

SOUTHERN CALIFORNIA



**ASSOCIATION of  
GOVERNMENTS**

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Carl Morehouse, San Buenaventura

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Community, Economic and

Human Development

Margaret Finlay, Duarte

Energy & Environment

James Johnson, Long Beach

Transportation

Keith Millhouse, Ventura County

Transportation Commission

**No. 552  
MEETING OF THE**

**REGIONAL COUNCIL**

***Thursday, September 12, 2013  
12:15 p.m. – 2:00 p.m.***

**SCAG Main Office  
818 W. 7<sup>th</sup> Street, 12<sup>th</sup> 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](mailto:harris-neal@scag.ca.gov). In addition, regular meetings of the Regional Council may be viewed live or on-demand at [www.scag.ca.gov/scagtv](http://www.scag.ca.gov/scagtv)

Agendas & Minutes for the Regional Council are also available at:  
[www.scag.ca.gov/committees/rc.htm](http://www.scag.ca.gov/committees/rc.htm)

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## Regional Council

### *Members – September 2013*

| <u>Members</u>             |                                     | <u>Representing</u>     |                       |
|----------------------------|-------------------------------------|-------------------------|-----------------------|
| <b>President</b>           | <b>1. Hon. Greg Pettis</b>          | <i>Cathedral City</i>   | <b>District 2</b>     |
| <b>1st Vice-President</b>  | <b>2. Hon. Carl Morehouse</b>       | <i>San Buenaventura</i> | <b>District 47</b>    |
| <b>2nd Vice-President</b>  | <b>3. Hon. Cheryl Viegas-Walker</b> | <i>El Centro</i>        | <b>District 1</b>     |
| <b>Imm. Past President</b> | <b>4. Hon. Glen Becerra</b>         | <i>Simi Valley</i>      | <b>District 46</b>    |
|                            | 5. Hon. Jack Terrazas               |                         | Imperial County       |
|                            | 6. Hon. Michael Antonovich          |                         | Los Angeles County    |
|                            | 7. Hon. Mark Ridley-Thomas          |                         | Los Angeles County    |
|                            | 8. Hon. R. Shawn Nelson             |                         | Orange County         |
|                            | 9. Hon. Gary Ovitt                  |                         | San Bernardino County |
|                            | 10. Hon. Jeff Stone                 |                         | Riverside County      |
|                            | 11. Hon. Linda Parks                |                         | Ventura County        |
|                            | 12. VACANT                          |                         | OCTA                  |
|                            | 13. Hon. Robert “Bob” Botts         | <i>Banning</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 – September 2013*

| <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. Hon. Jim Morton         | <i>Lynwood</i>               | 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 – September 2013*

| <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                      |
| 68. Hon. Herb J. Wesson, Jr.  | <i>Los Angeles</i>                          | District 57                      |
| 69. Hon. Mike Bonin           | <i>Los Angeles</i>                          | District 58                      |
| 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. Matthew Harper       | <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. Andrew Masiel, Sr.   | <i>Pechanga Band of<br/>Luiseño Indians</i> | Tribal Government Representative |
| 80. Hon. Lisa Bartlett        | <i>Dana Point</i>                           | TCA                              |
| 81. Mr. Randall Lewis         | <i>Lewis Group of Companies</i>             | (Ex-Officio)                     |
| 82. Hon. Eric Garcetti        | <i>Los Angeles</i>                          | (At-Large)                       |

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# REGIONAL COUNCIL AGENDA SEPTEMBER 12, 2013

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*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**

**Page No.**

### **Presentation on “Student Participation in Transportation & Environmental Sustainability Planning”**

**Attachment 1**

*(Robert J. Leo, Ph.D., Palm Desert Campus, California State University San Bernardino - CSUSB)*

## **EXECUTIVE DIRECTOR’S REPORT**

*(Hasan Ikhata, Executive Director)*

## **PRESIDENT’S REPORT**

- New Members
- New Committee Appointments
- Business Update
- District Evaluation Subcommittee Update
- California Air Resources Board (ARB) Update

## **COMMITTEE REPORTS/ACTION ITEMS**

### **Executive/Administration Committee (EAC)**

*(Hon. Greg Pettis, Chair)*

1. Sustainability Program Project List Approval  
*(Hasan Ikhata, Executive Director)*

**Attachment 2**

**Recommended Actions:** 1) Approve the Sustainability Program project list; 2) Authorize the Executive Director to fund Phase 1 projects in FY14; and 3) Authorize the Executive Director to seek additional State/Federal funding for Phase 2 and Phase 3 projects for FY 14-15.

# REGIONAL COUNCIL AGENDA SEPTEMBER 12, 2013

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**COMMITTEE REPORTS/ACTION ITEMS – continued**

**Page No.**

- |  |                          |                  |
|--|--------------------------|------------------|
| <p>2. <u>SB 731 (Steinberg): California Environmental Quality Act (CEQA) - Update</u><br/><i>(Darin Chidsey, Acting Director, Strategy, Policy &amp; Public Affairs)</i></p> | <p><b>Attachment</b></p> | <p><b>12</b></p> |
|--|--------------------------|------------------|

**Recommended Action:** For Information Only.

- |  |                          |                  |
|--|--------------------------|------------------|
| <p>3. <u>SB 99: (Committee on Budget and Fiscal Review) Budget Bill</u><br/><u>Appropriation: Active Transportation Program</u><br/><i>(Darin Chidsey, Acting Director, Strategy, Policy &amp; Public Affairs)</i></p> | <p><b>Attachment</b></p> | <p><b>41</b></p> |
|--|--------------------------|------------------|

**Recommended Action:** Support

- |  |                          |                  |
|--|--------------------------|------------------|
| <p>4. <u>SB 592 (Lieu): Trade Promotion of California Ports - Support</u><br/><i>(Darin Chidsey, Acting Director, Strategy, Policy &amp; Public Affairs)</i></p> | <p><b>Attachment</b></p> | <p><b>61</b></p> |
|--|--------------------------|------------------|

**Recommended Action:** Support

- |   |                          |                  |
|---|--------------------------|------------------|
| <p>5. <u>Litigation Update</u><br/><i>(Joann Africa, Chief Counsel)</i></p> | <p><b>Attachment</b></p> | <p><b>68</b></p> |
|---|--------------------------|------------------|

**Recommended Action:** For Information Only.

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

- |   |                          |                  |
|---|--------------------------|------------------|
| <p>6. <u>Ventura County Unmanned Aircraft System (UAS) Test Site Application</u><br/><i>(Hon. Keith Millhouse, Chair)</i></p> | <p><b>Attachment</b></p> | <p><b>72</b></p> |
|---|--------------------------|------------------|

**Recommended Action:** Support

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

- |   |                          |                  |
|---|--------------------------|------------------|
| <p>7. <u>Local Input Communication Letter Initiating the Bottom-Up Local Input</u><br/><u>Process for the 2016-2040 Regional Transportation Plan and Sustainable</u><br/><u>Communities Strategy (RTP/SCS)</u><br/><i>(Huasha Liu, Director, Land Use and Environmental Planning)</i></p> | <p><b>Attachment</b></p> | <p><b>81</b></p> |
|---|--------------------------|------------------|

**Recommended Action:** For Information Only.

# REGIONAL COUNCIL AGENDA SEPTEMBER 12, 2013

## COMMITTEE REPORTS/ACTION ITEMS – continued

Page No.

### Energy and Environment Committee (EEC)

*(Hon. James A. Johnson, Chair)*

- |   |                   |           |
|---|-------------------|-----------|
| 8. <u>Approval of Ex-Officio Member Appointment to the EEC</u><br><i>(Hon. James A. Johnson, Chair)</i> | <b>Attachment</b> | <b>93</b> |
|---|-------------------|-----------|

**Recommended Action:** EEC recommends approval of the appointment of Steve Schuyler as an Ex-Officio Member of EEC for a one (1) year term with the option for the SCAG President to renew the appointment.

### Legislative/Communications and Membership Committee (LCMC)

*(Hon. Pam O'Connor, Chair)*

- |   |                   |            |
|---|-------------------|------------|
| 9. <u>AB 401 (Daly): Transportation: Design-build: Streets and Highways</u><br><i>(Darin Chidsey, Acting Director, Strategy, Policy &amp; Public Affairs)</i> | <b>Attachment</b> | <b>101</b> |
|---|-------------------|------------|

**Recommended Action:** For Information Only.

## CONSENT CALENDAR

### Approval Items

- |   |                   |            |
|---|-------------------|------------|
| 10. <u>Minutes of the August 1, 2013 Meeting</u>                        | <b>Attachment</b> | <b>121</b> |
| 11. <u>SCAG Sponsorships &amp; Membership</u>                           | <b>Attachment</b> | <b>129</b> |
| 12. <u>2013 Investment Policy Annual Report</u>                         | <b>Attachment</b> | <b>132</b> |
| 13. <u>2014 Regional Council and Policy Committees Meeting Schedule</u> | <b>Attachment</b> | <b>140</b> |

### Receive & File

- |   |   |            |
|---|---|------------|
| 14. <u>September 2013 State and Federal Legislative Update</u>  | <b>To Be Distributed<br/>at the Meeting</b> |            |
| 15. <u>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</u> | <b>Attachment</b>                           | <b>141</b> |
| 16. <u>CFO Monthly Report</u>   | <b>Attachment</b>                           | <b>144</b> |
| 17. <u>2013 Regional Council and Policy Committees Meeting Schedule</u>   | <b>Attachment</b>                           | <b>156</b> |

## FUTURE AGENDA ITEM/S

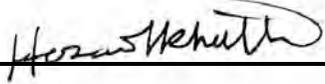
## ADJOURNMENT

*The next meeting of the Regional Council is scheduled for Thursday, October 3, 2013 at the SCAG Los Angeles Office.*

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# REPORT

**DATE:** September 12, 2013  
**TO:** Regional Council (RC)  
**FROM:** Hasan Ikhata, Executive Director; (213) 236-1944; [ikhata@scag.ca.gov](mailto:ikhata@scag.ca.gov)  
**SUBJECT:** Student Participation in Transportation & Environmental Sustainability Planning

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**  
For Information Only - No Action Required.

**EXECUTIVE SUMMARY:**  
*At the August 1, 2013 Energy and Environment Committee (EEC) meeting, Robert J. Leo, Ph.D., representing the Palm Desert Campus of California State University San Bernardino (CSUSB), provided a report on a project testing the concept of Coachella Valley youth participation in transportation and environmental sustainability planning, including assisting development of a Transportation and Environmental Sustainability component of a city's General Plan. SCAG staff received positive feedback from the EEC members who also expressed interest in following-up with Dr. Leo to determine the program's transferability to their jurisdictions. Dr. Leo will provide updated information to 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; Objective a: Create and facilitate a collaborative and cooperative environment to produce forward thinking regional plans.

**BACKGROUND:**  
Each year, the Palm Desert Campus of CSUSB presents an EXPO on Environment and Sustainability. Primarily designed for middle school students, the EXPO provides a forum where students can present science and environmental projects. Initially, as a showcase for approximately 100 students, the EXPO has grown to more than 600 students in 2013.

In 2012, an invitation was extended to high schools in the Coachella Valley and more than 70 students from six (6) high schools attended. A special session, "Planning for Sustainability," was geared to this group which led to the concept of developing a process for student involvement in sustainability planning.

Robert J. Leo, Ph.D., representing the Palm Desert Campus of CSUSB, proposed the idea to the Desert Hot Springs City Council. The primary objectives of the project are as follows: 1) to give students a view of how decisions are made in their municipality as they relate to the environment; and 2) to assist in the general planning process of the City (highlighting sustainability). On June 4, 2013, students from Desert Hot Springs High School Renewable Energy Academy of Learning presented the preliminary results of their research to the City Council.

Funding assistance was provided by SCAG based on a common interest with CSUSB in environmental sustainability planning.

**FISCAL IMPACT:**  
Work associated with this item is included in the FY2013/14 OWP under 266.SCG00715.

**ATTACHMENT:**  
None

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**DATE:** September 12, 2013

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

**FROM:** Hasan Ikhmeta, Executive Director, [ikhmeta@scag.ca.gov](mailto:ikhmeta@scag.ca.gov); 213.236.1944

**SUBJECT:** Sustainability Program Project List Approval

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTIONS:**

1) Approve the attached Sustainability Program project list; 2) Authorize the Executive Director to fund Phase 1 projects in FY14; and 3) Authorize the Executive Director to seek additional State/Federal funding for Phase 2 and Phase 3 projects for FY 14-15.

**EXECUTIVE SUMMARY:**

*The 2013 Sustainability Program consolidated Call-for-Proposals was released on April 4, 2013 to the cities and counties, with an application deadline of May 31, 2013. The Sustainability Program builds on the success of the Compass Blueprint effort to provide services for communities and partners with two (2) new components: Active Transportation and the Green Region Initiative. SCAG received a total of seventy-six (76) proposals, with total funding requests slightly exceeding \$10 million.*

*As reported to the Policy Committees at the August 1, 2013 meetings, a review committee completed a ranking of proposals. Subject to the Regional Council's approval, staff is recommending: (1) funding of all eligible project applications in three (3) phases over the 2014 and 2015 fiscal years, (2) proceeding immediately with funding and the contract process related to the proposals in Phase 1; and (3) allowing time develop additional funding for applications in Phases 2 and 3.*

**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 April 4, 2013, the Regional Council approved ranking criteria for the Sustainability Program consolidated Call-for-Proposals. The Call-for-Proposal was released; the deadline was May 31, 2013. Seventy-six (76) proposals were received seeking just over \$10 million. A review committee comprised of SCAG staff and Terry Roberts of the California Air Resources Board, ranked all of the proposals in accordance with the selection criteria. All eligible projects are recommended for funding and divided into three (3) phases in order to accommodate available funding, pending funding and administrative processing of 73 of 76 grants (3 of 76 applications are from non-SCAG members. Should their status change, staff will return with a funding recommendation).

The attached matrix shows the ranking for each grant application, along with other relevant information for the three (3) phases. Information regarding the proposals and their respective rankings were presented to SCAG's three (3) Policy Committees on August 1, 2013. Pending the Regional Council's approval, staff

# REPORT

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recommends to proceed immediately with the Phase 1 projects in collaboration with the project applicants. SCAG is actively pursuing Phases 2 and 3 funding in order to accelerate the grants and implement the approved 2012-2035 Sustainable Communities Strategy (SCS). Potential funding sources include, but are not limited to, future planning grants from the California Strategic Growth Council; Cap-and-Trade revenues; Environmental Protection Agency grants; California Energy Commission; U.S. Department of Energy; California Air Resources Board, and South Coast Air Quality Management District grants.

**FISCAL IMPACT:**

Funding for the selected Phase 1 projects resulting from the Sustainability Program's Call for Proposals is included in SCAG's FY 2013-14 Overall Work Program (OWP) Budget which includes grant funds from federal, state and local sources. Staff's work for the current fiscal year is included in FY 2013-14 OWP 225.SCG01641E.01 and 065.SCG00137.01.

**ATTACHMENT:**

SCAG Sustainability Program Proposal Review Matrix

# SCAG Sustainability Program - Proposal Review

Total Proposals Received:

76

Total Amount Requested:

\$10,024,300

25-Jul-13

| Rank | Applicant                                 | Project Description <i>[Project benefits in italics]</i>   | Est. Cost | Local Match Commit | Cat | County | Subreg | Past Awd | tab       |
|------|---|--|-----------|--------------------|-----|--------|--------|----------|-----------|
| 1    | San Bernardino County                     | Bloomington Area Valley Blvd. Specific Plan Active Mobility Element - Public health; Active transportation; Livability; Open space - <b><i>[Improve public health; reduce VMT]</i></b>   | \$90,000  | \$400,000          | CB  | SBD    | SANBAG |          | \$90,000  |
| 2    | Los Angeles - Department of City Planning | Van Nuys & Boyle Heights Modified Parking Requirements - Economic development; TOD; Livability - <b><i>[Reduce GHG; improve transit mode share; improve economic development]</i></b>  | \$195,000 |                    | CB  | LA     | CLA    | Y        | \$285,000 |
| 3    | Los Angeles - Department of City Planning | Bicycle Plan Performance Evaluation - Active transportation; performance measures - <b><i>[Improve public health; improve safety; reduce GHG]</i></b>  | \$43,000  |                    | AT  | LA     | CLA    | Y        | \$328,000 |
| 4    | Western Riverside Council of Governments  | Public Health: Implementing the Sustainability Framework - Public health; Multi-jurisdiction coordination; Sustainability - <b><i>[Improve public health; increase physical activity; reduce GHG]</i></b>                                      | \$70,000  |                    | GRI | RIV    | WRCOG  | Y        | \$398,000 |
| 5    | Santa Ana                                 | Complete Streets Plan - Complete streets; Active transportation; Livability - <b><i>[Improve safety; reduce GHG; improve transit mode share; improve public health]</i></b>  | \$151,000 |                    | AT  | OC     | OCCOG  | Y        | \$549,000 |
| 6    | San Bernardino Associated Governments     | Climate Action Plan Implementation Tools - GHG reduction; Multi-jurisdiction coordination; Implementation - <b><i>[Reduce GHG; improve public health]</i></b>  | \$50,000  | \$50,000           | GRI | SBD    | SANBAG | Y        | \$599,000 |
| 7    | Riverside                                 | Restorative Growthprint Riverside - GHG reduction; Infrastructure investment; Economic development - <b><i>[Reduce GHG; improve public health; improve economic development]</i></b>   | \$150,000 |                    | GRI | RIV    | WRCOG  | Y        | \$749,000 |
| 8    | Orange County Parks                       | Orange County Bicycle Loop - Active transportation; Multi-jurisdictional; Public health - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$180,000 |                    | AT  | OC     | OCCOG  |          | \$929,000 |
| 9    | Ventura County                            | Connecting Newbury Park - Multi-Use Pathway Plan Active transportation; Public health; Adaptive re-use - <b><i>[Improve public health; increase physical activity; increase accessibility to destinations; improve safety; reduce GHG]</i></b> | \$40,000  | \$3,000            | AT  | VEN    | VCOG   | Y        | \$969,000 |

| Rank                    | Applicant                                  | Project Description <i>[Project benefits in italics]</i>   | Est. Cost          | Local Match Commit | Cat | County | Subreg | Past Awd | tab         |
|-------------------------|--|--|--------------------|--------------------|-----|--------|--------|----------|-------------|
| 10                      | Imperial County Transportation Commission  | Safe Routes to School Plan - Multi-modal; Active transportation - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$14,000           | \$3,900            | AT  | IMP    | ICTC   |          | \$983,000   |
| 11                      | Yucaipa                                    | College Village/Greater Dunlap Neighborhood Sustainable Community - Complete Streets; TOD - <b><i>[Reduce GHG; improve transit mode share; improve safety; increase accessibility to destinations; increase physical activity]</i></b>             | \$175,000          |                    | CB  | SBD    | SANBAG |          | \$1,158,000 |
| 12                      | Las Virgenes-Malibu Council of Governments | Multi-Jurisdictional Regional Bicycle Master Plan - Active transportation; Public health; Adaptive re-use - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$185,000          |                    | AT  | LA     | LVMCOG |          | \$1,343,000 |
| 13                      | Eastvale                                   | Bicycle & Pedestrian Master Plan - Active Transportation - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>   | \$80,000           |                    | AT  | RIV    | WRCOG  |          | \$1,423,000 |
| 14                      | West Covina                                | Downtown Central Business District - Multi-modal; Active transportation - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG; improve transit mode share]</i></b>  | \$200,000          |                    | CB  | LA     | SGVCOG |          | \$1,623,000 |
| 15                      | Placentia                                  | General Plan/Sustainability Element & Development Code Assistance - General Plan Update; Sustainability Plan - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>   | \$150,000          |                    | GRI | OC     | OCCOG  |          | \$1,773,000 |
| 16                      | Paramount/Bellflower                       | Regional Bicycle Connectivity - West Santa Ana Branch Corridor - Active transportation; multi-jurisdiction - <b><i>[Improve public health; increase physical activity; improve safety; increase accessibility to destinations; reduce GHG]</i></b> | \$140,000          |                    | AT  | LA     | GCCOG  |          | \$1,913,000 |
| 17                      | Costa Mesa                                 | Implementation Plan for Multi-Purpose Trails - Active Transportation - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>   | \$170,000          |                    | AT  | OC     | OCCOG  |          | \$2,083,000 |
| <b>Subtotal Phase 1</b> |  |  | <b>\$2,083,000</b> |                    |     |        |        |          |             |

| Rank | Applicant                                   | Project Description <i>[Project benefits in italics]</i>   | Est. Cost | Local Match Commit | Cat | County | Subreg | Past Awd | tab         |
|------|---|--|-----------|--------------------|-----|--------|--------|----------|-------------|
| 18   | Fullerton                                   | East Wilshire Avenue Bicycle Boulevard - Active transportation; Livability; Demonstration project - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>                      | \$112,300 | \$10,600           | AT  | OC     | OCCOG  | Y        | \$2,195,300 |
| 19   | Beaumont                                    | Climate Action Plan - GHG reduction - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>  | \$200,000 | \$104,100          | GRI | RIV    | WRCOG  |          | \$2,395,300 |
| 20   | Palm Springs                                | Sustainability Master Plan Update - Leverages larger effort; commitment to implement - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>   | \$85,000  |                    | GRI | RIV    | CVAG   | Y        | \$2,480,300 |
| 21   | Big Bear Lake                               | Rathbun Corridor Sustainability Plan - Multi-modal; Economic development; Open space - <b><i>[Increase open space/conservation; reduce GHG; improve safety; increase physical activity; improve public health]</i></b> | \$198,000 | \$30,000           | AT  | SBD    | SANBAG |          | \$2,678,300 |
| 22   | Western Riverside Council of Governments    | Land Use, Transportation, and Water Quality Planning Framework - Integrated planning, Sustainability - <b><i>[Reduce GHG; improve transit mode share; improve community engagement]</i></b>                            | \$160,000 |                    | CB  | RIV    | WRCOG  | Y        | \$2,838,300 |
| 23   | Anaheim                                     | Bicycle Master Plan Update - Active transportation - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>   | \$200,000 | \$94,120           | AT  | OC     | OCCOG  | Y        | \$3,038,300 |
| 24   | Ontario                                     | Ontario Airport Metro Center - Multi-modal; Visualization; Integrated planning - <b><i>[Reduce GHG; improve transit mode share; improve community engagement]</i></b>  | \$200,000 |                    | CB  | SBD    | SANBAG | Y        | \$3,238,300 |
| 25   | Coachella Valley Association of Governments | CV Link Health Impact Assessment - Active transportation; Public health; Multi-jurisdiction - <b><i>[Improve public health; increase physical activity; reduce GHG]</i></b>  | \$101,000 |                    | AT  | RIV    | CVAG   |          | \$3,339,300 |
| 26   | San Bernardino Associated Governments       | San Bernardino Countywide Complete Streets Strategy - Multi-modal; Livability; Multi-jurisdiction - <b><i>[Reduce GHG; improve transit mode share; improve safety; improve community engagement]</i></b>               | \$25,000  | \$30,000           | AT  | SBD    | SANBAG | Y        | \$3,364,300 |
| 27   | Chino Hills                                 | Climate Action Plan and Implementation Strategy - GHG reduction; Implementation; Sustainability - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>                                      | \$125,000 |                    | GRI | SBD    | SANBAG | Y        | \$3,489,300 |
| 28   | Coachella                                   | La Plaza East Urban Development Plan - Mixed-use, TOD, Infill - <b><i>[Reduce GHG; improve transit mode share; improve community engagement; improve economic development]</i></b>                                     | \$60,000  |                    | CB  | RIV    | CVAG   | Y        | \$3,549,300 |

| Rank                    | Applicant   | Project Description <i>[Project benefits in italics]</i>  | Est. Cost          | Local Match Commit | Cat | County | Subreg | Past Awd | tab |             |
|-------------------------|---|---|--------------------|--------------------|-----|--------|--------|----------|-----|-------------|
| 29                      | South Bay Bicycle Coalition/Hermosa, Manhattan, Redondo | Bicycle Mini-Corral Plan - Active transportation; implementable; cost-effective - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>   | \$40,000           |                    |     | AT     | LA     | SBCCOG   |     | \$3,589,300 |
| 30                      | Hawthorne   | Crenshaw Station Area Active Transportation Plan and Overlay Zone - Multi-modal; Active transportation; GHG reduction - <b><i>[Improve public health; increase accessibility to destinations; increase physical activity; improve safety; reduce GHG]</i></b> | \$70,000           |                    |     | AT     | LA     | SBCCOG   |     | \$3,659,300 |
| 31                      | Chino   | Bicycle & Pedestrian Master Plan - Multi-modal; Active transportation - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>   | \$200,000          | \$15,100           |     | AT     | SBD    | SANBAG   | Y   | \$3,859,300 |
| 32                      | Stanton   | Green Planning Academy - Innovative; Sustainability; Education & outreach - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>   | \$50,000           | \$19,100           |     | GRI    | OC     | OCCOG    |     | \$3,909,300 |
| 33                      | Hermosa Beach   | Carbon Neutral Plan - GHG reduction; Sustainability - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>   | \$25,000           | \$9,500            |     | GRI    | LA     | SBCCOG   |     | \$3,934,300 |
| 34                      | Palm Springs  | Urban Forestry Initiative - Sustainability; Unique; Resource protection - <b><i>[Reduce GHG; increase physical activity; improve community engagement]</i></b>  | \$80,000           |                    |     | GRI    | RIV    | CVAG     | Y   | \$4,014,300 |
| <b>Subtotal Phase 2</b> |   |   | <b>\$1,931,300</b> |                    |     |        |        |          |     |             |
| 35                      | Orange County   | "From Orange to Green" - County of Orange Zoning Code Update - Sustainability; implementation - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>   | \$200,000          | \$56,000           |     | CB     | OC     | OCCOG    |     | \$4,214,300 |
| 36                      | Calimesa  | Wildwood and Calimesa Creek Trail Master Plan Study - Active transportation; Resource protection - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$50,000           | \$50,000           |     | AT     | RIV    | WRCOG    | Y   | \$4,264,300 |
| 37                      | Western Riverside Council of Governments                | Climate Action Plan Implementation - GHG Reduction; Multi-jurisdiction; implementation - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>  | \$170,000          |                    |     | GRI    | RIV    | WRCOG    | Y   | \$4,434,300 |
| 38                      | Lynwood   | Safe and Healthy Community Element - Public health & safety, General Plan update - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$100,000          |                    |     | GRI    | LA     | GCCOG    |     | \$4,534,300 |

| Rank | Applicant                                 | Project Description <i>[Project benefits in italics]</i>   | Est. Cost | Local Match Commit | Cat   | County | Subreg   | Past Awd | tab         |
|------|---|--|-----------|--------------------|-------|--------|----------|----------|-------------|
| 39   | Palmdale                                  | Avenue Q Feasibility Study - Mixed-use; Integrated planning - <b><i>[Improve economic development; reduce GHG]</i></b>   | \$100,000 | \$20,000           | CB/AT | LA     | NLA      |          | \$4,634,300 |
| 40   | Long Beach                                | Willow Springs Wetland Habitat Creation Plan - Open space; Resource protection - <b><i>[Increase open space and habitat conservation; increase physical activity; improve public health]</i></b>                       | \$50,000  |                    | GRI   | LA     | GCCOG    | Y        | \$4,684,300 |
| 41   | Indio                                     | General Plan Sustainability and Mobility Elements - Sustainability; Multi-modal, General Plan update - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>                   | \$175,000 |                    | CB    | RIV    | CVAG     | Y        | \$4,859,300 |
| 42   | Glendale                                  | Space 134 - Open space/Freeway cap; Multi-modal - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$200,000 |                    | CB    | LA     | SFVCOG   | Y        | \$5,059,300 |
| 43   | Rancho Palos Verdes/City of Los Angeles   | Western Avenue Corridor Design Implementation Guidelines - Urban Infill; Mixed-use; Multi-modal - <b><i>[Reduce GHG; improve transit mode share; improve community engagement]</i></b>                                 | \$165,000 | \$30,000           | CB    | LA     | BCCOG/CL | Y        | \$5,224,300 |
| 44   | Moreno Valley                             | Nason Street Corridor Plan - Multi-modal; Economic development - <b><i>[Reduce GHG; improve transit mode share; improve community engagement]</i></b>  | \$150,000 |                    | AT    | RIV    | WRCOG    | Y        | \$5,374,300 |
| 45   | Park 101/City of Los Angeles              | Park 101 District - Open space/Freeway cap; Multi-modal - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$200,000 |                    | CB    | LA     | CLA      | Y        | \$5,574,300 |
| 46   | Los Angeles/San Fernando                  | Northeast San Fernando Valley Sustainability & Prosperity Strategy - Multi-jurisdiction; Economic development; Sustainability - <b><i>[Reduce GHG; improve economic development; improve community engagement]</i></b> | \$175,000 |                    | GRI   | LA     | SFVCOG   |          | \$5,749,300 |
| 47   | San Dimas                                 | Downtown Specific Plan - Mixed use; Infill - <b><i>[Reduce GHG; improve transit mode share; improve community engagement]</i></b>  | \$86,000  |                    | CB    | LA     | SGVCOG   |          | \$5,835,300 |
| 48   | Los Angeles - Department of City Planning | CEQA Streamlining: Implementing the SCS Through New Incentives - CEQA streamlining - <b><i>[Reduce GHG; improve project delivery]</i></b>  | \$150,000 |                    | CB    | LA     | CLA      | Y        | \$5,985,300 |
| 49   | Pico Rivera                               | Kruse Road Open Space Study - Open space; Active transportation - <b><i>[Increase open space/conservation; improve community engagement; increase physical activity]</i></b>   | \$150,000 |                    | GRI   | LA     | GCCOG    |          | \$6,135,300 |
| 50   | South Bay Cities Council of Governments   | Neighborhood-Oriented Development Graphics - Public outreach; Neighborhood design - <b><i>[Reduce GHG; improve safety; improve community engagement]</i></b>   | \$25,000  |                    | CB    | LA     | SBCCOG   | Y        | \$6,160,300 |

| Rank | Applicant                             | Project Description <i>[Project benefits in italics]</i>  | Est. Cost | Local Match Commit | Cat | County | Subreg | Past Awd | tab         |             |
|------|---------------------------------------|---|-----------|--------------------|-----|--------|--------|----------|-------------|-------------|
| 51   | San Bernardino Associated Governments | Safe Routes to School Inventory - Active transportation; Public health - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>                                  | \$40,000  | \$40,000           | AT  | SBD    | SANBAG | Y        | \$6,200,300 |             |
| 52   | Burbank                               | Mixed-Use Development Standards - Mixed use; Urban infill - <b><i>[Reduce GHG; improve economic development; improve community engagement]</i></b>  | \$200,000 |                    | CB  | LA     | SFVCOG | Y        | \$6,400,300 |             |
| 53   | San Bernardino Associated Governments | Countywide Habitat Preservation/Conservation Framework - Open Space; Active Transportation - <b><i>[Increase open space/conservation; improve community engagement; increase physical activity]</i></b> | \$50,000  | \$40,000           | GRI | SBD    | SANBAG | Y        | \$6,450,300 |             |
| 54   | Rancho Cucamonga                      | Healthy RC Sustainability Action Plan - Public health; implementation - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>   | \$150,000 |                    | GRI | SBD    | SANBAG |          | \$6,600,300 |             |
| 55   | Pasadena                              | Form-Based Street Design Guidelines - Complete Streets; Multi-modal; Livability - <b><i>[Reduce GHG; improve transit mode share; improve community engagement]</i></b>                                  | \$175,000 |                    | AT  | LA     | SGVCOG |          | \$6,775,300 |             |
| 56   | South Gate                            | Gateway District/Eco Rapid Transit Station Specific Plan - Land Use Design; Mixed Use; Active Transportation - <b><i>[Reduce GHG; improve transit mode share; improve community engagement]</i></b>     | \$400,000 |                    | CB  | LA     | GCCOG  | Y        | Y           | \$7,175,300 |
| 57   | Bell – Pending SCAG membership*       | Bicycle and Pedestrian Master Plan - Active transportation - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$130,000 |                    | AT  | LA     | GCCOG  |          |             | \$7,305,300 |
| 58   | Lancaster                             | Complete Streets Master Plan - Active transportation - <b><i>[Reduce GHG; improve transit mode share; increase physical activity]</i></b>   | \$125,000 |                    | AT  | LA     | NLA    | Y        |             | \$7,430,300 |
| 59   | Rancho Cucamonga                      | Feasibility Study for Relocation of Metrolink Station - Transit Access - <b><i>[Reduce GHG; improve transit mode share; improve community engagement]</i></b>   | \$150,000 |                    | CB  | SBD    | SANBAG |          |             | \$7,580,300 |
| 60   | Santa Clarita                         | Soledad Canyon Road Corridor Plan - Land Use Design; Mixed Use Plan - <b><i>[Reduce GHG; increase economic development; improve community engagement]</i></b>   | \$150,000 |                    | CB  | LA     | SFVCOG | Y        |             | \$7,730,300 |
| 61   | Seal Beach                            | Climate Action Plan - Climate Action Plan - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>   | \$150,000 | \$20,500           | GRI | OC     | OCCOG  |          |             | \$7,880,300 |
| 62   | Bell – Pending SCAG membership*       | General Plan Update - General Plan Update; Community outreach - <b><i>[Reduce GHG; improve community engagement]</i></b>  | \$200,000 |                    | CB  | LA     | GCCOG  |          |             | \$8,080,300 |

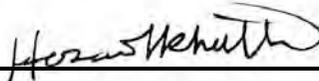
| Rank | Applicant                                  | Project Description <i>[Project benefits in italics]</i>   | Est. Cost | Local Match Commit | Cat | County | Subreg | Past Awd | tab         |
|------|--|--|-----------|--------------------|-----|--------|--------|----------|-------------|
| 63   | La Mirada                                  | Industrial Area Specific Plan - Land Use Design - <b><i>[Reduce GHG; improve community engagement]</i></b>   | \$135,000 | \$60,000           | CB  | LA     | GCCOG  | Y        | \$8,215,300 |
| 64   | Hemet                                      | Downtown Hemet Specific Plan - Land Use Design; Mixed Use Plan - <b><i>[Reduce GHG; increase economic development; improve community engagement]</i></b>             | \$200,000 | \$50,000           | CB  | RIV    | WRCOG  |          | \$8,415,300 |
| 65   | Hollywood Central Park/City of Los Angeles | Hollywood Central Park EIR - Open Space/Freeway Cap; Multi-modal - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>     | \$200,000 |                    | CB  | LA     | CLA    | Y        | \$8,615,300 |
| 66   | Desert Hot Springs                         | Bicycle/Pedestrian Beltway Planning Project - Active Transportation - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$125,000 |                    | AT  | RIV    | CVAG   | Y        | \$8,740,300 |
| 67   | Cathedral City                             | General Plan Update - Sustainability - General Plan Update; Sustainability Plan - <b><i>[Reduce GHG; improve community engagement]</i></b>                           | \$50,000  |                    | GRI | RIV    | CVAG   | Y        | \$8,790,300 |
| 68   | Westminster                                | General Plan Update - Circulation Element - General Plan Update; Complete Streets - <b><i>[Reduce GHG; improve community engagement]</i></b>                         | \$200,000 | \$1,250,000        | CB  | OC     | OCCOG  |          | \$8,990,300 |
| 69   | La Canada Flintridge                       | Climate Action Plan - Climate Action Plan - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b>  | \$75,000  |                    | GRI | LA     | SGVCOG |          | \$9,065,300 |
| 70   | Huntington Beach                           | Neighborhood Electric Vehicle Plan - Electric Vehicle - <b><i>[Reduce GHG; improve safety]</i></b>   | \$89,000  |                    | GRI | OC     | OCCOG  |          | \$9,154,300 |
| 71   | Pasadena                                   | Green House Gas (GHG) Emission Reduction Evaluation Protocol - Climate Action Plan - <b><i>[Reduce GHG; improve public health; improve community engagement]</i></b> | \$175,000 |                    | GRI | LA     | SGVCOG |          | \$9,329,300 |
| 72   | San Bernardino Associated Governments      | Countywide Bicycle Route Mobile Application - Active Transportation - <b><i>[Improve public health; increase physical activity; improve safety; reduce GHG]</i></b>  | \$20,000  | \$5,000            | AT  | SBD    | SANBAG | Y        | \$9,349,300 |
| 73   | Dana Point                                 | General Plan Update - General Plan Update - <b><i>[Reduce GHG; improve community engagement]</i></b>   | \$125,000 | \$135,000          | CB  | OC     | OCCOG  | Y        | \$9,474,300 |
| 74   | Garden Grove                               | RE: IMAGINE Downtown - Pedals & Feet - Active Transportation; Infill - <b><i>[Reduce GHG; increase physical activity; improve community engagement]</i></b>          | \$200,000 |                    | AT  | OC     | OCCOG  |          | \$9,674,300 |
| 75   | Barstow                                    | Housing Element and Specific Plan Update - Housing; Land Use Design - <b><i>[Reduce GHG; improve community engagement]</i></b>                                       | \$175,000 |                    | CB  | SBD    | SANBAG |          | \$9,849,300 |

| Rank | Applicant  | Project Description <i>[Project benefits in italics]</i>   | Est. Cost          | Local Match Commit | Cat | County | Subreg | Past Awd | tab          |
|------|--|--|--------------------|--------------------|-----|--------|--------|----------|--------------|
|      | <b>Subtotal Phase 3</b>                              |  | <b>\$5,835,000</b> |                    |     |        |        |          |              |
|      | <b>Below are non SCAG Member applicants*</b>         |  |                    |                    |     |        |        |          |              |
| 76   | Omnitrans - Not eligible for becoming a SCAG member* | Route 61 Corridor Station Area Planning - Corridor Planning - <b><i>[Improve transit mode share]</i></b> | \$175,000          |                    | CB  | SBD    | SANBAG |          | \$10,024,300 |
|      | Bell   | See above #57 and #62  |                    |                    |     |        |        |          |              |

\* Non-member organizations not eligible for funding per Sustainability Program guidelines

**Grand Total \$10,024,300**

**DATE:** September 12, 2013  
**TO:** Regional Council (RC)  
**FROM:** Darin Chidsey, Acting Director, Strategy, Policy & Public Affairs; (213)-236-1836;  
[chidsey@scag.ca.gov](mailto:chidsey@scag.ca.gov)  
**SUBJECT:** SB 731 (Steinberg): California Environmental Quality Act (CEQA) – Update

**EXECUTIVE DIRECTOR'S APPROVAL:** 

**RECOMMENDED ACTION:**  
For Information Only – No Action Required.

**EXECUTIVE SUMMARY:**

*As reported at the August 1, 2013 Regional Council meeting, SB 731 was substantially amended following the action taken by the Regional Council to 'Work With Author' position at its April 4, 2013 meeting. Since August 1, 2013, the bill has been amended again. The Legislative/Communications and Membership Committee (LCMC), at its August 20, 2013 meeting, reviewed the amended bill and maintains its 'Work With Author' recommendation to the Regional Council pending potential further amendments to the bill. This report summarizes the present text of the legislation and the current actions taking place related to this bill. SCAG staff will continue to monitor and advise the Regional Council of any floor amendments to the bill at the meeting.*

**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 Regional Council has adopted as a high state legislative priority for the current state legislative session to work with the Legislative Leadership to seek CEQA modernization legislation. The goal is to expedite project delivery and provide business certainty while at the same time ensuring environmental mitigation is met. A summary of SB 731 was provided to the Regional Council at its August 1, 2013 meeting, reflecting bill provisions existing as of the May 24, 2013 amendments.

On August 6, 2013, the bill was again amended for clarification in the following areas:

- Revises the requirement that the Governor's Office of Planning and Research (OPR), to propose revisions to the CEQA Guidelines to establish thresholds of significance (to determine if an environmental effect justifies preparation of an EIR) for noise and transportation impacts of residential, mixed-use residential, or employment center projects or infill sites within transit priority areas. The amendment removes the requirement to establish threshold for parking impacts and adds infill sites, as defined by the bill.
- Defines "Infill Site" as a lot located within an urban area that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins, or is separated only by an improve public right-of-way from, parcels that are developed with qualified urban uses.

# REPORT

- Defines "employment center project" as a project located on property zoned for commercial uses, with a floor area ratio of no less than 0.75, and is located within a transit priority area – the prior language specifying it must be within one-half mile of a major transit stop or high-quality transit corridor included in a regional transportation plan is stricken.
- Clarifies that "transit priority area" as an area within one-half mile of a major transit stop that is either existing or planned, if the planned stop is scheduled to be completed with the planning horizon included in a Transportation Improvement Program adopted pursuant to Title 23 of the Code of Federal Regulations §450.216 or §450.322.
- Provides, in addition to "aesthetic" impacts, that also parking impacts of projects shall not be considered significant impacts on the environment for purposes of CEQA, while also stating that the authority of a lead agency to consider aesthetic impacts pursuant to local design review ordinances or other discretionary powers are not affected.
- Requires that the California Research Bureau, rather than the Attorney General, to report annually to the legislature regarding actions or proceedings brought pursuant to this division.

As previously reported to the Regional Council, SCAG's Global Land-Use Economic (GLUE) Council at its recent meeting recommended working towards further amendments to SB 731 that reduce time of litigation exposure (up to four years), ensure transparency of who is litigating and also further clarification on accelerating project delivery. These clarifications include adding provisions to create new categories of priority projects within a Sustainable Communities' Strategies (SCS) subject to an expedited review process, as well as changes to the CEQA related to entities' standing to initiate litigation to conform to the National Environmental Quality Act (NEPA) thresholds to sue. Additionally, the Legislative/Communications and Membership Committee recommended that, in addition to these and other policy suggestions provided by the statewide CEQA working group, SCAG urge the author to remove current provisions of the bill that would enhance reporting requirements of a lead agency like SCAG which are in addition to current CEQA requirements and which are presently unfunded in the bill, including the provision to annually report and document compliance with mitigation measures. Neither of these issues are addressed by the August 6, 2013 amendatory language.

SB 731 passed out of the Assembly Committee on Local Government by 5-0 vote with 3 abstentions. It passed out of the Assembly Appropriations Committee on August 30, 2013 and is now on the Assembly floor. Because it has been amended in the 2<sup>nd</sup> House, the bill, should it pass the Assembly, must return to the Senate for concurrence. Senate President Pro Tempore Steinberg indicated that he is considering further amendments and there are purportedly amendments that may be offered from the Administration. Deadline to pass both chambers is September 13, 2013.

Senate President Pro Tempore Steinberg met with the Southern California Leadership Council on August 23, 2013, to discuss CEQA reform and other issues with public and private sector leaders throughout the region. In recognition of this meeting and opportunity to address the bill directly with the author, the LCMC at its August 20, 2013 meeting, upon review of bill provisions as amended on August 6, 2013, maintained its recommendation to the Regional Council to continue to 'Work With Author' on further CEQA reforms such as those recommended by the CEQA Working Group and described in this report. Staff will advise the Regional Council of any significant developments to this important bill at its September 12, 2013 meeting.

**ATTACHMENT:**  
SB 731 (as amended)

AMENDED IN ASSEMBLY AUGUST 6, 2013

AMENDED IN SENATE MAY 24, 2013

AMENDED IN SENATE MAY 7, 2013

AMENDED IN SENATE APRIL 23, 2013

**SENATE BILL**

**No. 731**

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**Introduced by Senators Steinberg and Hill**

February 22, 2013

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An act to amend, repeal, and add Section 705 of the Fish and Game Code, to amend Section 65457 of the Government Code, and to amend Sections ~~21080~~, *21081*, 21081.5, 21081.6, 21167, 21167.6, 21167.7, and 21168.9 of, to add Sections 21167.6.2 and 21167.6.3 to, and to add Chapter 2.7 (commencing with Section 21099) to Division 13 of, the Public Resources Code, relating to the environment.

LEGISLATIVE COUNSEL'S DIGEST

SB 731, as amended, Steinberg. Environment: California Environmental Quality ~~Act and sustainable communities strategy~~. *Act*.

(1) The California Environmental Quality Act, or CEQA, requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report, or EIR, on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA requires the Office of Planning and Research to

develop and prepare, and the Secretary of the Natural Resources Agency to certify and adopt, guidelines for the implementation of CEQA by public agencies. CEQA establishes a procedure for the preparation and certification of the record of proceedings upon the filing of an action or proceeding challenging a lead agency's action on the grounds of noncompliance with CEQA. CEQA establishes time periods within which a person is required to bring a judicial action or proceeding to challenge a public agency's action taken pursuant to CEQA.

This bill would provide that aesthetic *and parking* impacts of a residential, mixed-use residential, or employment center project, as defined, *on an infill site, as defined*, within a transit priority area, as defined, shall not be considered significant impacts on the environment. The bill would require the office to prepare ~~and propose~~, and *submit to* the Secretary of the Natural Resources Agency, *and the secretary* to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for ~~noise~~, *noise* and ~~for the transportation and parking~~ impacts of residential, mixed-use residential, or employment center projects within transit priority areas. The bill would require the lead agency, in making specified findings, to make those findings available to the public at least 15 days prior to the approval of the proposed project and to provide specified notice of the availability of the findings for public review. Because the bill would require the lead agency to make the draft finding available for public review and to provide specified notices to the public, this bill would impose a state-mandated local program. The bill would require the lead agency, at the request of a project applicant for specified projects, to, among other things, prepare a record of proceedings concurrently with the preparation of negative declarations, mitigated negative declarations, EIRs, or other environmental documents for specified projects. Because the bill would require a lead agency to prepare the record of proceedings as provided, this bill would impose a state-mandated local program. The bill would authorize the tolling of the time period in which a person is required to bring a judicial action or proceeding challenging a public agency's action taken pursuant to CEQA through a tolling agreement that does not exceed 4 years. The bill would authorize the extension of the tolling agreement.

(2) For mitigation measures required pursuant to an EIR or a mitigated negative declaration, CEQA requires the lead agency to adopt a reporting and monitoring program to ensure compliance with those required mitigation measures during project implementation.

This bill would require the lead agency, as a part of the mitigation and monitoring plan, to prepare or cause to be prepared an annual report on project compliance with the required mitigation measures that is publicly available online. Because the lead agency would be required to prepare and make available this report, this bill would impose a state-mandated local program.

(3) Existing law exempts from the requirements of CEQA residential development projects that are undertaken to implement, and are consistent with a specific plan for which an EIR has been certified after January 1, 1980. Existing law provides that this exemption does not apply if, after the certification of the EIR, a specified event occurs, unless a supplemental EIR for the specified plan is prepared and certified.

This bill would specify that the event does not include new information consisting solely of argument, speculation, unsubstantiated opinion or narrative, evidence that is clearly inaccurate or erroneous, or evidence of social or economic impacts that do not contribute to, or are caused by, physical impacts on the environment.

(4) CEQA requires the court, if the court finds that a public agency has violated the requirements of CEQA, to issue an order containing specified mandates.

This bill would require the court to issue *an order that includes* a peremptory writ of mandate specifying actions that a public agency needs to take to comply with the requirements of CEQA. The bill would require the writ to specify the time by which the public agency is to file an initial return to a writ containing specified information. Because a public agency would be required to file an initial return to a writ, this bill would impose a state-mandated local program.

(5) CEQA requires every person bringing an action or proceeding alleging a violation of CEQA to furnish to the Attorney General a copy of the pleading within 10 days after filing and a copy of any amended or supplemental pleading.

This bill would require the ~~Attorney General~~ *California Research Bureau, subject to the availability of funding and of information*, to annually submit to the Legislature a report containing specified information on CEQA litigation in the state.

(6) Existing law requires the regional transportation plan for regions of the state with a metropolitan planning organization to each adopt a sustainable communities strategy, as part of their regional transportation plan, as specified, designed to achieve certain goals for the reduction

of greenhouse gas emissions from automobiles and light trucks in a region. Existing law establishes the Strategic Growth Council to manage and award grants and loans to support the planning and development of sustainable communities strategies.

This bill would state the intent of the Legislature to appropriate \$30,000,000 annually by the council for the purposes of providing competitive grants to local agencies for planning activities for the implementation of the sustainable communities strategy.

(7) This bill would, until January 1, 2017, establish in the office of the Governor the position of Advisor on Renewable Energy Facilities.

(8) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     ~~SECTION 1. (a) It is the intent of the Legislature to enact~~  
2     ~~legislation to adopt provisions of Chapter 3 (commencing with~~  
3     ~~Section 15000) of Division 6 of Title 14 of the California Code of~~  
4     ~~Regulations (CEQA Guidelines) that are intended to provide greater~~  
5     ~~certainty for smart infill development, such as Section 15183.3 of~~  
6     ~~the CEQA Guidelines and related appendices that implement~~  
7     ~~Chapter 469 of the Statutes of 2011. It is further the intent of the~~  
8     ~~Legislature to explore amendments to expand the definition of~~  
9     ~~“infill” and to accommodate infill development in the Central~~  
10    ~~Valley.~~

11    ~~(b) It is the intent of the Legislature to explore amendments to~~  
12    ~~the California Environmental Quality Act (Division 13~~  
13    ~~(commencing with Section 21000) of the Public Resources Code);~~  
14    ~~to further streamline the law for renewable energy projects,~~  
15    ~~advanced manufacturing projects, transit, bike, and pedestrian~~  
16    ~~projects, and renewable energy transmission projects.~~

1 (e)

2 ~~SECTION 1. (a) (1) It is the intent of the Legislature to update~~  
3 ~~CEQA the California Environmental Quality Act (Division 13~~  
4 ~~(commencing with Section 21000) of the Public Resources Code)~~  
5 ~~to establish a threshold thresholds of significance for noise,~~  
6 ~~aesthetics, parking, noise and traffic levels of service, and~~  
7 ~~thresholds relating to these land use impacts, so that projects~~  
8 ~~meeting those thresholds are not subject to further environmental~~  
9 ~~review for those environmental impacts. It is further the intent of~~  
10 ~~the Legislature to review other similar land use related impacts to~~  
11 ~~determine if other thresholds of significance can be set~~  
12 ~~transportation impacts for transit-oriented infill projects.~~

13 (2) It is not the intent of the Legislature to affect the authority,  
14 consistent with CEQA, for a local agency to impose its own, more  
15 stringent thresholds.

16 (3) ~~It is not the intent of the Legislature to replace full CEQA~~  
17 ~~analysis with state or local standards, with the exception of the~~  
18 ~~land use standards described in paragraph (1).~~

19 (d)

20 (b) It is the intent of the Legislature to amend Section ~~65456,~~  
21 ~~65457 of the Government Code,~~ which exempts from ~~CEQA the~~  
22 ~~California Environmental Quality Act~~ projects undertaken pursuant  
23 to a specific plan for which an ~~EIR environmental impact report~~  
24 has been prepared, unless conditions specified under Section 21166  
25 of the Public Resources Code have occurred, to define with greater  
26 specificity what “new information” means, and to avoid duplicative  
27 ~~CEQA review undertaken pursuant to the California~~  
28 ~~Environmental Quality Act~~ for projects and activities that comply  
29 with that plan. ~~It is further the intent of the Legislature to review~~  
30 ~~the possibility of defining other types of plans to determine if~~  
31 ~~similar treatment could be applied to those plans or portions of~~  
32 ~~those plans that are consistent with sustainable communities~~  
33 ~~strategies adopted pursuant to Section 65080 of the Government~~  
34 ~~Code or that have had a certified EIR within the past five years.~~

35 (e)

36 (c) It is the intent of the Legislature to enact amendments to  
37 Section 21168.9 to establish clearer procedures for a trial court to  
38 remand to a lead agency for remedying only those portions of an  
39 ~~EIR environmental impact report,~~ negative declaration, or  
40 mitigated negative declaration found to be in violation of ~~CEQA,~~

1 *the California Environmental Quality Act*, while retaining those  
2 portions that are not in violation so that the violations can be  
3 corrected, recirculated for public comment, and completed more  
4 efficiently and expeditiously. It is further the intent of the  
5 Legislature to explore options *specify the circumstances* under  
6 which a court could allow project approvals to remain in place,  
7 and for projects to proceed.

8 ~~(f) It is the intent of the Legislature to amend Section 21091 of~~  
9 ~~the Public Resources Code and related provisions of law to~~  
10 ~~establish clear statutory rules under which “late hits” and~~  
11 ~~“document dumps” are prohibited or restricted prior to certification~~  
12 ~~of an EIR, if a project proponent or lead agency has not~~  
13 ~~substantively changed the draft EIR or substantively modified the~~  
14 ~~project.~~

15 ~~(g) It is the intent of the Legislature to provide \$30 million~~  
16 ~~annually to the Strategic Growth Council for the purposes of~~  
17 ~~providing planning incentive grants to local and regional agencies~~  
18 ~~to update and implement general plans, sustainable communities~~  
19 ~~strategies, and smart growth plans pursuant to Chapter 728 of the~~  
20 ~~Statutes of 2008.~~

21 SEC. 2. This act shall be known, and may be cited, as the  
22 CEQA Modernization Act of 2013.

23 SEC. 3. Section 705 of the Fish and Game Code is amended  
24 to read:

25 705. (a) For purposes of this section, “eligible renewable  
26 energy resources” has the same meaning as in the California  
27 Renewables Portfolio Standard Program (Article 16 (commencing  
28 with Section 399.11) of Chapter 2.3 of Part 1 of Division 1 of the  
29 Public Utilities Code).

30 (b) The department shall establish an internal division with the  
31 primary purpose of performing comprehensive planning and  
32 environmental compliance services with priority given to projects  
33 involving the building of eligible renewable energy resources.

34 (c) The internal division shall ensure the timely completion of  
35 plans pursuant to the Natural Community Conservation Planning  
36 Act (Chapter 10 (commencing with Section 2800) of Division 3).

37 (d) The position of Advisor on Renewable Energy Facilities is  
38 hereby established in the office of the Governor.

1 (e) This section shall remain in effect only until January 1, 2017,  
2 and as of that date is repealed, unless a later enacted statute, that  
3 is enacted before January 1, 2017, deletes or extends that date.

4 SEC. 4. Section 705 is added to the Fish and Game Code, to  
5 read:

6 705. (a) For purposes of this section, “eligible renewable  
7 energy resources” has the same meaning as in the California  
8 Renewables Portfolio Standard Program (Article 16 (commencing  
9 with Section 399.11) of Chapter 2.3 of Part 1 of Division 1 of the  
10 Public Utilities Code).

11 (b) The department shall establish an internal division with the  
12 primary purpose of performing comprehensive planning and  
13 environmental compliance services with priority given to projects  
14 involving the building of eligible renewable energy resources.

15 (c) The internal division shall ensure the timely completion of  
16 plans pursuant to the Natural Community Conservation Planning  
17 Act (Chapter 10 (commencing with Section 2800) of Division 3).

18 (d) This section shall become operative on January 1, 2017.

19 SEC. 5. Section 65457 of the Government Code is amended  
20 to read:

21 65457. (a) A residential development project, including any  
22 subdivision, or any zoning change that is undertaken to implement,  
23 and is consistent with, a specific plan for which an environmental  
24 impact report has been certified after January 1, 1980, is exempt  
25 from the requirements of Division 13 (commencing with Section  
26 21000) of the Public Resources Code. However, if after adoption  
27 of the specific plan, an event as specified in Section 21166 of the  
28 Public Resources Code occurs, the exemption provided by this  
29 subdivision does not apply unless and until a supplemental  
30 environmental impact report for the specific plan is prepared and  
31 certified in accordance with the provisions of Division 13  
32 (commencing with Section 21000) of the Public Resources Code.  
33 After a supplemental environmental impact report is certified, the  
34 exemption specified in this subdivision applies to projects  
35 undertaken pursuant to the specific plan.

36 (b) An action or proceeding alleging that a public agency has  
37 approved a project pursuant to a specific plan without having  
38 previously certified a supplemental environmental impact report  
39 for the specific plan, where required by subdivision (a), shall be

1 commenced within 30 days of the public agency's decision to carry  
2 out or approve the project.

3 (c) For the purposes of this section, "an event as specified in  
4 Section 21166 of the Public Resources Code" does not include  
5 any new information consisting solely of argument, speculation,  
6 unsubstantiated opinion or narrative, evidence that is clearly  
7 inaccurate or erroneous, or evidence of social or economic impacts  
8 that do not contribute to, or are *not* caused by, physical impacts  
9 on the environment.

10 ~~SEC. 6. Section 21080 of the Public Resources Code is~~  
11 ~~amended to read:~~

12 ~~21080. (a) Except as otherwise provided in this division, this~~  
13 ~~division shall apply to discretionary projects proposed to be carried~~  
14 ~~out or approved by public agencies, including, but not limited to,~~  
15 ~~the enactment and amendment of zoning ordinances, the issuance~~  
16 ~~of zoning variances, the issuance of conditional use permits, and~~  
17 ~~the approval of tentative subdivision maps unless the project is~~  
18 ~~exempt from this division.~~

19 ~~(b) This division does not apply to any of the following~~  
20 ~~activities:~~

21 ~~(1) Ministerial projects proposed to be carried out or approved~~  
22 ~~by public agencies.~~

23 ~~(2) Emergency repairs to public service facilities necessary to~~  
24 ~~maintain service.~~

25 ~~(3) Projects undertaken, carried out, or approved by a public~~  
26 ~~agency to maintain, repair, restore, demolish, or replace property~~  
27 ~~or facilities damaged or destroyed as a result of a disaster in a~~  
28 ~~disaster-stricken area in which a state of emergency has been~~  
29 ~~proclaimed by the Governor pursuant to Chapter 7 (commencing~~  
30 ~~with Section 8550) of Division 1 of Title 2 of the Government~~  
31 ~~Code.~~

32 ~~(4) Specific actions necessary to prevent or mitigate an~~  
33 ~~emergency.~~

34 ~~(5) Projects which a public agency rejects or disapproves.~~

35 ~~(6) Actions undertaken by a public agency relating to any~~  
36 ~~thermal powerplant site or facility, including the expenditure,~~  
37 ~~obligation, or encumbrance of funds by a public agency for~~  
38 ~~planning, engineering, or design purposes, or for the conditional~~  
39 ~~sale or purchase of equipment, fuel, water (except groundwater),~~  
40 ~~steam, or power for a thermal powerplant, if the powerplant site~~

1 and related facility will be the subject of an environmental impact  
2 report, negative declaration, or other document, prepared pursuant  
3 to a regulatory program certified pursuant to Section 21080.5,  
4 which will be prepared by the State Energy Resources Conservation  
5 and Development Commission, by the Public Utilities Commission,  
6 or by the city or county in which the powerplant and related facility  
7 would be located if the environmental impact report, negative  
8 declaration, or document includes the environmental impact, if  
9 any, of the action described in this paragraph.

10 ~~(7) Activities or approvals necessary to the bidding for, hosting~~  
11 ~~or staging of, and funding or carrying out of, an Olympic games~~  
12 ~~under the authority of the International Olympic Committee, except~~  
13 ~~for the construction of facilities necessary for the Olympic games.~~

14 ~~(8) The establishment, modification, structuring, restructuring,~~  
15 ~~or approval of rates, tolls, fares, or other charges by public agencies~~  
16 ~~which the public agency finds are for the purpose of (A) meeting~~  
17 ~~operating expenses, including employee wage rates and fringe~~  
18 ~~benefits, (B) purchasing or leasing supplies, equipment, or~~  
19 ~~materials, (C) meeting financial reserve needs and requirements,~~  
20 ~~(D) obtaining funds for capital projects necessary to maintain~~  
21 ~~service within existing service areas, or (E) obtaining funds~~  
22 ~~necessary to maintain those intracity transfers as are authorized~~  
23 ~~by city charter. The public agency shall incorporate written findings~~  
24 ~~in the record of any proceeding in which an exemption under this~~  
25 ~~paragraph is claimed setting forth with specificity the basis for the~~  
26 ~~claim of exemption.~~

27 ~~(9) All classes of projects designated pursuant to Section 21084.~~

28 ~~(10) A project for the institution or increase of passenger or~~  
29 ~~commuter services on rail or highway rights-of-way already in~~  
30 ~~use, including modernization of existing stations and parking~~  
31 ~~facilities.~~

32 ~~(11) A project for the institution or increase of passenger or~~  
33 ~~commuter service on high-occupancy vehicle lanes already in use,~~  
34 ~~including the modernization of existing stations and parking~~  
35 ~~facilities.~~

36 ~~(12) Facility extensions not to exceed four miles in length which~~  
37 ~~are required for the transfer of passengers from or to exclusive~~  
38 ~~public mass transit guideway or busway public transit services.~~

39 ~~(13) A project for the development of a regional transportation~~  
40 ~~improvement program, the state transportation improvement~~

1 program, or a congestion management program prepared pursuant  
2 to Section 65089 of the Government Code.

3 ~~(14) Any project or portion thereof located in another state  
4 which will be subject to environmental impact review pursuant to  
5 the National Environmental Policy Act of 1969 (42 U.S.C. Sec.  
6 4321 et seq.) or similar state laws of that state. Any emissions or  
7 discharges that would have a significant effect on the environment  
8 in this state are subject to this division.~~

9 ~~(15) Projects undertaken by a local agency to implement a rule  
10 or regulation imposed by a state agency, board, or commission  
11 under a certified regulatory program pursuant to Section 21080.5.  
12 Any site-specific effect of the project which was not analyzed as  
13 a significant effect on the environment in the plan or other written  
14 documentation required by Section 21080.5 is subject to this  
15 division.~~

16 ~~(e) If a lead agency determines that a proposed project, not  
17 otherwise exempt from this division, would not have a significant  
18 effect on the environment, the lead agency shall adopt a negative  
19 declaration to that effect. The negative declaration shall be prepared  
20 for the proposed project in either of the following circumstances:~~

21 ~~(1) There is no substantial evidence, in light of the whole record  
22 before the lead agency, that the project may have a significant  
23 effect on the environment.~~

24 ~~(2) An initial study identifies potentially significant effects on  
25 the environment, but (A) revisions in the project plans or proposals  
26 made by, or agreed to by, the applicant before the proposed  
27 negative declaration and initial study are released for public review  
28 would avoid the effects or mitigate the effects to a point where  
29 clearly no significant effect on the environment would occur, and  
30 (B) there is no substantial evidence, in light of the whole record  
31 before the lead agency, that the project, as revised, may have a  
32 significant effect on the environment.~~

33 ~~(d) If there is substantial evidence, in light of the whole record  
34 before the lead agency, that the project may have a significant  
35 effect on the environment, an environmental impact report shall  
36 be prepared.~~

37 ~~(e) (1) For the purposes of this section and this division,  
38 substantial evidence includes fact, a reasonable assumption  
39 predicated upon fact, or expert opinion supported by fact.~~

1 ~~(2) Substantial evidence is not argument, speculation,~~  
2 ~~unsubstantiated opinion or narrative, evidence that is clearly~~  
3 ~~inaccurate or erroneous, or evidence of social or economic impacts~~  
4 ~~that do not contribute to, or are not caused by, physical impacts~~  
5 ~~on the environment.~~

6 ~~(f) As a result of the public review process for a mitigated~~  
7 ~~negative declaration, including administrative decisions and public~~  
8 ~~hearings, the lead agency may conclude that certain mitigation~~  
9 ~~measures identified pursuant to paragraph (2) of subdivision (e)~~  
10 ~~are infeasible or otherwise undesirable. In those circumstances,~~  
11 ~~the lead agency, prior to approving the project, may delete those~~  
12 ~~mitigation measures and substitute for them other mitigation~~  
13 ~~measures that the lead agency finds, after holding a public hearing~~  
14 ~~on the matter, are equivalent or more effective in mitigating~~  
15 ~~significant effects on the environment to a less than significant~~  
16 ~~level and that do not cause any potentially significant effect on the~~  
17 ~~environment. If those new mitigation measures are made conditions~~  
18 ~~of project approval or are otherwise made part of the project~~  
19 ~~approval, the deletion of the former measures and the substitution~~  
20 ~~of the new mitigation measures shall not constitute an action or~~  
21 ~~circumstance requiring recirculation of the mitigated negative~~  
22 ~~declaration.~~

23 ~~(g) This section does not preclude a project applicant or any~~  
24 ~~other person from challenging, in an administrative or judicial~~  
25 ~~proceeding, the legality of a condition of project approval imposed~~  
26 ~~by the lead agency. If, however, any condition of project approval~~  
27 ~~set aside by either an administrative body or court was necessary~~  
28 ~~to avoid or lessen the likelihood of the occurrence of a significant~~  
29 ~~effect on the environment, the lead agency's approval of the~~  
30 ~~negative declaration and project shall be invalid and a new~~  
31 ~~environmental review process shall be conducted before the project~~  
32 ~~can be reapproved, unless the lead agency substitutes a new~~  
33 ~~condition that the lead agency finds, after holding a public hearing~~  
34 ~~on the matter, is equivalent to, or more effective in, lessening or~~  
35 ~~avoiding significant effects on the environment and that does not~~  
36 ~~cause any potentially significant effect on the environment.~~

37 ~~(h) A project applicant for a renewable energy project may~~  
38 ~~present to the public agency, orally or in writing, the benefits onsite~~  
39 ~~or offsite of the project, including, but not limited to, measures~~  
40 ~~that will mitigate greenhouse gas emissions resulting from the~~

1 project or measures that will significantly reduce traffic, improve  
 2 air quality or replace higher emitting energy sources, and other  
 3 significant environmental or public health impacts.

4 *SEC. 6. Section 21081 of the Public Resources Code is*  
 5 *amended to read:*

6 21081. (a) Pursuant to the policy stated in Sections 21002  
 7 and 21002.1, ~~no~~ a public agency shall *not* approve or carry out a  
 8 project for which an environmental impact report has been certified  
 9 ~~which~~ *that* identifies one or more significant effects on the  
 10 environment that would occur if the project is approved or carried  
 11 ~~out~~ *out*, unless both of the following occur:

12 ~~(a)~~

13 (1) The public agency makes one or more of the following  
 14 findings with respect to each significant effect:

15 ~~(1)~~

16 (A) Changes or alterations have been required in, or incorporated  
 17 into, the project ~~which~~ *that* mitigate or avoid the significant effects  
 18 on the environment.

19 ~~(2)~~

20 (B) Those changes or alterations are within the responsibility  
 21 and jurisdiction of another public agency and have been, or can  
 22 and should be, adopted by that other agency.

23 ~~(3)~~

24 (C) Specific economic, legal, social, technological, or other  
 25 considerations, including considerations for the provision of  
 26 employment opportunities for highly trained workers, make  
 27 infeasible the mitigation measures or alternatives identified in the  
 28 environmental impact report.

29 ~~(b)~~

30 (2) With respect to significant effects ~~which~~ *that* were subject  
 31 to a finding under *subparagraph (C) of paragraph (3) of subdivision*  
 32 ~~(a) (1)~~, the public agency finds that specific overriding economic,  
 33 legal, social, technological, or other benefits of the project outweigh  
 34 the significant effects on the environment.

35 (b) *A project applicant for a renewable energy project may*  
 36 *present to the public agency, orally or in writing, the benefits onsite*  
 37 *or offsite of the project, including, but not limited to, measures*  
 38 *that will mitigate greenhouse gas emissions resulting from the*  
 39 *project or measures that will significantly reduce traffic, improve*

1 *air quality or replace higher emitting energy sources, and other*  
2 *significant environmental or public health impacts.*

3 SEC. 7. Section 21081.5 of the Public Resources Code is  
4 amended to read:

5 21081.5. (a) In making the findings required by paragraph (3)  
6 of subdivision (a) of, and subdivision (b) of, Section 21081, the  
7 public agency shall base its findings on substantial evidence in the  
8 record. Those findings shall be made available in draft form for  
9 review by the members of the public for at least 15 days prior to  
10 approval of the proposed project.

11 (b) To make the draft findings available to the members of the  
12 public for the purposes of subdivision (a), the lead agency shall  
13 provide a notice of availability of the findings for review ~~either~~ at  
14 the lead agency's office during normal business hours ~~and online~~  
15 through all of the following mechanisms:

16 (1) Publication in a newspaper of general circulation in the area  
17 affected by the proposed project. If more than one area will be  
18 affected, the notice shall be published in the newspaper with the  
19 largest circulation from among the newspapers of general  
20 circulation in those areas.

21 (2) By electronic mail, if available, and mail to the last known  
22 name and address of all individuals and organizations that have  
23 submitted timely comments on the draft environmental impact  
24 report.

25 (3) By electronic mail, if available, and mail to responsible and  
26 trustee agencies that have submitted timely comments on the draft  
27 environmental impact report.

28 (4) By electronic mail, if available, and mail to the project  
29 applicant, if different from the lead agency, and the applicant's  
30 duly authorized agent.

31 (5) By electronic mail, if available, and mail to a person who  
32 has filed a written request for notice with the clerk of the governing  
33 body, if there is no governing body, the director of the agency.

34 SEC. 8. Section 21081.6 of the Public Resources Code is  
35 amended to read:

36 21081.6. (a) When making the findings required by paragraph  
37 (1) of subdivision (a) of Section 21081 or when adopting a  
38 mitigated negative declaration pursuant to paragraph (2) of  
39 subdivision (c) of Section 21080, the following requirements shall  
40 apply:

1 (1) The public agency shall adopt a reporting or monitoring  
2 program for the changes made to the project or conditions of  
3 project approval, adopted in order to mitigate or avoid significant  
4 effects on the environment. The reporting or monitoring program  
5 shall be designed to ensure compliance during project  
6 implementation. For those changes which have been required or  
7 incorporated into the project at the request of a responsible agency  
8 or a public agency having jurisdiction by law over natural resources  
9 affected by the project, that agency shall, if so requested by the  
10 lead agency or a responsible agency, prepare and submit a proposed  
11 reporting or monitoring program.

12 (2) The lead agency shall specify the location and custodian of  
13 the documents or other material which constitute the record of  
14 proceedings upon which its decision is based.

15 (b) A public agency shall provide that measures to mitigate or  
16 avoid significant effects on the environment are fully enforceable  
17 through permit conditions, agreements, or other measures.  
18 Conditions of project approval may be set forth in referenced  
19 documents which address required mitigation measures or, in the  
20 case of the adoption of a plan, policy, regulation, or other public  
21 project, by incorporating the mitigation measures into the plan,  
22 policy, regulation, or project design.

23 (c) Prior to the close of the public review period for a draft  
24 environmental impact report or mitigated negative declaration, a  
25 responsible agency, or a public agency having jurisdiction over  
26 natural resources affected by the project, shall either submit to the  
27 lead agency complete and detailed performance objectives for  
28 mitigation measures which would address the significant effects  
29 on the environment identified by the responsible agency or agency  
30 having jurisdiction over natural resources affected by the project,  
31 or refer the lead agency to appropriate, readily available guidelines  
32 or reference documents. Any mitigation measures submitted to a  
33 lead agency by a responsible agency or an agency having  
34 jurisdiction over natural resources affected by the project shall be  
35 limited to measures which mitigate impacts to resources which  
36 are subject to the statutory authority of, and definitions applicable  
37 to, that agency. Compliance or noncompliance by a responsible  
38 agency or agency having jurisdiction over natural resources  
39 affected by a project with that requirement shall not limit the  
40 authority of the responsible agency or agency having jurisdiction

1 over natural resources affected by a project, or the authority of the  
2 lead agency, to approve, condition, or deny projects as provided  
3 by this division or any other provision of law.

4 (d) As a part of the mitigation monitoring plan established  
5 pursuant to this section, the lead agency shall prepare or cause to  
6 be prepared an annual report on project compliance with mitigation  
7 measures required pursuant to this division. The report shall be  
8 made publicly available online to enhance public disclosure and  
9 accountability. The lead agency may cease reporting once all  
10 mitigation measures are completed.

11 SEC. 9. Chapter 2.7 (commencing with Section 21099) is added  
12 to Division 13 of the Public Resources Code, to read:

13  
14 CHAPTER 2.7. STANDARDIZED THRESHOLDS OF SIGNIFICANCE  
15 FOR ENVIRONMENTALLY BENEFICIAL *TRANSIT-ORIENTED INFILL*  
16 PROJECTS  
17

18 21099. (a) For purposes of this section, the following terms  
19 mean the following:

20 (1) “Employment center project” means a project located on  
21 property zoned for commercial uses with a floor area ratio of no  
22 less than 0.75 and that is located within ~~one-half mile of a major~~  
23 ~~transit stop or high-quality transit corridor included in a regional~~  
24 ~~transportation plan~~ *a transit priority area.*

25 (2) “Floor area ratio” means the ratio of gross building area of  
26 the development, excluding structured parking areas, proposed for  
27 the project divided by the net lot area.

28 (3) “Gross building area” means the sum of all finished areas  
29 of all floors of a building included within the outside faces of its  
30 exterior walls.

31 (4) *“Infill site” means a lot located within an urban area that*  
32 *has been previously developed, or on a vacant site where at least*  
33 *75 percent of the perimeter of the site adjoins, or is separated only*  
34 *by an improve public right-of-way from, parcels that are developed*  
35 *with qualified urban uses.*

36 ~~(4)~~

37 (5) “Lot” means all parcels utilized by the project.

38 ~~(5)~~

1 (6) “Net lot area” means the area of a lot, excluding publicly  
 2 dedicated land and private streets that meet local standards, and  
 3 other public use areas as determined by the local land use authority.

4 ~~(6)~~

5 (7) “Transit priority area” means an area within one-half mile  
 6 of a major transit stop that is existing or planned, if the planned  
 7 stop is scheduled to be completed within the planning horizon  
 8 ~~established by~~ *included in a Transportation Improvement Program*  
 9 *adopted pursuant to Section 450.216 or 450.322 of Title 23 of the*  
 10 *Code of Federal Regulations.*

11 (b) (1) The Office of Planning and Research shall prepare ~~and~~  
 12 ~~propose revisions to the guidelines adopted pursuant to Section~~  
 13 ~~21083,~~ and submit to the Secretary of the Natural Resources  
 14 Agency for certification and ~~adoption of,~~ *adoption, proposed*  
 15 *revisions to the guidelines adopted pursuant to Section 21083*  
 16 *establishing thresholds of significance for noise, noise and for the*  
 17 ~~transportation and parking~~ *impacts for residential, mixed-use*  
 18 *residential, or employment center projects or infill sites* within  
 19 transit priority areas. The thresholds of significance shall be based  
 20 upon a project’s proximity to a multimodal transportation network,  
 21 its overall transportation accessibility, and its proximity to a  
 22 diversity of land uses.

23 (2) On or before July 1, 2014, the Office of Planning and  
 24 Research shall circulate a draft revision prepared pursuant to  
 25 paragraph (1).

26 (c) (1) Aesthetic ~~and parking~~ impacts of a residential, mixed-use  
 27 residential, or employment center project *on an infill site* within  
 28 a ~~priority~~ transit *priority* area shall not be considered significant  
 29 impacts on the environment.

30 (2) (A) This subdivision does not affect, change, or modify the  
 31 authority of a lead agency to consider aesthetic impacts pursuant  
 32 to local design review ordinances or other discretionary powers  
 33 provided by other laws or policies.

34 (B) *For the purposes of this subdivision, aesthetic impacts do*  
 35 *not include impacts on historical or cultural resources.*

36 (C) *This subdivision does not affect the significance of traffic*  
 37 *congestion on air quality.*

38 (d) This section does not affect the authority of a public agency  
 39 ~~from establishing or adopting transportation or parking standards~~

1 ~~applicable to projects or~~ *to establish or adopt* more stringent  
2 thresholds of significance *for projects subject to this division.*

3 SEC. 10. Section 21167 of the Public Resources Code is  
4 amended to read:

5 21167. An action or proceeding to attack, review, set aside,  
6 void, or annul the following acts or decisions of a public agency  
7 on the grounds of noncompliance with this division shall be  
8 commenced as follows:

9 (a) An action or proceeding alleging that a public agency is  
10 carrying out or has approved a project that may have a significant  
11 effect on the environment without having determined whether the  
12 project may have a significant effect on the environment shall be  
13 commenced within 180 days from the date of the public agency's  
14 decision to carry out or approve the project, or, if a project is  
15 undertaken without a formal decision by the public agency, within  
16 180 days from the date of commencement of the project.

17 (b) An action or proceeding alleging that a public agency has  
18 improperly determined whether a project may have a significant  
19 effect on the environment shall be commenced within 30 days  
20 from the date of the filing of the notice required by subdivision  
21 (a) of Section 21108 or subdivision (a) of Section 21152.

22 (c) An action or proceeding alleging that an environmental  
23 impact report does not comply with this division shall be  
24 commenced within 30 days from the date of the filing of the notice  
25 required by subdivision (a) of Section 21108 or subdivision (a) of  
26 Section 21152 by the lead agency.

27 (d) An action or proceeding alleging that a public agency has  
28 improperly determined that a project is not subject to this division  
29 pursuant to subdivision (b) of Section 21080 or Section 21172  
30 shall be commenced within 35 days from the date of the filing by  
31 the public agency, or person specified in subdivision (b) or (c) of  
32 Section 21065, of the notice authorized by subdivision (b) of  
33 Section 21108 or subdivision (b) of Section 21152. If the notice  
34 has not been filed, the action or proceeding shall be commenced  
35 within 180 days from the date of the public agency's decision to  
36 carry out or approve the project, or, if a project is undertaken  
37 without a formal decision by the public agency, within 180 days  
38 from the date of commencement of the project.

39 (e) An action or proceeding alleging that another act or omission  
40 of a public agency does not comply with this division shall be

1 commenced within 30 days from the date of the filing of the notice  
2 required by subdivision (a) of Section 21108 or subdivision (a) of  
3 Section 21152.

4 (f) If a person has made a written request to the public agency  
5 for a copy of the notice specified in Section 21108 or 21152 prior  
6 to the date on which the agency approves or determines to carry  
7 out the project, then not later than five days from the date of the  
8 agency's action, the public agency shall deposit a written copy of  
9 the notice addressed to that person in the United States mail, first  
10 class postage prepaid. The date upon which this notice is mailed  
11 shall not affect the time periods specified in subdivisions (b), (c),  
12 (d), and (e).

13 (g) The limitation period provided pursuant to this section may  
14 be tolled for a period not to exceed four years if the agreement to  
15 toll the limitation period is in writing and signed by the party  
16 asserting noncompliance with this division, the public agency, and  
17 the real party in interest, as specified in subdivision (a) of Section  
18 21167.6.5, if any. The tolling agreement shall bar a defense to any  
19 action filed pursuant to this division that the action was not  
20 commenced within the time period specified in this section. Prior  
21 to the expiration of the tolling agreement, the tolling agreement  
22 may be renewed for a further period not to exceed four years from  
23 the immediately preceding tolling agreement. The extension of  
24 the tolling agreement may be made successively.

25 SEC. 11. Section 21167.6 of the Public Resources Code is  
26 amended to read:

27 21167.6. Notwithstanding any other provision of law, in all  
28 actions or proceedings brought pursuant to Section 21167, except  
29 as provided in Section 21167.6.2 or those involving the Public  
30 Utilities Commission, all of the following shall apply:

31 (a) At the time that the action or proceeding is filed, the plaintiff  
32 or petitioner shall file a request that the respondent public agency  
33 prepare the record of proceedings relating to the subject of the  
34 action or proceeding. The request, together with the complaint or  
35 petition, shall be served personally upon the public agency not  
36 later than 10 business days from the date that the action or  
37 proceeding was filed.

38 (b) (1) The public agency shall prepare and certify the record  
39 of proceedings not later than 60 days from the date that the request  
40 specified in subdivision (a) was served upon the public agency.

1 Upon certification, the public agency shall lodge a copy of the  
2 record of proceedings with the court and shall serve on the parties  
3 notice that the record of proceedings has been certified and lodged  
4 with the court. The parties shall pay any reasonable costs or fees  
5 imposed for the preparation of the record of proceedings in  
6 conformance with any law or rule of court.

7 (2) The plaintiff or petitioner may elect to prepare the record  
8 of proceedings or the parties may agree to an alternative method  
9 of preparation of the record of proceedings, subject to certification  
10 of its accuracy by the public agency, within the time limit specified  
11 in this subdivision.

12 (c) The time limit established by subdivision (b) may be  
13 extended only upon the stipulation of all parties who have been  
14 properly served in the action or proceeding or upon order of the  
15 court. Extensions shall be liberally granted by the court when the  
16 size of the record of proceedings renders infeasible compliance  
17 with that time limit. There is no limit on the number of extensions  
18 that may be granted by the court, but no single extension shall  
19 exceed 60 days unless the court determines that a longer extension  
20 is in the public interest.

21 (d) If the public agency fails to prepare and certify the record  
22 within the time limit established in paragraph (1) of subdivision  
23 (b), or any continuances of that time limit, the plaintiff or petitioner  
24 may move for sanctions, and the court may, upon that motion,  
25 grant appropriate sanctions.

26 (e) The record of proceedings shall include, but is not limited  
27 to, all of the following items:

28 (1) All project application materials.

29 (2) All staff reports and related documents prepared by the  
30 respondent public agency with respect to its compliance with the  
31 substantive and procedural requirements of this division and with  
32 respect to the action on the project.

33 (3) All staff reports and related documents prepared by the  
34 respondent public agency and written testimony or documents  
35 submitted by any person relevant to any findings or statement of  
36 overriding considerations adopted by the respondent agency  
37 pursuant to this division.

38 (4) Any transcript or minutes of the proceedings at which the  
39 decisionmaking body of the respondent public agency heard  
40 testimony on, or considered any environmental document on, the

1 project, and any transcript or minutes of proceedings before any  
2 advisory body to the respondent public agency that were presented  
3 to the decisionmaking body prior to action on the environmental  
4 documents or on the project.

5 (5) All notices issued by the respondent public agency to comply  
6 with this division or with any other law governing the processing  
7 and approval of the project.

8 (6) All written comments received in response to, or in  
9 connection with, environmental documents prepared for the project,  
10 including responses to the notice of preparation.

11 (7) All written evidence or correspondence submitted to, or  
12 transferred from, the respondent public agency with respect to  
13 compliance with this division or with respect to the project.

14 (8) Any proposed decisions or findings submitted to the  
15 decisionmaking body of the respondent public agency by its staff,  
16 or the project proponent, project opponents, or other persons.

17 (9) The documentation of the final public agency decision,  
18 including the final environmental impact report, mitigated negative  
19 declaration, or negative declaration, and all documents, in addition  
20 to those referenced in paragraph (3), cited or relied on in the  
21 findings or in a statement of overriding considerations adopted  
22 pursuant to this division.

23 (10) Any other written materials relevant to the respondent  
24 public agency's compliance with this division or to its decision on  
25 the merits of the project, including the initial study, any drafts of  
26 any environmental document, or portions thereof, that have been  
27 released for public review, and copies of studies or other documents  
28 relied upon in any environmental document prepared for the project  
29 and either made available to the public during the public review  
30 period or included in the respondent public agency's files on the  
31 project, and all internal agency communications, including staff  
32 notes and memoranda related to the project or to compliance with  
33 this division.

34 (11) The full written record before any inferior administrative  
35 decisionmaking body whose decision was appealed to a superior  
36 administrative decisionmaking body prior to the filing of litigation.

37 (f) In preparing the record of proceedings, the party preparing  
38 the record shall strive to do so at reasonable cost in light of the  
39 scope of the record.

1 (g) The clerk of the superior court shall prepare and certify the  
2 clerk's transcript on appeal not later than 60 days from the date  
3 that the notice designating the papers or records to be included in  
4 the clerk's transcript was filed with the superior court, if the party  
5 or parties pay any costs or fees for the preparation of the clerk's  
6 transcript imposed in conformance with any law or rules of court.  
7 Nothing in this subdivision precludes an election to proceed by  
8 appendix, as provided in Rule 8.124 of the California Rules of  
9 Court.

10 (h) Extensions of the period for the filing of any brief on appeal  
11 may be allowed only by stipulation of the parties or by order of  
12 the court for good cause shown. Extensions for the filing of a brief  
13 on appeal shall be limited to one 30-day extension for the  
14 preparation of an opening brief, and one 30-day extension for the  
15 preparation of a responding brief, except that the court may grant  
16 a longer extension or additional extensions if it determines that  
17 there is a substantial likelihood of settlement that would avoid the  
18 necessity of completing the appeal.

19 (i) At the completion of the filing of briefs on appeal, the  
20 appellant shall notify the court of the completion of the filing of  
21 briefs, whereupon the clerk of the reviewing court shall set the  
22 appeal for hearing on the first available calendar date.

23 SEC. 12. Section 21167.6.2 is added to the Public Resources  
24 Code, to read:

25 21167.6.2. (a) (1) Notwithstanding Section 21167.6, for a  
26 project described in Section 21167.6.3, the lead agency, upon the  
27 written request of a project applicant received no later than 30 days  
28 after the date that the lead agency makes a determination pursuant  
29 to subdivision (a) of Section 21080.1, Section 21094.5, or Chapter  
30 4.2 (commencing with Section 21155), shall prepare and certify  
31 the record of proceedings in the following manner:

32 (A) The lead agency for the project shall prepare the record of  
33 proceedings pursuant to this division concurrently with the  
34 administrative process.

35 (B) All documents and other materials placed in the record of  
36 proceedings shall be posted on, and be downloadable from, an  
37 Internet Web site maintained by the lead agency commencing with  
38 the date of the release of the draft environmental document for a  
39 project specified in Section 21167.6.3. If the lead agency cannot  
40 maintain an Internet Web site with the information required

1 pursuant to this section, the lead agency shall provide a link on  
2 the agency's Internet Web site to that information.

3 (C) The lead agency shall make available to the public in a  
4 readily accessible electronic format the draft environmental  
5 document for a project specified in Section 21167.6.3, and all other  
6 documents submitted to, cited by, or relied on by the lead agency,  
7 in the preparation of the draft environmental document for a project  
8 specified in Section 21167.6.3.

9 (D) A document prepared by the lead agency or submitted by  
10 the applicant after the date of the release of the draft environmental  
11 document for a project specified in Section 21167.6.3 that is a part  
12 of the record of the proceedings shall be made available to the  
13 public in a readily accessible electronic format within five business  
14 days after the document is released or received by the lead agency.

15 (E) The lead agency shall encourage written comments on the  
16 project to be submitted in a readily accessible electronic format,  
17 and shall make any comment available to the public in a readily  
18 accessible electronic format within five business days of its receipt.

19 (F) Within seven business days after the receipt of any comment  
20 that is not in an electronic format, the lead agency shall convert  
21 that comment into a readily accessible electronic format and make  
22 it available to the public in that format.

23 (G) The lead agency shall certify the record of proceedings  
24 within 30 days after the filing of the notice required pursuant to  
25 Section 21108 or 21152.

26 (2) This subdivision does not require the disclosure or posting  
27 of any trade secret as defined in Section 6254.7 of the Government  
28 Code, information about the location of archaeological sites or  
29 sacred lands, or any other information that is subject to the  
30 disclosure restrictions of Section 6254 of the Government Code.

31 (b) Any dispute regarding the record of proceedings shall be  
32 resolved by the court in an action or proceeding brought pursuant  
33 to subdivision (b) or (c) of Section 21167.

34 (c) The content of the record of proceedings shall be as specified  
35 in subdivision (e) of Section 21167.6.

36 (d) Subdivisions (g) to (i), inclusive, of Section 21167.6 are  
37 applicable to an appeal of a decision in an action or proceeding  
38 brought pursuant to subdivision (b) or (c) of Section 21167.

39 (e) The negative declaration, mitigated negative declaration,  
40 draft and final environmental impact report, or other environmental

1 document for a project specified in Section 21167.6.3 shall include  
2 a notice in no less than 12-point type stating the following:

3  
4 “THIS NEGATIVE DECLARATION, MITIGATED  
5 NEGATIVE DECLARATION, EIR, OR ENVIRONMENTAL  
6 DOCUMENT IS SUBJECT TO SECTIONS 21167.6.2 AND  
7 21167.6.3 OF THE PUBLIC RESOURCES CODE, WHICH  
8 REQUIRES THE RECORD OF PROCEEDINGS FOR THIS  
9 PROJECT TO BE PREPARED CONCURRENTLY WITH THE  
10 ADMINISTRATIVE PROCESS, DOCUMENTS PREPARED  
11 BY, OR SUBMITTED TO, THE LEAD AGENCY TO BE  
12 POSTED ON THE LEAD AGENCY’S INTERNET WEB SITE,  
13 AND THE LEAD AGENCY TO ENCOURAGE WRITTEN  
14 COMMENTS ON THE PROJECT TO BE SUBMITTED TO THE  
15 LEAD AGENCY IN A READILY ACCESSIBLE ELECTRONIC  
16 FORMAT.”

17  
18 (f) For a lead agency that is a state agency, this section shall  
19 apply if the state agency consents to the preparation of the record  
20 of proceedings pursuant to this section.

21 SEC. 13. Section 21167.6.3 is added to the Public Resources  
22 Code, to read:

23 21167.6.3. (a) Section 21167.6.2 applies to the record of  
24 proceedings for the preparation of a negative declaration, mitigated  
25 negative declaration, environmental impact report, or other  
26 environmental document prepared for any of the following:

27 (1) A project determined to be of statewide, regional, or  
28 areawide environmental significance pursuant to subdivision (d)  
29 of Section 21083.

30 (2) A project subject to Section 21094.5 of Chapter 4.2  
31 (commencing with Section 21155).

32 (3) (A) A project, other than those described in paragraph (1)  
33 or (2), for which the project applicant has requested for, and the  
34 lead agency consents to, the preparation for the record of  
35 proceeding pursuant to this section and Section 21167.6.2.

36 (B) The lead agency shall respond to a request by the project  
37 applicant within 10 business days from the date that the request  
38 pursuant to subdivision (a) of Section 21167.6.2 is received by the  
39 lead agency.

1 (C) A project applicant and the lead agency may mutually agree,  
2 in writing, to extend the time period for the lead agency to respond  
3 pursuant to subparagraph (B), but they shall not extend that period  
4 beyond the commencement of the public review period for the  
5 proposed negative declaration, mitigated negative declaration,  
6 draft environmental impact report, or other environmental  
7 document.

8 (D) The request to prepare a record of proceedings pursuant to  
9 this paragraph shall be deemed denied if the lead agency fails to  
10 respond within 10 business days of receiving the request or within  
11 the time period agreed upon pursuant to subparagraph (C),  
12 whichever ends later.

13 (b) The written request of the applicant submitted pursuant to  
14 subdivision (a) of Section 21167.6.2 shall include an agreement  
15 to pay all of the lead agency's costs of preparing and certifying  
16 the record of proceedings pursuant to Section 21167.6.2 and  
17 complying with the requirements of this section and Section  
18 21167.6.2 in a manner specified by the lead agency.

19 (c) The cost of preparing the record of proceedings pursuant to  
20 Section 21167.6.2 and complying with the requirements of this  
21 section and Section 21167.6.2 are not recoverable costs pursuant  
22 to ~~Section 1033 21167.6 or Sections 1032 to 1033.5, inclusive,~~ of  
23 the Code of Civil Procedure.

24 SEC. 14. Section 21167.7 of the Public Resources Code is  
25 amended to read:

26 21167.7. (a) Every person who brings an action pursuant to  
27 Section 21167 shall comply with the requirements of Section 388  
28 of the Code of Civil Procedure. Every such person shall also furnish  
29 pursuant to Section 388 of the Code of Civil Procedure a copy of  
30 any amended or supplemental pleading filed by such person in  
31 such action to the Attorney General. No relief, temporary or  
32 permanent, shall be granted until a copy of the pleading has been  
33 furnished to the Attorney General in accordance with such  
34 requirements.

35 (b) Notwithstanding Section 10231.5 of the Government Code,  
36 ~~the Attorney General~~ *California Research Bureau, subject to the*  
37 *availability of funds and of the information described in*  
38 *paragraphs (1) to (3), inclusive,* shall annually submit to the  
39 Legislature a report, ~~pursuant to~~ *in compliance with* Section 9795  
40 of the Government Code, with information on actions or

1 proceedings brought pursuant to this division that includes, but is  
2 not limited to, all of the following:

3 (1) The names of the plaintiffs or petitioners, the respondents  
4 or defendants, and the real parties in interest.

5 (2) The type of action or proceeding filed and the alleged  
6 violation.

7 (3) The disposition, if any, of the action or proceeding.

8 SEC. 15. Section 21168.9 of the Public Resources Code is  
9 amended to read:

10 21168.9. (a) If a court finds, as a result of a trial, hearing, or  
11 remand from an appellate court, that any determination, finding,  
12 or decision of a public agency has been made without compliance  
13 with this division, the court shall ~~issue~~ *enter an order that includes*  
14 *issuing* a peremptory writ of mandate specifying what action by  
15 the public agency is necessary to comply with this division,  
16 including one or more of the following:

17 (1) A mandate that the determination, finding, or decision be  
18 voided by the public agency, in whole or in part.

19 (2) If the court finds that a specific project activity or activities  
20 will prejudice the consideration or implementation of particular  
21 mitigation measures or alternatives to the project, a mandate that  
22 the public agency and any real parties in interest suspend any or  
23 all specific project activity or activities, pursuant to the  
24 determination, finding, or decision, that could result in an adverse  
25 change or alteration to the physical environment, until the public  
26 agency has taken any actions that may be necessary to bring the  
27 determination, finding, or decision into compliance with this  
28 division.

29 (3) A mandate that the public agency take specific action as  
30 may be necessary to bring the determination, finding, or decision  
31 into compliance with this division.

32 (b) (1) A writ pursuant to subdivision (a) shall include only  
33 those mandates that are necessary to achieve compliance with this  
34 division and only those specific project activities in noncompliance  
35 with this division.

36 ~~(2) In the case of a negative declaration, mitigated negative~~  
37 ~~declaration, or environmental impact report found not to be in~~  
38 ~~compliance with this division, the writ may direct the agency to~~  
39 ~~revise only those portions of the document found not to be in~~  
40 ~~compliance with this division.~~

1     ~~(3)~~  
 2     (2) The writ shall be limited to that portion of a determination,  
 3 finding, or decision, or the specific project activity ~~or activities,~~  
 4 ~~or document~~ *activities* found to be in noncompliance only if a court  
 5 finds all of the following:

6     (A) The portion or specific project activity or activities ~~or~~  
 7 ~~document~~ is severable.

8     (B) Severance will not prejudice complete and full compliance  
 9 with this division.

10    (C) The court has not found the remainder of the project ~~or~~  
 11 ~~document~~ to be in noncompliance with this division.

12    ~~(4)~~  
 13    (3) A writ shall include a time by which the agency shall make  
 14 an initial return of the writ.

15    ~~(5)~~  
 16    (4) The trial court shall retain jurisdiction over the public  
 17 agency’s proceedings by way of a return to the peremptory writ  
 18 until the court has determined that the public agency has complied  
 19 with this division.

20    (c) An initial return to a writ shall describe all of the following:

21    (1) The actions the agency will take to come into compliance  
 22 with the writ and this division.

23    (2) A schedule for these actions.

24    (3) In the case of a negative declaration, mitigated negative  
 25 declaration, or environmental impact report found not to be in  
 26 compliance with this division, the public comment period  
 27 applicable to the agency’s revision of the document.

28    (d) This section does not authorize a court to direct a public  
 29 agency to exercise its discretion in any particular way. Except as  
 30 expressly provided in this section, this section is not intended to  
 31 limit the equitable powers of the court.

32    (e) This section does not affect the authority of a court to allow  
 33 those determinations, findings, or decisions of a public agency that  
 34 are not found to be in violation of this division to proceed, if  
 35 allowing the public agency to proceed does not, in any manner,  
 36 prejudice complete and full compliance with this division.

37    SEC. 16. It is the intent of the Legislature to ~~appropriate~~  
 38 *appropriate* the sum of thirty million dollars (\$30,000,000) in the  
 39 annual Budget Act to the Strategic Growth Council to provide  
 40 competitive grants to local agencies for planning activities pursuant

1 to Chapter 4.2 (commencing with Section 21155) of Division 13  
2 of the Public Resources Code.

3 SEC. 17. No reimbursement is required by this act pursuant to  
4 Section 6 of Article XIII B of the California Constitution because  
5 a local agency or school district has the authority to levy service  
6 charges, fees, or assessments sufficient to pay for the program or  
7 level of service mandated by this act, within the meaning of Section  
8 17556 of the Government Code.

9 However, if the Commission on State Mandates determines that  
10 this act contains other costs mandated by the state, reimbursement  
11 to local agencies and school districts for those costs shall be made  
12 pursuant to Part 7 (commencing with Section 17500) of Division  
13 4 of Title 2 of the Government Code.

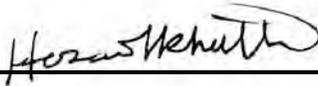
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**DATE:** September 12, 2013

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

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

**SUBJECT:** SB 99: (Committee on Budget and Fiscal Review) Budget Bill Appropriation: Active Transportation Program

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**

Support.

**EXECUTIVE SUMMARY:**

*Since the August 2013 meetings of the Regional Council; Executive/Administration Committee; and Legislative/Communications and Membership Committee, the statewide Active Transportation Program (ATP) has been introduced into SB 99, a Budget Appropriations Trailer Bill, which reflects negotiated provisions between state and local stakeholders concerning active transportation. The bill allocates state and federal funds for active transportation already in the budget and does not incur any additional budgetary costs or extra expenditure. Staff recommends support of the bill which is consistent with the active transportation policies contained within the 2012-2035 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS).*

**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:**

SB 99 creates the 'Active Transportation Program' (ATP) which would distribute funding for human-powered transportation projects and programs. This bill defines the goals of the Active Transportation Program as: increasing the proportion of trips accomplished by biking and walking; increasing safety and mobility for non-motorized users; advancing active transportation efforts of regional agencies to achieve the greenhouse gas reduction goals as established pursuant to SB 375; enhancing public health, including the reduction of childhood obesity through the use of program funding, including the use of the "Safe Routes to Schools" programs; and ensuring that disadvantaged communities fully share in the benefit of the program. This bill specifies funding for the Active Transportation Program by:

- Stating that the program is funded with all federal Transportation Alternative Program funding, except funds for recreational trails, \$21 million of federal Highway Safety Improvement funds, and State Highway Account funds;
- Allocating 40% of the funding to metropolitan planning organizations (MPOs) in urban areas with populations above 200,000 in proportion to their relative share of populations;

# REPORT

- Allocating 10% of funding for small urban and rural regions with populations below 200,000; and
- Allocating half the funding to the California Transportation Commission (CTC) program for projects on a statewide basis, subject to guidelines.

The bill requires that the CTC develop guidelines and project selection criteria based upon the goals of the program by:

- Convening a working group of stakeholders to develop the guidelines;
- Requiring a minimum of 25% of overall Active Transportation Program funds benefit disadvantaged communities, as defined in the guidelines;
- Specifying that the guidelines must be consistent with the goals of the Active Transportation Program; and
- Providing a list of eligible project types and project selection criteria that must be incorporated in the guidelines.

In addition to numerous technical provisions, the bill consolidates the Bicycle Transportation Account and the Bikeway Account with the State Highway Account on July 1, 2014. It contains the re-appropriation of \$10 million from the Environmental Enhancement and Mitigation Program Fund to the Secretary of the Natural Resources Agency for grants to support local environmental enhancement and mitigation programs.

## DISCUSSION

The new Active Transportation Program will divide the \$129.5 million for active transportation projects between the state and regions subject to guidelines that will be adopted by the CTC. This replaces the current system of small-dedicated grant programs, which fund programs like Safe Routes to Schools, bicycle programs, and recreational trails. The intent of combining this funding is to improve the flexibility of these funds and reduce the administrative burden of numerous independent grant programs.

The Active Transportation Program reflects compromises reached with various stakeholders regarding funding and include:

- Funding for the Environmental Enhancement and Mitigation Program continues to remain a stand-alone program administered by the Natural Resources Agency instead of being consolidated in the Active Transportation Program;
- The “Safe Routes to Schools” program is guaranteed at least \$24 million of funding from the Statewide Active Transportation Program funds for three (3) years. Of this amount, at least \$7.2 million is available for non-infrastructure program needs including the continuation of technical assistance by the state.
- Includes a requirement that 25% of all program funds benefit disadvantaged communities;
- The Department of Parks and Recreation will retain \$3.4 million of federal funds for recreational trails.

The ATP statutory language is also included in AB 105 and the corresponding appropriations changes are included in SB 95 and AB 101. The bills have passed fiscal committees by deadline and are awaiting floor action. Staff recommends support of SB 99.

AMENDED IN ASSEMBLY SEPTEMBER 3, 2013

AMENDED IN ASSEMBLY AUGUST 27, 2013

**SENATE BILL**

**No. 99**

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**Introduced by Committee on Budget and Fiscal Review**

January 10, 2013

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An act to amend Sections 164.56 and 2106 of, to amend the heading of Chapter 3 (commencing with Section 2100) of Division 3 of, to amend and repeal Sections 892.2, 892.4, 892.5, 892.6, 893, 893.2, 893.4, 893.6, 894, 894.2, and 2333.5 of, and to add Chapter 8 (commencing with Section 2380) to Division 3 of, the Streets and Highways Code, relating to transportation, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 99, as amended, Committee on Budget and Fiscal Review. Active Transportation Program.

Existing law establishes various transportation programs and associated funds and accounts, including the Bicycle Transportation Account, the Bikeway Account, and the Safe Routes to School Program. Existing federal law, pursuant to the Moving Ahead for Progress in the 21st Century Act, reconstitutes various federal transportation funding programs, including the former Transportation Enhancements Program, and creates the new federal Transportation Alternatives Program comprised of various former separate programs.

This bill would create the Active Transportation Program in the Department of Transportation, to be funded in the annual Budget Act from specified federal and state transportation funds, including 100% of the available federal Transportation Alternatives Program funds and federal Recreational Trails Program funds, except as specified,

\$21,000,000 of federal Highway Safety Improvement Program funds or other federal funds, a specified amount of fuel tax revenues from the Highway Users Tax Account and the State Highway Account, and from other available funds. The bill would provide for funds to be allocated to eligible projects by the California Transportation Commission, with 40% of available funds to be made available for programming by metropolitan planning organizations in urbanized areas with a population greater than 200,000, 10% for small urban and rural regions, and 50% on a statewide basis, with all awards to be made competitively, as specified. The bill would include among the authorized activities for the Active Transportation Program certain existing activities of the above-referenced programs and accounts. The bill would also add new authorized activities, as specified. The bill would require the commission to develop guidelines and procedures, including project selection criteria, for the program in consultation with various agencies and interested parties. The bill would require the commission to initially adopt a 2-year program of projects for the program, with subsequent 4-year programs thereafter. The bill would correspondingly eliminate the Bicycle Transportation Account, the Bikeway Account, and the Safe Routes to School Program as separate programs. The bill would require the Commission, no later than 45 days prior to adopting the initial set of final guidelines for the Active Transportation Program, to submit the draft guidelines to the Joint Legislative Budget Committee.

This bill would provide that no additional funds shall be transferred to the Bicycle Transportation Account. The bill would transfer the remaining assets and liabilities of the Bicycle Transportation Account and the Bikeway Account to the State Highway Account on July 1, 2014, and would provide that various provisions governing these programs become inoperative on July 1, 2014, and would be repealed on January 1, 2015.

Existing law creates the Environmental Enhancement and Mitigation Program Fund, and states the intent of the Legislature to allocate \$10,000,000 annually to the fund, for expenditure on grants to specified agencies and nonprofit entities for various types of projects that are directly or indirectly related to the environmental impact of transportation facilities, including, among other things, highway landscaping and roadside recreational opportunities.

This bill would instead state the intent of the Legislature to allocate \$7,000,000 annually to the fund, and would delete the reference to projects for highway landscaping and roadside recreational opportunities.

The bill would appropriate \$10,000,000 from the Environmental Enhancement and Mitigation Program Fund to the Secretary of the Natural Resources Agency for grants awarded by the secretary to support local environmental enhancement and mitigation programs.

This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 164.56 of the Streets and Highways Code  
2 is amended to read:

3 164.56. (a) It is the intent of the Legislature to allocate seven  
4 million dollars (\$7,000,000) annually to the Environmental  
5 Enhancement and Mitigation Program Fund, which is hereby  
6 created.

7 (b) Local, state, and federal agencies and nonprofit entities may  
8 apply for and may receive grants, not to exceed five million dollars  
9 (\$5,000,000) for any single grant, to undertake environmental  
10 enhancement and mitigation projects that are directly or indirectly  
11 related to the environmental impact of modifying existing  
12 transportation facilities or for the design, construction, or expansion  
13 of new transportation facilities.

14 (c) Projects eligible for funding include, but are not limited to,  
15 all of the following:

16 (1) Urban forestry projects designed to offset vehicular  
17 emissions of carbon dioxide.

18 (2) Acquisition or enhancement of resource lands to mitigate  
19 the loss of, or the detriment to, resource lands lying within the  
20 right-of-way acquired for proposed transportation improvements.

21 (3) Projects to mitigate the impact of proposed transportation  
22 facilities or to enhance the environment, where the ability to  
23 effectuate the mitigation or enhancement measures is beyond the  
24 scope of the lead agency responsible for assessing the  
25 environmental impact of the proposed transportation improvement.

26 (d) Grant proposals shall be submitted to the Resources Agency  
27 for evaluation in accordance with procedures and criteria prescribed  
28 by the Resources Agency. The Resources Agency shall evaluate  
29 proposals submitted to it and prepare a list of proposals

1 recommended for funding. The list may be revised at any time.  
2 Prior to including a proposal on the list, the Resources Agency  
3 shall make a finding that the proposal is eligible for funding  
4 pursuant to subdivision (f).

5 (e) Within the fiscal limitations of subdivisions (a) and (b), the  
6 commission shall annually award grants to fund proposals that are  
7 included on the list prepared by the Resources Agency pursuant  
8 to subdivision (d).

9 (f) Projects funded pursuant to this section shall be projects that  
10 contribute to mitigation of the environmental effects of  
11 transportation facilities, as provided for by Section 1 of Article  
12 XIX of the California Constitution.

13 SEC. 2. Section 892.2 of the Streets and Highways Code is  
14 amended to read:

15 892.2. (a) The Bicycle Transportation Account is continued  
16 in existence in the State Transportation Fund, and, notwithstanding  
17 Section 13340 of the Government Code, the money in the account  
18 is continuously appropriated to the department for expenditure for  
19 the purposes specified in Section 892.4. Unexpended moneys shall  
20 be retained in the account for use in subsequent fiscal years.

21 (b) Any reference in law or regulation to the Bicycle Lane  
22 Account is a reference to the Bicycle Transportation Account.

23 (c) All assets and liabilities of the Bicycle Transportation  
24 Account shall become assets and liabilities of the State Highway  
25 Account before July 1, 2014.

26 (d) This section shall become inoperative on July 1, 2014, and,  
27 as of January 1, 2015, is repealed, unless a later enacted statute,  
28 that becomes operative on or before January 1, 2015, deletes or  
29 extends the dates on which it becomes inoperative and is repealed.

30 SEC. 3. Section 892.4 of the Streets and Highways Code is  
31 amended to read:

32 892.4. The department shall allocate and disburse moneys from  
33 the Bicycle Transportation Account according to the following  
34 priorities:

35 (a) To the department, the amounts necessary to administer this  
36 article, not to exceed 1 percent of the funds expended per year.

37 (b) To counties and cities, for bikeways and related facilities,  
38 planning, safety and education, in accordance with Section 891.4.

39 (c) This section shall become inoperative on July 1, 2014, and,  
40 as of January 1, 2015, is repealed, unless a later enacted statute,

1 that becomes operative on or before January 1, 2015, deletes or  
2 extends the dates on which it becomes inoperative and is repealed.

3 SEC. 4. Section 892.5 of the Streets and Highways Code is  
4 amended to read:

5 892.5. The Bikeway Account, created in the State  
6 Transportation Fund by Chapter 1235 of the Statutes of 1975, is  
7 continued in effect, and, notwithstanding Section 13340 of the  
8 Government Code, money in the account is hereby continuously  
9 appropriated to the department for expenditure for the purposes  
10 specified in this chapter.

11 All assets and liabilities of the Bikeway Account shall become  
12 assets and liabilities of the State Highway Account before July 1,  
13 2014.

14 This section shall become inoperative on July 1, 2014, and, as  
15 of January 1, 2015, is repealed, unless a later enacted statute, that  
16 becomes operative on or before January 1, 2015, deletes or extends  
17 the dates on which it becomes inoperative and is repealed.

18 SEC. 5. Section 892.6 of the Streets and Highways Code is  
19 amended to read:

20 892.6. The Legislature finds and declares that the construction  
21 of bikeways pursuant to this article constitutes a highway purpose  
22 under Article XIX of the California Constitution and justifies the  
23 expenditure of highway funds therefor.

24 This section shall become inoperative on July 1, 2014, and, as  
25 of January 1, 2015, is repealed, unless a later enacted statute, that  
26 becomes operative on or before January 1, 2015, deletes or extends  
27 the dates on which it becomes inoperative and is repealed.

28 SEC. 6. Section 893 of the Streets and Highways Code is  
29 amended to read:

30 893. The department shall disburse the money from the Bicycle  
31 Transportation Account pursuant to Section 891.4 for projects that  
32 improve the safety and convenience of bicycle commuters,  
33 including, but not limited to, any of the following:

- 34 (a) New bikeways serving major transportation corridors.
- 35 (b) New bikeways removing travel barriers to potential bicycle  
36 commuters.
- 37 (c) Secure bicycle parking at employment centers, park-and-ride  
38 lots, rail and transit terminals, and ferry docks and landings.
- 39 (d) Bicycle-carrying facilities on public transit vehicles.

1 (e) Installation of traffic control devices to improve the safety  
2 and efficiency of bicycle travel.

3 (f) Elimination of hazardous conditions on existing bikeways.

4 (g) Planning.

5 (h) Improvement and maintenance of bikeways.

6 In recommending projects to be funded, due consideration shall  
7 be given to the relative cost effectiveness of proposed projects.

8 This section shall become inoperative on July 1, 2014, and, as  
9 of January 1, 2015, is repealed, unless a later enacted statute, that  
10 becomes operative on or before January 1, 2015, deletes or extends  
11 the dates on which it becomes inoperative and is repealed.

12 SEC. 7. Section 893.2 of the Streets and Highways Code is  
13 amended to read:

14 893.2. The department shall not finance projects with the  
15 money in accounts continued in existence pursuant to this article  
16 which could be financed appropriately pursuant to Article 2  
17 (commencing with Section 887), or fully financed with federal  
18 financial assistance.

19 This section shall become inoperative on July 1, 2014, and, as  
20 of January 1, 2015, is repealed, unless a later enacted statute, that  
21 becomes operative on or before January 1, 2015, deletes or extends  
22 the dates on which it becomes inoperative and is repealed.

23 SEC. 8. Section 893.4 of the Streets and Highways Code is  
24 amended to read:

25 893.4. If available funds are insufficient to finance completely  
26 any project whose eligibility is established pursuant to Section  
27 893, the project shall retain its priority for allocations in subsequent  
28 fiscal years.

29 This section shall become inoperative on July 1, 2014, and, as  
30 of January 1, 2015, is repealed, unless a later enacted statute, that  
31 becomes operative on or before January 1, 2015, deletes or extends  
32 the dates on which it becomes inoperative and is repealed.

33 SEC. 9. Section 893.6 of the Streets and Highways Code is  
34 amended to read:

35 893.6. The department shall make a reasonable effort to  
36 disburse funds in general proportion to population. However, no  
37 applicant shall receive more than 25 percent of the total amounts  
38 transferred to the Bicycle Transportation Account in a single fiscal  
39 year.

1 This section shall become inoperative on July 1, 2014, and, as  
2 of January 1, 2015, is repealed, unless a later enacted statute, that  
3 becomes operative on or before January 1, 2015, deletes or extends  
4 the dates on which it becomes inoperative and is repealed.

5 SEC. 10. Section 894 of the Streets and Highways Code is  
6 amended to read:

7 894. The department may enter into an agreement with any  
8 city or county concerning the handling and accounting of the  
9 money disbursed pursuant to this article, including, but not limited  
10 to, procedures to permit prompt payment for the work  
11 accomplished.

12 This section shall become inoperative on July 1, 2014, and, as  
13 of January 1, 2015, is repealed, unless a later enacted statute, that  
14 becomes operative on or before January 1, 2015, deletes or extends  
15 the dates on which it becomes inoperative and is repealed.

16 SEC. 11. Section 894.2 of the Streets and Highways Code is  
17 amended to read:

18 894.2. The department, in cooperation with county and city  
19 governments, shall adopt the necessary guidelines for implementing  
20 this article.

21 This section shall become inoperative on July 1, 2014, and, as  
22 of January 1, 2015, is repealed, unless a later enacted statute, that  
23 becomes operative on or before January 1, 2015, deletes or extends  
24 the dates on which it becomes inoperative and is repealed.

25 SEC. 12. The heading of Chapter 3 (commencing with Section  
26 2100) of Division 3 of the Streets and Highways Code is amended  
27 to read:

28  
29 CHAPTER 3. HIGHWAY USERS TAX ACCOUNT  
30

31 SEC. 13. Section 2106 of the Streets and Highways Code is  
32 amended to read:

33 2106. Notwithstanding Section 13340 of the Government Code,  
34 a sum equal to the net revenue derived from one and four  
35 one-hundredths cent (\$0.0104) per gallon tax under the Motor  
36 Vehicle Fuel License Tax Law (Part 2 (commencing with Section  
37 7301) of Division 2 of the Revenue and Taxation Code) shall be  
38 apportioned monthly from the Highway Users Tax Account in the  
39 Transportation Tax Fund among the counties and cities as follows:

1 (a) Four hundred dollars (\$400) per month shall be apportioned  
2 to each city and city and county and eight hundred dollars (\$800)  
3 per month shall be apportioned to each county and city and county.

4 (b) On the last day of each month, the sum of six hundred  
5 thousand dollars (\$600,000) shall be transferred to the State  
6 Highway Account in the State Transportation Fund for the Active  
7 Transportation Program pursuant to Chapter 8 (commencing with  
8 Section 2380). For each month in the 2013–14 fiscal year that has  
9 passed prior to the enactment of the bill adding this sentence, six  
10 hundred thousand dollars (\$600,000) shall be immediately  
11 transferred from the Bicycle Transportation Account to the State  
12 Highway Account in the State Transportation Fund for the Active  
13 Transportation Program, less any amount already expended for  
14 that program from the Bicycle Transportation Account during the  
15 2013–14 fiscal year.

16 (c) The balance shall be apportioned, as follows:

17 (1) A base sum shall be computed for each county by using the  
18 same proportions of fee-paid and exempt vehicles as are established  
19 for purposes of apportionment of funds under subdivision (d) of  
20 Section 2104.

21 (2) For each county, the percentage of the total assessed  
22 valuation of tangible property subject to local tax levies within the  
23 county which is represented by the assessed valuation of tangible  
24 property outside the incorporated cities of the county shall be  
25 applied to its base sum, and the resulting amount shall be  
26 apportioned to the county. The assessed valuation of taxable  
27 tangible property, for purposes of this computation, shall be that  
28 most recently used for countywide tax levies as reported to the  
29 Controller by the State Board of Equalization. If an incorporation  
30 or annexation is legally completed following the base sum  
31 computation, the new city's assessed valuation shall be deducted  
32 from the county's assessed valuation, the estimate of which may  
33 be provided by the State Board of Equalization.

34 (3) The difference between the base sum for each county and  
35 the amount apportioned to the county shall be apportioned to the  
36 cities of that county in the proportion that the population of each  
37 city bears to the total population of all the cities in the county.  
38 Populations used for determining apportionment of money under  
39 Section 2107 are to be used for purposes of this section.

1 (d) (1) Transfers of revenues from the Highway Users Tax  
2 Account to counties or cities pursuant to this section collected  
3 during the months of March, April, May, June, and July of 2008,  
4 shall be made with the transfer of August 2008 revenues in  
5 September of 2008. This suspension shall not apply to a county  
6 with a population of less than 40,000.

7 (2) For the purpose of meeting the cash obligations associated  
8 with ongoing budgeted costs, a city or county may make use of  
9 any cash balance in the city account that is designated for the  
10 receipt of state funds allocated for local streets and roads or the  
11 county road fund, including that resulting from the receipt of funds  
12 pursuant to the Highway Safety, Traffic Reduction, Air Quality,  
13 and Port Security Bond Act of 2006 (Chapter 12.49 (commencing  
14 with Section 8879.20) of Division 1 of Title 2 of the Government  
15 Code (hereafter bond act)) for local streets and roads maintenance,  
16 during the period of this suspension, without the use of this cash  
17 being reflected as an expenditure of bond act funds, provided the  
18 cash is replaced once this suspension is repaid in September of  
19 2008. Counties and cities may accrue the revenue received in  
20 September 2008 as repayment of these suspensions for the months  
21 of April, May, and June of 2008 back to the 2007–08 fiscal year.  
22 Nothing in this paragraph shall change the fact that expenditures  
23 must be accrued and reflected from the appropriate funding sources  
24 for which the moneys were received and meet all the requirements  
25 of those funding sources.

26 (e) (1) The transfer of revenues from the Highway Users Tax  
27 Account to counties or cities pursuant to this section collected  
28 during the months of January, February, and March 2009, shall be  
29 made with the transfer of April 2009 revenues in May 2009.

30 (2) For the purpose of meeting the cash obligations associated  
31 with ongoing budgeted costs, a city or county may make use of  
32 any cash balance in the city account that is designated for the  
33 receipt of state funds allocated for local streets and roads or the  
34 county road fund, including that resulting from the receipt of funds  
35 pursuant to the Highway Safety, Traffic Reduction, Air Quality,  
36 and Port Security Bond Act of 2006 (Chapter 12.49 (commencing  
37 with Section 8879.20) of Division 1 of Title 2 of the Government  
38 Code (bond act)) for local streets and roads maintenance, during  
39 the period of this suspension, and the use of this cash shall not be  
40 considered as an expenditure of bond act funds, if the cash is

1 replaced when the payments that are suspended pursuant to this  
2 subdivision are repaid in May 2009.

3 (3) This subdivision shall not affect any requirement that an  
4 expenditure is required to be accrued and reflected from the  
5 appropriate funding source for which the money was received and  
6 to meet all the requirements of its funding source.

7 SEC. 14. Section 2333.5 of the Streets and Highways Code is  
8 amended to read:

9 2333.5. (a) The department, in consultation with the  
10 Department of the California Highway Patrol, shall establish and  
11 administer a “Safe Routes to School” construction program for  
12 construction of bicycle and pedestrian safety and traffic calming  
13 projects.

14 (b) The department shall award grants to local governmental  
15 agencies under the program based on the results of a statewide  
16 competition that requires submission of proposals for funding and  
17 rates those proposals on all of the following factors:

18 (1) Demonstrated needs of the applicant.

19 (2) Potential of the proposal for reducing child injuries and  
20 fatalities.

21 (3) Potential of the proposal for encouraging increased walking  
22 and bicycling among students.

23 (4) Identification of safety hazards.

24 (5) Identification of current and potential walking and bicycling  
25 routes to school.

26 (6) Use of a public participation process, including, but not  
27 limited to, a public meeting that satisfies all of the following:

28 (A) Involves the public, schools, parents, teachers, local  
29 agencies, the business community, key professionals, and others.

30 (B) Identifies community priorities and gathers community  
31 input to guide the development of projects included in the proposal.

32 (C) Ensures that community priorities are reflected in the  
33 proposal.

34 (D) Secures support for the proposal by relevant stakeholders.

35 (7) Benefit to a low-income school, defined for purposes of this  
36 section to mean a school where at least 75 percent of students are  
37 eligible to receive free or reduced-price meals under the National  
38 School Lunch Program.

39 (c) Any annual budget allocation to fund grants described in  
40 subdivision (b) shall be in addition to any federal funding received

1 by the state that is designated for “Safe Routes to School” projects  
2 pursuant to Section 1404 of SAFETEA-LU or any similar program  
3 funded through a subsequent transportation act.

4 (d) Any federal funding received by the state that is designated  
5 for “Safe Routes to School” projects shall be distributed by the  
6 department under the competitive grant process, consistent with  
7 all applicable federal requirements.

8 (e) Prior to the award of any construction grant or the  
9 department’s use of those funds for a “Safe Routes to School”  
10 construction project encompassing a freeway, state highway, or  
11 county road, the department shall consult with, and obtain approval  
12 from, the Department of the California Highway Patrol, ensuring  
13 that the “Safe Routes to School” proposal complements the  
14 California Highway Patrol’s Pedestrian Corridor Safety Program  
15 and is consistent with its statewide pedestrian safety statistical  
16 analysis.

17 (f) The department is encouraged to coordinate with law  
18 enforcement agencies’ community policing efforts in establishing  
19 and maintaining the “Safe Routes to School” construction program.

20 (g) In the development of guidelines and procedures governing  
21 this program, the department shall fully consider the needs of  
22 low-income schools.

23 (h) Up to 10 percent of program funds may be used to assist  
24 eligible recipients in making infrastructure improvements, other  
25 than schoolbus shelters, that create safe routes to schoolbus stops  
26 that are located outside the vicinity of schools.

27 (i) This section shall become inoperative on July 1, 2014, and,  
28 as of January 1, 2015, is repealed, unless a later enacted statute,  
29 that becomes operative on or before January 1, 2015, deletes or  
30 extends the dates on which it becomes inoperative and is repealed.

31 SEC. 15. Chapter 8 (commencing with Section 2380) is added  
32 to Division 3 of the Streets and Highways Code, to read:

33

34 CHAPTER 8. ACTIVE TRANSPORTATION PROGRAM

35

36 2380. There is hereby established the Active Transportation  
37 Program in the department for the purpose of encouraging increased  
38 use of active modes of transportation, such as biking and walking.  
39 It is the intent of the Legislature that the program achieve all of  
40 the following goals:

1 (a) Increase the proportion of trips accomplished by biking and  
2 walking.

3 (b) Increase safety and mobility for nonmotorized users.

4 (c) Advance the active transportation efforts of regional agencies  
5 to achieve greenhouse gas reduction goals as established pursuant  
6 to SB 375 (Chapter 728, Statutes of 2008) and SB 391 (Chapter  
7 585, Statutes of 2009).

8 (d) Enhance public health, including reduction of childhood  
9 obesity through the use of programs including, but not limited to,  
10 projects eligible for Safe Routes to School Program funding.

11 (e) Ensure that disadvantaged communities fully share in the  
12 benefits of the program.

13 (f) Provide a broad spectrum of projects to benefit many types  
14 of active transportation users.

15 2381. (a) The Active Transportation Program shall be funded  
16 by state and federal funds from appropriations in the annual Budget  
17 Act. Funds for the program shall be appropriated to the department,  
18 for allocation by the commission. The amount to be appropriated  
19 shall include 100 percent of the federal Transportation Alternative  
20 Program funds, except for any federal Recreational Trails Program  
21 funds appropriated to the Department of Parks and Recreation;  
22 twenty-one million dollars (\$21,000,000) of federal Highway  
23 Safety Improvement funds or other federal funds; and State  
24 Highway Account funds. Future funding may be augmented if  
25 state or federal funds increase, or if other funding sources are  
26 identified. Funds appropriated for the Active Transportation  
27 Program shall be distributed as follows:

28 (1) Forty percent to metropolitan planning organizations in  
29 urban areas with populations greater than 200,000, in proportion  
30 to their relative share of population. Funds allocated under this  
31 paragraph shall be obligated for eligible projects selected through  
32 a competitive process by the metropolitan planning organizations  
33 in consultation with the department and the commission and in  
34 accordance with guidelines established pursuant to this chapter.

35 (2) Ten percent to small urban and rural regions with populations  
36 of 200,000 or less, with projects competitively awarded by the  
37 commission to projects in those regions.

38 (3) Fifty percent to projects competitively awarded by the  
39 commission on a statewide basis.

1 (b) For the purpose of paragraph (1) of subdivision (a), the  
2 following shall apply in the region served by the multicounty  
3 designated transportation planning agency described in Section  
4 130004 of the Public Utilities Code:

5 (1) The multicounty designated transportation planning agency  
6 shall consult with the county transportation commissions created  
7 pursuant to Sections 130050, 130050.1, and 132800 of the Public  
8 Utilities Code, the commission, and the department in the  
9 development of competitive selection criteria to be adopted by the  
10 multicounty designated transportation planning agency, which  
11 should include consideration of geographic equity, consistent with  
12 program objectives.

13 (2) The multicounty designated transportation planning agency  
14 shall place priority on projects that are consistent with plans  
15 adopted by local and regional governments within the county where  
16 the project is located.

17 (3) The multicounty designated transportation planning agency  
18 shall obtain concurrence from the county transportation  
19 commissions, adopt the projects selected in a comprehensive  
20 program of projects, and make funds available to selected project  
21 recipients.

22 (c) The Legislature finds and declares that the program described  
23 in this chapter constitutes a highway purpose under Article XIX  
24 of the California Constitution and justifies the expenditure of  
25 highway funds therefor, and all expenditures of Article XIX funds  
26 under this program shall be consistent with Article XIX.

27 2382. (a) The California Transportation Commission shall  
28 develop guidelines and project selection criteria for the Active  
29 Transportation Program in consultation with the Active  
30 Transportation Program Workgroup, which shall be formed for  
31 purposes of providing guidance on matters including, but not  
32 limited to, development of and subsequent revisions to program  
33 guidelines, schedules and procedures, project selection criteria,  
34 performance measures, and program evaluation. The workgroup  
35 shall include, but not be limited to, representatives of government  
36 agencies and active transportation stakeholder organizations with  
37 expertise in pedestrian and bicycle issues, including Safe Routes  
38 to School programs.

39 (b) The guidelines shall be the complete and full statement of  
40 the policies and criteria that the commission intends to use in

1 selecting projects to be included in the program. The guidelines  
2 shall address subjects that include, but are not limited to, project  
3 eligibility, application timelines, application rating and ranking  
4 criteria, project monitoring, reporting, and transparency, and project  
5 performance measurement.

6 (c) The guidelines shall include a process to ensure that no less  
7 than 25 percent of overall program funds benefit disadvantaged  
8 communities during each program cycle. The guidelines shall  
9 establish a program definition for disadvantaged communities that  
10 may include, but need not be limited to, the definition in Section  
11 39711 of the Health and Safety Code and the definition of  
12 low-income schools in paragraph (7) of subdivision (b) of former  
13 Section 2333.5, as that section read on January 1, 2013. A project  
14 eligible under this subdivision shall clearly demonstrate a benefit  
15 to a disadvantaged community or be directly located in a  
16 disadvantaged community.

17 (d) The California Transportation Commission shall adopt the  
18 guidelines and selection criteria for, and define the types of projects  
19 eligible to be funded through, the program following at least two  
20 public hearings. Projects funded in this program shall be limited  
21 to active transportation projects. The guidelines shall ensure that  
22 eligible projects meet one or more of the goals set forth in Section  
23 2380 and may give increased weight to projects meeting multiple  
24 goals.

25 (e) In developing the guidelines with regard to project eligibility,  
26 the commission shall include, but need not be limited to, the  
27 following project types:

28 (1) Development of new bikeways and walkways, or  
29 improvements to existing bikeways and walkways, that improve  
30 mobility, access, or safety for nonmotorized users.

31 (2) Secure bicycle parking at employment centers, park and ride  
32 lots, rail and transit stations, and ferry docks and landings.

33 (3) Bicycle-carrying facilities on public transit, including rail  
34 and ferries.

35 (4) Installation of traffic control devices to improve the safety  
36 of pedestrians and bicyclists.

37 (5) Elimination of hazardous conditions on existing bikeways  
38 and walkways.

39 (6) Maintenance of bikeways and walkways.

1 (7) Recreational trails and trailheads, park projects that facilitate  
2 trail linkages or connectivity to nonmotorized corridors, and  
3 conversion of abandoned railroad corridors to trails.

4 (8) Safe Routes to School projects that improve the safety of  
5 children walking and bicycling to school, in accordance with  
6 Section 1404 of Public Law 109-59.

7 (9) Safe routes to transit projects, which will encourage transit  
8 by improving biking and walking routes to mass transportation  
9 facilities and school bus stops.

10 (10) Educational programs to increase biking and walking, and  
11 other noninfrastructure investments that demonstrate effectiveness  
12 in increasing active transportation.

13 (f) In developing the guidelines with regard to project selection,  
14 the commission shall include, but need not be limited to, the  
15 following criteria:

16 (1) Demonstrated needs of the applicant.

17 (2) Potential for reducing pedestrian and bicyclist injuries and  
18 fatalities.

19 (3) Potential for encouraging increased walking and bicycling,  
20 especially among students.

21 (4) Identification of safety hazards for pedestrians and bicyclists.

22 (5) Identification of walking and bicycling routes to and from  
23 schools, transit facilities, and community centers.

24 (6) Identification of the local public participation process that  
25 culminated in the project proposal, which may include noticed  
26 public meetings and consultation with local stakeholders.

27 (7) Benefit to disadvantaged communities. In developing  
28 guidelines relative to this paragraph, the commission shall consider,  
29 but need not be limited to, the definition of disadvantaged  
30 communities as applied pursuant to subdivision (c).

31 (8) Cost-effectiveness, defined as maximizing the impact of the  
32 funds provided.

33 (9) The adoption by a city or county applicant of a bicycle  
34 transportation plan, pursuant to Section 891.2, a pedestrian plan,  
35 a safe routes to school plan, or an overall active transportation  
36 plan.

37 (10) Use of California Conservation Corps or qualified  
38 community conservation corps, as defined in Section 14507.5 of  
39 the ~~Government~~ *Public Resources* Code, as partners to undertake

1 or construct applicable projects in accordance with Section 1524  
2 of Public Law 112-141.

3 (11) Other factors, such as potential for reducing congestion,  
4 improving air quality, reducing greenhouse gas emissions, and  
5 increasing and improving connectivity and mobility of  
6 nonmotorized users.

7 (g) For the use of federal Transportation Alternative Program  
8 funds, or other federal funds, commission guidelines shall meet  
9 all applicable federal requirements.

10 (h) For the use of federal Highway Safety Improvement Program  
11 funds for active transportation projects specific to reducing  
12 fatalities and serious injuries, the criteria for the selection of  
13 projects shall be based on a data-driven process that is aligned  
14 with the state's Strategic Highway Safety Plan.

15 (i) The guidelines may include incentives intended to maximize  
16 the potential for attracting funds other than program funds for  
17 eligible projects.

18 (j) In reviewing and selecting projects funded by federal funds  
19 in the Recreational Trails Program, the commission shall  
20 collaborate with the Department of Parks and Recreation to  
21 evaluate proposed projects, and to ensure federal requirements are  
22 met.

23 (k) To ensure that regional agencies charged with allocating  
24 funds to projects pursuant to paragraph (1) of subdivision (a) of  
25 Section 2381 have sufficient discretion to develop regional  
26 guidelines, the commission may adopt separate guidelines for the  
27 state and for the regional agencies relative to subdivision (f).

28 2383. The commission may amend the adopted guidelines after  
29 conducting at least one public hearing. The commission shall make  
30 a reasonable effort to amend the guidelines prior to the call for  
31 projects or may extend the deadline for project submission in order  
32 to comply with the new guidelines.

33 2384. The commission shall adopt a program of projects to  
34 receive allocations under this chapter. The guidelines for an initial  
35 two-year program of projects shall be adopted within six months  
36 of the enactment of the act enacting this section. The commission  
37 shall adopt each subsequent program not later than April 1 of each  
38 odd-numbered year, but may alternatively elect to adopt a program  
39 annually. Each program shall cover a period of four fiscal years,  
40 beginning July 1 of the year of adoption, and shall be a statement

1 of intent by the commission for the allocation or expenditure of  
2 funds during those four fiscal years. The commission shall form  
3 a multidisciplinary advisory group to assist it in evaluating project  
4 applications.

5 2385. The department shall administer the program consistent  
6 with the guidelines adopted pursuant to this chapter.

7 SEC. 16. (a) No later than 45 days prior to adopting the initial  
8 set of final guidelines for the Active Transportation Program, the  
9 California Transportation Commission shall submit the draft  
10 guidelines to the Joint Legislative Budget Committee.

11 (b) The California Transportation Commission shall either  
12 include in its 2014 annual report to the Legislature prepared  
13 pursuant to Section 14536 of the Government Code, or post to the  
14 commission's Web site, with notice to the Joint Legislative Budget  
15 Committee, a summary of the first programming cycle of the  
16 Active Transportation Program. The information provided shall  
17 include, but need not be limited to, a list of all projects selected at  
18 both the state and regional levels, a breakdown of the project types  
19 that received grant awards, information on grants awarded to  
20 disadvantaged communities, and a breakdown by region of grants  
21 awarded.

22 (c) The California Transportation Commission shall include in  
23 its 2015 annual report to the Legislature prepared pursuant to  
24 Section 14536 of the Government Code an evaluation of the Active  
25 Transportation Program. The evaluation shall include, but need  
26 not be limited to, a summary of the projects awarded and a  
27 summary of the projects completed to date by project type,  
28 geographic distribution, and benefit to disadvantaged communities.  
29 The commission shall also report on the effectiveness of the  
30 program in terms of planned and achieved improvement in mobility  
31 and safety and timely use of program funds.

32 SEC. 17. The sum of ten million dollars (\$10,000,000) is hereby  
33 appropriated from the Environmental Enhancement and Mitigation  
34 Program Fund to the Secretary of the Natural Resources Agency  
35 for grants awarded by the secretary to support local environmental  
36 enhancement and mitigation programs. Notwithstanding any other  
37 provision of law, these funds shall be available for allocation until  
38 June 30, 2015, and available for encumbrance and liquidation by  
39 the recipient local agency until June 30, 2019.

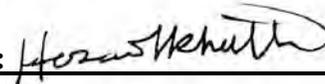
1     SEC. 18. This act is a bill providing for appropriations related  
2 to the Budget Bill within the meaning of subdivision (e) of Section  
3 12 of Article IV of the California Constitution, has been identified  
4 as related to the budget in the Budget Bill, and shall take effect  
5 immediately.

**DATE:** September 12, 2013

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

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

**SUBJECT:** SB 592 (Lieu): Trade Promotion of California Ports - SUPPORT

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**  
Support.

**EXECUTIVE SUMMARY:**

*SB 592 (Lieu), as amended, is a bill to promote trade and California's Ports-of-Entry (POE) that would require the Governor's Office of Business and Economic Development "(GO-Biz)" to convene a statewide business partnership to discuss the promotion of California ports and to provide the Legislature with a strategy for promoting trade for California's airports, land ports, and seaports on or before December 1, 2014. The Legislative/Communications and Membership Committee (LCMC), at its August 20, 2013 meeting, recommended support of SB 592 to the Regional Council, consistent with board adopted 2013 legislative priority to support legislation that increases exports and international trade at the ports, and help prevent the loss of international trade-related jobs in jeopardy from expanded investment by the Panama Canal.*

**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:**

SB 592, by Senator Ted Lieu (D-Redondo Beach) would require the Governor's Office of Business and Economic Development (GO-Biz) to convene a statewide business partnership to discuss the promotion of California ports and to provide the Legislature with a port trade promotion strategy (Port Strategy) on or before December 1, 2014.

The bill sets forth findings and declarations detailing the importance of California ports of entry and seaport facilities in the state's economy and status as a gateway for goods movement including, but not limited to the following:

- More than 40% of container cargos entering the United States arrived at California ports, almost 30% of total U.S. exports moved through California ports and port activities employ more than 500,000 people and generate close to \$7 billion in state and local taxes annually;
- The completion of the expansion of the Panama Canal in 2014 could possibly result in California ports losing as much as 25% of cargo business and 100,000 jobs; and

# REPORT

- There is a need for a Port Strategy to reflect greater port utilization and address ongoing issues related to ports and promote greater use of ports through an International Trade and Investment Strategy.

The bill requires GO-Biz to provide a Port Strategy for California ports to the Legislature on or before December 1, 2014, that includes: (a) policy goals, objectives and recommendations necessary to implement a comprehensive port trade promotion strategy; (b) measurable outcomes and timelines for the goals, objectives and actions for promoting trade at ports; (c) impediments to achieving goals and objectives; (d) key stakeholder partnerships that will be used to implement the strategy; and (e) options for funding.

The bill further requires that GO-Biz convene a statewide business partnership that advises on the Port Strategy, on or before February 1, 2014, that includes, but is not limited to, representatives from ports of entry; ocean carriers; marine terminal operators; warehouse operators; railroads; trucking companies; labor representatives; foreign trade zones; environmental group representatives; and shippers, including agricultural exporters, manufacturers, post-consumer secondary material handlers and retailers.

## **Discussion**

The bill author notes the state's compelling interest in the success of ports because of the significant economic benefit of jobs, personal income, business revenue, and taxes. Port activities employ more than 500,000 people in California and generate an estimated seven billion dollars in state and local taxes annually. It is estimated that nationwide over two million jobs are linked to California's ports.

Bill sponsors also recognize that Panama is currently underway with an over \$5 billion project to greatly expand the Panama Canal making it deeper and wider, raising the possibility of a significant impact on the flow of goods coming into California's ports. The project will double the capacity of the existing canal and there is concern that California ports now have to compete against one another, and expansion of the canal could potentially cause California ports to lose as much as 25% of their cargo business, which may in turn result in an impact of millions of dollars to local economies and over 100,000 jobs. Given the significance of global logistical networks to efficiently support expanded supply chains, California is potentially at an infrastructure disadvantage with the expansion of the Panama Canal in 2014. This measure requires the development of a comprehensive Port Strategy in consultation with key stakeholders including across affected economic sectors to help California compete with other international jurisdictions.

In addition, Caltrans is currently updating the Goods Movement Action Plan (GMAP), which was originally issued by the Business, Transportation, and Housing Agency and the California Environmental Protection Agency in two phases in 2005 and 2007. The GMAP was a comprehensive plan to address economic and environmental issues associated with moving goods via the state's highways, railways, and ports, and to provide guidance for allocating \$3.1 billion of the \$19.9 billion approved by voters in Proposition 1B in 2006. The new plan, known as the Freight Mobility Plan, proposed in AB 14 (Lowenthal), will focus more attention on community impact issues, take a more in-depth look at trucking, and more thoroughly identify the freight needs of portions of California that did not receive sufficient attention during implementation of the GMAP. In addition to AB 14, the Legislature is also considering AB 1081 (Medina), which would include goods movement related infrastructure identified in the Freight Mobility Plan or the Port Strategy on the state's five-year

# REPORT

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infrastructure plan. The five-year infrastructure plan provides the basis for that Legislature and the Governor to make mid- and long-term financing commitments.

SB 592 is an urgency bill providing for immediate implementation so that the state can assess and address the potential impact of the 2014 Panama Canal expansion on California ports and port-related jobs. As an urgency statute, it requires two-thirds vote threshold in both chambers to pass the legislature. The bill passed on an 8-0 vote before the Assembly Committee on Jobs, Economic Development and the Economy on August 12, 2013; SCAG's lobbyist testified at the hearing consistent with board direction and adopted 2013 legislative priorities supporting increased exports and international trade at the ports. SB 592 is a fiscal bill and was held in the Assembly Appropriations Committee. With a rule waiver, the bill must pass from the Assembly and return to the Senate for concurrence by or before the September 9, 2013.

## **Recommendation**

The LCMC recommended, at its August 21, 2013 meeting, that the Regional Council adopt a support position on SB 592, consistent with board adopted 2013 legislative priority to support legislation that increases exports and international trade at the ports, and to help prevent the loss of international trade-related jobs in jeopardy from expanded investment by the Panama Canal. In its deliberations on this bill, the LCMC noted that in addition to the well-documented impacts related to international trade to and from the seaports to the California economy, the state's 'inland ports' also provide measurable, significant economic impacts as well.

For example, in 2011 bilateral trade through international land POEs in Imperial County was \$11.937 billion, and bilateral trade through international land POE in Imperial County *and* San Diego County was estimated at \$47 billion. These inland POEs provide significant support to the SCAG region's goods movement dependent industries (manufacturing, construction, retail trade, wholesale trade, and transportation and warehousing), which were responsible for \$249 billion in regional GDP and 2.9 million regional jobs in 2010. The LCMC, in making its support recommendation of SB 592, noted that should the Regional Council adopt a support position on the bill and that any support by SCAG should include a recommendation that consideration and inclusion of inland port impacts within the overall port strategy developed pursuant to provisions of the bill. SB 592, as recently amended, provides for such inclusion of land ports.

## **ATTACHMENT:**

SB 592 (as amended)

AMENDED IN ASSEMBLY AUGUST 13, 2013

AMENDED IN ASSEMBLY JUNE 25, 2013

**SENATE BILL**

**No. 592**

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**Introduced by ~~Senators Price~~ and Senator Lieu**  
**(Coauthor: Senator Corbett)**  
*(Coauthors: Assembly Members Fong and Medina)*

February 22, 2013

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An act to add Chapter 2.6 (commencing with Section 13996.85) to Part 4.7 of Division 1 of Title 2 of the Government Code, relating to trade promotion, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 592, as amended, ~~Price~~ Lieu. Trade promotion of California ports.

Existing law requires the Director of the Governor's Office of Business and Economic Development to provide to the Legislature, not later than February 1, 2014, a strategy for international trade and investment that, at a minimum, includes specified information, goals, objectives, and actions related to the promotion of trade.

This bill would require the Director of the Governor's Office of Business and Economic Development to provide to the Legislature, not later than ~~April~~ *December* 1, 2014, a strategy for promoting trade for California ~~ports~~ *airports, land ports, and seaports* that, at a minimum, includes specified information, objectives, goals, and recommendations. The bill would require that the strategy be submitted to the Chief Clerk of the Assembly and the Secretary of the Senate, with copies provided to the Speaker of the Assembly, the President pro Tempore of the Senate, and the chairs of specified legislative committees. The bill would also require the Director of the Governor's Office of Business and Economic

Development to convene, *no later than February 1, 2014*, a statewide business partnership for promotion of trade for California ports and to explore greater utilization of California ports, which would be required to advise the director on establishing that trade strategy, ~~no later than February 1, 2014~~, as prescribed.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
 State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 2.6 (commencing with Section 13996.85)  
 2 is added to Part 4.7 of Division 1 of Title 2 of the Government  
 3 Code, to read:

4  
 5 CHAPTER 2.6. TRADE PROMOTION OF CALIFORNIA PORTS  
 6

7 13996.85. The Legislature finds and declares as follows:

8 (a) International trade, which accounts for nearly 25 percent of  
 9 the state’s economy, relies on land ports of entry and the largest  
 10 seaport facilities in the United States to maintain California’s status  
 11 as a major gateway for products entering and leaving the United  
 12 States. This includes many goods moving through California ports,  
 13 such as industrial, technology, and postconsumer secondary  
 14 material originating in, or destined for other states.

15 (b) According to the California Marine and Intermodal  
 16 Transportation System Advisory Council, more than 40 percent  
 17 of the total containerized cargo entering the United States arrived  
 18 at California ports, and almost 30 percent of the nation’s exports  
 19 flowed through ports in the Golden State. Port activities employ  
 20 more than 500,000 people in California and generate an estimated  
 21 seven billion dollars (\$7,000,000,000) in state and local taxes  
 22 annually. Nationwide, more than 2,000,000 jobs are linked to  
 23 California’s public ports.

24 (c) The state has a compelling interest in the success of its ports  
 25 because of the significant economic benefit to the state in terms  
 26 of jobs, personal income, business revenue, and taxes. Ports are  
 27 the vital interface between water and land transportation for trade  
 28 with the Pacific Rim countries and other trade.

1 (d) It is expected that, by 2014, Panama will have completed  
2 the expansion of the Panama Canal, which may have a significant  
3 impact on the flow of goods into the ports of California in coming  
4 years.

5 (e) There is the potential for California ports to lose as much as  
6 25 percent of their cargo business, by some estimates, after the  
7 Panama Canal expansion is completed in 2014, siphoning off  
8 millions of dollars from local economies and over 100,000 jobs.

9 (f) Due to the impending Panama Canal expansion and its  
10 potential impact on local economies and jobs, it is clear that the  
11 risk of crisis for our ports should be given high priority in  
12 developing a strategy for international trade and investment.

13 13996.86. (a) The Director of the Governor's Office of  
14 Business and Economic Development shall provide to the  
15 Legislature, not later than ~~April~~ *December* 1, 2014, a strategy for  
16 promoting trade for California ~~ports~~ *airports, land ports, and*  
17 *seaports* that, at a minimum, includes all of the following:

18 (1) Policy goals, objectives, and recommendations necessary  
19 to implement a comprehensive plan for promoting greater use of  
20 California ports. This information shall be provided in a fashion  
21 that clearly indicates priorities within the overall strategy.

22 (2) Measurable outcomes anticipated and timelines for the goals,  
23 objectives, and actions to be taken for promoting greater use of  
24 California ports.

25 (3) Identification of impediments to achieving goals and  
26 objectives.

27 (4) Identification of key stakeholder partnerships that will be  
28 used in implementing the strategy.

29 (5) Identification of funding options for implementing  
30 recommended actions.

31 (b) The strategy shall be submitted to the Chief Clerk of the  
32 Assembly and the Secretary of the Senate. A copy of the strategy  
33 shall be provided to the Speaker of the Assembly, the President  
34 pro Tempore of the Senate, and the chairs of the Assembly  
35 Committee on Jobs, Economic Development, and the Economy  
36 and the Senate Committee on Business, Professions and Economic  
37 Development, or the successor committees with jurisdiction over  
38 international trade and economic development programs.

39 13996.87. The Director of the Governor's Office of Business  
40 and Economic Development shall convene, *no later than February*

1 *I, 2014*, a statewide business partnership for promotion of trade  
2 for California ports and to explore greater utilization of California  
3 ports, ~~no later than February 1, 2014~~, as follows:

4 (a) The business partnership shall include, but is not limited to,  
5 representatives from ports of entry, ocean carriers, marine terminal  
6 operators, warehouse operators, railroads, trucking companies,  
7 labor representatives, and foreign trade zones, representatives of  
8 environmental groups, and shippers, specifically including  
9 agricultural exporters, manufacturers, postconsumer secondary  
10 material handlers, and retailers.

11 (b) The business partnership shall advise the Director of the  
12 Governor's Office of Business and Economic Development on  
13 establishing the strategy for promoting trade for California ports  
14 while increasing the use of California ports of entry, and ways to  
15 increase the opportunity for growth and trade activity.

16 SEC. 2. This act is an urgency statute necessary for the  
17 immediate preservation of the public peace, health, or safety within  
18 the meaning of Article IV of the Constitution and shall go into  
19 immediate effect. The facts constituting the necessity are:

20 In order to ensure that California has identified the impact that  
21 the Panama Canal expansion may have on California ports and  
22 trade-related jobs, infrastructure, and activity prior to the 2014  
23 opening of a new shipping lane through the canal, and the state is  
24 able to efficiently promote trade for California ports on a timely  
25 basis, it is necessary that this act take effect immediately.

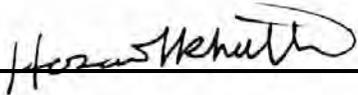
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**DATE:** September 12, 2013

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

**FROM:** Joann Africa, Chief Counsel; (213)236-1928, [africa@scag.ca.gov](mailto:africa@scag.ca.gov)

**SUBJECT:** Litigation Update

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**  
For Information Only - No Action Required.

**EXECUTIVE SUMMARY:**  
*Recently, there have been a number of litigation matters that are of interest to SCAG officials. Staff presents this Litigation Update to apprise the Regional Council; Executive/Administration Committee; and the Policy Committees of the current developments.*

**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 AND SUMMARY:**

**1) Metro Expo Line Phase 2 project to move forward**  
On August 5, 2013, the State Supreme Court issued a favorable decision for the Los Angeles County Metropolitan Transportation Authority (Metro) and the Exposition Construction Authority (Expo Authority), with respect to the CEQA lawsuit involving the Exposition Corridor Transit Project, also known as "Expo Phase 2" (*Neighbors for Smart Rail v. Exposition Metro Line Construction Authority*, No. S202828, August 5, 2013). The project, which seeks to extend the existing light-rail transit line from Culver City to Santa Monica, has been in litigation since 2010 when a neighborhood group challenged the project's EIR. SCAG's Regional Council previously authorized joining other public agencies in the filing of an Amicus Brief in support of the Expo Authority.

Affirming both the trial court and appellate court decisions, the California Supreme Court ruled on two important matters of law: (1) that an agency does have the discretion under CEQA law to analyze a project's significant impacts based upon a future conditions baseline if an existing conditions analysis would be misleading or without informative value; and (2) that mitigation measures that depended upon the cooperation of other public agencies were adequate under CEQA. While the high court did state that the Expo Authority *should have* analyzed the

project's effect on existing traffic congestion and air quality conditions, the Court found no prejudice on the part of the Expo Authority for solely analyzing the project's traffic and air quality impacts based upon future (i.e., year 2030) conditions. With respect to the mitigation measures in the project's EIR, which required that Los Angeles County Metro (as the operator of the transit line) work with local jurisdictions to address possible spillover parking problems, the court found the mitigation measures to be sufficient under CEQA stating that while the Expo Authority and Metro cannot guarantee local governments will cooperate to implement permit parking programs or other parking restrictions, the administrative record supported the conclusions that, these municipalities "can and should" do so in accordance with CEQA regulations.

This decision by the State Supreme Court is significant in that not only does it mean that the Expo Phase 2 project can now move forward, but also that lead agencies (such as county transportation commissions) can for CEQA purposes utilize a future conditions baseline in evaluating transportation projects if justified as well as utilize mitigation measures which reasonably defers action to other agencies. The Supreme Court's decision regarding mitigation measures is particularly relevant to SCAG given that since SCAG is not an implementing agency and lacks land use authority, the agency follows a mitigation approach in its EIR for SCAG's RTP/SCS which depends on the cooperation of other local agencies. This Supreme Court decision validates this approach. Additionally, while SCAG used existing conditions as the baseline in the 2012 RTP/SCS, SCAG may have some flexibility in the future.

## 2) "Plan Bay Area" (MTC/ABAG) and EIR for the Plan are challenged in three lawsuits

Last month, three separate lawsuits, primarily based upon CEQA, were filed against the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) regarding the adoption of its "Plan Bay Area" (Plan) which serves as the region's RTP/SCS and the certification of the EIR for the Plan, completed this past July. First, on August 6, 2013, a citizen coalition known as the "Bay Area Citizens" filed a lawsuit (*Bay Area Citizens v. ABAG and MTC*, No. RG - 1369063). Bay Area Citizens is represented by the Pacific Legal Foundation, a non-profit legal organization that litigates on matters related to property rights and limited government. CEQA requires that the EIR consider and discuss alternatives to the Plan (alternatives analysis). The Petitioners primarily alleging that the EIR alternatives analysis did not comply with CEQA since: (1) it did not include an alternative proposed by the Bay Area Citizens organization; and (2) the "No Project" alternative did not address the greenhouse gas emissions reductions (GHG) to be achieved by ARB-approved measures to improve vehicle emissions standards and fuel efficiency.

On August 16, 2013, a second lawsuit was filed by the Building Industry Association Bay Area (BIA) against ABAG and MTC (*Building Industry Association Bay Area v. ABAG and MTC*, No. RG - 13692098). The Petitioner challenges the adoption by ABAG and MTC of the Plan, including the sustainable communities strategy (SCS) component of the Plan, and the certification of the EIR for the Plan under CEQA. Petitioner additionally challenges ABAG's adoption of its Regional Housing Needs Assessment (RHNA). They allege violations of SB 375, which requires that the SCS set forth a regional land use and transportation plan that, if feasible, will attain the GHG target established by ARB for the region. The Plan includes strategies to achieve the GHG reduction targets by encouraging growth in "priority development areas"

(PDA). Under the Plan, PDAs are locally-designated areas within existing communities that have been identified and approved by local cities or counties for future growth. These areas are typically accessible to transit, jobs, shopping and other services. About 170 locally-designated PDAs were identified under the Plan to absorb about 80% of new housing units and over 65% of new jobs in the Bay Area.

The BIA mainly asserts in their lawsuit that: 1) the SCS is infeasible, in violation of SB 375 requirements, primarily due to alleged unrealistic development patterns focusing housing and jobs growth in PDAs; 2) under CEQA, the project description is inadequate as it relates to “integral components” of the Plan, and the alternatives analysis is inadequate including the “No Project” alternative due to inaccurate assumptions and misleading information (and other claims under CEQA); and 3) the RHNA failed to ensure that each city and county provide for an equitable share of the housing need of persons at all income levels, in violation of state requirements.

Finally, on August 19, 2013, a third lawsuit was filed against ABAG and MTC by Communities for a Better Environment (CBE) and the Sierra Club (*CBE and The Sierra Club v MTC and ABAG, No. RG - 13692189*). CBE and Sierra Club are represented by Earthjustice, a non-profit public interest law firm. Similar to the other two lawsuits, Petitioners challenge the EIR for the Plan as well as the Plan itself. Petitioners primarily allege that the EIR failed to adequately consider and analyze goods movement information, as well as health-related and socio-economic impacts of goods movement; improperly deferred formulation of goods movement mitigation measures until a later time; deferred goods movement analysis as part of an improper “piecemeal” approach; and other claims under CEQA. They further allege that the EIR failed to properly evaluate the Plan’s effects on GHG emissions in the transportation and land use sectors. Finally, Petitioners asserted that the Plan did not include all the required elements for regional transportation plans under state law.

Interestingly, to support its argument that the EIR failed to adequately address good movement matters, the *CBE* petition remarked on SCAG’s 2012 RTP/SCS, stating that in contrast to the Plan Bay Area, SCAG’s plan “includes a detailed description of goods movement in the project description, a detailed analysis of goods movement throughout the region, and proposes a variety of mitigation measures to address the environmental and health effects of goods movement.”

All three lawsuits were filed in Alameda County Superior Court, and the cases are expected to be consolidated and overseen by one judge. While still in the early stages of litigation, it appears that ABAG and MTC have good grounds for defense. As the cases progress, we will apprise the Regional Council of new developments and include any amicus effort that SCAG may wish to participate in to support ABAG and MTC. In addition, the CEQA requirements applicable to the programmatic EIR on the Plan Bay Area are the same requirements to which SCAG adheres to in developing the PEIR for SCAG’s RTP/SCS updates. As such, we will be watching these cases very closely to analyze any implications to the approach for SCAG’s 2016 RTP/SCS update and PEIR.

### 3) **Appeal continues regarding SANDAG RTP/SCS EIR**

The San Diego Association of Governments (SANDAG) is in the early stages of its appeal relating to the CEQA challenge of its EIR for its RTP/SCS which was adopted in 2011 (*Cleveland National Forest Foundation et al. v. SANDAG et al.*, 4<sup>th</sup> Appellate Court District, Case No. D063288). SANDAG is appealing the trial court's decision that; (1) its EIR's analysis on greenhouse gas (GHG) impacts was deficient because it did not include a comparison of projected regional GHG emissions through the year 2050 against statewide reduction targets established in a 2005 Executive Order issued by then-governor Arnold Schwarzenegger (Executive Order 03-05); and (2) that its EIR failed to adequately address mitigation measures for GHG emissions because it relied on the voluntary action of local governments and other public agencies. Like it did at the trial court level, SCAG will be joining other transportation agencies in filing an amicus brief in support of SANDAG in its appeal later this year. Interestingly, the decision by the State Supreme Court with respect to the mitigation measures for the Expo Phase II project is very timely and can be used by SANDAG to bolster its argument that its mitigation measures which required action by local agencies is permissible under CEQA.

### 4) **Partial Ruling in California High Speed Rail- Proposition 1A case**

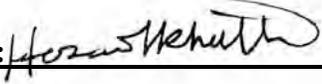
On August 16, 2013, a Sacramento Superior Court judge issued a ruling in the first phase of a lawsuit filed by Kings County (*John Tos, Aaron Fukuda, County of Kings v. California High-Speed Rail Authority, et al*; Case No. 34-2011-00113919-CU-MC-GDS). The judge ruled that the funding plan approved by the California High Speed Rail Authority (Authority) did not comply with Proposition 1A requirements. However, the ruling stated that the Court would not invalidate the legislative appropriation made through SB 1029 (July 2012 Budget Act). As part of the second phase of this litigation, a hearing will be scheduled on remedy issues.

In response to issues raised in this litigation, the Authority prepared a revised 2012 Business Plan which addressed problems identified by the court. On the day of this ruling, Dan Richard, Chairman of the Authority stated, "Today's ruling is that the legislative appropriation for high-speed rail... remains valid, and our work on the project continues."

#### **ATTACHMENT:**

None

**DATE:** September 12, 2013  
**TO:** Regional Council (RC)  
**FROM:** Hon. Keith Millhouse, Chair, Transportation Committee (TC)  
**SUBJECT:** Ventura County Unmanned Aircraft System (UAS) Test Site Application

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**  
Support.

**EXECUTIVE SUMMARY:**  
*Ventura County has applied with the Federal Aviation Administration (FAA) to become one of six (6) civilian Unmanned Aircraft System (UAS) test sites in the United States. Being selected as one of these sites would make Ventura County a center of innovation for UAS, as well as adding a significant amount of jobs and economic benefit to the SCAG region. Mr. Todd McNamee, Director of Ventura County Airports, presented this item to the Transportation Committee (TC). The TC recommends that the RC support the Ventura County application.*

**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:**  
In February 2012, the 112th Congress mandated the FAA to integrate UAS into the National Airspace System by September 2015 through the FAA Modernization and Reform Act of 2012. On February 14, 2013, the FAA issued a Screening Information Request (SIR) to obtain proposals to establish six test sites throughout the country.

The County of Ventura is in process of submitting an application to establish one (1) of the six (6) test sites in the State of California referred to as the Southern California Unmanned Systems Alliance (SC-USA). The FAA has stated that the test site selection will be announced by the end of the calendar year. The SC-USA team is made up of at least twelve (12) local government entities and airports as far north as Redding and throughout the state, six (6) universities, industry associations including the California Airports Council (CAC) and the Channel Islands Chapter of the Association of Unmanned Vehicle Systems International (AUVSI), and six (6) industry partners including Lockheed Martin Skunkworks, AeroVironment, as well as others. The team has cooperative agreements in place with the Jet Propulsion Laboratory, Department of the Navy, the California National Guard, and the California Department of Forestry and Fire.

The proposed SC-USA Test Site complex meets all the specified Congressional and FAA mandates for UAS R&D operations including maritime and mountainous environments, visual and instrument meteorological approaches, single isolated and mixed-aircraft UAS operations in high-speed and high-altitude or low altitude, low speed conditions.

# REPORT

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Anticipated economic impact in the State of California based on a recent study published by AUVSI is that the commercial UAS industry will create over 17,000 jobs and positive economic impact of more than \$2 Billion annually over the next ten (10) years. Nationally, this number is more than 100,000 jobs and over \$80 Billion in economic impact.

The SC-USA team respects the concerns of the public regarding privacy and has drafted a Privacy Policy consistent with existing law and will incorporate industry best practices in conjunction with the FAA and other government agencies.

For additional information contact Mr. Todd McNamee with the County of Ventura at 805-388-4200 or by email at [todd.mcnamee@ventura.org](mailto:todd.mcnamee@ventura.org).

**FISCAL IMPACT:**

None.

**ATTACHMENT:**

PowerPoint Presentation: Ventura County Unmanned Aircraft Systems (UAS) Test Site Application Presentation



# *The County of Ventura Unmanned Aircraft Systems (UAS) Test Site Application*

*Southern California Unmanned Systems Alliance  
SC-USA*

*Presented to SCAG Transportation Committee*

*August 2013*

1



## *Background*

The County of Ventura seeks support to establish a UAS Test Site in the State of California.

In February 2012, the 112<sup>th</sup> Congress mandated the FAA to integrate UAS into the National Airspace System by September 2015 through the FAA Modernization and Reform Act of 2012.

On February 14, 2013, the FAA issued a Screening Information Request (SIR) to obtain proposals to establish six test sites throughout the country.

The County of Ventura has a population of 832,000 and operates a budget of \$1.8 Billion, is home to Navy Base Ventura County, Naval Air Warfare Center Weapons Division's Sea Test Range and various UAS Manufacturers.

The County of Ventura has submitted an application to establish one of the six test sites in the State of California referred to as the:

**Southern California Unmanned Systems Alliance (SC-USA).**

The FAA has stated that the test site selection will be announced by the end of the calendar year.

2



The SC-USA Team is made up of government, academia, and industry

Government

County of Ventura

City of Simi Valley

Castle Airport, County of Merced

Monterey Peninsula Airport District

Mojave Air and Space Port

Fox Field, Los Angeles County

Santa Maria Airport District

Lompoc Airport, City of Lompoc

Redding Municipal Airport, City of Redding

Truckee Tahoe Airport

Southern California Logistics Airport Authority, Victorville

Shafter Minter Airport District

Los Angeles World Airports

3



The SC-USA Team is made up of government, academia, and industry

Academia

CSU Channel Islands

California Lutheran University

UC Santa Barbara

UC Merced

Embry-Riddle Aeronautical University – Ventura Campus

Industry Partners

AirCover Solutions

AeroVironment

Lockheed Martin Skunkworks

Whittinghill Aerospace

VT Group

Alpha Products

4



The SC-USA Team is made up of government, academia, and industry

Industry Associations

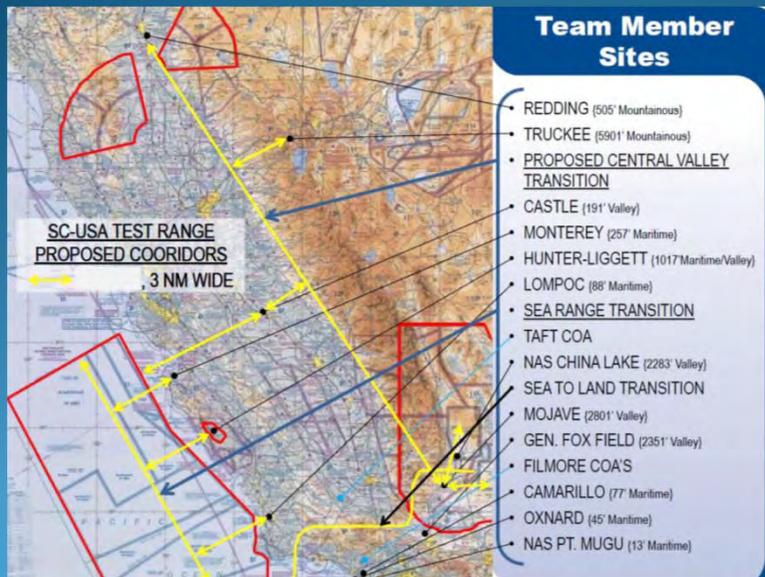
- California Airports Council (CAC)
- Associations of Unmanned Vehicle Systems International (AUVSI) Channel Islands Chapter
- Ventura County Economic Development Association (VCEDA)

State and Federal Cooperative Agreements

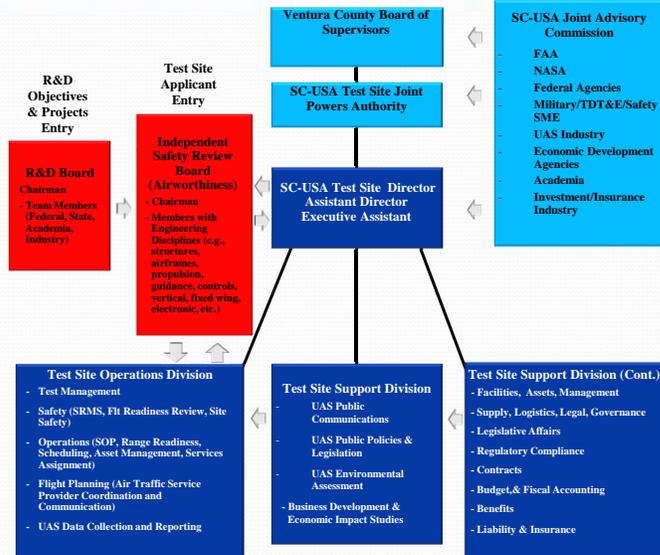
- Jet Propulsion Laboratories
- Department of the Navy (test ranges)
- California National Guard
- California Department of Forestry and Fire



SC-USA Test Site Concept – Connecting Corridors



# SC-USA TEST SITE Organization



## The SC-USA Team Research and Development Goal



Is to conduct the R&D to identify processes and certification requirements to SAFELY integrate UAS into the National Airspace System (NAS) in a way that does not cause inefficiency of the airspace.

Current operations in NAS are very restrictive through the Certificate of Authorization (COA) process. Specific public entity approved to operate a specific UAS in a specific location for a specific purpose.

Industry is unable to obtain a COA for themselves to conduct R&D.

Airspace plan utilizes many existing test ranges with defined corridors connecting those and the launch and recovery sites (e.g. Redding) to minimize UAS flight over populated areas, tribal lands, parks, etc as described in the SIR.

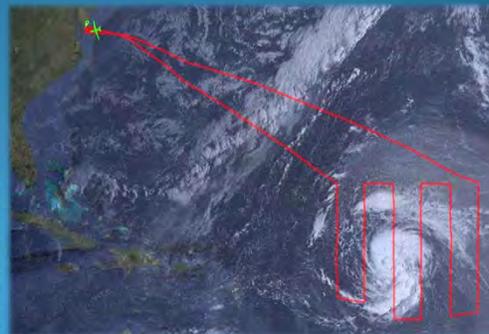
# Reminder - What are UAS?



## UAS Commercial / Non-Military Uses



- Search and Rescue
- Fire Fighting - information management
- Precision Agriculture
- Power Line Monitoring
- Weather Monitoring
- Disaster Relief
- Oil and Gas exploration
- Goods movement
- Only limited by imagination...





## Why is this Important??

### ECONOMIC IMPACT and INNOVATION

AUVSI Study shows that commercial UAS could create 17,000 jobs in California and \$2 Billion in positive economic impact annually over the next 10 years.

Nationally that number is over 100,000 jobs and \$80 Billion in Economic Impact

Southern California is home to many of the World leaders in Aerospace and UAS technology innovation.

**Let's provide accessible facilities for them to innovate!!!**

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## Draft Privacy Policy

The SC-USA respects the privacy concerns being voiced by the public and will comply with all existing laws and regulations regarding privacy.

Emphasis in the policy will be placed on data collection, storage, use, and distribution.

The SC-USA is engaged in the conversation regarding the privacy issue and the FAA has been tasked to require a privacy policy associated with the six test sites. The SC-USA Privacy Policy will incorporate industry best practices in conjunction with the FAA and other government agencies.

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## Support for our efforts...



Congresswoman Julia Brownley – Champion in Congress  
Congressman Buck McKeon  
Congressman Jim Costa  
Congressman Sam Farr  
CA Senator Hannah-Beth Jackson  
CA Senator Anthony Canella  
CA Senator Ted Gaines  
CA Senator Fran Pavley  
CA Assemblyman Katcho Achadjian  
CA Assemblyman Brian Dahle  
CA Assemblyman Jeff Gorell – Champion in Assembly  
CA Assemblyman Adam Gray  
CA Assemblyman Das Williams  
CA Assemblyman Scott Wilk  
Ventura County Board of Supervisors  
All of our Team Members  
Cities of Camarillo, Port Hueneme, Oxnard, Simi Valley  
Local Business

***SEEKING SUPPORT FROM SCAG***

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# Q&A

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**DATE:** September 12, 2013

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

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

**SUBJECT:** Local Input Communication Letter Initiating the Bottom-Up Local Input Process for the 2016-2040 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**  
For Information Only – No Action Required.

**EXECUTIVE SUMMARY:**  
*As past practice, SCAG staff will engage in a bottom-up local input process for the 2016-2040 RTP/SCS. At the August 1, 2013 meeting, the Regional Council approved a preferred protocol for communicating, approving, and submitting input from local jurisdictions. Subsequently, SCAG staff will distribute a letter to local jurisdictions in the SCAG region that will initiate the Bottom-Up Local Input Process for the upcoming RTP/SCS*

**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:**  
At the February 7, 2013 CEHD Committee meeting, staff were directed to establish a formal protocol for communications between SCAG and local jurisdictions regarding the local input and review process of the growth forecast and land use datasets for the 2016-2040 RTP/SCS. At the meeting on August 1, 2013, the Regional Council approved such protocol as detailed below:

1. A jurisdiction's City Manager, County Administrator, Subregional Executive Director (in the case where a subregional organization is submitting the input on behalf of its member jurisdictions), or their respective designee will provide approval on growth forecast and land use data. While not required as a method of submittal of information, SCAG jurisdictions may voluntarily choose to utilize the optional SCAG Data Verification and Approval Form. If another transmittal method of information is utilized, it should include the signature of the official designee; and

2. Local jurisdictions may also choose to adopt, while optional, a resolution designating a position representing the jurisdiction's input on the growth forecast and land use data for the 2016-2040 RTP/SCS. Other options for the designation may include formal action by the jurisdiction, the transmittal of a letter to SCAG, or meeting minutes.

Having received Regional Council approval of the local input communications/approval protocol, SCAG staff is moving forward with the transmission to the city managers, county chief administrators, planning directors, city clerks and county clerks (for forwarding to all city/county elected officials), and the subregional executive directors, a comprehensive letter outlining the 2016-2040 RTP/SCS development process.

This letter, included as an Attachment, seeks to accomplish the following:

1. Provide an overview of the contents and work plan for the development of 2016-2040 RTP/SCS;
2. Establish communication channels between SCAG and the 197 jurisdictions within the region; provide a main SCAG contact person for directing inquiries regarding the RTP/SCS development process; and request jurisdictions to follow the established protocol for submitting confirmation of data to SCAG;
3. Provide a list of the maps, data, growth forecast, and land use information that SCAG will transmit to local jurisdictions for review, comments, and subsequent verification or approval;
4. Provide a general schedule, milestones, and deadlines for the review of key socioeconomic datasets required for the development of the 2016-2040 RTP/SCS and PEIR.

As with the 2012-2035 RTP/SCS, SCAG will seek verification of the existing land use, general plan land use, and zoning information; and approval of jurisdictional level population, households, and employment forecasts for the years 2020, 2035, and 2040. Jurisdictions may also elect to submit sub-jurisdictional input (e.g., input at the census tract or transportation analysis zone level). However, sub-jurisdictional level input will only be treated as advisory, including input from those jurisdictions within a subregion that has accepted delegation through formal notification to SCAG by February 2014. For the 2016-2040 RTP/SCS development process, SCAG, working closely with jurisdictions and a Working Group comprised of regional stakeholders and technical practitioners, will also roll-out the Scenario Planning Model (SPM). The SPM will allow local jurisdictions to envision and estimate the potential benefits from future land use and policy choices.

#### **FISCAL IMPACT:**

Activities related to the 2016 RTP/SCS development are included in the SCAG budget under 13-010.SCG0170.01, 13-020.SCG1635.01, 13-055.SCG0133.025, and 13-070.SCG0130.10.

#### **ATTACHMENT:**

Local Input Communication Letter Initiating the Bottom-Up Local Input Process for the 2016-2040 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

# DRAFT

Mr. Xx Yy  
City Manager  
City of Aliso Viejo  
12 Journey, Suite 100  
Aliso Viejo, CA 92656-5335

SUBJECT: Bottom-Up Local Input Process for the 2016-2040 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

Dear Ms. Xx Yy:

A critical component to the success of the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) will be the participation and cooperation of all 197 local government partners within the Southern California Association of Governments (SCAG). To this end, we will ensure that all local governments are fully informed of the planning process and have clear and adequate opportunities to provide input.

A first step in the local input process, and the purpose of this letter, is to outline protocols for communication, information sharing, and verification/approval between SCAG and local jurisdictions. These protocols were approved by SCAG's Regional Council on August 1, 2013.

The options below provide flexibility for local jurisdictions in providing input to SCAG on the land use information and growth forecast for population, housing, and employment and will ensure that the information provided is "official input":

- A jurisdiction's City Manager, County Administrator, Subregional Executive Director (in the case where a subregional organization is submitting the input on behalf of its member jurisdictions), or their respective designee will provide approval on growth forecast and land use data. While not required as a method of submittal of information, SCAG jurisdictions may voluntarily choose to utilize the optional Data Verification and Approval Form (Attachment A). If another transmittal method of information is utilized, it should include the signature of the official designee; and
- Local jurisdictions may also choose to adopt, while optional, a resolution designating a position representing the jurisdiction's input on the growth forecast and land use data for the 2016-2040 RTP/SCS. A sample of the optional resolution is provided (Attachment B). Other options for the designation may include formal action by the jurisdiction, the transmittal of a letter to SCAG, or meeting minutes.

The draft 2016-2040 RTP/SCS schedule, further detail on the process, and SCAG Scenario Planning Model (SPM) Description are included as Attachments C, D and E. Of particular note is Attachment D that specifies deadlines for submitting local information to SCAG.

# DRAFT

Four key stages of the Local Input process are summarized below:

- Stage 1 - Preliminary Land Use Data Collection and Review (March 2013 - September 13th, 2013)  
*Note that SCAG staff have worked to collect and integrate local land use information into our regional database. To provide input on these draft datasets, please review your jurisdiction's individual Map Book available at [ftp://scag-data:\\$cag424@data.scag.ca.gov/Data\\_Map\\_Book](ftp://scag-data:$cag424@data.scag.ca.gov/Data_Map_Book);*
- Stage 2 - Review of Base Year 2012 Socioeconomic Data and Future Years' (2020, 2035, and 2040) Growth Forecast (October 2013 - May 2014);
- Stage 3 - Open Space Conservation Database (May 2014 – September 2014);
- Stage 4 - Land Use Scenario Exercises (May 2014 –September 2014).

To ensure a single point of contact, all future communications on this topic will be sent to each jurisdiction's Planning Manager/Director with a CC to the city manager and/or county chief administrator in the SCAG region. A copy of this initial letter will also be sent to each planning director, city or county clerk, and the executive director and subregional coordinator of each respective subregional organization. For your jurisdiction, the main point of contact will be \_\_Jane Doe, \_\_Planning Manager \_\_email\_\_phone. If you would like to designate another point of contact, please send the contact information to Frank Wen.

Frank Wen, Manager of Research and Analysis, will be the primary SCAG contact for this process. Frank can be reached at [wen@scag.ca.gov](mailto:wen@scag.ca.gov) or 213-236-1854. We welcome any questions, and are committed to working with you to facilitate this process so that it is seamless and effective.

SCAG greatly appreciates your efforts and collaboration in developing the 2016-2040 RTP/SCS.

Sincerely,

Hasan Ikhata

Executive Director

Email CC: City Council Members/Board of Supervisors via City/County Clerk

City Manager

COG Executive Director

Subregional Coordinator

Attachments:

- A. Data Verification and Approval Form
- B. Sample Resolution
- C. Draft Preliminary Schedule for the Development of the 2016-2040 RTP/SCS
- D. Further Detail on the 2016-2040 RTP/SCS and Local Input Process
- E. SCAG Scenario Planning Model (SPM) Description

# DRAFT

## Attachment A

### Data Verification and Approval Form Local Input and Review Process 2016-2040 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

Date: \_\_\_\_\_

**A - Contact & Background Information**

**This Represents Communication:** \_\_\_\_\_ **From the Jurisdiction of** \_\_\_\_\_ **to SCAG**

**Jurisdiction Contact Person:** \_\_\_\_\_  
**Position:** \_\_\_\_\_  
**Email:** \_\_\_\_\_  
**Phone:** \_\_\_\_\_

**Background Information:**

My Jurisdiction has enacted a resolution giving me the authority to verify and/or approve SCAG's data

I am my Jurisdiction's City Manager, County Chief Operating Officer, or Subregional Executive Director or their designee

None of the Above ( I acknowledge that any verification and/or approval of SCAG's data will be considered official input from my Jurisdiction)

**Background Information, if any, based upon Previous Communication:** \_\_\_\_\_

**B - Action Items**

**We are seeking to (please check the appropriate boxes):**

**Submit to SCAG:**

Verification of Accuracy of SCAG's Land Use Data

Official Approval of SCAG's Demographic Data

Other (Please Specify): \_\_\_\_\_

**C - Data Type**

**With Relation to SCAG's**

**Land Use Data:**

General Plan Land Use

Zoning

Existing Land Use (2012)

Endangered Species and Plants

Flood Areas

Natural Community & Habitat Conservation

Open Space and Parks

Farmland

Major Stops & High Quality Transit Corridors

City Boundary & Sphere of Influence

Census Tract Boundaries

Transportation Analysis Zone (TAZ) Boundaries

Other (Please Specify): \_\_\_\_\_

**Demographic Data:**

Population

Households

Employment

**Year:**

2012

2020

2035

2040

**Geographic Level:**

Jurisdictional Level

Other Geographic Level (Please Specify): \_\_\_\_\_

**D - Description of Action Items**

**Comments (if applicable):** \_\_\_\_\_

**Verification of SCAG's Land Use Data (if applicable):**

We have reviewed SCAG's Land Use Data and verify its accuracy

We cannot verify the accuracy of the data at this time and would like to suggest the revisions described above

\_\_\_\_\_  
Signature (to be executed by City Manager, County Chief Administrator or Authorized Representative)

**Official Approval of SCAG's Jurisdictional Level Demographic Data (if applicable):**

We have reviewed SCAG's Jurisdictional Level Demographic Data and can provide official approval

We cannot provide official approval at this time, and would like to suggest the jurisdictional-level figures listed below

|            | 2012 | 2020 | 2035 | 2040 |
|------------|------|------|------|------|
| Population |      |      |      |      |
| Households |      |      |      |      |
| Employment |      |      |      |      |

\_\_\_\_\_  
Signature (to be executed by City Manager, County Chief Administrator or Authorized Representative)

When complete, please return this form to Frank Wen, Manager of Research & Analysis at SCAG, at wen@scag.ca.gov

# DRAFT

## Attachment B

### Sample Resolution

#### RESOLUTION NO. \_\_\_\_

**A RESOLUTION OF THE (NAME OF LOCAL JURISDICTION OR  
SUBREGIONAL ORGANIZATION) DESIGNATING (TITLE OF  
STAFF POSITION)  
TO SUBMIT LOCAL GROWTH FORECASTS TO THE  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**WHEREAS**, the Southern California Association of Governments (“SCAG”) is the Metropolitan Planning Organization (“MPO”), pursuant to 23 U.S.C. 134 et seq. and 49 U.S.C. 5303 et seq. for six counties: Los Angeles, Orange, San Bernardino, Riverside, Ventura, and Imperial; and

**WHEREAS**, as the MPO, SCAG is engaged in the Local Input process for the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS); and

**WHEREAS**, local jurisdictions or subregional organization within the SCAG region are requested to review, comment and verify the maps, data, growth forecast information and land use information transmitted by SCAG by September 30, 2014; and

**WHEREAS**, (Name of Local Jurisdiction or Subregional Organization) has reviewed the maps, data, growth forecast information and land use information transmitted by SCAG, and is prepared to submit its input to SCAG.

**NOW, THEREFORE, BE IT RESOLVED** by the (Name of Governing Body) of the (Name of Local Jurisdiction or Subregional Organization) that it hereby designates (Name of designated staff position) or its designee to approve and submit to SCAG the 2016-2040 RTP/SCS local land use and growth forecasts of jurisdictional level population, household and employment for 2012, 2020, 2035, and 2040. [If resolution is from a Subregional Organization, please list the name(s) of the jurisdiction(s) to which the Subregional Organization is submitting the local input information.]

**APPROVED AND ADOPTED** by or before September 30, 2014.

---

Authorized Representative  
of Local Jurisdiction or  
Subregional Organization

# Attachment C

## SCAG's DRAFT Preliminary Schedule for Development of the 2016-2040 RTP/SCS as of August 2013

This schedule provides a preliminary summary of development and phasing for the 2016-2040 RTP/SCS. Both the technical framework and timeline for collaboration with regional stakeholders are presented in detail. It is important to note that as development of the 2016-2040 RTP/SCS solidifies, changes may be made to account for input from our governing bodies and our partner agencies.

| 2012<br>Basic Approach/Framework and Program Set up  | 2013<br>Establishing Technical Bases and Data Collection   | 2014<br>Focus on Major Policy Directions  | 2015<br>Establishing the Plan and Engaging the Public   | 2016<br>Finalizing the 2016-2040 RTP/SCS |
|--|--|---|---|--|
| <p><b>SEPTEMBER 2012-MARCH 2013</b><br/>New SCAG Subcommittees to begin policy development around their respective emphasis areas and identify regional priorities</p> <p><b>JULY-DECEMBER 2012</b></p> <ul style="list-style-type: none"> <li>Determine the basics: What will be the base year/horizon year? How will this match up with available data from national and state-wide resources?</li> <li>Development of Draft Framework and Approach/Methodology: How will we get there?</li> <li>Data/GIS, Model/Tool Development: What will be the tools used to quantify outcomes?</li> <li>Identify uncertainties: What factors are outside our control? (e.g. ARB GHG Target revisions, planning for jurisdictions that require 4 year housing element cycle?)</li> </ul> <p><b>JANUARY-MARCH 2013</b><br/>Discuss the framework and methodology for development of the 2016-2040 RTP/SCS</p> <p><b>JANUARY-MAY 2013</b><br/>Collect and review general plan, existing land use, zoning and SB 375 planning considerations</p> <p><b>MARCH-MAY 2013</b><br/>Findings from the Subcommittees will be presented at SCAG's Regional Council, Policy Committees, and General Assembly</p> <p><b>APRIL-JUNE 2013</b><br/>Communicate with jurisdictions and stakeholders about the implementation of SCAG's work plan for the 2016-2040 RTP/SCS</p> <p><b>JULY-SEPTEMBER 2013</b><br/>Revise/update regional, county level growth forecast of population, household, and employment</p> <p><b>OCTOBER 2013</b><br/>Roll out growth forecast (base year 2012 and all projection years), and review process</p> <p><b>DECEMBER 2013</b><br/>Complete preliminary calibrations to SCAG's technical models</p> <p>Public Outreach and Input from Local Jurisdictions</p> <p>SCS Development for Delegated Subregions</p> <p>Staff Actions in Relation to Policy/Plan Development</p> <p>Regional Council Policy Committees/Subcommittees Milestones</p> <p>Coordination with State and Federal Agencies</p> | <p><b>JANUARY 2013-SEPTEMBER 2014</b><br/>First phase of local input process. Work with local jurisdictions to collect and review data, GIS and forecast for the development of 2016-2040 RTP/SCS</p> <p><b>JANUARY-SEPTEMBER 2014</b><br/>Obtain input from cities and counties for SCAG's Growth Forecast and develop list of local scenario planning options, through one-on-one meetings and subregional workshops, as applicable</p> <p><b>FEBRUARY 2014</b><br/>Subregions sign letter of intent to accept SCS delegation and submit this document to SCAG</p> <p><b>APRIL-MAY 2014</b><br/>SCAG submits its regional GHG reduction methodology and GHG Reduction Targets to ARB (pending further discussion)</p> <p><b>MAY 2014</b><br/>SCAG's General Assembly &amp; Regional Council</p> <p><b>SEPTEMBER 2014</b><br/>Deadlines for input from local jurisdictions on SCAG's Growth Forecast, and for County Transportation Commissions (CTCs) to provide preliminary input on all planned projects to SCAG for the RTP/SCS</p> <p><b>OCTOBER-DECEMBER 2014</b><br/>Seek policy input/direction from Policy Committees and Regional Council on: the Scope of the Program Environmental Impact Report and RTP/SCS Strategies</p> <p><b>DECEMBER 2014</b><br/>Growth Forecast, Land Use Patterns, and Preliminary Financial Assumptions for the RTP/SCS to be completed</p> | <p><b>JANUARY-MARCH 2015</b><br/>Development of alternatives for achieving SCAG's regional GHG reduction targets, as set by ARB, and conformity emission budgets set in applicable State Implementation Plans</p> <p><b>MARCH 2015</b><br/>Delegated Subregions complete their Sustainable Communities Strategies and submit their plans to SCAG</p> <p><b>MARCH 2015</b><br/>Final input on planned projects from the CTCs for the Draft 2016-2040 RTP/SCS</p> <p><b>APRIL-JUNE 2015</b><br/>Conduct county-specific Draft 2016-2040 RTP/SCS Planning Workshops to fulfill SB 375 outreach requirements (16 workshops minimum, including extensive outreach for public participation)</p> <p><b>MAY 2015</b><br/>SCAG's General Assembly &amp; Regional Council</p> <p><b>SEPTEMBER 2015</b><br/>Joint Policy Committees recommend Regional Council to release the Draft PEIR and Draft 2016-2040 RTP/SCS for public review and comment</p> <p><b>OCTOBER 2015</b><br/>RC approves the release of the Draft PEIR and Draft 2016-2040 RTP/SCS for public review and comment</p> <p><b>OCTOBER 2015</b><br/>Conduct extensive outreach to cities, counties, stakeholders, and the public on the Draft 2016-2040 RTP/SCS and PEIR to fulfill State &amp; Federal requirements. Start of public input on the Draft RTP/SCS document</p> <p><b>OCTOBER 2015-MARCH 2016</b><br/>Conduct workshops with Elected Officials and other appropriate outreach to fulfill State &amp; Federal outreach requirements</p> | <p><b>FEBRUARY 2016</b><br/>Conclude and finalize Economic &amp; Job Creation Analysis Component of the 2016-2040 RTP/SCS</p> <p><b>MARCH 2016</b><br/>Joint Policy Committees recommend approval to Regional Council of proposed Final PEIR, conformity determination, and 2016-2040 RTP/SCS</p> <p><b>APRIL 2016</b><br/>Regional Council certifies Final PEIR and approves conformity determination and 2016-2040 RTP/SCS</p> <p><b>JUNE 2016</b><br/>ARB evaluates SCAG's adopted 2016-2040 RTP/SCS and determines if the strategy will achieve the GHG reduction targets established by its Board</p> <p><b>JUNE 2016</b><br/>FHWA/FTA evaluates SCAG's conformity determination</p> |  |

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## Attachment D:

### Further detail on the 2016-2040 RTP/SCS and Local Input Process

#### Overview

SCAG plans to replicate most of the 2012-2035 RTP/SCS plan process a positive one. However, please note that additional planning considerations may need to be incorporated into the development of 2016-2040 RTP/SCS, including issues flowing from the state, national and regional levels.

Planning activities, with complementary goals through all levels of government, include:

- The California Air Resources Board (ARB) Scoping Plan, Vision Framework and State of California's efforts to accelerate the introduction of zero emission vehicles (ZEV), as spelled out in the Governor's Executive Order B-16-2012; (<http://www.gov.ca.gov/news.php?id=17472>), and the associated Zero Emission Vehicle Action Plan ([http://opr.ca.gov/docs/Governor's Office ZEV Action Plan \(02-13\).pdf](http://opr.ca.gov/docs/Governor's_Office_ZEV_Action_Plan_(02-13).pdf)).
- Air Quality Management Plans for the 2008 Ozone National Ambient Air Quality Standards. Pursuant to the federal Clean Air Act, state implementation plans for each 2008 8-hour ozone nonattainment area must be submitted to US EPA by July 2016. The SCAG region contains seven such nonattainment areas: Coachella Valley, Imperial County, Morongo Area of Indian Country, Pechanga Area of Indian Country, South Coast Air Basin, Ventura County, and Western Mojave Desert Air Basin;
- The Air Resources Board's potential consideration of revised Greenhouse Gas (GHG) emission reduction targets applicable to the SCS. SB 375 gives ARB the authority to review and update regional greenhouse gas reduction targets every 4 years. The next ARB review of regional targets will occur in 2014. Under SB 375, ARB has authority to establish regional targets for 2020 and 2035 only. Based on AB 32 and state Executive Orders, California's planning efforts need to look beyond 2020 towards 2050 climate goals. SCAG's 2016-2040 RTP/SCS will have a planning horizon of 2040, and each subsequent RTP update will further extend the planning horizon. ARB would expect, at a minimum that the 2016-2040 RTP/SCS will maintain the 2035 level of greenhouse gas reductions through 2040 and beyond;
- The state transportation plan and freight plan;
- New requirements for RTPs included in the federal transportation reauthorization (MAP 21) Of note, MAP 21 includes substantial new processes for developing performance measures.

Also note that State law requires a coordinated Regional Housing Needs Assessment (RHNA) and Housing Element update cycle every eight years, or with *every other* RTP/SCS update. Given that the 5<sup>th</sup> cycle RHNA process was completed in conjunction with the 2012-2035 RTP/SCS, there will be **no** RHNA/Housing Element update with the 2016-2040 plan.

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SCAG and our partners have been hard at work fulfilling the promise of the 2012-2035 RTP/SCS by focusing on implementation actions, including:

- Forming six subcommittees to closely examine issues of interest from the 2012-2035 plan, who ultimately recommended next steps that were approved by the Regional Council in May 2013;
- Launching a new comprehensive Sustainability Program, building on our on-going successful Compass Blueprint program to provide planning resources for member local agencies;
- Forming a standing Sustainability Working Group comprised of the six County Transportation Commissions in the SCAG region;
- Developing a formal joint work program between SCAG and the Los Angeles County Metropolitan Transportation Authority, while also exploring similar partnerships with other county transportation commissions;
- Developing legislative priorities that implement key components of the 2012-2035 plan, including innovative transportation finance, Cap and Trade implementation, and California Environmental Quality Act (CEQA) modernization;
- Seeking funding opportunities to accelerate SCS implementation for cities and counties within the region.

## Local Input Process

Based on the 2016-2040 RTP/SCS Preliminary Draft Schedule and Milestones, the local input and review process will commence in October 2013 and conclude in September 2014. At the conclusion of the 2016-2040 RTP/SCS development cycle in spring 2016, SCAG will seek Regional Council adoption of jurisdictional level population, households and employment for the years 2020, 2035 and 2040, which is the same as the adoption policy for the 2012-2035 RTP/SCS cycle.

SCAG staff will develop the following socioeconomic and land use datasets through a bottom-up local input and review process as required by the 2016-2040 RTP/SCS and Programmatic Environmental Impact Report (PEIR):

- Geographic datasets that establish existing conditions, including information on local general plan land use, zoning, existing (2012) land use, jurisdictional boundary, sphere of influence, farmland, flood areas, endangered species, transit priority areas, open space conservation plans, etc. (March 2013 – September 13<sup>th</sup>, 2013);
- Base year (2012) population, employment, household figures for all city and transportation analysis zones (TAZ);
- Growth forecasts of population, employment, and households for the 2016-2040 RTP/SCS at the jurisdictional and TAZ level for 2020, 2035, and 2040 will be sent out for review and input by local jurisdictions.
- Scenario planning exercises with SPM, involving alternative land use scenarios at the sub-jurisdiction level, as well as subregional and regional level scenario planning exercises, which may include additional funding assumptions, Transportation Demand Management (TDM), Transportation System Management (TSM), active transportation measures, technology, and other related strategies. These will be the foundation to form the policy forecasts that will be derived from this local input process, if applicable; and
- Development of PEIR alternatives.

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The datasets and land use scenarios, will be developed in four stages:

## **Stage 1 – Preliminary Land Use Data Collection and Review (March 2013 – September 13<sup>th</sup>, 2013)**

**SCAG staff have compiled land use information from local jurisdictions and submitted these datasets back to jurisdictions for review and comment through the Map Book review effort**

Starting in March 2013, SCAG staff collected general plan land use and zoning information from jurisdictions' online resources. If these were not available online, SCAG contacted the local jurisdiction and requested the general plan land use and zoning information. This data was integrated into SCAG's land use database and was published, along with other geographic data such as existing land use, open space, farmland, and other resource data, into an individual *draft* Map Book for each city and county in the region. Note that this information was sent to each jurisdiction's planning director and city manager for their review on August 9<sup>th</sup>, 2013 and input is requested by September 13<sup>th</sup>, 2013. To review your jurisdiction's map book from SCAG, please access the following link: [ftp://scag-data:\\$cag424@data.scag.ca.gov/Data\\_Map\\_Book](ftp://scag-data:$cag424@data.scag.ca.gov/Data_Map_Book). SCAG is requesting input on these datasets in order to ensure the accuracy of this land use information, which will then be carried over into the general plan-based growth forecasts for 2020, 2035, and 2040. Workshops and/or one-on-one meetings with local jurisdictions were provided on an as-requested basis, and these were conducted in August and September of 2013 to collect revisions, answer questions, and provide assistance as needed. SCAG is anticipating receiving verification of accuracy, comments, and corrections on each jurisdiction's general plan land use, zoning information, and existing land use at the parcel level.

## **Stage 2 – Review of Base Year 2012 Socioeconomic Data and Future Years' Growth Forecast (October 2013- May 2014)**

Staff will send a package to each jurisdiction with existing 2012 base year socioeconomic data and preliminary growth projections for the years 2020, 2035, and 2040. This information will be provided at the jurisdictional level and by Transportation Analysis Zones (TAZ). An overview of the sample information package including base year figures and projected growth will be presented to SCAG's policy committees and the Technical Working Group (TWG). Also, this material will also be presented at subregional workshops throughout the region in October and November of 2013. Staff will also follow up with one-on-one meetings, upon request, to collect data changes, answer questions, and provide individual assistance. SCAG's Regional Council will approve population, households and employment forecasts for the years 2020, 2035, and 2040 at the jurisdictional level in conjunction with the adoption of the 2016-2040 RTP/SCS which is anticipated in April 2016. This is the same practice that was established for the 2012-2035 RTP/SCS cycle. Jurisdictions may submit sub-jurisdictional level input at their option. However, sub-jurisdictional information will only be included as advisory in SCAG's adopted RTP/SCS. The deadline for providing input on this portion of the local input process will be May 2014.

## **Stage 3 - Open Space Conservation Database (May 2014 – September 2014)**

SCAG is starting a new open space database program for this planning cycle that will coordinate existing local, state, and federal open space conservation efforts as well as facilitate the

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development of comprehensive, voluntary approaches that address conservation gaps, missing wildlife habitat linkages, and create opportunities for habitat enhancement and mitigation. SCAG staff is requesting information on existing and future open space conservation and habitat restoration plans, programs, and policies for your jurisdiction. Where available, we are requesting information be provided in GIS shapefile format. The deadline for providing input on this portion of the local input process will be September 2014.

## **Stage 4 – Detailed Land Use Scenario Exercises (May 2014 –September 2014)**

SCAG will assist local jurisdictions, if desired, to examine land use scenarios by place types (density, intensity, and uses). An important part of the RTP/SCS development process is establishing a framework for CEQA streamlining under SB 375. For example, this can involve delineating uses, densities, and intensities such that subsequent development projects can be found consistent with the SCS. SCAG invites local jurisdictions to provide input to the RTP/SCS growth and land use assumptions (scenario plan) for this purpose, if desired, with the clear understanding that land use information should be developed in a voluntary, bottom up process, based on interest and participation at the option of each jurisdiction. The deadline for providing input on this portion of the local input process will be September 2014.

Further, to facilitate Stages 3 and 4; to enhance the quality and consistency of data review and exchange between SCAG and jurisdictions; and to provide jurisdictions with a tool to perform scenario exercises, SCAG is developing a UrbanFootprint Scenario Planning Model (SPM). SPM will be available by May 2014; it will provide a common platform allowing easy access to SCAG's datasets allowing local jurisdictions to provide input on open space information electronically. While it is voluntary, we strongly encourage that jurisdictions utilize the SPM for data review and to provide input. Attachment E contains a description of SCAG's SPM.

Frank Wen will be the primary SCAG contact for this process. Please direct any questions or comments to Frank at [wen@scag.ca.gov](mailto:wen@scag.ca.gov) or 213-236-1854.

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## Attachment E SCAG Scenario Planning Model (SPM) Description

The SCAG Scenario Planning Model (SPM) is a tool that facilitates the development of future scenarios for land use, transportation infrastructure, socio-economic growth distribution, and urban form. The SPM has the ability to assess a wide range of analysis outcomes related to, for example, mobility, air quality, public health, fiscal impacts, and resource consumption. In addition to its analytical capacity, the model provides a platform for SCAG and local jurisdictions to store and exchange data, and to collaborate on regional and local plan development. SCAG SPM is built from the Urban Footprint platform, a software developed by Calthorpe Associates. Each of the major MPOs in California is developing different facets of Urban Footprint/SPM for their future planning needs.

For the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategies (RTP/SCS) development, SCAG SPM will serve two key purposes. One is to facilitate the scenario planning exercise at the regional scale, which will ultimately yield a proposed Draft 2016-2040 RTP/SCS. The other key purpose is to be used as a conduit for local jurisdictions to provide input to SCAG on socioeconomic growth, land use patterns, integrated transportation infrastructure, and other local planning and policy options. Subregions and jurisdictions may also use SPM to develop subregional and local plans.

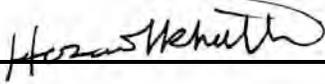
SPM provides local planners advanced analytical capabilities and will serve as a common platform for communications between SCAG and local jurisdictions in the process of local input and public outreach. SCAG SPM will offer local jurisdictions the following key functionalities:

- Providing easy access to high quality geospatial data resources;
- Allowing local users to easily review, revise, or create data and plans;
- Increasing the technical capability of local users to analyze the fiscal, environmental, transportation, and public health impacts of respective plans and policies;
- Based on the outputs of each scenario, local planners may make policy recommendation to their decision-making body

The first version of SCAG SPM is scheduled to be available by fall, to coincide with the rollout of the local input process for the development of 2016-2040 RTP/SCS.

Additional information on SPM and UrbanFootprint is available on SCAG web site at <http://www.scag.ca.gov/modeling/scenarioplanning.htm>.

**DATE:** September 12, 2013  
**TO:** Regional Council (RC)  
**FROM:** Hon. James Johnson, Chair, Energy and Environment Committee (EEC)  
**SUBJECT:** Approval of Ex-Officio Member Appointment to EEC

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**

EEC recommends approval of the appointment of Steve Schuyler as an Ex-Officio Member of EEC for a one (1) year term with the option for the SCAG President to renew the appointment.

**EXECUTIVE SUMMARY:**

*The Building Industry Association of Southern California (BIASC) requested the appointment of Steven Schuyler, BIASC Vice President of Government Affairs, to represent the business sector as an ex-officio (non-voting) member of EEC. Under the SCAG Bylaws, such appointments may be made upon the recommendation of the Policy Committee and approval by the Regional Council. Last month, the EEC reviewed the matter and unanimously recommended that the Regional Council approve Mr. Schuyler's appointment as an ex-officio member of EEC for a one (1) year term with the option for the SCAG President to renew the appointment.*

**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:**

On April 30, 2013, SCAG received a letter from the BIASC, requesting appointment of Steven Schuyler, BIASC Vice President of Government Affairs, to represent the business sector as an ex-officio member of EEC (Attachment 1).

SCAG is also in receipt of a letter from the Orange County Council of Governments (OCCOG), expressing support for the appointment of Mr. Schuyler as an ex-officio member of EEC. The letter from Hon. Leroy Mills, Chairman of OCCOG and response letter from Hon. Glen Becerra, then President of SCAG, are attached for your reference (Attachments 2 and 3).

On May 10, 2013, Hon Gregory Pettis, President of SCAG, responded to the request from BIASC, informing them of the applicable appointment process (Attachment 4).

Under the SCAG Bylaws, appointments of ex-officio Members to SCAG Policy Committees may be made upon the recommendation of the Policy Committee and approval by the Regional Council. Specifically, with regard to appointments of ex-officio members to SCAG Policy Committees, the SCAG Bylaws [Article V E. (2)(c)] provide the following:

“(2) **Appointments to Policy Committees:** The President with regard to each Policy Committee shall:

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... (c) Appoint ex-officio (non-voting) members to the Policy Committees representing the business sector, labor, community groups and other public interest groups *upon the recommendation of the respective Policy Committee and approval by the Regional Council.* (Emphasis added).”

At its August 1, 2013 meeting, the EEC considered whether to recommend that the Regional Council approve the appointment of Mr. Schulyer as an ex-officio member of EEC. Based upon its review, the EEC unanimously recommended that the RC approve the appointment of Mr. Schulyer as an ex-officio member of the EEC for a one (1) year term with the option for the SCAG President to renew the appointment.

**FISCAL IMPACT:**

No fiscal impact as stipends and related expenses are paid to elected official representatives on SCAG committees, in accordance with SCAG’s Stipend Policy.

**ATTACHMENTS:**

1. Letter dated May 10, 2013 from Gregory S. Pettis, President of SCAG
2. Letter dated April 30, 2013 from Leonard Miller, President, BIASC Governing Board
3. Letter dated April 22, 2013 from Glen Becerra, Immediate Past President of SCAG
4. Letter dated April 2, from Leroy Mills, Mayor Pro Tem, City of Cypress and Chairman of OCCOG



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Greg Pettis, Cathedral City
- First Vice President  
Carl Morehouse, San Buenaventura
- Second Vice President  
Cheryl Viegas-Walker, El Centro
- Immediate Past President  
Glen Becerra, Simi Valley

**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

May 10, 2013

Mr. Leonard Miller  
President, Building Industry Association of Southern California  
17744 Sky Park Circle, Suite 170  
Irvine, California 92614

SUBJECT: Letter of Nomination for Ex-Officio Member Appointment to the  
SCAG Energy and Environment Committee (EEC)

Dear President Miller:

Thank you for your letter dated April 30, 2013, regarding the Building Industry Association of Southern California’s nomination of Steven S. Schuyler for appointment as an Ex-Officio member on the SCAG Energy and Environment Committee (EEC). I am in receipt of the letter and have forwarded it to the appropriate SCAG staff.

With regard to appointments of ex-officio members to SCAG Policy Committees, the SCAG Bylaws [Article V E. (2)(c)] provide the following:

**(2) Appointments to Policy Committees:** The President with regard to each Policy Committee shall:

... (c) Appoint ex-officio (non-voting) members to the Policy Committees representing the business sector, labor, community groups and other public interest groups *upon the recommendation of the respective Policy Committee and approval by the Regional Council.* (Emphasis added).

Thus, the next steps in the process are to include this request for consideration by the EEC at its June 6, 2013 meeting. The recommendation of the EEC concerning this appointment request will be forwarded to the SCAG Regional Council, which must approve such appointment. The next Regional Council meeting is scheduled on August 1, 2013.

Should you have any further questions or to follow-up on this matter, please contact Joann Africa, Chief Counsel at (213)236-1928 or africa@scag.ca.gov.

Sincerely,



Gregory S. Pettis  
President

cc: Steven Schuyler, Building Industry Association of Southern California  
Hon. James Johnson, Chair of EEC  
Hasan Ikhata, Executive Director  
Sharon A. Neely, Chief Deputy Executive Director  
Joann Africa, Chief Counsel



**Building  
Industry  
Association  
of Southern  
California, Inc.**

17744 Sky Park Circle, Suite 17  
Irvine, California 92614  
949.553.9500  
fax: 949.769.8943  
<http://www.biasc.org>

April 30, 2013

President Glen Becerra  
Southern California Association of Governments  
818 West Seventh Street 12<sup>th</sup> floor  
Los Angeles, CA 90017-3435

Dear President Becerra:

As the current President of the Building Industry Association of Southern California (BIASC), I would like to support the nomination of Steve S. Schuyler, BIASC Vice President of Government Affairs, as an ex-officio member representing the business sector on the SCAG Energy and Environmental Committee (EEC).

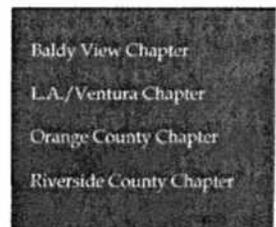
Mr. Schuyler currently sits as an ex-officio serving the private sector on the Orange County Council of Governments (OCCOG), and has also been nominated by OCCOG for appointment to the SCAG Energy and Environmental Committee.

With almost twenty years of experience in land use and environmental issues, including working in both the private sector as an environmental planner and in the public sector as an infrastructure/environmental policy advisor, Mr. Schuyler will bring relevant experience to policy discussions on the EEC. He also holds a Master of Science in Environmental Policy and Planning.

Thank you for your consideration,

Leonard Miller,  
President  
BIASC Governing Board

- cc: Hon. Cheryl Viegas, Chair EEC
- Hon. James Johnson, Chair-Elect EEC
- Hasan Ikhrata, Executive Director, SCAG
- Sharon Neeley, Chief Deputy Executive Director, SCAG
- Joann Africa, Chief Council, SCAG



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Glen Becerra, Simi Valley

**Policy Committee Chairs**

Community, Economic and Human Development  
Paula Lantz, Pomona

Energy & Environment  
Cheryl Viegas-Walker, El Centro

Transportation  
Keith Millhouse, Ventura County Transportation Commission

April 22, 2013

Hon. Leroy Mills  
Mayor Pro Tem, City of Cypress  
SCAG Regional Council Member, District 18  
Chairman, Orange County Council of Governments  
5275 Orange Avenue  
Cypress, CA 90630

**SUBJECT:** Letter of Support for Ex Officio Member Appointment to the SCAG Energy and Environment Committee

Dear Chairman Mills:

Thank you for your letter dated April 2, 2013, regarding the Orange County Council of Governments' (OCCOG) support for Steven Schuyler to represent his industry as an Ex-Officio Member on the SCAG Energy and Environment Committee (EEC). I am in receipt of the letter and have forwarded it to the appropriate SCAG staff.

As you have indicated, the SCAG Bylaws [Article V E. (2)(c)] provide the following:

**(2) Appointments to Policy Committees:** The President with regard to each Policy Committee shall:

... (c) Appoint ex-officio (non-voting) members to the Policy Committees representing the business sector, labor, community groups and other public interest groups *upon the recommendation of the respective Policy Committee and approval by the Regional Council.* [Emphasis added.]

In accordance with the SCAG Bylaws, the next step in the process is for the Building Industry Association of Southern California to request appointment of Mr. Schuyler to represent the business sector as an Ex-Officio Member on EEC. Upon receipt of such request, SCAG staff will include the request on the agenda of the next regularly scheduled EEC meeting for their consideration. The next regular EEC meeting will be held on June 6, 2013. The OCCOG letter of support will be included with this EEC agenda item.

Should you have any further questions or to follow-up on this matter, please contact Joann Africa, Chief Counsel at (213)236-1928 or africa@scag.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen T. Becerra". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Glen T. Becerra  
President

cc: Steven Schuyler, Building Industry Association of Southern California  
Hon. Cheryl Viegas Walker, Chair of EEC  
Hon. James Johnson, Chair-Elect of EEC  
Hasan Ikhata, Executive Director  
Sharon A. Neely, Chief Deputy Executive Director  
Joann Africa, Chief Counsel



**ORANGE COUNTY  
COUNCIL OF GOVERNMENTS**

April 2, 2013

The Honorable Glen Becerra  
President  
Southern California Association of Governments  
818 West Seventh Street, 12<sup>th</sup> Floor  
Los Angeles, CA 90017

Re: Ex-Officio Letter for Support for Energy and Environment Committee

Dear President Becerra:

At the March 28, 2013 Orange County Council of Governments Board of Directors Meeting, the Board unanimously approved the submittal of a Letter of Support for Ex-Officio Board Member Steven Schuyler.

Steven has indicated his interest in serving as an Ex-Officio Member of the SCAG Energy and Environment Policy Committee. The OCCOG Board of Directors also is aware that the SCAG Bylaws do not have a provision to allow non-elected officials to serve on Policy Committees. However, after conferring with your legal counsel, it has been communicated to our Board and to Steven that he may submit a request to both the Chair of the Energy and Environment Policy Committee as well as to you, representing the Regional Council, requesting his appointment to the Committee as an Ex-Officio, representing his industry – not the OCCOG Board of Directors – with the provisions that his appointment receive approval by both the Energy and Environment Committee and the Regional Council.

As a brief introduction, Steven currently serves as Vice President of Government Affairs for the Building Industry Association of Southern California. He has over 15 years of land-use, environmental planning regulatory experience in both the public and private sectors. Steve also has a Master of Science, Environmental Studies-Policy and Planning from California State University, Fullerton.

On behalf of the OCCOG Board of Directors, I would like to personally thank you for consideration of Steven's request to serve SCAG on the Energy and Environment Policy Committee. I thank you for your leadership and service to the SCAG region.

Sincerely,

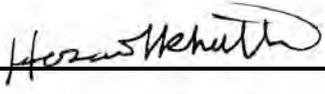
A handwritten signature in black ink, appearing to read "Leroy Mills", is written over a faint, larger version of the same signature.

Leroy Mills, Mayor Pro Tem, City of Cypress  
SCAG Regional Council Member District 18  
Chairman, Orange County Council of Governments

Cc: Steven Schuyler,  
Joann Africa, SCAG

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**DATE:** September 12, 2013  
**TO:** Regional Council (RC)  
**FROM:** Darin Chidsey; Acting Director, Strategy, Policy & Public Affairs; (213) 236-1836;  
[chidsey@scag.ca.gov](mailto:chidsey@scag.ca.gov)  
**SUBJECT:** AB 401 (Daly) – Transportation: design-build: streets and highways

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**

For Information Only – No Action Required.

**EXECUTIVE SUMMARY:**

*AB 401, formerly a bill that would authorize the Orange County Transportation Authority (OCTA) to utilize design-build procurement for the Interstate 405 Improvement Project, was amended on August 12, 2013 to expand use of design-build authority by the California Department of Transportation (Caltrans) to utilize design-build procurement for up to 10 projects on streets, roads, or the state highway system. The bill will sunset on January 1, 2024 or as specified. SCAG supports this legislation consistent with prior board action supporting design-build authority for project procurement and adopted 2013 legislative priorities supporting legislation to expedite project delivery. The Legislative/Communications and Membership Committee received a status update of AB 401 at its August 20, 2013 meeting.*

**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:**

AB 401, as introduced, authorized the Orange County Transportation Authority (OCTA) to use the design-build method of procurement for its Interstate 405 Improvement Project (I-405). Design-build refers to a procurement process in which both the design and construction of a project are procured from a single entity. Design-build stands in contrast to the traditional design-bid-build contracting method by combining the separate phases of design and construction into a single, comprehensive contract.

The bill as introduced authorized design-build for the I-405 project which will provide one additional general purpose lane in each direction to the most congested 12-mile stretch of the freeway in Orange County one of the most congested stretches of Interstate Highway in the nation. This project is estimated to generate a total of 22,700 jobs and, the use of the design-build procurement method rather than the traditional design-bid-build method will allow for an expedited project delivery schedule by allowing design and construction activities to proceed concurrently rather than sequentially. This will also allow the creation of jobs sooner due to the quicker start of construction and may shorten completion of the project by two or three years.

As amended on August 12, 2013, the bill's provisions are broadened in scope to expand authority by Caltrans to utilize design-build procurement for up to 10 projects on streets, roads, or the state highway

# REPORT

system, of which the I-405 project would almost certainly be included. Under bill provisions, such design-build projects may be undertaken by cooperative agreement between Caltrans and a regional transportation agency as defined in paragraph (4) of subdivision (a) of §143 of the Streets and Highways Code (county transportation commissions, transportation planning agency, or other regional transportation entities as defined in statute). The cooperative agreement shall include the requirement to develop a mutually agreed upon issue resolution process with a primary objective to ensure the project stays on schedule and issues between the parties are resolved in a timely manner.

As provided in the original version, the amended bill maintains the authority to perform construction inspection services for projects on the state highway system with Caltrans, and additionally provides Caltrans with authority to inspect construction on projects ‘interfacing’ the state highway system. Interfacing with the state highway system is defined to mean work performed within the state highway right-of-way, including airspace over or under that property, or work performed upon property acquired by the department for construction of a state highway, including airspace over or under that property. Bill provisions sunset on January 1, 2024, or are repealed within one year from the date on which Caltrans posts on its Internet Web site notice that its authority to perform construction inspection services consistent with §91.2 of the Streets and Highways Code has been held invalid by a court of competent jurisdiction.

AB 401 is largely based on past authorizations of design-build authority, including those that provided under the design-build pilot program under SBX2 4 (Chapter 2, Statutes of 2009), as well as the authority under AB 2098 (Chapter 250, Statutes of 2010) for the State Route 91 Corridor Improvement Project within Riverside County. AB 401 maintains compliance with Article 22 of the Constitution by allowing these services to be carried out by public employees or contracted out. The bill sunsets OCTA’s Design-build authority on January 1, 2018.

The bill has received support from numerous groups, including the Professional Engineers in California Government (PECG; American Society of Civil Engineers (ASCE) – region 9; the Association of California Cities – Orange County; and each of the transportation commissions in the SCAG region: Imperial County Transportation Commission (ICTC); Los Angeles County Metropolitan Transportation Authority (Metro); Riverside County Transportation Commission (RCTC); San Bernardino Association of Governments (SANBAG); and Ventura County Transportation Commission (VCTC).

On June 26, 2013, consistent with adopted Regional Council 2013 legislative priorities supporting legislation that will expedite project delivery, as well as long standing board support of design-build authority for project procurement, SCAG joined the region’s transportation commissions urging support and passage of AB 401. A copy of the letter is attached.

AB 401 passed the Senate Transportation and Housing Committee, after rule waiver, by (10-1) vote on August 20, 2013. The bill passed the Senate Appropriations Committee on August 30, 2013 and amended on September 3, 2013 to add expressways that are not on the state highway system to the eligible projects for which regional transportation agencies are authorized to use design-build procurement. Should the bill pass the Senate, it must return to the Assembly for concurrence by September 13, 2013. Staff will provide an update at the meeting.

## **ATTACHMENTS:**

1. AB 401 CEOs Letter
2. AB 401 SCAG Support Letter
3. AB 401 (as amended)



June 26, 2013



The Honorable Mark DeSaulnier  
 Chair, Senate Transportation and Housing Committee  
 California State Senate  
 State Capitol, Room 5035  
 Sacramento, CA 95814



Subject: **AB 401 (Daly)**

Dear Senator DeSaulnier:

The undersigned agencies would like to urge your support for AB 401 (Daly, D-Anaheim), which will provide the Orange County Transportation Authority design-build authority for the Interstate 405 (I-405) Improvement Project in Orange County.



AB 401 is largely based on past authorizations of design-build authority, including that provided under the design-build pilot program under SBX2 4 (Chapter 2, Statutes of 2009), as well as the authority under AB 2098 (Chapter 250, Statutes of 2010) for the State Route 91 Corridor Improvement Project within Riverside County. AB 401 maintains the California Department of Transportation's role in construction inspection and safety oversight, while ensuring compliance with Article 22 of the Constitution by allowing these services to be carried out by public employees or contracted out. This balanced division of the workload will ensure a continued State oversight role, as the owner and operator of the state highway system, while also allowing a substantial role for the private sector to participate in project development.



The I-405 is one of the most congested freeways in Orange County, carrying more than 300,000 vehicle trips in some sections each day. By 2040, traffic along the I-405 is expected to increase significantly. This project will provide congestion relief, improve traffic and interchange operations, and enhance road safety. The bulk of the funding for the \$1.3 billion project comes from Orange County's local sales tax measure for transportation, Measure M2, which was passed in 2006.



The use of the design-build procurement method, as outlined under AB 401, rather than the traditional design-bid-build method, will allow for an expedited project delivery schedule by allowing design and construction activities to proceed concurrently rather than sequentially. The I-405 project is estimated to generate a total of 22,700 jobs and by using design-build procurement will allow the creation of jobs immediately due to the quicker start of construction. Moreover, without design-build, the project may take two or three additional years to complete, potentially increasing project costs due to inflationary pressures.

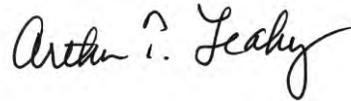
The Honorable Mark DeSaulnier  
June 26, 2013  
Page 2

AB 401 recognizes the past success of using the design-build procurement method to streamline project delivery and stimulate the economy, and provides for the extension of that the authority to the I-405 project in Orange County.

Sincerely,



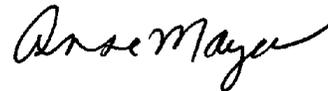
Mark Baza  
Executive Director  
Imperial County Transportation Authority



Arthur T. Leahy  
Chief Executive Officer  
Los Angeles County Metropolitan  
Transportation Authority



Darrell Johnson  
Chief Executive Officer  
Orange County Transportation Authority



Anne Mayor  
Executive Director  
Riverside County Transportation  
Commission



Raymond Wolfe  
Executive Director  
San Bernardino Associated Governments



Hasan Ikarta  
Executive Director  
Southern California Association of  
Governments



Darren Kettle  
Executive Director  
Ventura County Transportation Commission

c: Members, Senate Transportation and Housing Committee

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Energy &amp; Environment

James Johnson, Long Beach

Transportation

Keith Millhouse, Ventura County

Transportation Commission

August 15, 2013

The Honorable Mark DeSaulnier  
Chair  
Senate Committee on Transportation & Housing  
State Capitol, Room 2209  
Sacramento, CA 95814

The Honorable Ted Gaines  
Vice Chair  
Senate Committee on Transportation & Housing  
State Capitol, Room 2209  
Sacramento, CA 95814

**RE: SUPPORT for AB 401 (Daly) – Design-Build – Streets and Highways**

Dear Senators DeSaulnier and Gaines:

The Southern California Association of Governments (SCAG) offers this letter of support for AB 401 (Daly) and respectfully requests your support as well. AB 401 would authorize Caltrans to utilize the design-build procurement method for up to 10 projects on streets, roads, or the state highway system.

Design-build would greatly benefit projects like the Interstate Highway 405 (I-405) Improvement Project—especially the portion within the County of Orange—as it is one of the most congested stretches of Interstate Highway in the nation. The I-405 project will provide one additional general purpose lane in each direction to the most congested 12-mile stretch of the freeway in Orange County. The authority to use the design-build method of procurement for this particular project would move this project forward in a quick and expeditious manner, providing for increased freeway capacity, improvement in traffic and interchange operations, and enhancement to road safety to meet state and federal standards.

Design-build is a method of project delivery in which the design and construction services are contracted by a single entity and is used to reduce the delivery schedule by overlapping the design phase and construction phase of the project. Ultimately, AB 401 will allow Caltrans to speed up the completion of projects by several years, as well as accelerate the creation of thousands of jobs that will be created or sustained by these projects.

The bill has received support from numerous groups, including the Professional Engineers in California Government (PECG), American Society of Civil Engineers (ASCE) – region 9, Association of California Cities – Orange County, Imperial County Transportation Commission (ICTC), Los Angeles County Metropolitan Transportation Authority (Metro), Riverside County Transportation Commission (RCTC), San Bernardino Association of Governments (SANBAG), and Ventura County Transportation Commission (VCTC).

AB 401 will expedite the completion of projects, as well as accelerate the creation of thousands of jobs. For these reasons, SCAG's Regional Council respectfully requests your support of AB 401.

Sincerely,

Greg Pettis  
SCAG President  
City of Cathedral City

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AMENDED IN SENATE SEPTEMBER 3, 2013

AMENDED IN SENATE AUGUST 22, 2013

AMENDED IN SENATE AUGUST 12, 2013

AMENDED IN ASSEMBLY MAY 20, 2013

AMENDED IN ASSEMBLY MAY 2, 2013

AMENDED IN ASSEMBLY APRIL 22, 2013

AMENDED IN ASSEMBLY APRIL 3, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 401**

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**Introduced by Assembly Member Daly**  
**(~~Coauthor: Assembly Member~~ *Coauthors: Assembly Members Cooley***  
***and Linder*)**  
(Coauthor: Senator Correa)

February 15, 2013

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An act to add and repeal Chapter 6.5 (commencing with Section 6820) of Part 1 of Division 2 of the Public Contract Code, and to add and repeal Section 91.2 of the Streets and Highways Code, relating to transportation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 401, as amended, Daly. Transportation: design-build: ~~streets and~~ highways.

Existing law, until January 1, 2014, authorizes certain state and local transportation entities, if authorized by the California Transportation Commission, to use a design-build process for contracts on

transportation projects, as specified. Existing law establishes a procedure for submitting bids that includes a requirement that design-build entities provide a statement of qualifications submitted to the transportation entity that is verified under oath, subject to penalty of perjury.

This bill would authorize the Department of Transportation to utilize design-build procurement for up to 10 projects on the state highway system, based on either best value or lowest responsible bid. The bill would authorize regional transportation agencies, as defined, to utilize design-build procurement for projects on ~~streets, roads, or~~ *or adjacent to the state highway system. The bill would also authorize those regional transportation agencies to utilize design-build procurement for projects on expressways that are not on the state highway system, as specified.* The bill would repeal these provisions on January 1, 2024, or one year from the date that the Department of Transportation posts on its Internet Web site that the provisions related to the construction inspection services of these projects are invalid. The bill would provide that these design-build authorizations do not include construction inspection services for projects on or interfacing with the state highway system. The bill would require the Department of Transportation to perform construction inspection services for projects on or interfacing with the state highway system, as specified. The bill would require a transportation entity, as defined, awarding a contract for a public works project pursuant to these provisions, to reimburse the Department of Industrial Relations for costs of performing prevailing wage monitoring and enforcement of the public works project and would require moneys collected to be deposited into the State Public Works Enforcement Fund, a continuously appropriated fund. By depositing money in a continuously appropriated fund, the bill would make an appropriation.

The bill would extend the use of design-build procurement to regional transportation agencies, as defined, and extend the period of time for which the Department of Transportation may use design-build procurement, subject to existing procedures. The bill would, by extension, impose the statement of qualifications requirement upon regional transportation agencies and the department, subject to penalty of perjury, thereby creating a new crime and imposing a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares the following:

2 (a) The Department of Transportation has statutory authority  
3 over the state highway system, including possession, control, and  
4 responsibility for improvements to and maintenance of that system.

5 (b) The Department of Transportation is authorized to construct  
6 and maintain detours as may be necessary to facilitate movement  
7 of traffic where state highways are closed or obstructed by  
8 construction or otherwise.

9 (c) The Department of Transportation and any county, city, or  
10 public entity are authorized to enter into a contract with respect to  
11 the sharing of the expense of the acquisition, construction,  
12 improvement, or maintenance of any state highway.

13 (d) When an improvement to a portion of a state highway is  
14 completed by a local entity, the control of that portion of the state  
15 highway reverts to the state and the state is liable for its future  
16 maintenance and care.

17 SEC. 2. It is the intent of the Legislature to do the following:

18 (a) Authorize the Department of Transportation and regional  
19 transportation agencies to undertake improvements on ~~streets and~~  
20 highways *and expressways* using design-build procurement.

21 (b) Reserve for the Department of Transportation the authority  
22 to perform construction inspection services.

23 (c) Require the Department of Transportation to be responsible  
24 for ensuring that uniform safety standards are met on public works  
25 of improvement on the state highway system.

26 SEC. 3. Chapter 6.5 (commencing with Section 6820) is added  
27 to Part 1 of Division 2 of the Public Contract Code, to read:

28

29 CHAPTER 6.5. TRANSPORTATION DESIGN-BUILD PROGRAM

30

31 6820. For purposes of this chapter, the following definitions  
32 apply:

- 1 (a) “Best value” means a value determined by objective criteria,  
 2 including, but not limited to, price, features, functions, life-cycle  
 3 costs, and other criteria deemed appropriate by the transportation  
 4 entity.
- 5 (b) “Commission” means the California Transportation  
 6 Commission.
- 7 (c) “Design-build” means a procurement process in which both  
 8 the design and construction of a project are procured from a single  
 9 entity.
- 10 (d) “Design-build entity” means a partnership, corporation, or  
 11 other legal entity that is able to provide appropriately licensed  
 12 contracting, architectural, and engineering services as needed  
 13 pursuant to a design-build contract.
- 14 (e) “Design-build team” means the design-build entity itself  
 15 and the individuals and other entities identified by the design-build  
 16 entity as members of its team.
- 17 (f) “Department” means the Department of Transportation as  
 18 established under Part 5 (commencing with Section 14000) of  
 19 Division 3 of Title 2 of the Government Code.
- 20 (g) “Expressway” means expressway as defined in Section 257  
 21 of the Streets and Highways Code.
- 22 ~~(g)~~
- 23 (h) “Interfacing with the state highway system” means work  
 24 performed within the state highway right-of-way, including  
 25 airspace over or under that property, or work performed upon  
 26 property acquired by the department for construction of a state  
 27 highway, including airspace over or under that property.
- 28 ~~(h)~~
- 29 (i) “Regional transportation agency” means any of the following:  
 30 (1) A transportation planning agency described in Section 29532  
 31 or 29532.1 of the Government Code.  
 32 (2) A county transportation commission established under  
 33 Section 130050, 130050.1, or 130050.2 of the Public Utilities  
 34 Code.  
 35 (3) Any other local or regional transportation entity that is  
 36 designated by statute as a regional transportation agency.  
 37 (4) A joint exercise of powers authority established pursuant to  
 38 Chapter 5 (commencing with Section 6500) of Division 7 of Title  
 39 1 of the Government Code, with the consent of a transportation

1 planning agency or a county transportation commission for the  
2 jurisdiction in which the transportation project will be developed.

3 (5) A local transportation authority designated pursuant to  
4 Division 12.5 (commencing with Section 131000) or Division 19  
5 (commencing with Section 180000) of the Public Utilities Code.

6 (6) The Santa Clara Valley Transportation Authority established  
7 pursuant to Part 12 (commencing with Section 100000) of Division  
8 10 of the Public Utilities Code.

9 (i)

10 (j) “Transportation entity” means the department or a regional  
11 transportation agency.

12 6821. (a) The department may utilize the design-build method  
13 of procurement for up to 10 projects on the state highway system,  
14 based on either best value or lowest responsible bid.

15 (b) A regional transportation agency may utilize the design-build  
16 method of procurement to design and construct projects on ~~streets,~~  
17 ~~roads, or~~ *or adjacent to* the state highway system, *including related*  
18 *nonhighway portions of the project*, based on either best value or  
19 lowest responsible bid. A regional transportation agency and the  
20 department shall enter into a cooperative agreement reflecting the  
21 roles and responsibilities assigned by law for a project on or  
22 interfacing with the state highway system authorized under this  
23 subdivision. The cooperative agreement shall also include the  
24 requirement to develop a mutually agreed upon issue resolution  
25 process with a primary objective to ensure the project stays on  
26 schedule and issues between the parties are resolved in a timely  
27 manner.

28 (c) (1) *A regional transportation agency may utilize the*  
29 *design-build method of procurement, based on either best value*  
30 *or lowest responsible bid, to design and construct projects on*  
31 *expressways that are not on the state highway system if the projects*  
32 *are developed in accordance with an expenditure plan approved*  
33 *by voters as of January 1, 2014.*

34 (2) *The entity responsible for the maintenance of the local streets*  
35 *and roads within the jurisdiction of the expressway shall be*  
36 *responsible for the maintenance of the expressway.*

37 (d) *A city, county, or city and county shall not utilize the*  
38 *design-build method of procurement under this chapter. A regional*  
39 *transportation agency shall not utilize the design-build method of*  
40 *procurement on behalf of a city, county, or city and county.*

1     ~~(e)~~  
 2     (e) The design-build authorization in subdivisions (a) and (b)  
 3 shall not include the authority to perform construction inspection  
 4 services for projects on or interfacing with the state highway  
 5 system, which shall be performed by the department consistent  
 6 with Section 91.2 of the Streets and Highway Code.

7     ~~(f)~~  
 8     (f) (1) Not later than the first day of July that occurs two years  
 9 after a design-build contract is awarded, and each July 1 thereafter  
 10 until a project is completed, the department or the regional  
 11 transportation agency shall submit a report on the progress of the  
 12 project and compliance with this section to the legislative policy  
 13 committees having jurisdiction over transportation matters.

14     (2) The requirement of submitting a report imposed under  
 15 paragraph (1) is inoperative on the first day of July four years after  
 16 the first report was submitted, pursuant to Section 10231.5 of the  
 17 Government Code.

18     (3) A report to be submitted pursuant to paragraph (1) shall be  
 19 submitted in compliance with Section 9795 of the Government  
 20 Code.

21     6822. The commission shall use the guidelines developed  
 22 pursuant to subdivision (e) of Section 6803, as it read on December  
 23 31, 2013, to provide a standard organizational conflict-of-interest  
 24 policy, consistent with applicable law, regarding the ability of a  
 25 person or entity, that performs services for the transportation entity  
 26 relating to the solicitation of a design-build project, to submit a  
 27 proposal as a design-build entity, or to join a design-build team.  
 28 This conflict-of-interest policy shall apply to the transportation  
 29 entity entering into design-build contracts authorized under this  
 30 chapter.

31     6823. (a) For contracts for public works projects awarded prior  
 32 to the effective date of the regulations adopted by the Department  
 33 of Industrial Relations pursuant to subdivision (g) of Section 1771.5  
 34 of the Labor Code, a transportation entity authorized to use the  
 35 design-build method of procurement shall establish and enforce a  
 36 labor compliance program containing the requirements outlined  
 37 in Section 1771.5 of the Labor Code or shall contract with a third  
 38 party to operate a labor compliance program containing the  
 39 requirements outlined in Section 1771.5 of the Labor Code. This  
 40 requirement shall not apply to projects where the transportation

1 entity or design-build entity has entered into any collective  
2 bargaining agreement that binds all of the contractors performing  
3 work on the projects.

4 (b) For contracts for public works projects awarded on or after  
5 the effective date of the regulations adopted by the Department of  
6 Industrial Relations pursuant to subdivision (g) of Section 1771.5  
7 of the Labor Code, the transportation entity shall reimburse the  
8 Department of Industrial Relations for its reasonable and directly  
9 related costs of performing prevailing wage monitoring and  
10 enforcement on public works projects pursuant to rates established  
11 by the Department of Industrial Relations as set forth in subdivision  
12 (h) of Section 1771.5 of the Labor Code. All moneys collected  
13 pursuant to this subdivision shall be deposited in the State Public  
14 Works Enforcement Fund, created by Section 1771.3 of the Labor  
15 Code, and shall be used only for enforcement of prevailing wage  
16 requirements on those projects.

17 (c) In lieu of reimbursing the Department of Industrial Relations  
18 for its reasonable and directly related costs of performing  
19 monitoring and enforcement on public works projects, the  
20 transportation entity may either (1) elect to continue operating an  
21 existing previously approved labor compliance program to monitor  
22 and enforce prevailing wage requirements on the project if it has  
23 not contracted with a third party to conduct its labor compliance  
24 program and requests and receives approval from the department  
25 to continue its existing program or (2) enter into a collective  
26 bargaining agreement that binds all of the contractors performing  
27 work on the project and that includes a mechanism for resolving  
28 disputes about the payment of wages.

29 6824. The procurement process for the design-build project  
30 shall progress as follows:

31 (a) A transportation entity shall prepare a set of documents  
32 setting forth the scope and estimated price of a project. The  
33 documents may include, but need not be limited to, the size, type,  
34 and desired design character of the project, performance  
35 specifications covering the quality of materials, equipment,  
36 workmanship, preliminary plans, and any other information deemed  
37 necessary to describe adequately the transportation entity's needs.  
38 The performance specifications and any plans shall be prepared  
39 by a design professional who is duly licensed and registered in  
40 California.

1 (b) Based on the documents prepared as described in subdivision  
2 (a), the transportation entity shall prepare a request for proposals  
3 that invites interested parties to submit competitive sealed proposals  
4 in the manner prescribed by the transportation entity. The request  
5 for proposals shall include, but need not be limited to, the following  
6 elements:

7 (1) Identification of the basic scope and needs of the project or  
8 contract, the estimated cost of the project, the methodology that  
9 will be used by the transportation entity to evaluate proposals,  
10 whether the contract will be awarded on the basis of the lowest  
11 responsible bid or on best value, and any other information deemed  
12 necessary by the transportation entity to inform interested parties  
13 of the contracting opportunity.

14 (2) Significant factors that the transportation entity reasonably  
15 expects to consider in evaluating proposals, including, but not  
16 limited to, cost or price and all nonprice-related factors.

17 (3) The relative importance or the weight assigned to each of  
18 the factors identified in the request for proposals.

19 (4) For transportation entities authorized to utilize best value  
20 as a selection method, the transportation entity reserves the right  
21 to request proposal revisions and hold discussions and negotiations  
22 with responsive bidders and shall so specify in the request for  
23 proposals and shall publish separately or incorporate into the  
24 request for proposals applicable rules and procedures to be  
25 observed by the transportation entity to ensure that any discussions  
26 or negotiations are conducted in good faith.

27 (c) Based on the documents prepared under subdivision (a), the  
28 transportation entity shall prepare and issue a request for  
29 qualifications in order to prequalify the design-build entities whose  
30 proposals shall be evaluated for final selection. The request for  
31 qualifications shall include, but need not be limited to, the  
32 following elements:

33 (1) Identification of the basic scope and needs of the project or  
34 contract, the expected cost range, the methodology that will be  
35 used by the transportation entity to evaluate proposals, the  
36 procedure for final selection of the design-build entity, and any  
37 other information deemed necessary by the transportation entity  
38 to inform interested parties of the contracting opportunity.

39 (2) (A) Significant factors that the transportation entity  
40 reasonably expects to consider in evaluating qualifications,

1 including technical design and construction expertise, skilled labor  
2 force availability, and all other nonprice-related factors.

3 (B) For purposes of subparagraph (A), skilled labor force  
4 availability shall be determined by the existence of an agreement  
5 with a registered apprenticeship program, approved by the  
6 California Apprenticeship Council, that has graduated at least one  
7 apprentice in each of the preceding five years. This graduation  
8 requirement shall not apply to programs providing apprenticeship  
9 training for any craft that was first deemed by the Department of  
10 Labor and the Department of Industrial Relations to be an  
11 apprenticeable craft within the five years prior to the effective date  
12 of this article.

13 (3) A standard form request for statements of qualifications  
14 prepared by the transportation entity. In preparing the standard  
15 form, the transportation entity may consult with the construction  
16 industry, the building trades and surety industry, and other public  
17 agencies interested in using the authorization provided by this  
18 chapter. The standard form shall require information including,  
19 but not limited to, all of the following:

20 (A) If the design-build entity is a partnership, limited  
21 partnership, joint venture, or other association, a listing of all of  
22 the partners, general partners, or association members known at  
23 the time of statement of qualification submission who will  
24 participate in the design-build contract.

25 (B) Evidence that the members of the design-build entity have  
26 completed, or demonstrated the experience, competency, capability,  
27 and capacity to complete projects of similar size, scope, or  
28 complexity, and that proposed key personnel have sufficient  
29 experience and training to competently manage and complete the  
30 design and construction of the project, and a financial statement  
31 that assures the transportation entity that the design-build entity  
32 has the capacity to complete the project.

33 (C) The licenses, registration, and credentials required to design  
34 and construct the project, including, but not limited to, information  
35 on the revocation or suspension of any license, credential, or  
36 registration.

37 (D) Evidence that establishes that the design-build entity has  
38 the capacity to obtain all required payment and performance  
39 bonding, liability insurance, and errors and omissions insurance.

- 1 (E) Information concerning workers' compensation experience
- 2 history and a worker safety program.
- 3 (F) A full disclosure regarding all of the following that are
- 4 applicable:
  - 5 (i) Any serious or willful violation of Part 1 (commencing with
  - 6 Section 6300) of Division 5 of the Labor Code or the federal
  - 7 Occupational Safety and Health Act of 1970 (Public Law 91-596),
  - 8 settled against any member of the design-build entity.
  - 9 (ii) Any debarment, disqualification, or removal from a federal,
  - 10 state, or local government public works project.
  - 11 (iii) Any instance where the design-build entity, or its owners,
  - 12 officers, or managing employees submitted a bid on a public works
  - 13 project and were found to be nonresponsive or were found by an
  - 14 awarding body not to be a responsible bidder.
  - 15 (iv) Any instance where the design-build entity, or its owners,
  - 16 officers, or managing employees defaulted on a construction
  - 17 contract.
  - 18 (v) Any violations of the Contractors' State License Law, as
  - 19 described in Chapter 9 (commencing with Section 7000) of
  - 20 Division 3 of the Business and Professions Code, including alleged
  - 21 violations of federal or state law regarding the payment of wages,
  - 22 benefits, apprenticeship requirements, or personal income tax
  - 23 withholding, or Federal Insurance Contribution Act (FICA)
  - 24 withholding requirements settled against any member of the
  - 25 design-build entity.
  - 26 (vi) Any bankruptcy or receivership of any member of the
  - 27 design-build entity, including, but not limited to, information
  - 28 concerning any work completed by a surety.
  - 29 (vii) Any settled adverse claims, disputes, or lawsuits between
  - 30 the owner of a public works project and any member of the
  - 31 design-build entity during the five years preceding submission of
  - 32 a bid under this article, in which the claim, settlement, or judgment
  - 33 exceeds fifty thousand dollars (\$50,000). Information shall also
  - 34 be provided concerning any work completed by a surety during
  - 35 this five-year period.
  - 36 (G) If the proposed design-build entity is a partnership, limited
  - 37 partnership, joint-venture, or other association, a copy of the
  - 38 organizational documents or agreement committing to form the
  - 39 organization, and a statement that all general partners, joint venture

1 members, or other association members agree to be fully liable for  
2 the performance under the design-build contract.

3 (H) An acceptable safety record. A bidder's safety record shall  
4 be deemed acceptable if its experience modification rate for the  
5 most recent three-year period is an average of 1.00 or less, and its  
6 average total recordable injury/illness rate and average lost work  
7 rate for the most recent three-year period does not exceed the  
8 applicable statistical standards for its business category or if the  
9 bidder is a party to an alternative dispute resolution system as  
10 provided for in Section 3201.5 of the Labor Code.

11 (4) The information required under this subdivision shall be  
12 verified under oath by the design-build entity and its members in  
13 the manner in which civil pleadings in civil actions are verified.  
14 Information required under this subdivision that is not a public  
15 record under the California Public Records Act, as described in  
16 Chapter 3.5 (commencing with Section 6250) of Division 7 of  
17 Title 1 of the Government Code, shall not be open to public  
18 inspection.

19 (d) For those projects utilizing low bid as the final selection  
20 method, the competitive bidding process shall result in lump-sum  
21 bids by the prequalified design-build entities. Awards shall be  
22 made to the lowest responsible bidder.

23 (e) For those projects utilizing best value as a selection method,  
24 the design-build competition shall progress as follows:

25 (1) Competitive proposals shall be evaluated by using only the  
26 criteria and selection procedures specifically identified in the  
27 request for proposals. However, the following minimum factors  
28 shall be weighted as deemed appropriate by the contracting  
29 transportation entity:

30 (A) Price.

31 (B) Technical design and construction expertise.

32 (C) Life-cycle costs over 15 years or more.

33 (2) Pursuant to subdivision (b), the transportation entity may  
34 hold discussions or negotiations with responsive bidders using the  
35 process articulated in the transportation entity's request for  
36 proposals.

37 (3) When the evaluation is complete, the top three responsive  
38 bidders shall be ranked sequentially based on a determination of  
39 value provided.

1 (4) The award of the contract shall be made to the responsible  
2 bidder whose proposal is determined by the transportation entity  
3 to have offered the best value to the public.

4 (5) Notwithstanding any other provision of this code, upon  
5 issuance of a contract award, the transportation entity shall publicly  
6 announce its award, identifying the contractor to whom the award  
7 is made, along with a written decision supporting its contract award  
8 and stating the basis of the award. The notice of award shall also  
9 include the transportation entity’s second- and third-ranked  
10 design-build entities.

11 (6) The written decision supporting the transportation entity’s  
12 contract award, described in paragraph (5), and the contract file  
13 shall provide sufficient information to satisfy an external audit.

14 6825. (a) The design-build entity shall provide payment and  
15 performance bonds for the project in the form and in the amount  
16 required by the transportation entity, and issued by a California  
17 admitted surety. In no case shall the amount of the payment bond  
18 be less than the amount of the performance bond.

19 (b) The design-build contract shall require errors and omissions  
20 insurance coverage for the design elements of the project.

21 6826. (a) The transportation entity, in each design-build request  
22 for proposals, may identify specific types of subcontractors that  
23 must be included in the design-build entity statement of  
24 qualifications and proposal. All construction subcontractors that  
25 are identified in the proposal shall be afforded all the protections  
26 of Chapter 4 (commencing with Section 4100) of Part 1 of Division  
27 2.

28 (b) In awarding subcontracts not listed in the request for  
29 proposals, the design-build entity shall do all of the following:

30 (1) Provide public notice of availability of work to be  
31 subcontracted in accordance with the publication requirements  
32 applicable to the competitive bidding process of the transportation  
33 entity.

34 (2) Provide a fixed date and time on which the subcontracted  
35 work will be awarded.

36 (3) Establish reasonable qualification criteria and standards.

37 (4) Provide that the subcontracted construction work shall be  
38 awarded either on a best value basis or to the lowest responsible  
39 bidder. For construction work awarded on a best value basis, the  
40 design-build entity shall evaluate all bids utilizing the factors

1 described in paragraph (1) of subdivision (e) of Section 6824, and  
2 shall award the contract to the bidder determined by the  
3 design-build entity to have offered the best value.

4 (c) Subcontractors awarded subcontracts under this chapter shall  
5 be afforded all the protections of Chapter 4 (commencing with  
6 Section 4100) of Part 1 of Division 2.

7 6827. Nothing in this chapter affects, expands, alters, or limits  
8 any rights or remedies otherwise available at law.

9 6828. The provisions of this chapter are severable. If any  
10 provision of this chapter or its application is held invalid, that  
11 invalidity shall not affect other provisions or applications that can  
12 be given effect without the invalid provision or application.

13 6829. (a) This chapter shall remain in effect only until January  
14 1, 2024, and as of that date is repealed, unless a later enacted  
15 statute, that is enacted before January 1, 2024, deletes or extends  
16 that date.

17 (b) Notwithstanding subdivision (a), if any provision or  
18 application of Section 91.2 of the Streets and Highways Code is  
19 held invalid by a court of competent jurisdiction, this chapter shall  
20 be repealed one year from the date in which the department posts  
21 on its Internet Web site that Section 91.2 of the Streets and  
22 Highways Code has been held invalid.

23 (c) The repeal of this chapter shall not affect an executed  
24 design-build contract or cooperative agreement entered into  
25 pursuant to this chapter prior to the date of its repeal, regardless  
26 of the stage of the project at the time of repeal.

27 SEC. 4. Section 91.2 is added to the Streets and Highways  
28 Code, to read:

29 91.2. (a) The department shall perform construction inspection  
30 services for projects on or interfacing with the state highway system  
31 authorized pursuant to Chapter 6.5 (commencing with Section  
32 6820) of Part 1 of Division 2 of the Public Contract Code. The  
33 department shall use department employees or consultants under  
34 contract with the department to perform the services described in  
35 this subdivision and subdivision (b), consistent with Article XXII  
36 of the California Constitution. Construction inspection services  
37 performed by the department for those projects include, but are  
38 not limited to, material source testing, certification testing,  
39 surveying, monitoring of environmental compliance, independent  
40 quality control testing and inspection, and quality assurance audits.

1 The construction inspection duties and responsibilities of the  
 2 department shall include a direct reporting relationship between  
 3 the inspectors and senior department engineers responsible for all  
 4 inspectors and construction inspection services. The senior  
 5 department engineer responsible for construction inspection  
 6 services shall be responsible for the acceptance or rejection of the  
 7 work.

8 (b) Notwithstanding any other law, the department shall retain  
 9 the authority to stop the contractor’s operation wholly or in part  
 10 and take appropriate action when public safety is jeopardized on  
 11 a project on or interfacing with the state highway system authorized  
 12 pursuant to Chapter 6.5 (commencing with Section 6820) of Part  
 13 1 of Division 2 of the Public Contract Code. The department shall  
 14 ensure that public safety and convenience is maintained whenever  
 15 work is performed under an encroachment permit within the state  
 16 highway right-of-way, including, but not limited to, work  
 17 performed that includes lane closures, signing, work performed at  
 18 night, detours, dust control, temporary pavement quality, crash  
 19 cushions, temporary railings, pavement transitions, falsework,  
 20 shoring, and delineation. The department shall regularly inspect  
 21 the job sites for safety compliance and any possible deficiencies.  
 22 If any deficiency is observed, a written notice shall be sent by the  
 23 department to the regional transportation agency’s designated  
 24 resident engineer to correct the deficiency. Once the deficiency is  
 25 corrected, a written notice describing the resolution of the  
 26 deficiency shall be sent to the department and documented.

27 (c) The department shall use department employees or  
 28 consultants under contract with the department to perform the  
 29 services described in subdivisions (a) and (b), consistent with  
 30 Article XXII of the California Constitution. Department employee  
 31 and consultant resources necessary for the performance of those  
 32 services, including personnel requirements, shall be included in  
 33 the department’s capital outlay support program for workload  
 34 purposes in the annual Budget Act.

35 (d) *“Construction inspection services” shall not include*  
 36 *surveying work performed as part of a design-build contract.*

37 ~~(d)~~

38 (e) This section shall remain in effect only until January 1, 2024,  
 39 and as of that date is repealed, unless a later enacted statute, that  
 40 is enacted before January 1, 2024, deletes or extends that date.

1 (e)

2 (f) If any provision or application of this section is held invalid  
3 by a court of competent jurisdiction, the department shall post on  
4 its Internet Web site within 10 business days of the decision of  
5 invalidity that this section has been held invalid.

6 SEC. 5. No reimbursement is required by this act pursuant to  
7 Section 6 of Article XIII B of the California Constitution because  
8 the only costs that may be incurred by a local agency or school  
9 district will be incurred because this act creates a new crime or  
10 infraction, eliminates a crime or infraction, or changes the penalty  
11 for a crime or infraction, within the meaning of Section 17556 of  
12 the Government Code, or changes the definition of a crime within  
13 the meaning of Section 6 of Article XIII B of the California  
14 Constitution.

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**NO. 551**  
**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**  
**REGIONAL COUNCIL**  
**MINUTES OF THE MEETING**  
**AUGUST 1, 2013**

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**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](http://www.scag.ca.gov/scagtv/index.htm)**

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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 <sup>st</sup> Vice President       | <i>San Buenaventura</i> | District 47           |
| Hon. Cheryl Viegas-Walker, 2 <sup>nd</sup> Vice President | <i>El Centro</i>        | District 1            |
| Hon. Glen Becerra, Immediate Past President               | <i>Simi Valley</i>      | District 46           |
| Hon. Michael D. Antonovich                                |                         | Los Angeles County    |
| Hon. Shawn Nelson   |                         | Orange County         |
| Hon. Gary Ovitt   |                         | San Bernardino County |
| Hon. Jeff Stone   |                         | Riverside County      |
| Hon. Jack Terrazas  |                         | Imperial County       |
| Hon. Linda Parks  |                         | Ventura County        |
| Hon. Keith Millhouse                                      | <i>Moorpark</i>         | VCTC                  |
| Hon. Robert "Bob" Botts                                   | <i>Banning</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. Ronald Roberts                                       | <i>Temecula</i>         | District 5            |
| Hon. Larry McCallon                                       | <i>Highland</i>         | District 7            |
| Hon. Deborah Robertson                                    | <i>Rialto</i>           | District 8            |
| Hon. Paul Eaton   | <i>Montclair</i>        | District 9            |
| 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           |

**Members Present - continued**

|                         |                                 |              |
|-------------------------|---------------------------------|--------------|
| Hon. Gene Daniels       | <i>Paramount</i>                | District 24  |
| Hon. Jim Morton         | <i>Lynwood</i>                  | District 26  |
| 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  |
| Hon. Margaret Clark     | <i>Rosemead</i>                 | District 32  |
| Hon. Gene Murabito      | <i>Glendora</i>                 | District 33  |
| Hon. Barbara Messina    | <i>Alhambra</i>                 | District 34  |
| Hon. Margaret E. Finlay | <i>Duarte</i>                   | District 35  |
| 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. Carmen Ramirez     | <i>Oxnard</i>                   | District 45  |
| Hon. Mike Bonin         | <i>Los Angeles</i>              | District 58  |
| Hon. Karen Spiegel      | <i>Corona</i>                   | District 63  |
| Hon. Ryan McEachron     | <i>Victorville</i>              | District 65  |
| Hon. Marsha McLean      | <i>Santa Clarita</i>            | District 67  |
| Hon. Lisa Bartlett      | <i>Dana Point</i>               | TCA          |
| Mr. Randall Lewis       | <i>Lewis Group of Companies</i> | (Ex-Officio) |

**Members Not Present**

|                           |                         |                    |
|---------------------------|-------------------------|--------------------|
| Hon. Mark Ridley-Thomas   |                         | Los Angeles County |
| Hon. Jon Harrison         | <i>Redlands</i>         | District 6         |
| Hon. Tri Ta               | <i>Westminster</i>      | District 20        |
| Hon. Mario Guerra         | <i>Downey</i>           | District 25        |
| Hon. Jess Talamantes      | <i>Burbank</i>          | District 42        |
| Hon. Steven Hofbauer      | <i>Palmdale</i>         | District 43        |
| 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. 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        |

**Members Not Present - continued**

|                         |   |                        |
|-------------------------|---|------------------------|
| Hon. Joe Buscaino       | <i>Los Angeles</i>                      | District 62            |
| Hon. Matthew Harper     | <i>Huntington Beach</i>                 | District 64            |
| Hon. Lupe Ramos Watson  | <i>Indio</i>                            | District 66            |
| Hon. Andrew Masiel, Sr. | <i>Pechanga Band of Luiseño Indians</i> | Tribal Government Rep. |
| Hon. Eric Garcetti      | <i>Los Angeles</i>                      | (At-Large)             |

**Staff Present**

Hasan Ikhata, Executive Director  
 Sharon A. Neely, Chief Deputy Executive Director  
 Joe Silvey, General Counsel  
 Joann Africa, Chief Counsel  
 Basil Panas, Chief Financial Officer  
 Debbie Dillon, Deputy Executive Director of Administration  
 Rich Macias, Director of Transportation Planning  
 Huasha Liu, Director of Land Use & Environmental Planning  
 Darin Chidsey, Acting 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 approximately 12:17 p.m. Hon. Gene Daniels, Paramount, District 24, led the Pledge of Allegiance.

**PUBLIC COMMENT PERIOD**

President Pettis opened the Public Comment period.

Arnold Sachs, resident of Lennox, expressed concerns regarding the elimination of public parking in Los Angeles County transit-oriented development (TOD) areas that are not designed to access public transportation and does not incorporate features to encourage transit ridership. Mr. Sachs also commented regarding the Call for Projects; electric vehicles; airport connectivity; and loss of redevelopment funding.

Cathleen Kiritz, The Grantsmanship Center, Inc. (TGCI), announced that TGCI and SCAG are co-hosting an “Essential Grants Skills Training” Workshop to be held on August 21-22, 2013. Ms. Kiritz encouraged participants to register online: [www.tgci.com](http://www.tgci.com) and to indicate SCAG member affiliation to receive a 10% discount.

President Pettis closed the Public Comment period.

**REVIEW AND PRIORITIZE AGENDA ITEMS**

There was no reprioritization of the agenda.

## **BAY DELTA CONSERVATION PLAN (BDCP)**

President Pettis introduced Dr. Jerry Meral, Deputy Secretary, California Natural Resources Agency. Dr. Meral stated that the California's water system rests in the Sacramento-San Joaquin River Delta (Delta), located east of the San Francisco Bay. He reported that a team of federal and state water experts, scientists, and public water agencies have worked for years to address the Delta's water reliability, source and supply. While the future of reliable, high-quality water supplies for Californians depends upon a healthy Delta ecosystem, he stated that much-needed upgrades to the Delta's water delivery infrastructure is critical as the Delta has been stretched to a breaking point. Dr. Meral stated that the resulting BDCP—a conservation plan with co-equal goals—will balance the needs of fish and wildlife with California's human and economic needs. In conclusion, Dr. Meral announced that the Draft Plan's formal release and public comment will be in early fall 2013 with adoption scheduled for spring 2014.

Discussion ensued regarding support of the plan; seismically-engineered tunnel plans; costs of investment and cost to ratepayers; language revision in the water bond; and significance of the Colorado River to California (Johnson, Parks, Murray, McLean, Medina, Daigle and Viegas-Walker).

On behalf of the Regional Council, President Pettis thanked Dr. Jerry Meral for his presentation and presented him with a token of appreciation.

## **EXECUTIVE DIRECTOR'S REPORT**

### **Recognition of former Regional Councilmembers Ed P. Reyes and Dennis Zine**

Hasan Ikhata, Executive Director, announced the departing City of Los Angeles Councilmembers Ed Reyes and Dennis Zine, who were both in the Regional Council and SCAG Policy Committees. President Pettis presented them with a Plaque of Appreciation and invited them to the 2014 Regional Conference and General Assembly for a formal recognition.

### **Recognition of Retiring SCAG Staff Rosemary Ayala**

Mr. Ikhata announced the retirement of Rosemary Ayala, Manager of Federal Transportation Improvement Program Development, who has been employed at SCAG for over 32 years. President Pettis presented Ms. Ayala with a Plaque of Recognition for her service and dedication.

### **'Buy America' Update**

Mr. Ikhata reported that SCAG held a 'Buy America' Executive Officers meeting on July 8, 2013, to discuss the issues surrounding the compliance requirements related to 'Buy America' and Federal requirements concerning utility relocation work on Federal-aid projects. He reported that transportation projects that undergo the federal environmental review process are now required to comply with 'Buy America' requirements for all utility relocations, thus threatening the delay of over \$6 billion worth of transportation projects in Southern California. Mr. Ikhata stated that the FHWA is providing utility companies a deadline extension through December 31, 2013, to take the necessary steps to ensure compliance. He will continue to update the Regional Council of further developments.

Mr. Ikhata reported that he, along with the Executive Directors of the large MPOs, attended a meeting in Sacramento, urging the California Air Resources Board (ARB) Executive staff to retain existing targets of SB 375 for 2020 and 2035.

Mr. Ikhata also reported that he, along with SCAG's Executive Team, attended the Imperial County's City Managers' meeting on July 10, 2013. He thanked SCAG 2<sup>nd</sup> Vice President Cheryl Viegas-Walker; Imperial County Supervisor Jack Terrazas; Calexico Mayor Bill Hodge; and Brawley Councilmember Don Campbell for participating in the meeting and for being gracious hosts. A future border infrastructure tour will be planned.

## **PRESIDENT'S REPORT**

President Pettis noted that the President's Monthly Report has been distributed to the Regional Council members.

President Pettis congratulated Corine Milner, SCAG employee, for 25 years of service and dedication.

President Pettis welcomed two (2) student interns from Long Beach City High School, Marina Rowen and Estephania Gallo, who are shadowing Councilmember James Johnson, Long Beach, District 30, to observe the meetings today.

He also welcomed City of Holtville Councilmembers James Predmore and Ginger Ward; and Planning Commissioner Georgina Camacho, who are in the audience today.

In regard to the fitness challenge with the Executive Director, President Pettis announced that a combined 39-pound weight loss has been achieved since May 2013.

President Pettis announced Governor Brown's recent appointment of Hon. Judy Mitchell, Rolling Hills Estates, District 40, to the Air Resources Board. Councilmember Mitchell made remarks.

## **Business Update**

Randall Lewis, Lewis Group of Companies, reported that the Global Land Use Economic (GLUE) Council met on July 15, 2013 with discussions related to AB 32 Scoping Plan; various legislative bills; and the goal to have an educated workforce. Mr. Lewis expressed support for the upcoming SCAG Economic Summit in December 2013.

Lastly, President Pettis introduced Melaina Francis, Regional Risk Manager, California Joint Powers Insurance Authority (CJPIA). Ms. Francis presented a Plaque of Recognition to SCAG for being an award recipient in the CPJIA's 2013 Best Overall Performance in the Workers' Compensation Program category.

## **Committee Appointments**

### **New Regional Councilmembers**

Hon. Mike Bonin, Los Angeles, District 58

Hon. Bob Blumenfield, Los Angeles, District 50

Hon. Nury Martinez, Los Angeles, District 53

Hon. Felipe Fuentes, Los Angeles, District 54

Hon. Curren D. Price, Jr., Los Angeles, District 56

Hon. Mitch O'Farrell, Los Angeles, District 60

Hon. Gilbert Cedillo, Los Angeles, District 48

Hon. Eric Garcetti, Los Angeles, Member-at-Large

Appointments to the Energy and Environment Committee (EEC)

Hon. Sandra Genis, Costa Mesa, OCCOG

Hon. James Ramos, San Bernardino County, SANBAG

Appointment to the Legislative, Communications and Memberships Committee (LCMC)

Hon. Jim Morton, Lynwood, District 26

Representatives to the District Evaluation Subcommittee

Los Angeles County: Hon. Barbara Messina, Alhambra, District 34

Orange County: Hon. Leroy Mills, Cypress, District 18

San Bernardino County: Hon. Larry McCallon, Highland, District 7

Riverside County: Hon. Ron Roberts, Temecula, District 5

Imperial County: Hon. Cheryl Viegas-Walker, El Centro, District 1

Ventura County: Hon. Carl Morehouse, San Buenaventura, District 47

**COMMITTEE REPORTS/ACTION ITEMS****Executive/Administration Committee (EAC) Report**1. 2013-2014 State Budget and Trailer Bill Summary

Darin Chidsey, Acting Director, Strategy, Policy and Public Affairs, reported that Governor Brown signed a multi-year balanced budget, the 2013-2014 State Budget (AB 110). He provided a summary of the trailer bills, including AB 93. Mr. Chidsey stated that provisions of the bill would institute two new tax programs - a Sales and Use Tax (SUT) exemption for manufacturing and biotech equipment and similar purchases, and a hiring credit under the Personal Income Tax (PIT) and Corporation Tax (CT) for employment in specified geographic areas. The bill also provides for allocating income tax credits through the Governor's Office of Business and Economic Development (GO-Biz) to assist in retaining existing and attracting new business activity in the state. The tax incentive provisions (hiring tax credits) under AB 93 are applicable only to certain geographic areas as defined by AB 93. SCAG staff has prepared an initial analysis of these qualified areas. To determine if a specific address is located in the AB 93 qualified geographic area, Mr. Chidsey stated that an interactive mapping application is available online at: <http://maps.scag.ca.gov/AB93/index.html>

2. AB 1290 (Pérez): Transportation Planning – Update3. SB 731 (Steinberg): California Environmental Quality Act and Sustainable Communities Strategy - Work With Author – Update4. Proposed Aviation Task Force in Support of the 2016-2040 RTP/SCS

As Vice Chair of the Transportation Committee, Councilmember Alan Wapner, Ontario, SANBAG, reported that the TC made a recommendation to the Regional Council that an Aviation Task Force be created. However, due to budget concerns and refinement of the scope of work, Councilmember Wapner reported that the formation of the Aviation Task Force be deferred until January 2014.

A motion was made (Wapner) to approve the deferment of the formation of an Aviation Task Force until January 2014 to allow time to develop a Workplan; finalize the budget; and address other related matters. Motion was SECONDED (Millhouse) and UNANIMOUSLY APPROVED.

### **Community, Economic and Human Development Committee (CEHD) Report**

#### **5. Bottom-up Local Input Process for 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and Growth Forecast Development**

As Chair of the CEHD Committee, Councilmember Margaret Finlay, Duarte, District 35, provided background information on this item as noted on the report. Hasan Ikhata, Executive Director, asked the Regional Council to approve the proposed process regarding submittal of information from SCAG jurisdictions which included option of adopting a resolution designating a position to represent the jurisdiction's input in the preparation for the 2016-2040 RTP/SCS and Growth Forecast Development.

A motion was made (McCallon) to approve the recommendations of the CEHD Committee: 1) A jurisdiction's City Manager, County Administrator, Subregional Executive Director (in the case where a Subregional organization is submitting the input on behalf of its member jurisdictions), or their respective designee provide approval on growth forecast and land use data. While not required as a method of submittal of information, SCAG jurisdictions may voluntarily choose to utilize the optional Data Verification and Approval Form. If another transmittal method of information is utilized, it should include the signature of the official designee; and 2) Local jurisdictions may also choose to adopt, while optional, a resolution designating a position representing the jurisdiction's input on the growth forecast and land use data for the 2016-2040 RTP/SCS. Other options for the designation may include formal action by the jurisdiction, the transmittal of a letter to SCAG, or meeting minutes. Motion was SECONDED (M. Martinez) and UNANIMOUSLY APPROVED.

### **Energy and Environment Committee (EEC) Report**

As Chair of the EEC, Councilmember James Johnson, Long Beach, District 30, provided an update regarding discussions at the TC meeting relating to sidewalks and the presence of tree roots that make sidewalks impassable; and the approval of an EEC Ex-officio appointment for recommendation to the Regional Council.

### **Legislative/Communications and Membership Committee (LCMC) Report**

As Chair of the LCMC, Councilmember Pam O'Connor Santa Monica, District 41, noted that Agenda Item No. 8, relating to the July 2013 State and Federal legislative report, had been distributed. Councilmember O'Connor reported that the survey results of the attendees and sponsors of the 2013 Regional Conference and General Assembly held last May were positive remarks including comments on the attendees' ability to network with regional partners and interact with elected officials were noted as highly important.

### **CONSENT CALENDAR**

#### **Approval Items**

6. Minutes of the June 6, 2013 Meeting
7. SCAG Sponsorships

A motion was made (Finlay) to approve Agenda Item Nos. 6 and 7. Motion was SECONDED (Spiegel) and UNANIMOUSLY APPROVED.

### **INFORMATION ITEMS**

8. July 2013 State and Federal Legislative Update

#### **Receive & File**

9. Purchase Orders \$5,000 but less than \$200,000; Contracts \$25,000 but less than \$200,000; Amendments \$5,000 but less than \$75,000; and Contracts Funded from the General Fund
10. CFO Monthly Report
11. 2013 Regional Council and Policy Committees Meeting Schedule

### **FUTURE AGENDA ITEM(S)**

None.

### **ANNOUNCEMENTS**

Hasan Ikhata, Executive Director, announced that next month's Regional Council meeting is scheduled on the second Thursday, September 12, 2013.

### **ADJOURNMENT**

There being no further business, the Regional Council meeting adjourned at approximately 1:42 p.m.

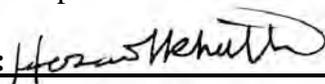
  
\_\_\_\_\_  
Lillian Harris-Neal, Clerk of the Board

**DATE:** September 12, 2013

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

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

**SUBJECT:** SCAG Sponsorships & Membership

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**

Approve.

**EXECUTIVE SUMMARY:**

*The Legislative/Communications & Membership Committee (LCMC) met on August 20, 2013, and recommended approval up to \$5,000 in sponsorships for the 2013 Southern California Energy Summit, October 3-4, 2013 and \$35,148 for FY 2013/2014 memberships for: 1) American Public Transportation Association – APTA (\$5,148); and 2) National Association of Regional Councils – NARC (\$30,000).*

**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:**

*Sponsorships*

**1. 2013 Southern California Energy Summit (October 3-4, 2013) \$5,000**

The 2013 Southern California Energy Summit will be held at the Palm Springs Convention Center on October 3-4, 2013. This event unites the hub of renewable energy resources in Southern California to raise the platform of these important issues and foster collaboration. The Coachella Valley Association of Governments (CVAG) and Coachella Valley Economic Partnership (CVEP) hosted the 2012 Coachella Valley Energy Summit with over 350 attendees, including numerous State and local elected officials. Since the 2012 Summit, CVAG and CVEP have decided to expand the Summit to include Imperial, Riverside, and San Bernardino Counties, and welcome some new partners: Western Riverside Council of Governments (WRCOG); San Bernardino Associated Governments (SANBAG); Inland Empire Economic Partnership (IEEP); and Imperial Valley Economic Development Corporation (IVEDC).

As the administrators for the Southern California Clean Cities program, SCAG assumes responsibility of completion for a number of deliverables as part of the annual Department of Energy (DOE) Clean Cities

# REPORT

Coalition (CCC) support contract. Among these deliverables includes a provision of four (4) stakeholder meetings and or outreach facilitation and events participation. In order to fulfill this portion of the outreach requirement, staff proposes extending \$5,000 from the 2012-13 DOE CCC support contract to facilitate SCAG's Clean Cities Coalition participation at the "Gold Conservation" sponsor level for the upcoming 2013 Southern California Energy Summit.

The "Gold Sponsorship" level includes:

- Name recognition and promotion as a Gold Sponsor for 2013 Energy Summit, as well as in the event program;
- Logo in select promotional materials such as event notifications and advertisements;
- Logo with a link on the Summit website;
- Logo on sponsor signage (banners and screen) at the event;
- Logo with "Gold Sponsor" listing on one side of the registration bag;
- Product or materials placement opportunities in the registration bag;
- Half-page four-color advertisement in the event program;
- One (1) "Premiere" Exhibitor booth space at the event;
- Event registration for five (5) attendees.

Exhibitor booth space at the Energy Summit would be used to promote the activities of SCAG's CCC to meet our final outreach obligation for this year.

## *Memberships*

SCAG's participation and leadership in several organizations are central to the success of SCAG's core responsibilities and funds have been included in the approved FY 2013-2014 budget. They are consistent with SCAG work priorities for FY 2013-2014 as approved by the Regional Council.

### **1. American Public Transportation Association (APTA) \$5,148**

The American Public Transportation Association (APTA) is a leading force in advancing public transportation. APTA members include transit systems, government agencies, manufacturers, suppliers, consulting firms, contractors, and other business partners. To strengthen and improve public transportation, APTA serves and leads its diverse membership through advocacy, innovation, and information sharing. An annual membership, with dues for FY 2013-2014 in the amount of \$5,148, provides SCAG with access to the highest-quality tools, resources, and programs, including advocacy efforts, networking and partnership opportunities, the latest industry research and data, and professional development. These benefits are valuable in light of new requirements under the recently enacted federal transportation reauthorization bill, Moving Ahead for Progress in the 21st Century (MAP-21), and will continue to be beneficial as Congress begins work on the next federal transportation reauthorization bill.

### **2. National Association of Regional Councils (NARC) \$30,000**

NARC is the leading advocate for Metropolitan Planning Organizations (MPO) based out of Washington, DC. NARC serves as the national voice for regionalism by advocating for regional cooperation as the most effective way to address a variety of community planning and development opportunities and issues. NARC's member organizations are composed of multiple local governments that work together to serve American communities – large and small, urban and rural. They regularly provide solutions that positively impact American communities through effective

# REPORT

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inter-jurisdictional cooperation. SCAG has been an active member of NARC throughout the years and recommends continuing to do so as this organization is consistent with SCAG core responsibilities and adopted Mission.

The FY 2013-2014 dues are \$30,000. As a national public interest organization, NARC works with and through its members to:

- Shape federal policy that recognizes the increased value of local intergovernmental cooperation;
- Advocate effectively for the role of regional councils in the coordination, planning, and delivery of current and future federal programs;
- Provide research and analysis of key national issues and developments that impact our members; and
- Offer high quality learning and networking opportunities for regional organization through events, training, and technical assistance.

Hon. Pam O'Connor, SCAG Past President, is an At-Large Representative of NARC's Board of Directors. Hasan Ikhata, SCAG Executive Director, is an At-Large Representative on NARC's Executive Directors Council. Sharon Neely, SCAG Chief Deputy Executive Director, serves as the Chair of NARC's Goods Movement Subcommittee.

**FISCAL IMPACT:**

\$5,000 for sponsorships from Project 267-1241.03 (Dept. of Energy grant) is included in the approved FY 13-14 budget.

\$35,148 for memberships are included in the approved FY 13-14 General Fund budget.

**ATTACHMENT:**

None

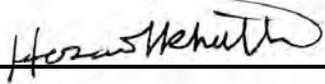
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**DATE:** September 12, 2013

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

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

**SUBJECT:** 2013 Investment Policy Annual Report

**EXECUTIVE DIRECTOR'S APPROVAL:** 

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**RECOMMENDED ACTION:**

Recommend that the Regional Council approve the 2013 Statement of Investment Policy as amended.

**EXECUTIVE SUMMARY:**

*SCAG's Statement of Investment Policy is included as Article X of the Regional Council Policy Manual. This policy is currently subject to annual review and re-approval by the Regional Council. Staff recommends re-approval of this policy with amendments.*

**STRATEGIC PLAN:**

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

**BACKGROUND:**

The Statement of Investment Policy (Section 17: Modification and Legislative Changes) states that the Executive/Administration Committee shall be responsible for modifying investment guidelines as conditions warrant and submit the modified guidelines for re-approval by the Regional Council on an annual basis.

The proposed changes to the Statement of Investment Policy are underlined in the attached:

- The authority of the Executive Director to delegate the responsibility for investments to the Chief Financial Officer and/or the Manager of Accounting is explicitly stated (page 1).
- The titles of responsible staff have been changed to reflect the recent reorganization in the Accounting Department (pages 5-6).

**FISCAL IMPACT:**

None.

**ATTACHMENT:**

2013 Statement of Investment Policy

## **SCAG STATEMENT OF INVESTMENT POLICY**

### **Section 1: Purpose**

This SCAG Statement of Investment Policy is intended to provide standards and guidelines for the prudent investment of funds by SCAG in conducting its investment and cash management responsibilities. The goal is to strengthen the overall financial condition of SCAG, while earning a return on our investments with safety and liquidity.

### **Section 2: Objective**

The Policy is designed to achieve and maintain adequate working capital to support our Planning and Support Operations, and to grow our available resources and funds to the fullest extent possible. SCAG attempts to obtain a market rate of interest without assuming undue risk to principal. The objectives of such investments are: 1) the long term preservation of capital, 2) adequate cash resources to meet our short term financial needs for liquidity; and 3) to earn a competitive rate of return on capital.

### **Section 3: Scope**

This investment policy applies to activities of SCAG with regard to investing the financial assets of all funds, including the following: General Fund, Special Revenue Funds, and Trust Funds, and any other Funds that may be created from time to time.

### **Section 4: Investment Responsibility**

SCAG's Executive Director, in his capacity as Secretary-Treasurer, may delegate responsibility for investments to the Chief Financial Officer and/or the Manager of Accounting. This includes the authority to select investments, engage professional services, to open accounts with banks, brokers and dealers, to establish safekeeping accounts or other arrangements for the custody of securities, and report to oversight bodies. Those persons authorized to execute transactions include: 1) Chief Financial Officer or his/her director designee, 2) Manager of Accounting or his/her staff designee, and 4) those specifically approved and added by the Executive/Administration Committee (EAC) of the Regional Council (RC). Brokers and dealers are to be provided with a list of specified names of those persons authorized to execute transactions.

### **Section 5: Internal Controls**

The Chief Financial Officer and the Manager of Accounting shall establish the investment function so that specific responsibility for the performance of duties is assigned with a clear line of authority, accountability and reporting. The functions of authorizing, executing and recording transactions, custody of investments and performing reconciliations are to be handled by separate persons to reduce the risk that a person is in a position to conceal errors or fraud in the normal course of duty.

While no internal control system, however elaborate, can guarantee absolute assurance that assets are safeguarded, it is the intent of the internal control system to provide reasonable assurance that management of the investment function meets our objectives. These internal controls shall be reviewed annually by the independent auditor.

### **Section 6: Reporting**

The EAC shall be responsible for reporting the status of investments to the RC on a monthly basis. Reports are to be submitted by the Chief Financial Officer to the EAC and/or the Investment Subcommittee following the end of each reporting period. These reports shall show the type of investment, institution, interest rate, date of maturity, compliance to the investment policy, a verification of adequacy of working capital to meet our operating needs and market value for all investments.

### **Section 7: Prudence**

The standard of prudence to be used by investment officials shall be the “prudent person” rule and shall be applied in the context of managing all aspects of the overall portfolio. Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs.

### **Section 8: Authorized Investments**

#### **(A) Surplus Funds**

Funds may be invested in any instrument allowable by the State of California Government Code Section 53600 et seq. so long as the investment is appropriate when SCAG’s investment objectives and policies are taken into consideration. Within the context of the limitations, the following are authorized:

- US Treasury Obligations (Bills, Notes and Bonds)
- US Government Agency Securities and Instrumentality’s of Government Sponsored Corporations
- Banker’s Acceptances
- Commercial Paper
- Repurchase Agreements
- Certificates of Deposit
- Negotiable Certificates of Deposit
- Passbook Savings Accounts
- Interest Bearing Checking Accounts
- Intermediate Term Corporate Notes
- Bank Money Market Accounts
- Local Agency Investment Fund (State Pool)

- Los Angeles County Investment Fund (County Pool)
- Shares of Beneficial Interest issued by a Joint Powers Authority organized pursuant to California Government Code Section 6509.7 that invests in the securities and obligations authorized in Section 53601 (a) through (n).
- Other investments that are, or may become, legal investments through the State of California Government Code.

### **B. Other Post-Employment Benefits Funding**

All funding approved for this purpose shall be invested in the irrevocable trust for post-employment benefits administered by the California Public Employees Retirement System (CalPERS), also known as the California Employer's Retiree Benefit Trust (CERBT).

### **C. Supplemental Defined Benefit Pension Plan Funding**

All funding approved for this purpose shall be invested in an annuity selected according to criteria prescribed by SCAG procurement policies and SCAG's financial and operational needs, or funded on a pay-as-you-go basis.

### **Section 9: Prohibited Investments**

SCAG shall not invest any funds in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages. SCAG shall not invest any funds in any security that could result in a zero interest accrual if held to maturity.

### **Section 10: Investment Criteria**

Criteria for selecting investments and order of priority are:

#### **A. SAFETY**

The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. SCAG shall only invest in those financial instruments whose safety and quality comply with State law and SCAG's risk tolerance.

#### **B. LIQUIDITY**

This refers to the ability to convert an investment into cash at any moment in time with a minimal chance of losing some portion of principal or interest. Since liquidity is an important investment quality, especially when the need for immediate access to funds may occur unexpectedly, potential fluctuations in market value are to be an important consideration when selecting an investment. SCAG's portfolio shall provide for adequate liquidity as indicated by SCAG's cash projections.

**C. YIELD**

Yield is the potential dollar earnings an investment can provide and sometimes is described as the rate of return. SCAG shall attempt to maximize return consistent with criteria A and B above.

**Section 11: Diversification**

SCAG will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. Diversification strategies shall be established within the guidelines of Government Code Section 53600 et seq., and periodically reviewed.

**Section 12: Investment Pools**

SCAG has determined that use of investment pools is a practical investment option. SCAG will utilize guidelines established by the California Municipal Treasures Association and California Society of Municipal Finance Officers to ensure the safety of investment pools.

**Section 13: Maturity Limitations**

Every investment instrument purchased must have a term remaining to maturity of five years or less, unless RC approval was obtained three months in advance.

**Section 14: Safeguarding of Assets and Records**

Securities purchased from broker/dealers shall be held in third-party safekeeping in SCAG's name and control, whenever possible. Monthly statements received from the financial institution are reconciled to the investment reports by the Senior Accountant. Review of safety, liquidity, and yields of investment instruments; and reputation and financial condition of investment brokers is to be done by the EAC. The periodic review of the investment portfolio, including investment types, purchase price, market values, maturity dates, and investment yields as well as conformance to the stated investment policy will also be performed by the EAC.

**Section 15: Qualified Institutions**

If SCAG decides not to use investment pools, SCAG shall prepare and maintain a listing of financial institutions which are approved for investment purposes. In addition, a list will be maintained of approved broker/dealers selected by credit worthiness, who maintain an office in the State of California. All financial institutions and broker/dealers who desire to become bidders for investment transactions must supply the following: audited financial statements, proof of National Association of Security Dealers' certification, trading resolution, proof of California registration, and certification of

having read this Investment Policy. An annual review of the financial condition and registrations of qualified bidders will be conducted by the EAC.

### **Section 16: Monitoring and Adjusting the Portfolio**

SCAG will monitor the contents of the portfolio, the available markets and the relative values of competing instruments and will adjust the portfolio accordingly based on our Investment Policy. Investment counselors may be engaged to assist in the performance of this work with the approval of the EAC.

### **Section 17: Modification and Legislative Changes**

The EAC shall be responsible for modifying investment guidelines as conditions warrant and submit same for re-approval by the RC on an annual basis. This annual approval may be on the consent agenda unless there are amendments to this Policy. Any State of California legislative action, that further restricts allowable maturities, investment type or percentage allocations, will be incorporated into SCAG's Statement of Investment Policy and supersede any and all previous applicable language.

### **Section 18: Segregation of Responsibilities**

| A. <b>FUNCTION</b>  | B. <b>RESPONSIBILITY</b>   |
|---|--|
| Develop Statement of Investment Policy  | Chief Financial Officer<br>Manager of Accounting   |
| Recommend modifications to Statement of Investment Policy                     | Chief Financial Officer<br>Legal Counsel<br>Manager of Accounting<br>Investment Subcommittee |
| Approve Statement of Investment Policy and appointment of Oversight Committee | Executive/Administration Committee   |
| Adopt Statement of Investment Policy  | Regional Council   |
| Select Investments  | Chief Financial Officer<br>Manager of Accounting<br>Outside Investment Manager               |
| Approve transactions  | Chief Financial Officer or Manager of Accounting   |
| Execute investment transactions and fax completed trade information to SCAG   | Outside Investment Manager   |

|  |  |
|--|--|
|  |  |
| Investment verification (match broker confirmation to trade information provided by outside Investment Manager to SCAG investment records) | <u>Lead Accountant</u>   |
| Record investment transactions into SCAG's accounting records  | <u>Lead Accountant</u> – General Ledger  |
| Reconcile investment records to accounting records and bank statements   | <u>Lead Accountant</u> – General Ledger  |
| Security   | Time Certificates of Deposit will be maintained in SCAG's safe in the care of the Chief Financial Officer. All other investment securities will be held in safekeeping in the trust department of SCAG's Depository bank, or other third party custodian as designated by the Chief Financial Officer. |

### **Section 19: Executive/Administration Committee and Investment Subcommittee**

The EAC is empowered to review and make recommendations on the Investment Policy and Investment Strategy of SCAG to strengthen the internal controls of the management of funds. The EAC may, in its discretion, establish an Investment Subcommittee to assist the EAC to achieve the goals and objectives of this Investment Policy.

#### **19.1 Purpose of the Investment Subcommittee**

- A. To review and make recommendations about this Investment Policy and Investment Strategy.
- B. To review investments on a periodic basis and to report any exceptions to this Investment Policy immediately to the RC.
- C. To be responsive to EAC requests.

#### **19.2 Membership**

The total membership shall consist of five (5) members: 1) EAC Chair and 2 Members (selected by the EAC members), 2) Chief Financial Officer, and 3) Manager of Accounting.

### **19.3 Functions and Duties**

**A. Annually**

To review and approve the Statement of Investment Policy; to review the financial condition of broker/dealers and financial institutions.

**B. Quarterly**

To review investments made during the previous quarterly period; to provide a status report to the EAC.

**C. Monthly**

To develop and carry out the ongoing investment strategy in accordance with the Investment Policy; to recommend amendments to the Statement of Investment Policy.

**D.** The function of the EAC and the Investment Subcommittee is to provide policy guidance that gives the operating staff standards and guidelines to work within on a day-to-day basis. By this, it is meant that each individual trade need not be approved by this Committee at the time it is transacted, provided that it falls within the scope of the Statement of Investment Strategy.



# 2014 MEETING SCHEDULE REGIONAL COUNCIL AND POLICY COMMITTEES

**Main Office**

818 West Seventh Street  
12th Floor  
Los Angeles, California  
90017-3435  
  
t (213) 236-1800  
f (213) 236-1825  
  
www.scag.ca.gov

|   |                     |
|---|---------------------|
| <b>All Meetings are Scheduled on the <u>1<sup>st</sup> Thursday</u> of Each Month</b> |                     |
| 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  |

**Officers**

President  
Greg Pettis, Cathedral City

First Vice President  
Carl Morehouse, San Buenaventura

Second Vice President  
Cheryl Viegas-Walker, El Centro

Immediate Past President  
Glen Becerra, Simi Valley

**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

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

July 3, 2014

**DARK IN AUGUST**

September 4, 2014

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

October 2, 2014

November 6, 2014

December 4, 2014

The Regional Council consists of 84 elected officials representing 191 cities, six counties, six County Transportation Commissions, one representative from the Transportation Corridor Agencies, one Tribal Government representative and one representative for the Air Districts within Southern California.

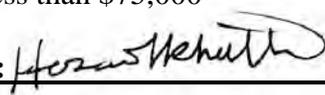
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**DATE:** September 12, 2013

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

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

**SUBJECT:** 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

**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.

**BACKGROUND:**

**SCAG executed the following Purchase Orders (PO's) between \$5,000 and \$200,000**

| <u>Vendor</u>                       | <u>PO Purpose</u>                                | <u>PO Amount</u> |
|-------------------------------------|--|------------------|
| Switch Communications Group, LLC    | FY14 Colocation Services                         | \$197,107        |
| Canon Financial Services, Inc.      | FY14 Canon Copy Machine Leases                   | \$72,000         |
| SAS Institute, Inc.                 | FY14 Software Maintenance & Support              | \$61,588         |
| Office Depot Business Services Div. | FY14 Office Supplies                             | \$40,000         |
| AT&T / CalNet                       | FY14 Telephone Services                          | \$35,000         |
| Donald Wall Assoc.                  | Modeling Data                                    | \$18,750         |
| Granicus, Inc.                      | FY14 Webstream Monthly Service                   | \$14,973         |
| IVCi                                | FY14 Codian bridge Hardware and Software Support | \$13,146         |
| CDW Government, Inc.                | FY14 HP EVA Support                              | \$11,875         |
| Xerox Corporation                   | Xerox Machine Leases                             | \$10,000         |
| Southern Calif. Leadership Network  | FY14 Program Participants                        | \$9,000          |
| Citilabs Inc.                       | Modeling Software License Renewal                | \$8,190          |
| The Howard E. Nyhart Co, Inc.       | FY14 Actuarial Valuation                         | \$8,000          |

**SCAG executed the following Contract between \$25,000 and \$200,000**

| <u>Consultant/Contract #</u>            | <u>Contract's Purpose</u>   | <u>Contract Amount</u> |
|---|---|------------------------|
| Allied Network Solutions<br>(14-004-C1) | The consultant shall assist SCAG's Application Development Department with maintaining and supporting all GIS related tools, databases, and applications. | \$124,000              |

# REPORT

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## SCAG did not execute any Amendment between \$5,000 and \$74,999

### **FISCAL IMPACT:**

Funding is available in the FY 2013-14 Budget.

### **ATTACHMENT:**

Contract Summary

## **CONSULTANT CONTRACT 14-004-C1**

|   |  |
|---|--|
| <b>Recommended Consultant:</b>                    | Allied Network Solutions   |
| <b>Background &amp; Scope of Work:</b>            | SCAG has an urgent short-term need to obtain professional Information Technology (IT) support on various significant projects in the Geographic Information Systems (GIS) group. The consultant shall assist SCAG's Application Development Department with maintaining and supporting all GIS related tools, databases, and applications.   |
| <b>Project's Benefits &amp; Key Deliverables:</b> | The project's benefits and key deliverables include, but are not limited to: <ul style="list-style-type: none"><li>• Enhancing the functionality of SCAG's GIS related software; and</li><li>• Enhancing support of SCAG's geodatabase.</li></ul>  |
| <b>Strategic Plan:</b>                            | This item supports SCAG's Strategic Plan Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies; Objective d: Integrate Advanced Information and Communication Technologies.   |
| <b>Contract Amount:</b>                           | <b>Total not-to-exceed</b> <span style="float: right;"><b>\$124,000</b></span><br>Allied Network Solutions   |
| <b>Contract Period:</b>                           | August 8, 2013 through March 31, 2014  |
| <b>Project Number:</b>                            | 045-0142A.12    \$124,000<br><br>Funding sources: Consolidated Planning Grant  |
| <b>Basis for Selection:</b>                       | In accordance with SCAG's Contract Manual Section 6.3, dated 2/14/13, to foster greater economy and efficiency, SCAG's federal procurement guidance (49 CFR Part 18, Section 18.36 [b] [5]) authorizes SCAG to procure goods and services by entering into State and local intergovernmental agreements (Master Service Agreements – MSAs). The goods and services procured under an MSA were previously competitively procured by another governmental entity (SCAG is essentially “piggy-backing” on the agreement). SCAG utilized an MSA with California Department of General Services (Agreement No. 5-10-70-06) that was competitively procured. This MSA is specifically designed for use by local agencies to leverage combined purchasing power for discounted volume pricing.<br><br>Allied Network Solutions provided an exceptional candidate with extensive technical skills. |

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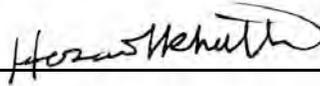
**DATE:** September 12, 2013

**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.

**ACCOUNTING**

The Accounting Department is actively working on the close-out of FY 2012-13 and preparation for the annual financial audit. All FY 2012-13 consultant invoices were received in early August which marked an improvement over prior years due to the Contracts Department's constant reminder to the consultants to submit year-end invoices.

Vasquez and Co., LLP completed their preliminary audit work in June and will begin the final audit fieldwork on September 16, 2013.

**RISK MANAGEMENT**

The California Joint Powers Insurance Authority recently advised that SCAG had earned retrospective premium adjustments as a result of favorable claims experience, as follows: a refund of \$290,096 in the Liability Program and a refund of \$49,066 in the Workers' Compensation Program. These refunds will be applied to FY 2012-13 expenditures.

**MEMBERSHIP**

136 cities have paid their FY14 membership dues. This totals over \$1 million in dues or 56% of the total membership assessment.

**BUDGET & GRANTS (B&G):**

On August 7, 2013, B&G staff received notification from Caltrans on the award of eight (8) federal transportation planning grants for FY 2013-14 totaling \$995,765 for the SCAG region. Caltrans only announced the FTA and FHWA funded grants. The awards for the Environmental Justice and Community Planning grants (State funds) in which SCAG submitted four (4) applications have yet to be determined. Based on the current award list, the SCAG region received 8 out of 12 of the federal applications submitted.

B&G staff has begun the preparation of Amendment 1 to the FY 2013-14 OWP. Amendment 1 will be an administrative amendment to correct an erratum and add FY 2012-13 specialized grant-funded carryover projects.

# REPORT

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B&G Staff is currently working with the County Transportation Commissions (CTCs) on options for the selection of a Designated Recipient for the administration of FTA Section 5310 formula grant funds. Section 5310 program is intended to enhance mobility for seniors and individuals with disabilities by providing funds for programs to serve the special needs of transit-dependent populations beyond traditional public transportation services and Americans with Disabilities Act (ADA) complementary paratransit needs.

**CONTRACTS:**

In July 2013, the Contracts Department issued one (1) Request for Proposal (RFP); awarded four (4) contracts; issued twelve (12) contract amendments; and issued 86 Purchase Orders to support ongoing business and enterprise operations. Staff also administered 66 consultant contracts.

**ATTACHMENT:**

July 2013 CFO Monthly Status Report



SOUTHERN CALIFORNIA  
**ASSOCIATION of GOVERNMENTS**

# **Office of the Chief Financial Officer**

Monthly Status Report

**JULY 2013**



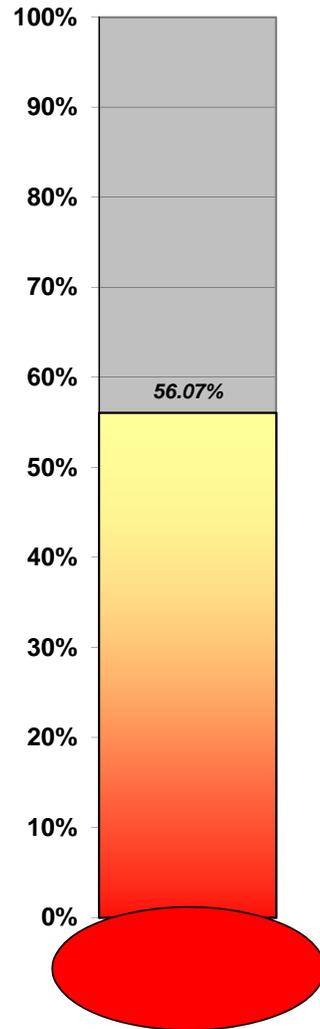
**OVERVIEW**

As of August 12, 2013, 136 cities have renewed their membership, leaving 52 yet to renew. There are three (3) cities in the SCAG region who are still being recruited for membership.

**SUMMARY**

|                      |                        |
|----------------------|------------------------|
| FY14 Membership Dues | <u>\$ 1,857,847.00</u> |
| Total Collected      | <u>\$ 1,041,736.00</u> |
| Percentage Collected | <u>56.07%</u>          |

**FY14 Membership  
Dues Collected**

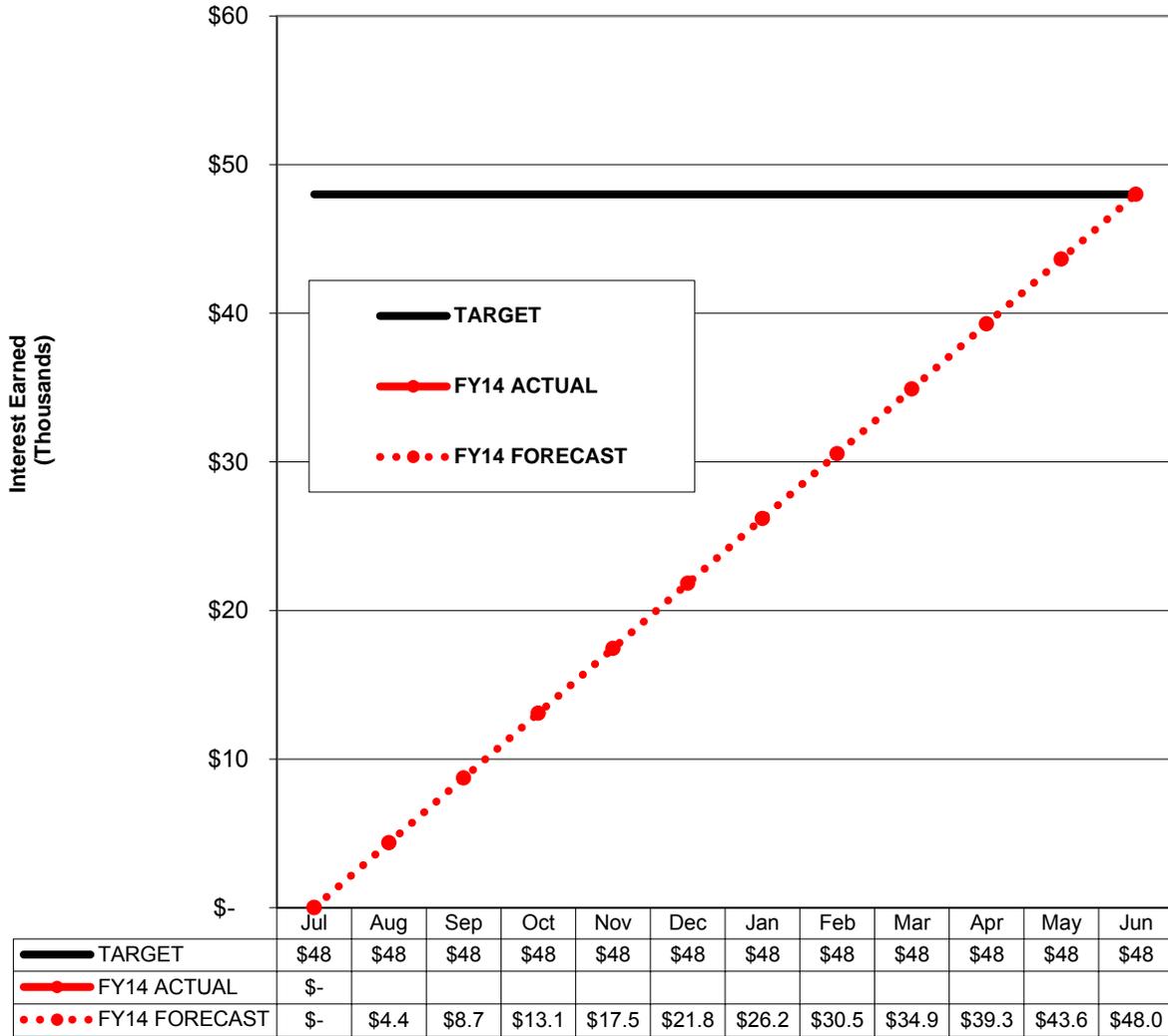


**Office of the CFO**  
Interest Earnings Variance



**SOUTHERN CALIFORNIA  
ASSOCIATION of GOVERNMENTS**

**INTEREST EARNINGS VARIANCE**



**OVERVIEW**

Actual interest income is plotted against the target amount. The amount credited to SCAG's account through July was zero because there is a one-month reporting lag. The LA County Pool earned 0.67% in June.

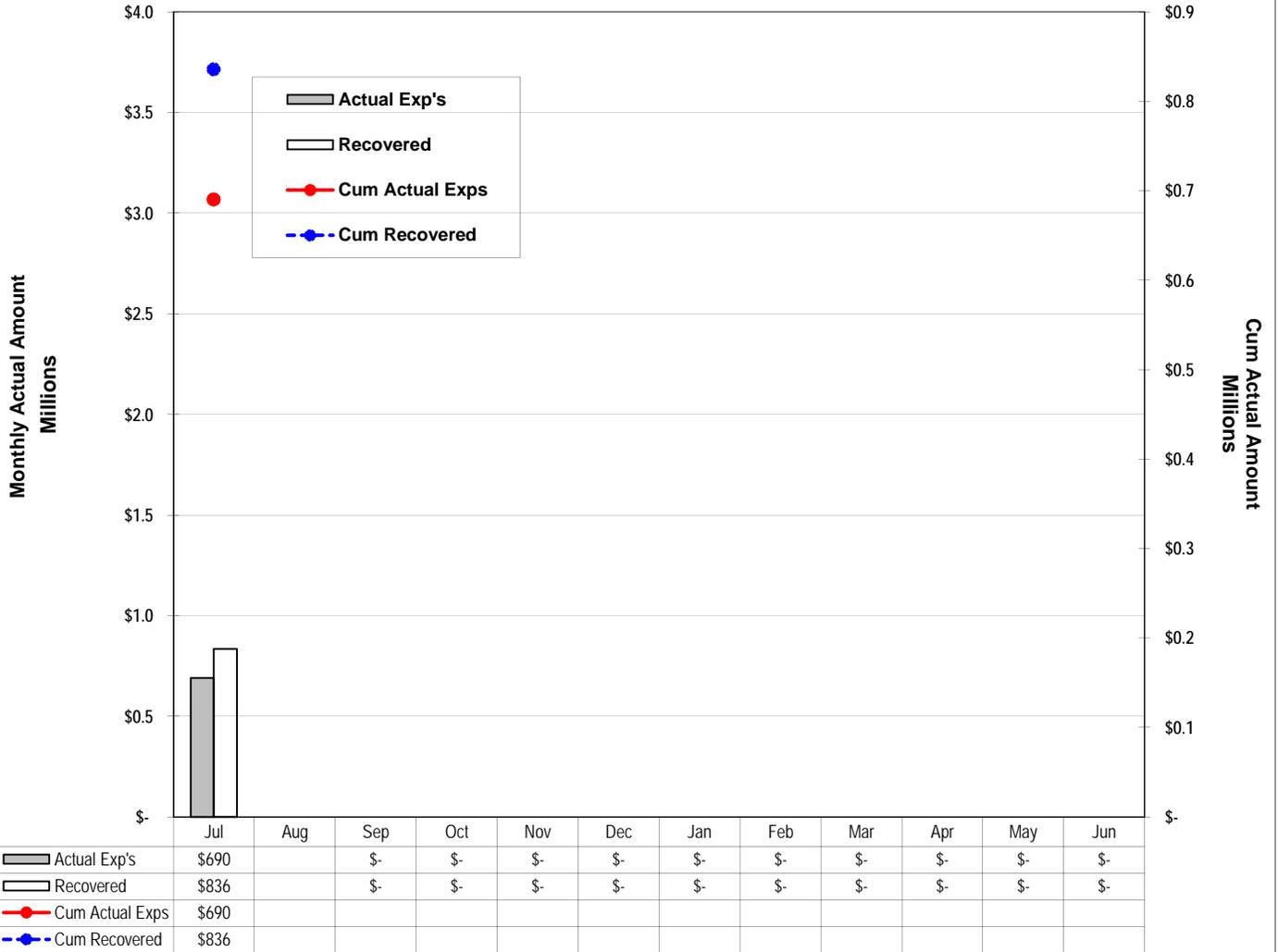
**SUMMARY**

The amount projected for FY14 is \$48,000.



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.

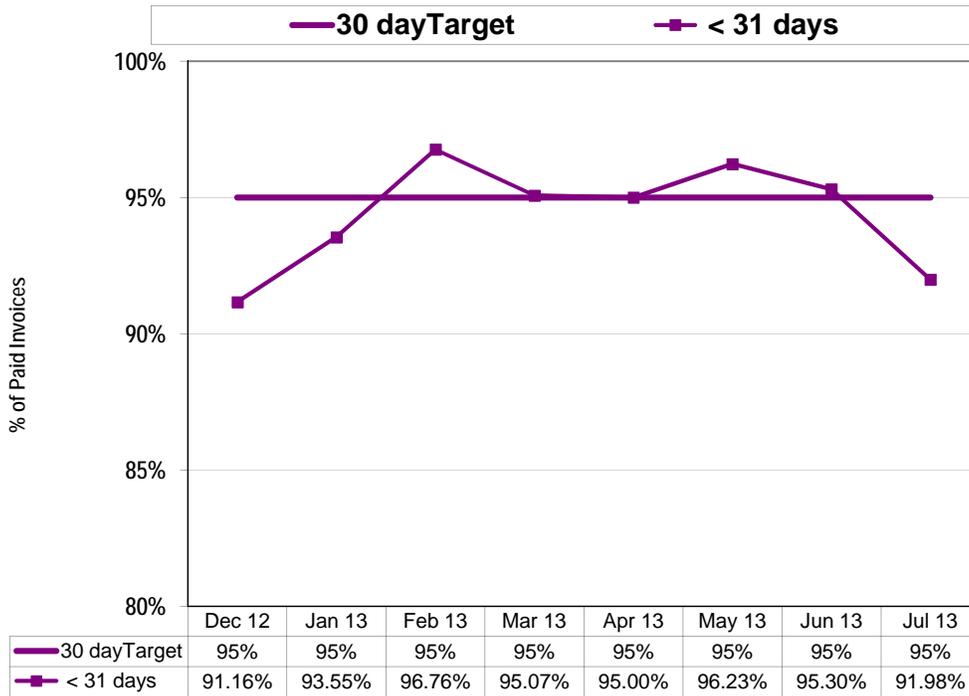
SUMMARY

Through July 2013, SCAG was over-recovered by \$145,413. This was because the Indirect Cost budget was underspent.

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 not met.

SUMMARY

91.98% of July 2013's payments were made within 30 days of invoice receipt.

At month-end, 53 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.

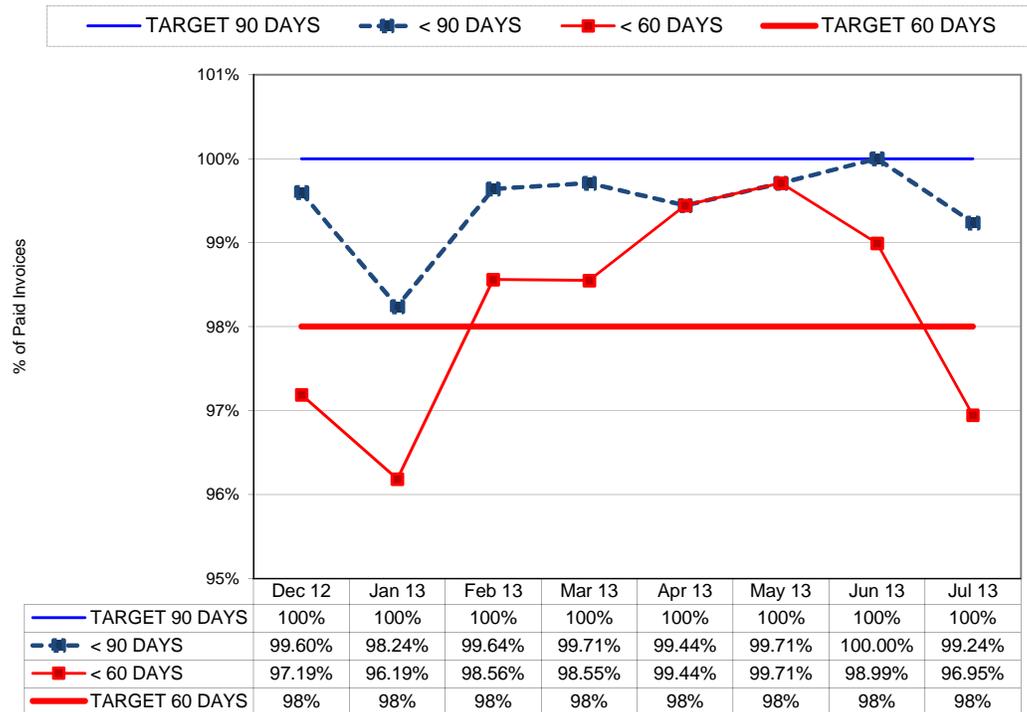
SUMMARY

These goals were not met during this period.

96.95% of July 2013's payments were within 60 days of invoice receipt and 99.24% within 90 days. Invoices unpaid 30-60 days totaled 9; 60-90 days: 4; >90 days: 3.



INVOICE AGING





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



**SOUTHERN CALIFORNIA  
ASSOCIATION of GOVERNMENTS**

**COMPREHENSIVE BUDGET**

|    |                                     | <b>Adopted<br/>Budget</b> | <b>Amended<br/>Budget</b> | <b>Expenditures</b> | <b>Commitments</b> | <b>Budget<br/>Balance</b> | <b>%<br/>Budget<br/>Used</b> |
|----|-------------------------------------|---------------------------|---------------------------|---------------------|--------------------|---------------------------|------------------------------|
| 1  | Staff & Allocated Fringe Benefits   | 149,472                   | 149,472                   | 18,629              |                    | 130,843                   | 12.5%                        |
| 2  | 51001 Allocated Indirect Costs      | 130,526                   | 130,526                   | 16,245              |                    | 114,281                   | 12.4%                        |
| 3  | 54300 SCAG Consultants              | 324,000                   | 324,000                   | -                   | 147,878            | 176,122                   | 0.0%                         |
| 4  | 54340 Legal costs                   | 25,000                    | 25,000                    | -                   | 25,000             | 0                         | 0.0%                         |
| 5  | 54350 Professional Services         | 120,000                   | 120,000                   | -                   | 4,800              | 115,200                   | 0.0%                         |
| 6  | 55441 Payroll, bank fees            | 13,000                    | 13,000                    | -                   |                    | 13,000                    | 0.0%                         |
| 7  | 55600 SCAG Memberships              | 135,300                   | 135,300                   | -                   |                    | 135,300                   | 0.0%                         |
| 8  | 55730 Capital Outlay                | 677,106                   | 677,106                   | -                   |                    | 677,106                   | 0.0%                         |
| 9  | 55910 RC/Committee Meetings         | 50,000                    | 50,000                    | -                   | 3,353              | 46,647                    | 0.0%                         |
| 10 | 55914 RC General Assembly           | 330,000                   | 330,000                   | -                   | 0                  | 330,000                   | 0.0%                         |
| 13 | 55920 Other Meeting Expense         | 90,000                    | 90,000                    | 1,342               | 10,568             | 78,090                    | 1.5%                         |
| 14 | 55930 Miscellaneous other           | 319,374                   | 319,374                   | 240                 | 15,541             | 303,593                   | 0.1%                         |
| 15 | 55940 Stipend - RC Meetings         | 180,000                   | 180,000                   | 1,680               | 0                  | 178,320                   | 0.9%                         |
| 16 | 55972 Rapid Pay Fees                | 975                       | 975                       | -                   |                    | 975                       | 0.0%                         |
| 17 | 56100 Printing                      | 6,000                     | 6,000                     | -                   | 6,000              | 0                         | 0.0%                         |
| 18 | 58100 Travel - outside SCAG region  | 37,200                    | 37,200                    | 723                 | 0                  | 36,478                    | 1.9%                         |
| 19 | 58101 Travel - local                | 21,100                    | 21,100                    | 444                 | 0                  | 20,656                    | 2.1%                         |
| 20 | 58110 Mileage - local               | 14,000                    | 14,000                    | 454                 | 0                  | 13,546                    | 3.2%                         |
| 21 | 58150 Staff Lodging Expense         | 3,500                     | 3,500                     | -                   |                    | 3,500                     | 0.0%                         |
| 22 | 58800 RC Sponsorships               | 66,400                    | 66,400                    | -                   | 6,000              | 60,400                    | 0.0%                         |
| 23 | <b>Total General Fund</b>           | <b>2,692,953</b>          | <b>2,692,953</b>          | <b>39,756</b>       | <b>219,141</b>     | <b>2,434,056</b>          | <b>1.5%</b>                  |
| 24 |                                     |                           |                           | -                   |                    |                           |                              |
| 25 | Staff & Fringe Benefits             | 12,164,400                | 12,164,400                | 939,608             |                    | 11,224,792                | 7.7%                         |
| 26 | 51001 Allocated Indirect Costs      | 10,622,486                | 10,622,486                | 819,338             |                    | 9,803,148                 | 7.7%                         |
| 27 | 54300 SCAG Consultants              | 11,818,643                | 11,818,643                | -                   | 11,818,643         | 0                         | 0.0%                         |
| 28 | 54350 Professional Services         | 889,000                   | 889,000                   | -                   | 308,078            | 580,922                   | 0.0%                         |
| 29 | 55210 Software Support              | 188,059                   | 188,059                   | 93,296              | 67,974             | 26,788                    | 49.6%                        |
| 30 | 55220 Hardware Support              | 120,000                   | 120,000                   | -                   | 16,130             | 103,870                   | 0.0%                         |
| 31 | 55280 Third Party Contribution      | 3,170,438                 | 3,170,438                 | -                   | 126,397            | 3,044,041                 | 0.0%                         |
| 32 | 55520 Graphic Supplies              | 30,000                    | 30,000                    |                     |                    | 30,000                    | 0.0%                         |
| 33 | 55620 Resource Materials - subscrib | 205,000                   | 205,000                   | 11,015              | 107,778            | 86,207                    | 5.4%                         |
| 34 | 55810 Public Notices                | 28,000                    | 28,000                    | -                   |                    | 28,000                    | 0.0%                         |
| 35 | 55830 Conference - Registration     | 10,500                    | 10,500                    | -                   | 2,500              | 8,000                     | 0.0%                         |
| 36 | 55920 Other Meeting Expense         | 96,000                    | 96,000                    | -                   |                    | 96,000                    | 0.0%                         |
| 37 | 55930 Miscellaneous - other         | 135,953                   | 135,953                   | -                   | 20,144             | 115,809                   | 0.0%                         |
| 38 | 56100 Printing                      | 105,000                   | 105,000                   | -                   | 0                  | 105,000                   | 0.0%                         |
| 39 | 58100 Travel                        | 170,700                   | 170,700                   | 598                 | 295                | 169,807                   | 0.4%                         |
| 40 | <b>Total OWP</b>                    | <b>39,754,179</b>         | <b>39,754,179</b>         | <b>1,863,856</b>    | <b>12,467,940</b>  | <b>25,422,383</b>         | <b>4.7%</b>                  |
| 41 |                                     |                           |                           | -                   |                    |                           |                              |
| 42 | <b>Comprehensive Budget</b>         | <b>42,447,132</b>         | <b>42,447,132</b>         | <b>1,903,612</b>    | <b>12,687,081</b>  | <b>27,856,440</b>         | <b>4.5%</b>                  |

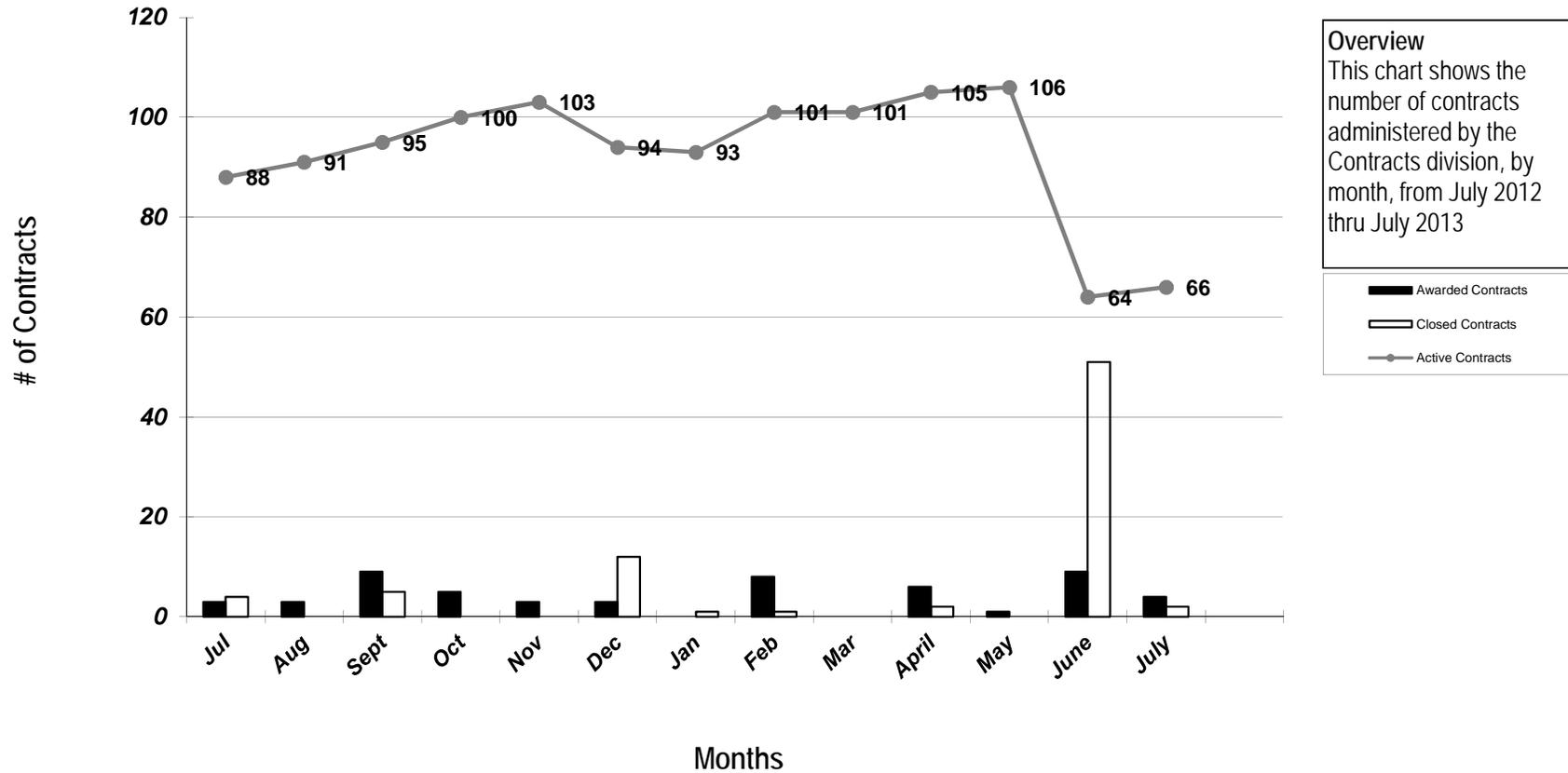
**Office of the CFO**  
*Fiscal Year-To-Date Expenditure Report Through July 31, 2013*



**INDIRECT COST EXPENDITURES**

|    |       |                                 | <b>Adopted<br/>Budget</b> | <b>Amended Budget</b> | <b>Expenditures</b> | <b>Commitments</b> | <b>Budget Balance</b> | <b>% Budget<br/>Spent</b> |
|----|-------|---------------------------------|---------------------------|-----------------------|---------------------|--------------------|-----------------------|---------------------------|
| 1  | 50010 | Regular Staff                   | 3,435,840                 | 3,435,840             | 268,485             |                    | 3,167,355             | 7.8%                      |
| 2  | 50014 | Interns, Temps, Annuit          | 20,000                    | 20,000                | 2,535               |                    | 17,465                | 12.7%                     |
| 3  | 51000 | Allocated Fringe Benefits       | 2,407,072                 | 2,407,072             | 192,410             |                    | 2,214,662             | 8.0%                      |
| 4  | 54300 | SCAG Consultants                | 117,271                   | 114,136               | 1,425               | 112,711            | 0                     | 1.2%                      |
| 5  | 54340 | Legal                           | 150,000                   | 150,000               | -                   | 105,167            | 44,833                | 0.0%                      |
| 6  | 54350 | Prof Svcs                       | 1,498,594                 | 1,498,594             | 21,085              | 587,931            | 889,578               | 1.4%                      |
| 7  | 55210 | Software Support                | 343,305                   | 343,305               | 13,526              | 115,984            | 213,795               | 3.9%                      |
| 8  | 55220 | Hardware Supp                   | 98,512                    | 98,512                | 8,946               | 42,390             | 47,176                | 9.1%                      |
| 9  | 55240 | Repair & Maint Non-IT           | 20,000                    | 20,000                | 985                 | 19,015             | 0                     | 4.9%                      |
| 10 | 55400 | Office Rent 818 Offices         | 1,582,877                 | 1,582,877             | 126,511             | 1,329,896          | 126,469               | 8.0%                      |
| 11 | 55410 | Office Rent Satellite           | 220,328                   | 220,328               | 14,675              | 205,652            | 0                     | 6.7%                      |
| 12 | 55420 | Equip Leases                    | 117,979                   | 117,979               | 5,804               | 112,175            | 0                     | 4.9%                      |
| 13 | 55430 | Equip Repairs & Maint           | 35,000                    | 35,000                | -                   | 11,047             | 23,953                | 0.0%                      |
| 14 | 55440 | Insurance                       | (126,622)                 | (126,622)             | 1,251               | 0                  | (125,371)             | -1.0%                     |
| 15 | 55441 | Payroll / Bank Fees             | 10,000                    | 10,000                | -                   |                    | 10,000                | 0.0%                      |
| 16 | 55460 | Mater & Equip < \$5,000         | 93,600                    | 93,600                | 2,534               | 18,658             | 72,408                | 2.7%                      |
| 17 | 55510 | Office Supplies                 | 130,000                   | 130,000               | 357                 | 129,643            | 0                     | 0.3%                      |
| 18 | 55520 | Graphic Supplies                | -                         | 1,465                 | 1,465               | 0                  | 0                     | 100.0%                    |
| 19 | 55530 | Telephone                       | 184,800                   | 184,800               | 7,644               | 177,156            | 0                     | 4.1%                      |
| 20 | 55540 | Postage                         | 20,000                    | 20,000                | -                   | 200                | 19,800                | 0.0%                      |
| 21 | 55550 | Delivery Services               | 8,500                     | 8,500                 | -                   | 8,500              | 0                     | 0.0%                      |
| 22 | 55600 | SCAG Memberships                | -                         | 3,135                 | 3,135               |                    | 0                     | 100.0%                    |
| 23 | 55610 | Prof Memberships                | 1,850                     | 1,850                 | 180                 | 75                 | 1,595                 | 9.7%                      |
| 24 | 55620 | Res Mats/Subscrip               | 36,200                    | 36,200                | 3,433               | 2,392              | 30,375                | 9.5%                      |
| 25 | 55700 | Deprec - Furn & Fixt            | 43,700                    | 43,700                | -                   |                    | 43,700                | 0.0%                      |
| 26 | 55710 | Deprec - Computer Equipment     | 95,000                    | 95,000                | -                   |                    | 95,000                | 0.0%                      |
| 27 | 55720 | Amortiz - Leasehold Improvement | 5,300                     | 5,300                 | -                   |                    | 5,300                 | 0.0%                      |
| 28 | 55800 | Recruitment Notices             | 10,000                    | 10,000                | -                   | 5,301              | 4,699                 | 0.0%                      |
| 29 | 55801 | Recruitment - other             | 22,000                    | 22,000                | -                   | 4,820              | 17,180                | 0.0%                      |
| 30 | 55810 | Public Notices                  | 25,000                    | 23,535                | -                   | 423                | 23,112                | 0.0%                      |
| 31 | 55820 | Training                        | 65,000                    | 65,000                | 9,085               | 55,915             | 0                     | 14.0%                     |
| 32 | 55830 | Conference/workshops            | 25,850                    | 25,850                | -                   |                    | 25,850                | 0.0%                      |
| 33 | 55920 | Other Mtg Exp                   | 1,200                     | 1,200                 | 80                  | 1,120              | 0                     | 6.7%                      |
| 34 | 55930 | Miscellaneous - other           | 13,500                    | 13,500                | 3,890               | 9,610              | 0                     | 28.8%                     |
| 35 | 55950 | Temp Help                       | 23,500                    | 23,500                | -                   | 23,500             | 0                     | 0.0%                      |
| 36 | 56100 | Printing                        | 7,500                     | 7,500                 | -                   | 7,500              | 0                     | 0.0%                      |
| 37 | 58100 | Travel - Outside                | 91,850                    | 91,850                | 96                  |                    | 91,754                | 0.1%                      |
| 38 | 58101 | Travel - Local                  | 9,950                     | 9,950                 | 130                 | 0                  | 9,820                 | 1.3%                      |
| 39 | 58110 | Mileage - Local                 | 40,375                    | 40,375                | 501                 |                    | 39,874                | 1.2%                      |
| 40 | 58150 | Staff lodging Expense           | 3,000                     | 3,000                 | -                   |                    | 3,000                 | 0.0%                      |
| 41 | 58450 | Fleet Vehicle                   | 6,500                     | 6,500                 | -                   | 6,500              | 0                     | 0.0%                      |
| 42 |       | <b>Total Indirect Cost</b>      | <b>10,894,331</b>         | <b>10,894,331</b>     | <b>690,169</b>      | <b>3,093,282</b>   | <b>7,110,880</b>      | <b>6.3%</b>               |

## SCAG Contracts (Year to Date)



**Overview**  
This chart shows the number of contracts administered by the Contracts division, by month, from July 2012 thru July 2013

- Awarded Contracts
- Closed Contracts
- Active Contracts



### Summary

The chart shows that the Contract Division is managing 66 active consultant contracts. Seventeen of these are Cost Plus Fixed Fee contracts, Twenty are fixed price contracts, and the remaining 29 are Time and Materials (T&M) contracts (includes Labor Hour and Retainer contracts). The Contracts Division anticipates issuing approximately forty (40) 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.

| <b>GROUPS</b>                                | <b>Authorized Positions</b> | <b>Filled Positions</b> | <b>Vacant Positions</b> |
|--|-----------------------------|-------------------------|-------------------------|
| <b>Executive</b>                             | 5                           | 4                       | 1                       |
| <b>Legal</b>                                 | 2                           | 2                       | 0                       |
| <b>Strategy, Policy &amp; Public Affairs</b> | 19                          | 18                      | 1                       |
| <b>Administration</b>                        | 42                          | 40                      | 2                       |
| <b>Planning &amp; Programs</b>               | 65                          | 60                      | 5                       |
| <b>Total</b>                                 | <b>133</b>                  | <b>124</b>              | <b>9</b>                |

**OTHER POSITIONS**

| <b>GROUPS</b>                                | <b>Limited Term Positions</b> | <b>Temp Positions</b> | <b>Agency Temps</b> |
|--|-------------------------------|-----------------------|---------------------|
| <b>Executive</b>                             | 0                             | 0                     | 0                   |
| <b>Legal</b>                                 | 0                             | 0                     | 0                   |
| <b>Strategy, Policy &amp; Public Affairs</b> | 0                             | 1                     | 0                   |
| <b>Administration</b>                        | 1                             | 1                     | 0                   |
| <b>Planning &amp; Programs</b>               | 1                             | 1                     | 0                   |
| <b>Total</b>                                 | <b>2</b>                      | <b>3</b>              | <b>0</b>            |



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**Officers**

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Glen Becerra, Simi Valley

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**Policy Committee Chairs**

Community, Economic and Human Development  
Paula Lantz, Pomona

Energy & Environment  
Cheryl Viegas-Walker, El Centro

Transportation  
Keith Millhouse, Ventura County Transportation Commission

**Regional Council  
Executive/Administration Committee  
And  
Policy Committees**

**2013 MEETING SCHEDULE\***

Meetings are held on the 1st Thursday of each month

**Executive/Administration Committee** 9:00 a.m. – 10:00 a.m.  
**CEHD – EEC – TC** 10:00 a.m. – 12:00 p.m.  
**Regional Council** 12:15 p.m. – 2:00 p.m.

**January 3, 2013**

**February 7, 2013**

**March 7, 2013**

**April 4, 2013**

**May 2-3, 2013 General Assembly**

**June 6, 2013**

**July - DARK**

**August 1, 2013**

**September 12, 2013** (League of CA Cities Annual Conf.  
Sept 18-20, 2013)

**October 3, 2013**

**November 7, 2013**

**December 5, 2013**

**\*Dates subject to change by the Regional Council**