land inventory and monitoring criteria as modified for California;
- Prohibit an Authority from being formed, as specified, by a city, county, city and county, or special district that has declared a fiscal emergency, unless the city, county, city and county, or special district subsequently declares that the fiscal emergency has been resolved; and
- Other technical, clarifying changes.

Among the issues requested for clarification by LCMC and RC members, these included clarification of how the Authority could authorize use of tax increment funding and additionally could impose a transactions and use tax; whether a fiscal analysis was required of proposed plan projects and uses; whether the Authority would enjoy the same eminent domain rights as RDAs and/or local government entities as needed to engage in redevelopment activities; and whether projects within the plan would be required to pay a living wage.

Health & Safety (H&S) Code § 34191.20(h) added by the bill (page 7 of bill) specifies that "A taxing agency participating in or approving the formation of a Sustainable Communities Investment Authority or appointing governing board members may authorize an allocation to the authority of all or part of the tax increment revenue that otherwise would be paid to that taxing agency." Section 16 of Article XVI of the California Constitution defines taxing agencies as "any city, county, city and county, district, other public corporation." Additionally, H&S § 34191.30(b), page 15 of bill, authorizes, though does not require that "An authority may implement a local transactions and use tax under Part 1.6 (commencing

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with Section 7251) of Division 2 of the Revenue and Taxation Code, except that the resolution authorizing the tax may designate the use of the proceeds of the tax.” Committee staff confirmed that imposition of the transactions and use tax is discretionary by the Authority, and subject to vote of the people within the jurisdiction of the Authority only, similar to a ‘Mello-Roos’ district.

Fiscal analysis of projects and uses of tax increment funds are required as part of the Sustainable Communities Investment Plan. H&S § 34191.28(a), page 13 of bill, specifies that “A fiscal analysis setting forth the projected receipt of tax increment and other revenue and projected expenses over five-year planning horizons for the life of the authority.”

With respect to issues concerning Eminent Domain, Chapter 2 of the bill proposes to add H&S § 34191.20 et seq. (page 5) establishing a “Sustainable Communities Investment Authority” (Authority). The Authority is deemed to be an “agency” within the same meaning of Health and Safety Code § 33033 which defined a redevelopment agency under the Community Redevelopment Law. The Authority would also have all the rights, responsibilities, and obligations of an agency for the purposes of that section, which is the same as applied to all former RDAs. Therefore, the intent of SB 1 is to provide the Authority with the same rights and powers that former redevelopment agencies had, including the power of eminent domain but use of funds would be for projects or purposes that are part of a Sustainable Communities Investment Area pursuant to a Sustainable Communities Investment Plan.

Bill provisions specifying requirements of the Sustainable Communities Investment Plan in order to receive tax increment funds do include a requirement that, pursuant to H&S § 34191.26(b)(1), page 10 of bill, require that ‘(A) Further construction careers that pay prevailing wages and create living wage permanent jobs.’

Support/Opposition

Supporters of the bill note that eliminating redevelopment agencies did not eliminate the need for California communities to build more affordable housing, eliminate blight, foster business activity, clean up contaminated brownfields, and create jobs. SB 1 seeks to establish a new approach to local economic development and housing policy that is focuses on building sustainable communities and creating high skill, high wage jobs. The bill fosters collaboration between cities and counties on local economic development efforts and mitigates the zero-sum competition for scarce property tax revenues among cities, counties, and school districts. This bill offers local governments flexibility by allowing an authority to use a variety of tools, including tax increment financing, CRL powers, local sales taxes, infrastructure financing districts, and the ability to leverage public pension fund investments.

Opponents of the bill object to the taxation, bonding, and eminent domain powers that this bill confers to the Authorities. Opponents are concerned about how high sales tax rates could go up in the project areas and about how Authorities would structure the public votes for such sales tax increases as well as for bonds. Opponents are also concerned that the imposition of sales taxes of varying levels in many small areas throughout the state could result in significant administrative challenges and compliance problems for small businesses and, opponents are opposed to assigning eminent domain power to the Authorities on principal.

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The list of on-record support and opposition to SB 1 includes:

Support

Alameda-Contra Costa Transit District
Alliance for Community Transit-Los Angeles
California Association of REALTORS
California Infill Builders Federation
California Labor Federation
California Special Districts Association
California State Association of Counties
California State Council on Developmental Disabilities
California Transit Association
Capacity Builders, Inc.
City of West Sacramento
Counties of Alameda, Lassen
East Los Angeles Community Corporation
Emeryville Chamber of Commerce
Green Technical Education and Employment
Housing California
Los Angeles County Federation of Labor
Los Angeles/Orange Counties Building and Construction Trades Council
Metropolitan Transportation Commission
Mission Bay Development Group
Natural Resources Defense Council
Sacramento Area Council of Governments
Sacramento Housing Alliance
Southeast Asian Community Alliance
State Building and Construction Trades Council
Strada Investment Group
Western Center on Law and Poverty

Opposition

Air Conditioning Trade Association
California Farm Bureau Federation
California Right to Life Committee, Inc.
California Taxpayers Association
Contra Costa Taxpayers Association
Plumbing-Heating-Cooling Contractors Association of California
State Board of Equalization, Third District, Vice-Chair, Michelle Steel
Western Electrical Contractors Association

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RECOMMENDATION:

SB 1 is similar to SB 1156 introduced in the previous legislative session by Senate President Pro Tempore Darrell Steinberg, which the LCMC voted to support at its May 2012 meeting. The Regional Council voted to support SB 1156 bill at its June 2012 meeting. In addition, Senator Steinberg, speaking at SCAG's 4th Annual Economic Recovery and Job Creation Summit in December 2013, singled out SB 1 as instrumental in helping to achieve local economic development that supports sustainability goals, and indicated passage of this bill will remain a priority for the remainder of his term. SB 1 is fully consistent with the adopted 2013 legislative priority supporting financing, economic development and community reinvestment, which is recommended by the LCMC to remain as a carryover priority for 2014.

After passing the Senate and the Assembly in 2013, the bill was placed on the Senate Inactive File at the request of Senator Steinberg, pending concurrence of the Senate with the Assembly amendments. It is likely that Senator Steinberg will move the bill from inactive file during session and that the Senate will pass the bill.

The LCMC, at its January 21, 2014 meeting, recommends that the Regional Council adopt a support position on SB 1, consistent with its prior position with SB 1156 from the 2011-12 legislative session, as well as with the adopted 2013 and recommended 2014 state legislative priorities.

FISCAL IMPACT:

None

ATTACHMENT:

None

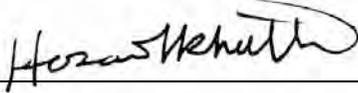
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DATE: February 6, 2014

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Darin Chidsey; Director, Strategy, Policy & Public Affairs; (213) 236-1836; chidsey@scag.ca.gov

SUBJECT: SB 69 (Roth) – Local Government Finance: Vehicle License Fee Adjustment

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:
Support.

EXECUTIVE SUMMARY:

Existing property tax law requires that each city and county receive property tax revenues in the form of a vehicle license fee adjustment amount from a vehicle license fee property tax compensation fund that exists in each county treasury, and requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. SB 69 would modify these reduction and transfer provisions for the 2013-14 fiscal year and thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. The bill would also modify these reduction and transfer provisions thereby establishing vehicle license fee adjustment amounts for newly incorporated cities and city annexations. The LCMC recommends that the Regional Council adopt a support position on SB 69 to help newly incorporated cities within the region remain financially viable. The Legislative/Communications and Membership Committee (LCMC) at its January 21, 2014 meeting recommended that the Regional Council adopt a support position on SB 69.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 2: Obtain Regional Transportation Infrastructure Funding and Promote Legislative Solutions for Regional Planning Priorities; Objective b) Identify and support legislative initiatives.

BACKGROUND:

In lieu of a property tax on motor vehicles, the state collects an annual Vehicle License Fee (VLF) and allocates the revenues after administrative costs to cities and counties. In 1998, the Legislature began cutting the VLF rate from 2% to 0.65% of a vehicle's value. The State General Fund backfilled the lost VLF revenues to cities and counties. As part of the 2004-05 budget agreement, the Legislature enacted the "VLF-property tax swap," which replaced the VLF backfill from the State General Fund with property tax revenues that otherwise would have gone to schools through the Educational Revenue Augmentation Fund (ERAF). This replacement funding is known as the "VLF adjustment amount." The State General Fund backfills schools for their lost ERAF money.

The VLF-property tax swap did not reallocate extra property tax revenues to cities that were not in existence when the state was compensating cities for the difference between the 2% and 0.65% VLF rates. As a result, new cities received less VLF funding than they would have if they had incorporated

before the VLF-property tax swap. Similarly, a city that annexed an inhabited area received less VLF revenue than it would have before the VLF-property tax swap. Because the amount of the per capita VLF allocations went down when the Legislature cut the VLF rate, the amount of additional VLF revenue coming to a city as the result annexing an inhabited area was also sharply reduced. The VLF-property tax swap did not compensate cities for this reduction. Cities only receive additional property tax revenues in lieu of lost VLF based on the future growth of assessed valuation in the annexed area.

Advocates for cities asked the Legislature to reallocate a portion of existing cities' remaining VLF funds to new cities and to cities that annex inhabited areas to help make new city incorporations and city annexations financially feasible. In response, the Legislature passed AB 1602 (Laird, 2006), which changed the allocation of Vehicle License Fee (VLF) funds to restore the VLF revenues for city incorporations and annexations that were lost under the VLF-property tax "swap." AB 1602's formula allocated \$50 per capita adjusted annually for growth. Since the passage of AB 1602, the residents of Eastvale, Jurupa Valley, Menifee and Wildomar voted to become cities, likewise cities such as Fontana, San Jose, San Ramon and Santa Clarita annexed inhabited areas.

Governor Brown's 2011 Realignment Proposal shifted several state programs and commensurate revenues to local governments. The Legislature passed Senate Bill 89 which recalculated the Department of Motor Vehicle's administration fund to \$25 million and increased vehicle license registration by \$12 per vehicle to offset DMV's cut budget. SB 89 also eliminated VLF revenues allocated to cities and shifted those revenues to fund public safety realignment. Specifically, it shifted \$137 million from local government's VLF revenues to public safety, \$14 million of which disproportionately impacted the 4 newly incorporated cities Eastvale, Jurupa Valley, Menifee and Wildomar in Riverside County, and \$4 million disproportionately impacted cities that annexed inhabited areas.

Any incorporation must be "revenue neutral" (SB 1559, Maddy, 1992). A local agency formation commission must find that the amount of revenues the new city takes from the county after incorporating would be equal to the amount of savings a county would attain from no longer providing services transferred to the new city. Thus, advocates for cities argue that SB 89's elimination of VLF allocations jeopardizes the financial viability of newly incorporated cities and cities that annexed inhabited areas, making it less likely that cities will incorporate or annex new territory. The most recent copy of SB 69 (as of the date of this report) is available online at: <http://goo.gl/kHM3uV>.

Bill Provisions

Senate Bill 69 requires county auditors, to calculate cities' vehicle license fee adjustment amounts (VLFAA) using the following methodology:

- For the 2013-14 fiscal year, the VLFAA is calculated to reflect the percentage change from 2004-05 fiscal year to the 2013-14 fiscal year in assessed property values within the city;
- For the 2014-15 fiscal year, and for each fiscal year thereafter, the prior year's VLF amount is adjusted to reflect the year-to-year change in assessed property values within the city.

The VLFAA for any city that incorporates after January 2004 is calculated according to the following formula:

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- For the 2013-14 fiscal year, or the first year of the city's incorporation, whichever is later, the city's base VLFAA is calculated by multiplying the city's population by the per capita amount of countywide VLFAA funding received by cities in the county;
- For each fiscal year thereafter, the prior year's VLF amount is adjusted to reflect the year-to-year change in assessed property values within the city.

The purpose of the bill is to establish ongoing funding for incorporations and inhabited annexations that were not accounted for in the VLF-swap of 2004. The new VLFAA is not just a targeted relief to communities, specifically the four recently incorporated cities of Wildomar, Menifee, Eastvale, and Jurupa Valley -- that were disadvantaged by a sudden change in VLF funding rules. In addition, the funding formulas would roughly replicate the broad fiscal incentive for city incorporations that existed before the VLF-property tax swap. SB 69 has no sunset date on the VLF funding formula, which establishes a permanent financial incentive for city annexations of inhabited areas.

SB 69 is identical to SB 56 originally introduced in 2013 by Senator Roth which did not clear the first house. SB 69 is in the Assembly Rules Committee awaiting assignment, which means the bill must pass the Assembly and return to and pass the Senate as amended prior to going to the Governor. The bill was supported in 2013 by the California Association of Local Agency Formation Commissions; California Police Chiefs Association; California Professional Firefighters; California State Association of Counties; Cities of Corona, Eastvale, Fontana, Jurupa Valley, Menifee, Rancho Cordova, San Jose, and Wildomar; Corona Regional Medical Center; County of Riverside; Cremation Society of Southern California; Eastvale Chamber of Commerce; Greater Corona Valley Chamber of Commerce; Jurupa Community Services District; League of California Cities; League of California Cities - Riverside County Division; Orange County Local Agency Formation Commission; Riverside County Fire Department; Riverside County Sheriff Stan Sniff; Riverside Local Agency Formation Commission; Riverside Sheriff's Association; Southwest Riverside County Association of Realtors; Thomas Miller Mortuary; Urban Counties Caucus; and 64 Eastvale Residents. No on-record opposition is recorded.

The LCMC recommends that the Regional Council adopt a support position on SB 69 to help newly incorporated cities within the region remain financially viable. Should the bill fail to pass, these cities may be forced to make additional cuts to public safety services within their communities in addition to the cuts already made and some may have to disincorporate. Additionally, Assembly Member Steven Fox (D-Palmdale) purportedly will offer a companion bill in the Assembly identical to SB 69, though to date there is not a legislative vehicle. SCAG will also support the companion bill should the Regional Council approve support of SB 69.

FISCAL IMPACT:

None

ATTACHMENT:

None

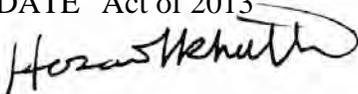
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DATE: February 6, 2014

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Darin Chidsey; Director, Strategy, Policy & Public Affairs; (213) 236-1836; chidsey@scag.ca.gov

SUBJECT: H.R. 3636 (Blumenauer) – “UPDATE” Act of 2013

EXECUTIVE DIRECTOR’S APPROVAL: 

RECOMMENDED ACTION:

Support.

EXECUTIVE SUMMARY:

H.R. 3636, the Update, Promote, and Develop America’s Transportation Essentials (UPDATE) Act of 2013, introduced by Congressman Earl Blumenauer would impose a 15 cent increase in motor fuel taxes over time to help cure the structural deficit within the federal transportation funding system. The Legislative/Communications and Membership Committee (LCMC), at its January 21, 2014 meeting, recommended that the Regional Council adopt a support position on the bill, provisions which are consistent with the SCAG Board adopted 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (2012 RTP/SCS) and prior legislative priorities.

STRATEGIC PLAN:

This item supports SCAG’s Strategic Plan, Goal 2: Obtain Regional Transportation Infrastructure Funding and Promote Legislative Solutions for Regional Planning Priorities; Objective b) Identify and support legislative initiatives.

BACKGROUND:

On December 3, 2013, Congressman Earl Blumenauer (D-OR) introduced the Update, Promote, and Develop America’s Transportation Essentials (UPDATE) Act of 2013, which would gradually impose a 15 cent increase in the motor fuel taxes. The proposed 15 cent increase aligns with the recommendation put forth in the Simpson-Bowles 2010 deficit reduction plan. H.R. 3636 would incrementally increase the gas tax over a three year span and after 2015 the federal gas tax would be 33.3 cents per gallon and the federal diesel tax would be 39.3 cents per gallon through the end of 2024, at which point the gas and diesel fuel taxes will revert to their current levels. There is also a “sense of Congress” clause in the bill calling for a long-term solution replacing the gas tax by 2025. A sense of Congress is non-binding and would not automatically repeal the gas tax, it merely puts in writing that it is Congress’ intention to develop a solution. The most recent copy of H.R. 3636 (as of the date of this report) is available online at: <http://goo.gl/bivC1a>.

Bill provisions are consistent with SCAG’s Board approved 2012-35 Regional Transportation Plan, which advocated a 15 cent gas tax increase which through independent research projected many benefits, including a 24 percent decrease in per day/per capita regional congestion delay by 2035. SCAG President Greg Pettis provided support of the bill at the press conference issuing release of the legislation, stating “SCAG applauds Congressman Blumenauer’s proposal as a prudent step toward

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fortifying the Highway Trust Fund while we look for a longer-term solution to our national transportation funding dilemma. We recognize that the economy and job creation are at the top of our voters' minds. Remaining globally competitive and ensuring our goods to market and workers to jobs have to be a national investment. The gas tax has not been adjusted in more than 22 years and highway maintenance is not in a state of good repair." Continuing to take general revenue funds to balance the Highway Trust Fund is predicted to decline a further 80% by 2025 due to Federal CAFE Standards and alternative fueled vehicles.

The Board of Directors of the Coalition for America's Gateways and Trade Corridors, of which SCAG is a member organization, voted on Dec. 2, 2013 to support the bill. In addition, at Rep. Blumenauer's press conference announcing introduction the bill, a number of other industry groups and companies shared their support for a gas tax increase, including the U.S. Chamber of Commerce, American Trucking Associations (ATA), UPS, AAA, Laborers International Union of North America (LIUNA), American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), American Road and Transportation Builders Association (ARTBA), the Association of Equipment Manufacturers, and the American Society of Civil Engineers.

The LCMC, at its January 21, 2014 meeting, recommended that the Regional Council adopt a support position of the UPDATE Act at the February 6, 2014 meeting, consistent with provisions of the Board adopted 2012 RTP/SCS, and adopted 2013 and recommended 2014 state legislative priorities.

FISCAL IMPACT:

None

ATTACHMENT:

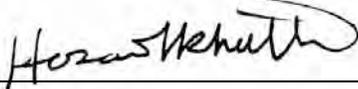
None

DATE: February 6, 2014

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Darin Chidsey; Director, Strategy, Policy & Public Affairs; (213) 236-1836; chidsey@scag.ca.gov

SUBJECT: T4America 21st Century Transportation Investment Plan

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Support in concept.

EXECUTIVE SUMMARY:

Transportation for America, or "T4America", a national alliance of elected, business and civic leaders has recently adopted its 21st Century Transportation Investment Plan which identifies the national need to adequately fund the nation's transportation system and proposes a number of revenue options to acquire the needed level of funding. The plan also specifies how these enhanced revenues should be spent. Both the revenue options and the recommended funding investments are consistent with SCAG principles embodied in the 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (2012 RTP/SCS) and prior actions of the Regional Council. Staff recommends support. The Legislative/Communications and Membership Committee (LCMC) at its January 21, 2014 meeting recommended that the Regional Council adopt a "support in concept" position, recognizing that the plan proposes numerous potential revenue options to address the systemic funding insufficiency of the nation's transportation system.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 2: Obtain Regional Transportation Infrastructure Funding and Promote Legislative Solutions for Regional Planning Priorities; Objective b) Identify and support legislative initiatives.

BACKGROUND:

Transportation for America, also known as 'T4America' or 'T4' is a national alliance of elected, business and civic leaders from communities across the country united to ensure that states and the federal government invest in smart, homegrown, locally-driven transportation solutions sufficient to meet the country's transportation needs.

Recognizing that the transportation system of the United States is in significant need of investment to maintain a state of good repair, as well as to expand sufficiently to meet the growing demand for movement of people and goods, T4America has recently adopted a 21st Century Investment Plan to address the systemic insolvency of the Highway Trust Fund, and to promote a robust partnership between the federal government and state and local transportation agencies to maintain existing infrastructure and prepare for needed future growth. Attached to this report is a copy of the T4America Plan.

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T4America's plan identifies an additional needed \$30 billion annually to make the Highway Trust Fund solvent, fix what needs to be fixed in order to maintain the existing infrastructure, spur local innovation and investment as well as fund competitive grants, such as a freight grant program and the popular TIGER grant program, for needed additional infrastructure projects with increased local accountability and control. The plan proposes to raise these funds by any combination of the following proposals:

- Add 17 cents per gallon to the federal gas tax (which has not been raised in over 20 years);
- Replace the existing per-gallon tax with a sales tax of 11%;
- Introduce a fee of \$4 on each barrel of oil;
- Add a sales tax of 5.5% to fuel purchases;
- Index the gas tax to construction costs and raise one of the above taxes/fees a lesser amount.

T4America is soliciting support from transportation and business groups across California to endorse its revenue proposal. Thus far the following groups have endorsed the plan:

- Silicon Valley Leadership Group
- San Francisco Chamber of Commerce
- Seattle Metropolitan Chamber of Commerce

Many other organizations are reviewing this proposal and SCAG anticipates broad support from transportation and business organization.

The plan identifies the urgent need to address the Highway Trust Fund insolvency which, if left without remedy may require halting of the federal program for fiscal year 2015. The plan provides an array of possible revenue solutions which are consistent with funding options contained within SCAG's 2012-35 RTP/SCS, and proposes investment of monies consistent with SCAG's supported funding principles competitive grants, a national freight program, regional investments, and increased local accountability and control.

The LCMC, at its January 21, 2014 meeting, recommended that the Regional Council adopt a "support in concept" position at the February 6, 2014 meeting. The LCMC may bring further information for consideration by the Regional Council as the next surface transportation authorization bill is developed in Congress.

FISCAL IMPACT:

None

ATTACHMENT:

T4America Revenue Proposal

SAVING THE NATION'S TRANSPORTATION FUND

An investment plan for the 21st century

We must act—now—to fix the transportation trust fund, so that we can **maintain** our existing infrastructure, **reward** local innovation and **prepare** for the future.

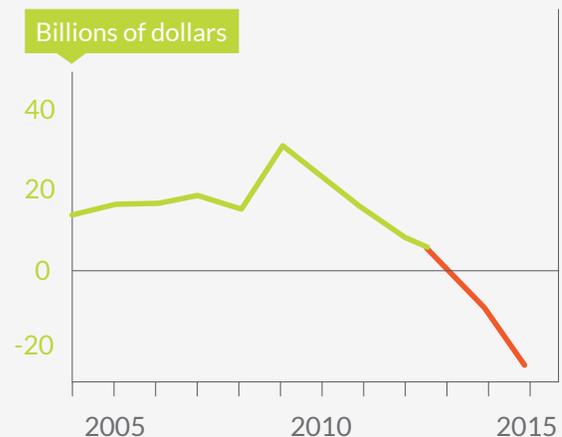
Trust Fund headed for insolvency

Our nation's ability to build and maintain our transportation network is nearing a crisis. Without action from Congress in 2014, our Highway Trust Fund will be in a deep deficit that could require **halting the federal program for fiscal year 2015**.

— Highway Trust Fund balance

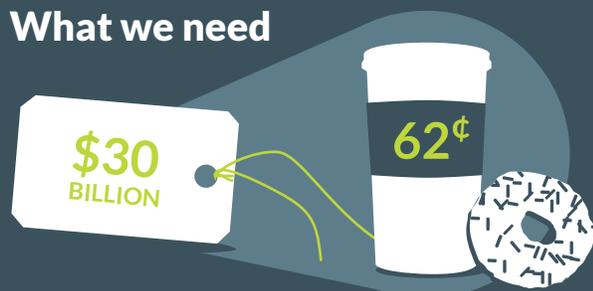
*2012-2020 numbers are based on CBO projections from August 27th, 2012

**DOT requires a minimum \$6 billion cushion, hence the HTF hits the red before crossing zero. fhwa.dot.gov/policyinformation/statistics/2010/fe210.cfm



PAYING FOR PROGRESS

What we need



Annual investment needed to make the transportation fund solvent and effective

Daily cost per commuter. About as much as a cup of coffee and a doughnut per week.

How to raise it

The simplest way: Add 17 cents per gallon to the federal gas tax. Other possibilities (choose one):

- Replace the existing per-gallon tax with a sales tax of 11%; or
- Introduce a fee of \$4 on each barrel of oil; or
- Add a sales tax of 5.5% to fuel purchases; or
- Index the gas tax to construction costs and raise one of the above taxes/fees a lesser amount.

Can we count on your support?

- ✓ Stabilize funding for the MAP-21 program Congress adopted in 2012 and protect all modes of transportation from draconian budget cuts;
- ✓ Raise additional revenue for locally-driven projects that spur economic growth and innovation.

OUR ECONOMY & COMMUNITIES DEPEND ON TRANSPORTATION INVESTMENT

Across the country, our cities, towns and suburbs—the local centers of commerce that form the backbone of America’s economy—are in a serious bind: They know they must have top-notch networks of roads and transit to compete on a global scale and preserve their quality of life. They know they need to get workers of all wage levels to their jobs. They also know they need to eliminate crippling bottlenecks in freight delivery. These local communities are stretching themselves to raise their own funds and to innovate, but without a strong federal partner the twin demands of maintaining their

existing infrastructure and preparing for the future are beyond their means. Even as the transportation trust fund faces insolvency, existing federal programs too often put a damper on innovation rather than stoking it.

This cannot stand. The federal government must become a strong partner in a 21st century investment plan for transportation that invests in strong local economies and rewards smart, homegrown, locally-driven transportation innovations.

Just as our national economy depends on strong local economies, our national transportation program should invest in and reward smart, home grown, locally driven transportation solutions.

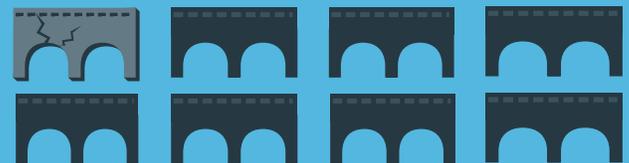
THE COSTS OF INACTION

Bottlenecks.



Freight takes almost as long to get across Chicago on the rails as it does to get there from Los Angeles.

Hazardous conditions.



1 in 9 bridges in the U.S. is structurally deficient, requiring significant repairs, maintenance or replacement.

Unmet demand.



Even as transit ridership is surging and people are returning to work, ambitious local plans to invest in transportation to grow their local economies would stall if the federal support disappears.

A 21st century transportation plan

Investors know you must put money in today to get returns in the future. Raising an additional \$30 billion per year would allow us to invest to accomplish critical goals at only a small cost per commuter:

Reverse the decline of the transportation trust fund. Fully fund the existing highway and transit programs that preserve our aging infrastructure, without taking money from other important programs or adding to the deficit;

Spur the innovation our economy needs to meet population growth and rising demand by funding competitive grants to local communities that come up with smart solutions.



Fixing what we need to fix.

- Repair **46,508** bridges
- Replace **16,000** aging buses and **5,000** rail cars
- Meet our ongoing commitments.



Improving communities & expanding opportunity.

- Based on the average cost of construction, the investment fund would support **70 new transit projects**, providing new **access to jobs** and potential workers in dozens of cities, towns and suburbs.



Spurring local innovation.

The federal government plays a key role in promoting innovation, by providing capital for locally driven **path-breaking initiatives**, whose success can be shared nationwide.

- Fund competitive grants, such as a freight grant program and the popular **TIGER** grant program, for groundbreaking projects with **significant economic pay-off**.



Increasing accountability and local control.

By providing more funding and control to the local level, Americans will more easily **see the impact** and be better able to hold officials accountable.

SPURRING LOCAL INNOVATION: FEDERAL DOLLARS AT WORK



Regional investments, national benefits

The rail improvements in Chicago's **CREATE** project will provide **\$3.6 billion** annually in national economic benefits.



High rate of return in Utah

For every \$1.00 spent on the state's unified transportation plan, an estimated **\$1.94** is returned to the state in value.



Access to jobs in Minnesota

Building the planned transit network will allow Twin Cities employers to recruit from an additional **500,000 potential workers**.



Learn more and voice your support at
www.T4America.org

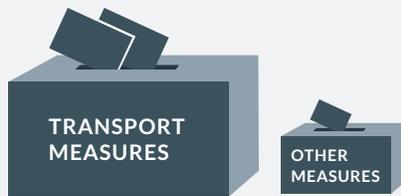
Local accountability: the best way to ensure a return on investment

While this level of investment is a modest request from taxpayers, they have a right to expect a guaranteed return on it. Opinion polls and ballot results show what American voters want—a system that is:

- *In good repair;*
- *Rewards locally driven innovation;*
- *Keeps the nation in the economic forefront; and*
- *Connects all Americans to economic opportunity.*

They want to know the money will flow to their communities for improvements in their daily life—making travel easier, more affordable and safer. And they trust the levels of government closest to them because they can hold them accountable.

American workers and businesses will willingly pay a little more to achieve these goals, if the expected results—and accountability for them—are clearly articulated.



Transportation ballot measures pass at **twice** the rate of all other ballot measures.

Raleigh, NC: **70%** approve
Mesa, AZ: **56%** approve
Kansas City, MO: **64%** approve
Salt Lake City, UT: **64%** approve
Seattle, WA: **58%** approve
St. Louis, MO: **63%** approve
Alameda & Contra Costa County, CA: **72%** approve



© Alex Decarvalho

PLEASE JOIN US!

We are business, civic and elected leaders from across the country, united to ensure our nation invests to keep our cities, towns and suburbs strong and economically competitive. Because our future prosperity depends on it.

Americans are eager to return to world leadership in the quality of our transportation networks. And we want to leave our children with a legacy of lower deficits and an infrastructure suited to our future economy and quality of life. This investment plan is a significant down-payment toward fulfilling those desires.



Transportation
for America

t4america.org [t4america](https://www.facebook.com/t4america)

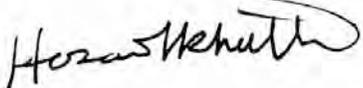
REPORT

DATE: February 6, 2014

TO: Regional Council (RC)
Executive/Administration Committee (EAC)
Community, Economic, and Human Development (CEHD) Committee
Energy and Environment Committee (EEC)
Transportation Committee (TC)

FROM: Hasan Ikhata, Executive Director, ikhata@scag.ca.gov, 213-236-1944

SUBJECT: SCAG Sustainability Planning Grants Program – Monthly Update

EXECUTIVE DIRECTOR’S APPROVAL: 

RECOMMENDED ACTION:

Receive and File.

EXECUTIVE SUMMARY:

SCAG is providing a monthly update (attached) regarding successful implementation of the 73 Sustainability Grants to member agencies. Forty-four (44) of the seventy-three (73) approved SCAG Sustainability Planning Grants were funded in the fall of 2013. To date, twenty-seven (27) scopes of work have been developed, and five (5) have selected consultants.

STRATEGIC PLAN:

This item supports SCAG’s Strategic Plan Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; and Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies.

BACKGROUND:

On September 12, 2013, the Regional Council approved seventy-three (73) Sustainability Planning Grant projects and directed staff to proceed with funding projects with available funds for Phases I and Phase II projects. Phase III projects will proceed as additional funds becomes available in FY 15.

SCAG staff is providing monthly updates to the Board regarding implementation of the seventy-three (73) grants. To date, twenty-seven (27) scopes of work have been developed in partnership with the cities, eighteen (18) consultant RFPs have been released and five (5) cities have consultants selected.

FISCAL IMPACT:

Funding is included in SCAG’s FY 2013-14 Overall Work Program (OWP) Budget. Staff’s work budget for the current fiscal year are included in FY 2013-14 OWP 065.SCG02663.02.

ATTACHMENT:

Summary Progress Chart

Number	Applicant	Project	Scope	RFP	Selection	Contract
Phase 1 (Available funds)						
1	San Bernardino County	Bloomington Area Valley Blvd. Specific Plan Health and Wellness Element - Public health; Active transportation; Livability; Open space	x	x		
2	Los Angeles - Department of City Planning	Van Nuys & Boyle Heights Modified Parking Requirements - Economic development; TOD; Livability	x	x	x	
3	Los Angeles - Department of City Planning	Bicycle Plan Performance Evaluation - Active transportation; performance measures				
4	Western Riverside Council of Governments	Public Health: Implementing the Sustainability Framework - Public health; Multi-jurisdiction coordination; Sustainability	x	x		
5	Santa Ana	Complete Streets Plan - Complete streets; Active transportation; Livability	x	x		
6	San Bernardino Associated Governments	Climate Action Plan Implementation Tools - GHG reduction; Multi-jurisdiction coordination; Implementation	x	x	x	
7	Riverside	Restorative Growthprint Riverside - GHG reduction; Infrastructure investment; Economic development	x	x	x	
8	Orange County Parks	Orange County Bicycle Loop - Active transportation; Multi-jurisdictional; Public health	x	x	x	
9	Ventura County	Connecting Newbury Park - Multi-Use Pathway Plan - Active transportation; Public health; Adaptive re-use	x	x	x	
10	Imperial County Transportation Commission	Safe Routes to School Plan - Multi-modal; Active transportation	x	x		
11	Yucaipa	College Village/Greater Dunlap Neighborhood Sustainable Community - Complete Streets; TOD	x	x		
12	Las Virgenes-Malibu Council of Governments	Multi-Jurisdictional Regional Bicycle Master Plan - Active transportation; Public health; Adaptive re-use	x	x	x	
13	Eastvale	Bicycle & Pedestrian Master Plan - Active Transportation	x	x		
14	West Covina	Downtown Central Business District - Multi-modal; Active transportation				
15	Placentia	General Plan/Sustainability Element & Development Code Assistance - General Plan Update; Sustainability Plan	x	x	x	
16	Paramount/Bellflower	Regional Bicycle Connectivity - West Santa Ana Branch Corridor - Active transportation; multi-jurisdiction	x	x		
17	Costa Mesa	Implementation Plan for Multi-Purpose Trails - Active Transportation	x	x	x	
Phase 2 (Available funds)						
18	Fullerton	East Wilshire Avenue Bicycle Boulevard - Active transportation; Livability; Demonstration project				

Number	Applicant	Project	Scope	RFP	Selection	Contract
19	Beaumont	Climate Action Plan - GHG reduction	x			
20	Palm Springs	Sustainability Master Plan Update - Leverages larger effort; commitment to implement				
21	Big Bear Lake	Rathbun Corridor Sustainability Plan - Multi-modal; Economic development; Open space	x			
22	Western Riverside Council of Governments	Land Use, Transportation, and Water Quality Planning Framework - Integrated planning, Sustainability	x			
23	Anaheim	Bicycle Master Plan Update - Active transportation	x	x		
24	Ontario	Ontario Airport Metro Center - Multi-modal; Visualization; Integrated planning	x			
25	Coachella Valley Association of Governments	CV Link Health Impact Assessment - Active transportation; Public health; Multi-jurisdiction				
26	San Bernardino Associated Governments	San Bernardino Countywide Complete Streets Strategy - Multi-modal; Livability; Multi-jurisdiction				
27	Chino Hills	Climate Action Plan and Implementation Strategy - GHG reduction; Implementation; Sustainability	x	x		
28	Coachella	La Plaza East Urban Development Plan - Mixed-use, TOD, Infill				
29	South Bay Bicycle Coalition/Hermosa, Manhattan, Redondo	Bicycle Mini-Corral Plan - Active transportation; implementable; good value				
30	Hawthorne	Crenshaw Station Area Active Transportation Plan and Overlay Zone - Multi-modal; Active transportation; GHG reduction				
31	Chino	Bicycle & Pedestrian Master Plan - Multi-modal; Active transportation	x			
32	Stanton	Green Planning Academy - Innovative; Sustainability; Education & outreach				
33	Hermosa Beach	Carbon Neutral Plan - GHG reduction; Sustainability				
34	Palm Springs	Urban Forestry Initiative - Sustainability; Unique; Resource protection				
35	Orange County	"From Orange to Green" - County of Orange Zoning Code Update - Sustainability; implementation				
36	Calimesa	Wildwood and Calimesa Creek Trail Master Plan Study - Active transportation; Resource protection	x			
37	Western Riverside Council of Governments	Climate Action Plan Implementation - GHG Reduction; Multi-jurisdiction; implementation	x	x		

Number	Applicant	Project	Scope	RFP	Selection	Contract
38	Lynwood	Safe and Healthy Community Element - Public health & safety, General Plan update	x			
39	Palmdale	Avenue Q Feasibility Study - Mixed-use; Integrated planning				
40	Long Beach	Willow Springs Wetland Habitat Creation Plan - Open Space; Resource protection	x			
41	Indio	General Plan Sustainability and Mobility Elements - Sustainability; Multi-modal, General Plan update	x			
42	Glendale	Space 134 - Open space/Freeway cap; Multi-modal				
43	Rancho Palos Verdes/City of Los Angeles	Western Avenue Corridor Design Implementation Guidelines - Urban Infill; Mixed-use; Multi-modal	x			
44	Moreno Valley	Nason Street Corridor Plan - Multi-modal; Economic development	x			
Phase 3 (Pending additional funds)						
45	Park 101/City of Los Angeles	Park 101 District - Open space/Freeway cap; Multi-modal				
46	Los Angeles/San Fernando	Northeast San Fernando Valley Sustainability & Prosperity Strategy - Multi-jurisdiction; Economic development; Sustainability				
47	San Dimas	Downtown Specific Plan - Mixed use; Infill				
48	Los Angeles - Department of City Planning	CEQA Streamlining: Implementing the SCS Through New Incentives - CEQA streamlining				
49	Pico Rivera	Kruse Road Open Space Study - Open space; Active transportation				
50	South Bay Cities Council of Governments	Neighborhood-Oriented Development Graphics - Public outreach				
51	San Bernardino Associated Governments	Safe Routes to School Inventory - Active transportation; Public health				
52	Burbank	Mixed-Use Development Standards - Mixed use; Urban infill				
53	San Bernardino Associated Governments	Countywide Habitat Preservation/Conservation Framework - Open Space; Active Transportation				
54	Rancho Cucamonga	Healthy RC Sustainability Action Plan - Public health; implementation				
55	Pasadena	Form-Based Street Design Guidelines - Complete Streets; Multi-modal; Livability				
56	South Gate	Gateway District/Eco Rapid Transit Station Specific Plan - Land Use Design; Mixed Use; Active Transportation				

Number	Applicant	Project	Scope	RFP	Selection	Contract
57	Lancaster	Complete Streets Master Plan - Complete Streets Plan				
58	Rancho Cucamonga	Feasibility Study for Relocatoion of Metrolink Station - Transit Access				
59	Santa Clarita	Soledad Canyon Road Corridor Plan - Land Use Design; Mixed Use Plan				
60	Seal Beach	Climate Action Plan - Climate Action Plan				
61	La Mirada	Industrial Area Specific Plan - Land Use Design				
62	Hemet	Downtown Hemet Specific Plan - Land Use Design; Mixed Use Plan				
63	Hollywood Central Park/City of Los Angeles	Hollywood Central Park EIR - Open Space/Freeway Cap; Multi-modal				
64	Desert Hot Springs	Bicycle/Pedestrian Beltway Planning Project - Active Transportation				
65	Cathedral City	General Plan Update - Sustainability - General Plan Update; Sustainability Plan				
66	Westminster	General Plan Update - Circulation Element - General Plan Update; Complete Streets				
67	La Canada Flintridge	Climate Action Plan - Climate Action Plan				
68	Huntington Beach	Neighborhood Electric Vehicle Plan - Electric Vehicle				
69	Pasadena	Green House Gas (GHG) Emission Reduction Evaluation Protocol - Climate Action Plan				
70	San Bernardino Associated Governments	Countywide Bicycle Route Mobile Application - Active Transportation				
71	Dana Point	General Plan Update - General Plan Update				
72	Garden Grove	RE:IMAGINE Downtown - Pedals & Feet - Active Transportation; Infill				
73	Barstow	Housing Element and Specific Plan Update - Housing; Land Use Design				
Program Update Totals			Scope	RFP	Selection	Contract
			29	18	8	0

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Margaret Finlay, Duarte

Energy & Environment
James Johnson, Long Beach

Transportation
Keith Millhouse, Ventura County Transportation Commission

2014 MEETING SCHEDULE

REGIONAL COUNCIL AND POLICY COMMITTEES

All Regular Meetings are scheduled on the <u>1st Thursday of each month</u> except for September*	
Executive/Administration Committee (EAC)	9:00 AM – 10:00 AM
Community, Economic and Human Development Committee (CEHD)	10:00 AM – 12:00 PM
Energy and Environment Committee (EEC)	10:00 AM – 12:00 PM
Transportation Committee (TC)	10:00 AM – 12:00 PM
Regional Council (RC)	12:15 PM – 2:00 PM

January 2, 2014

February 6, 2014

March 6, 2014

April 3, 2014

**May 1 – 2, 2014
(SCAG 2014 Regional Conference & General Assembly)**

June 5, 2014

DARK IN JULY

August 7, 2014

September 11, 2014*
(Note: League of California Cities Annual Conference in Los Angeles, Sept. 3 – 5)

October 2, 2014

November 6, 2014

December 4, 2014

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DATE: February 6, 2014

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Basil Panas, Chief Financial Officer; (213) 236-1817; panas@scag.ca.gov

SUBJECT: CFO Monthly Report

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION:

For Information Only-No Action Required.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan Goal, 3: Enhance the Agency's Long Term Financial Stability and Fiscal Management.

MEMBERSHIP DUES

As of January 9, 2014, there was one city (Orange) who had not joined SCAG and two who had not renewed (Jurupa Valley and Sierra Madre). We continue our efforts to secure their membership.

AUDITS

SCAG issued its Comprehensive Annual Financial Report and Single Audit Report for FY 2012-13. Both contain clean opinions from SCAG's outside independent auditors, Vasquez and Co., LLP, and can be viewed at <http://www.scag.ca.gov/about/Pages/Financial%20Reports.aspx>. Since this was the final year of the contract with Vasquez and Co., SCAG began procurement for auditing services in January 2014.

BUDGET & GRANTS (B&G):

B&G Staff received notification from Caltrans on December 23, 2013 of federal approval of SCAG's Fiscal Year (FY) 2013-14 Amendment 2 to its Overall Work Program.

B&G staff is currently working on the preparation of SCAG's FY 2014-15 Comprehensive Budget and Draft Overall Work Program (OWP) documents. These documents will be presented to the Executive/Administration Committee and Regional Council at their March 6, 2014 meeting.

Staff also assisted Caltrans with announcing the Call for Projects for the FY 2014-15 Partnership Planning and Transit Planning Grant. The California Department of Transportation (Caltrans), Division of Transportation Planning, is now accepting applications for the Transportation Planning Grant Program. The Division of Transportation will award approximately \$5.3 million in funding through the following three (3) Grant Programs for FY 2014-15.

- Partnership Planning for Sustainable Transportation
- Transit Planning for Sustainable Communities
- Transit Planning for Rural Communities

REPORT

Applications are due to SCAG by January 15, 2014. Staff will review and screen applications and act as the Lead Applicant for all applications within the region. Final applications are due to Caltrans on February 3, 2014.

CONTRACTS:

In December 2013, the Contracts Department issued three (3) Requests for Proposal (RFP's – one (1) was for sustainability projects); awarded one (1) contract; issued six (6) contract amendments; and issued 37 Purchase Orders to support ongoing business and enterprise operations. Staff also administered 60 consultant contracts.

Contracts staff continued to negotiate better pricing and reduced costs for services. During the month of December 2013, over \$7,754 in budget savings was realized, bringing the total fiscal year savings to approximately \$17,103.

ATTACHMENT:

December 2013 CFO Monthly Status Report



SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS

Office of the Chief Financial Officer

Monthly Status Report

DECEMBER 2013



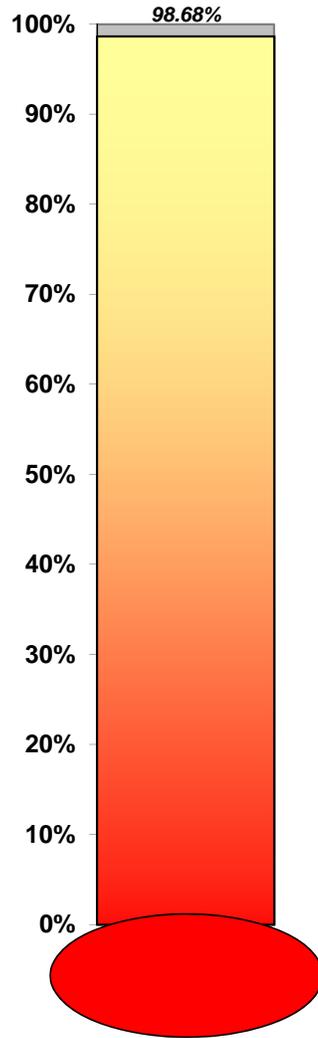
OVERVIEW

As of January 8, 2014, 187 cities have renewed their membership. One city's dues have been waived and two (2) have yet to renew. There is one (1) city in the SCAG region which is still being recruited for membership.

SUMMARY

FY14 Membership Dues	<u>\$1,857,847.00</u>
Total Collected	<u>\$1,833,324.00</u>
Percentage Collected	<u>98.68%</u>

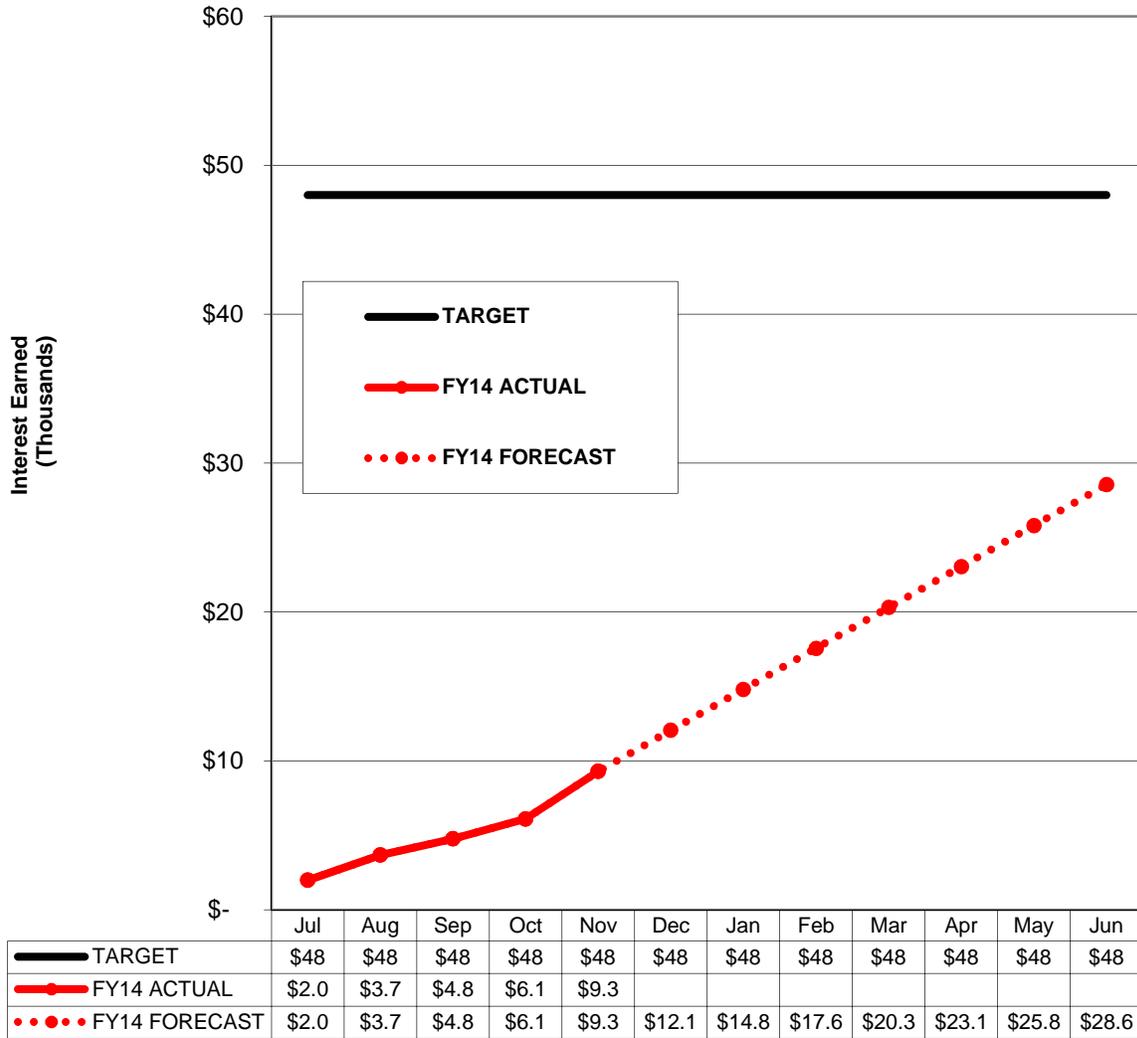
**FY14 Membership
Dues Collected**



Office of the CFO
Interest Earnings Variance



INTEREST EARNINGS VARIANCE



OVERVIEW

Actual interest income is plotted against the target amount. The amount earned through November was \$9,304. The LA County Pool earned 0.64% in November.

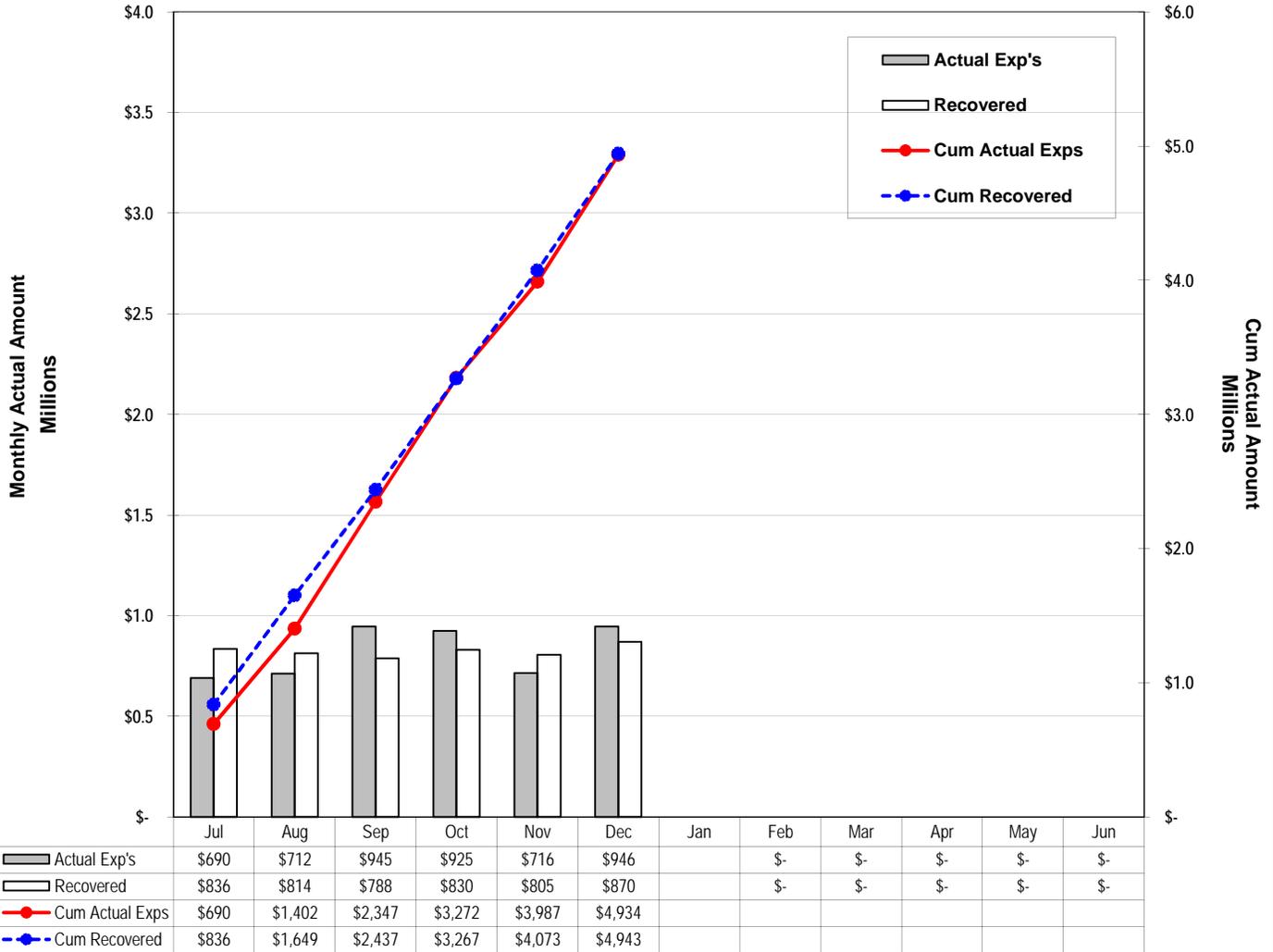
SUMMARY

The amount projected for FY14 is \$28,554, which is \$19,446 less than the target.



SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS

FY14 INDIRECT COST & RECOVERY



OVERVIEW

A comparison of Indirect Cost (IC), incurred by SCAG vs. IC recovered from SCAG's grants.

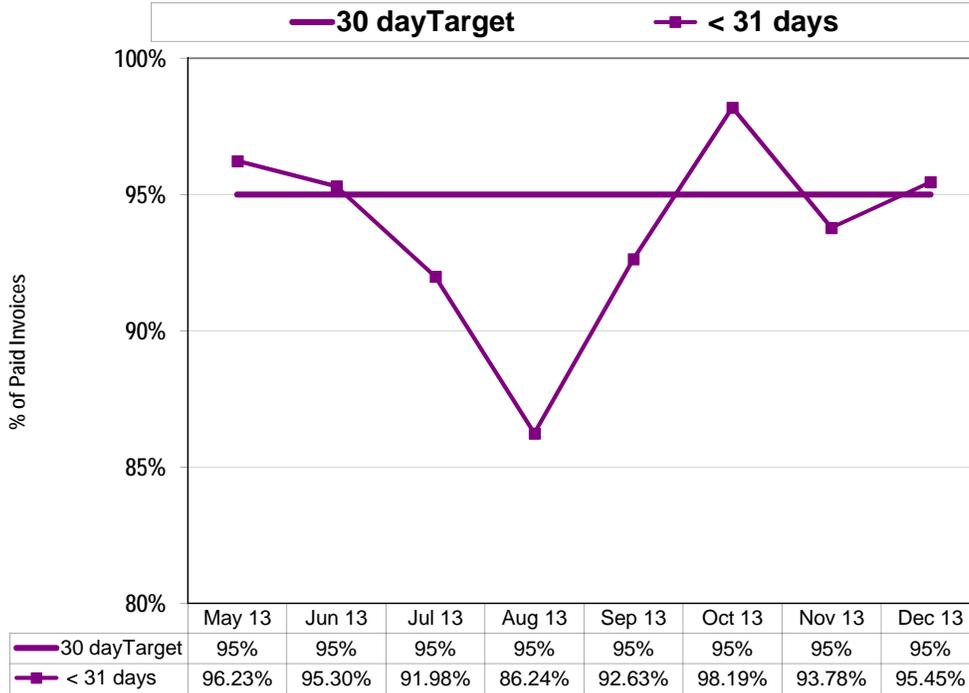
SUMMARY

Through December 2013, SCAG was over-recovered by \$9,080.

Office of the CFO
Invoice Aging



INVOICE AGING



OVERVIEW

The percent of total invoices paid within 30 days. The target is to pay 95% of all invoices within 30 days. This goal was met.

SUMMARY

95.45% of December 2013's payments were made within 30 days of invoice receipt.
At month-end, 22 invoices remained unpaid less than 30 days.

Actual

OVERVIEW

The percent of total invoices paid within 60 and 90 days. The target is to pay 98% of invoices within 60 days and 100% within 90 days.

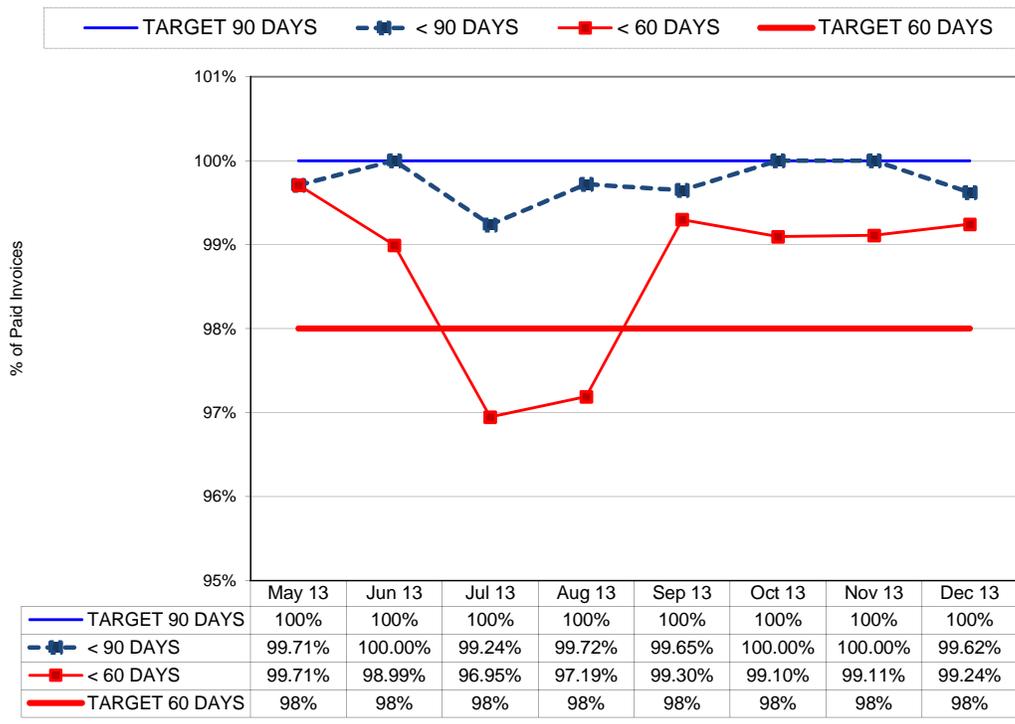
SUMMARY

These goals were partially met during this period.

99.24% of December 2013's payments were within 60 days of invoice receipt and 99.62% within 90 days. Invoices unpaid 30-60 days totaled 11; 60-90 days: 2; >90 days: 2.



INVOICE AGING



Office of the CFO
Consolidated Balance Sheet

	11/30/2013	12/31/2013	Incr (decr) to equity	COMMENTS
Cash at Bank of the West	\$ 5,280,377	\$ 3,455,988		
LA County Investment Pool	\$ 6,860,622	\$ 10,360,622		
Cash & Investments	\$ 12,140,999	\$ 13,816,610	\$ 1,675,611	Reflects accelerated payment from Caltrans
Accounts Receivable	\$ 4,265,530	\$ 2,770,025	\$ (1,495,505)	Caltrans paid SCAG \$1.85 million ahead of schedule
Fixed Assets - Net Book Value	\$ 687,279	\$ 687,279	\$ -	No change
Total Assets	\$ 17,093,808	\$ 17,273,914	\$ 180,106	
Accounts Payable	\$ (88,594)	\$ (428,360)	\$ (339,766)	Vendor activity increased
Employee-related Liabilities	\$ (503,342)	\$ (511,271)	\$ (7,929)	Minimal change
Other Current Assets	\$ (748,746)	\$ (677,904)	\$ 70,842	IC over-recovery decreased by \$76K
Deferred Revenue	\$ (628,657)	\$ (634,652)	\$ (5,995)	Minimal change
Total Liabilities and Deferred Revenue	\$ (1,969,340)	\$ (2,252,188)	\$ (282,848)	
Fund Balance	\$ 15,124,468	\$ 15,021,726	\$ (102,742)	
WORKING CAPITAL				
	11/30/2013	12/31/2013	Incr (decr) to working capital	
Cash	\$ 12,140,999	\$ 13,816,610	\$ 1,675,611	
Accounts Receivable	\$ 4,265,530	\$ 2,770,025	\$ (1,495,505)	
Accounts Payable	\$ (88,594)	\$ (428,360)	\$ (339,766)	
Employee-related Liabilities	\$ (503,342)	\$ (511,271)	\$ (7,929)	
Working Capital	\$ 15,814,593	\$ 15,647,004	\$ (167,589)	

Office of the CFO
Fiscal Year-To-Date Expenditure Report Through December 31, 2013



COMPREHENSIVE BUDGET

		Adopted Budget	Amended Budget	Expenditures	Commitments	Budget Balance	% Budget Spent
1	Staff & Allocated Fringe Benefits	149,472	294,765	161,277		133,488	54.7%
2	51001 Allocated Indirect Costs	130,526	257,402	140,633		116,769	54.6%
3	54300 SCAG Consultants	324,000	257,633	45,388	212,245	0	17.6%
4	54340 Legal costs	25,000	145,000	15,240	129,760	0	10.5%
5	54350 Professional Services	120,000	13,500	3,500	6,300	3,700	25.9%
6	55441 Payroll, bank fees	13,000	13,000	2,555		10,445	19.7%
7	55510 Office Supplies		15,000	8,415	6,585	0	56.1%
8	55600 SCAG Memberships	135,300	83,789	3,076		80,713	3.7%
9	55610 Professional Membership		20,000	7,203	221	12,576	36.0%
10	55730 Capital Outlay	677,106	660,606	-		660,606	0.0%
11	55860 Scholarships		14,000	12,000		2,000	85.7%
12	55910 RC/Committee Meetings	50,000	-	-	0	0	#DIV/0!
13	55914 RC General Assembly	330,000	330,000	15,000	263,602	51,398	4.5%
16	55916 Economic Summit	-	50,000	12,977	30,000	7,023	26.0%
17	55917 Labor Summit	-	6,538	6,538	0	1	100.0%
18	55920 Other Meeting Expense	90,000	97,000	29,030	43,481	24,489	29.9%
19	55930 Miscellaneous other	319,374	84,735	9,313	17,259	58,163	11.0%
20	55940 Stipend - RC Meetings	180,000	180,000	75,990	0	104,010	42.2%
21	55972 Rapid Pay Fees	975	975	-		975	0.0%
22	56100 Printing	6,000	6,000	1,252		4,748	20.9%
23	58100 Travel - outside SCAG region	37,200	38,550	6,282	0	32,268	16.3%
24	58101 Travel - local	21,100	22,469	8,610	0	13,859	38.3%
25	58110 Mileage - local	14,000	14,000	7,251	0	6,749	51.8%
26	58150 Staff Lodging Expense	3,500	2,555	-		2,555	0.0%
27	58800 RC Sponsorships	66,400	66,400	28,300		38,100	42.6%
28	Total General Fund	2,692,953	2,673,917	599,829	709,451	1,364,637	22.4%
29				-			
30	Staff & Fringe Benefits	12,164,400	12,313,751	5,506,957		6,806,794	44.7%
31	51001 Allocated Indirect Costs	10,622,486	10,837,406	4,802,067		6,035,339	44.3%
32	54300 SCAG Consultants	11,818,643	13,003,762	1,264,295	9,752,175	1,987,292	9.7%
33	54350 Professional Services	889,000	944,000	147,878	464,822	331,300	15.7%
34	55210 Software Support	188,059	200,717	200,717	0	0	100.0%
35	55220 Hardware Support	120,000	120,000	12,021	4,255	103,724	10.0%
36	55280 Third Party Contribution	3,170,438	3,208,308	-	126,397	3,081,911	0.0%
37	55520 Graphic Supplies	30,000	30,000	1,465	2,650	25,885	4.9%
38	55620 Resource Materials - subscrib	205,000	347,485	44,647	23,098	279,740	12.8%
39	55810 Public Notices	28,000	28,000	-		28,000	0.0%
40	55830 Conference - Registration	10,500	10,500	2,280	2,725	5,495	21.7%
41	55920 Other Meeting Expense	96,000	67,195	1,499		65,696	2.2%
42	55930 Miscellaneous - other	135,953	113,423	397	13,354	99,672	0.4%
43	56100 Printing	105,000	109,000	7,471		101,529	6.9%
44	58100 Travel	170,700	200,052	30,723		169,329	15.4%
45	Total OWP	39,754,179	41,533,599	12,022,417	10,389,476	19,121,706	28.9%
46				-			
47	Comprehensive Budget	42,447,132	44,207,516	12,622,246	11,098,928	20,486,343	28.6%

Office of the CFO

Fiscal Year-To-Date Expenditure Report Through December 31, 2013

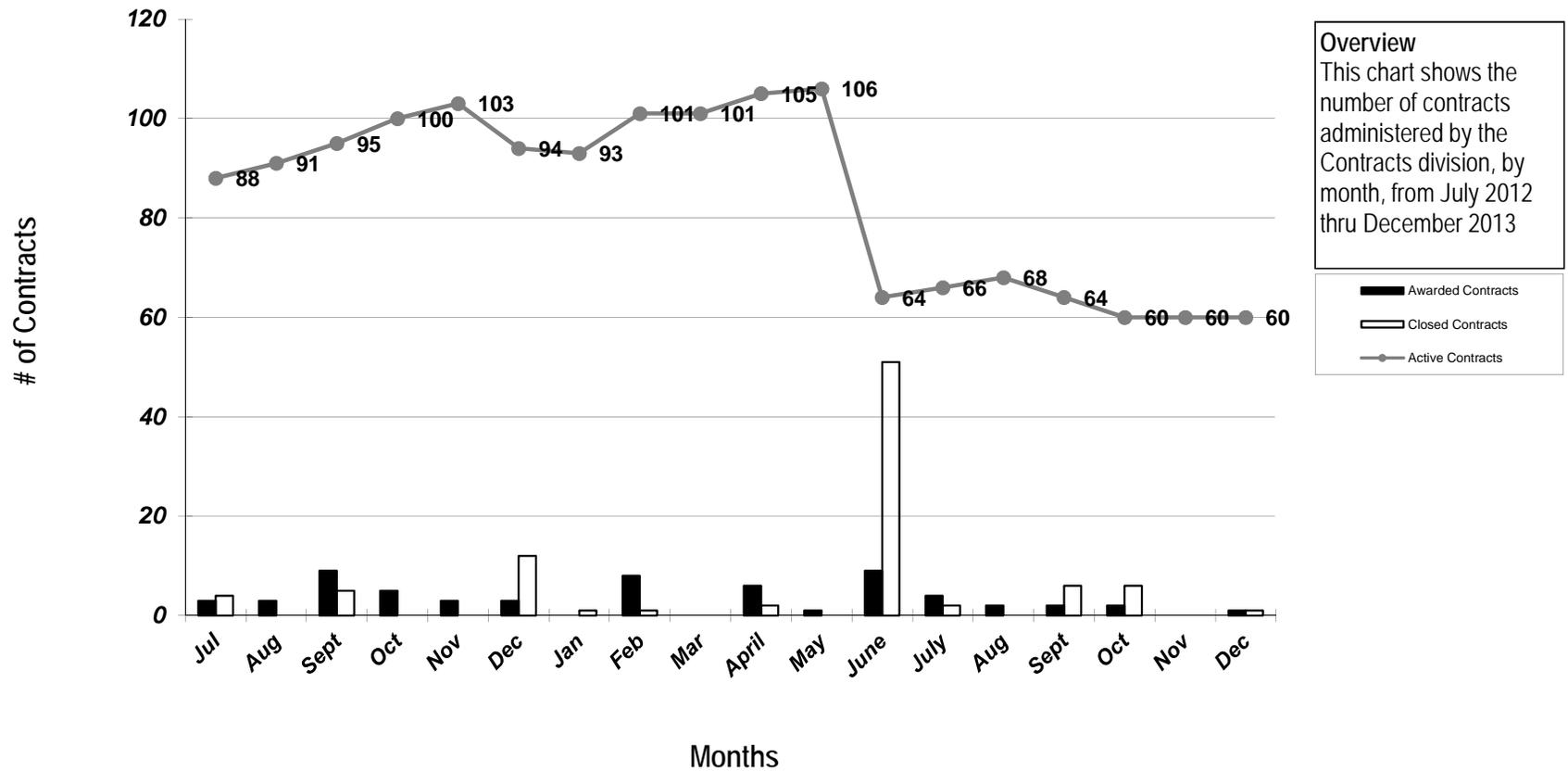


INDIRECT COST EXPENDITURES

			Adopted Budget	Amended Budget	Expenditures	Commitments	Budget Balance	% Budget Spent
1	50010	Regular Staff	3,435,840	3,492,721	1,569,950		1,922,771	44.9%
2	50013	Regular OT	-	2,403	2,403		0	100.0%
3	50014	Interns, Temps, Annuit	20,000	33,500	18,888		14,612	56.4%
4	50030	Severance	-	2,629	2,629		0	100.0%
5	51000	Allocated Fringe Benefits	2,407,072	2,449,308	1,170,529		1,278,779	47.8%
6	54300	SCAG Consultants	117,271	276,345	86,416	189,929	0	31.3%
7	54340	Legal	150,000	85,926	9,333	76,593	0	10.9%
8	54350	Prof Svcs	1,498,594	1,188,764	370,792	817,972	0	31.2%
9	55210	Software Support	343,305	358,747	261,979	96,768	0	73.0%
10	55220	Hardware Supp	98,512	69,499	27,736	41,763	0	39.9%
11	55230	Computer Maintenance	-	10,886	10,886	0	0	100.0%
12	55240	Repair & Maint Non-IT	20,000	20,000	19,247	752	1	96.2%
13	55270	Software Purchases	-	3,060	3,060		0	100.0%
14	55400	Office Rent 818 Offices	1,582,877	1,582,877	888,956	693,896	25	56.2%
15	55410	Office Rent Satellite	220,328	220,328	96,963	123,365	0	44.0%
16	55420	Equip Leases	117,979	117,979	35,387	77,541	5,051	30.0%
17	55430	Equip Repairs & Maint	35,000	27,567	11,141	16,426	0	40.4%
18	55440	Insurance *	(126,622)	(126,622)	84,204	1,216	(43,634)	-66.5%
19	55441	Payroll / Bank Fees	10,000	10,000	3,468		6,532	34.7%
20	55460	Mater & Equip < \$5,000	93,600	73,401	6,240	16,988	50,173	8.5%
21	55510	Office Supplies	130,000	112,115	32,184	79,930	0	28.7%
22	55530	Telephone	184,800	203,206	85,782	117,425	0	42.2%
23	55540	Postage	20,000	20,000	-	200	19,800	0.0%
24	55550	Delivery Services	8,500	8,500	1,923	6,576	0	22.6%
25	55600	SCAG Memberships	-	39,923	39,923	0	0	100.0%
26	55610	Prof Memberships	1,850	2,030	180	75	1,775	8.9%
27	55620	Res Mats/Subscrip	36,200	39,458	20,569	9,233	9,656	52.1%
28	55700	Deprec - Furn & Fixt	43,700	43,700	-		43,700	0.0%
29	55710	Deprec - Computer Equipment	95,000	95,000	-		95,000	0.0%
30	55720	Amortiz - Leasehold Improvements	5,300	5,300	-		5,300	0.0%
31	55800	Recruitment Notices	10,000	10,000	7,748	2,252	0	77.5%
32	55801	Recruitment - other	22,000	19,349	11,184	8,165	0	57.8%
33	55810	Public Notices	25,000	15,000	-	320	14,680	0.0%
34	55820	Training	65,000	161,800	30,669	61,904	69,227	19.0%
35	55830	Conference/workshops	25,850	24,213	1,555		22,658	6.4%
36	55920	Other Mtg Exp	1,200	1,700	294		1,406	17.3%
37	55930	Miscellaneous - other	13,500	11,210	985	10,225	0	8.8%
38	55950	Temp Help	23,500	18,374	2,465	15,909	0	13.4%
39	56100	Printing	7,500	8,500	2,176	6,324	0	25.6%
40	58100	Travel - Outside	91,850	93,950	3,688		90,262	3.9%
41	58101	Travel - Local	9,950	10,750	2,101		8,649	19.5%
42	58110	Mileage - Local	40,375	41,475	9,684		31,791	23.3%
43	58150	Staff lodging Expense	3,000	2,960	-		2,960	0.0%
44	58450	Fleet Vehicle	6,500	6,500	303	6,197	0	4.7%
45		Total Indirect Cost	10,894,331	10,894,331	4,933,620	2,477,944	3,482,767	45.3%

* Negative budget reflects the refund that SCAG earned from CalJPIA. The refund itself was booked in FY13 in the Accounting records

SCAG Contracts (Year to Date)



Summary

The chart shows that the Contract Division is managing 60 active consultant contracts. Fifteen of these are Cost Plus Fixed Fee contracts, 13 are fixed price contracts, and the remaining 32 are Time and Materials (T&M) contracts (includes Labor Hour and Retainer contracts). The Contracts Department anticipates issuing approximately 70 contracts during FY 2013-14. Note, due to the nature of SCAG's work, the majority of SCAG contracts have a one-year term and end on June 30th each year.

GROUPS	Authorized Positions	Filled Positions	Vacant Positions
Executive	5	4	1
Legal	2	2	0
Strategy, Policy & Public Affairs	20	19	1
Administration	41	39	2
Planning & Programs	65	59	6
Total	133	123	10

OTHER POSITIONS

GROUPS	Limited Term Positions	Temp Positions	Agency Temps
Executive	0	1	0
Legal	0	0	0
Strategy, Policy & Public Affairs	0	3	0
Administration	2	4	0
Planning & Programs	0	12	0
Total	2	20	0