Technical Working Group
February 16, 2017
10:00 a.m. – 12 noon

SCAG Downtown Office
818 West 7th Street, 12th Floor
Los Angeles 90017
Board Room

Teleconferencing Information: Number: 1-800-832-0736 – Participant Code: 7334636
Web Meeting Connection: http://scag.adobeconnect.com/twg18914/

AGENDA

Receive and File
Special Meeting Summary 12-15-16

Information Items

1. Safety Performance Management Measures Final Rule Courtney Aguirre
   Courtney Aguirre

2. Amendments #1 and #2 to the 2016 RTP/SCS Daniel Tran
   Daniel Tran

3. ARB 2030 Target Scoping Plan Update Ping Chang
   Johnson/Chang

4. Statewide Housing Assessment 2025
   Johnson/Chang

5. 2017 Local Profiles Update
   Gainor/Chang

6. SB 743 Update
   Chang

7. 2020 RTP/SCS Preparation: Related Tasks, Timeline, and Issues
   Frank Wen

The attachments for Item 5, 2017 Local Profiles Update and
Item 7, 2020 RTP/SCS Preparation will be handed out at the meeting.
Meeting Summary

The following is a summary of discussions at the Technical Working Group on December 15, 2016.

Information Items

1. **Update Draft 2016 RTP/SCS Amendment #1**
   Courtney Aguirre reported on the Draft 2016-2040 RTP/SCS Amendment 1. It was noted requests has been received from the county transportation commissions to modify approximately 70 projects in the 2016-2040 RTP/SCS. SCAG staff has been working with the CTCs to develop Amendment 1 to the plan. No impacts are seen on conformity. It is anticipated the amendment will be taken the Transportation Committee in January 2017 for approval to release for public review. Public review is anticipated January 6 through February 6, 2017. Approval from the Regional Council is anticipated April 2017.

2. **AQMP Update**
   Rongsheng Luo updated the working group on the development of the Air Quality Management Plan. Mr. Luo stated the development of the AQMP plan continues following its release for a 30-day public review period that concluded November 7, 2016. The Plan is a regional blueprint for achieving air quality standards and healthful air. The most effective way to reduce air pollution impacts on the health of our nearly 17 million residents, including those disproportionally impacted and concentrated along transportation corridors and goods movement facilities, is to reduce emissions from mobile sources, the principal contributor to our air quality challenges.

3. **Final Results – Active Transportation Health and Economic Impact Study**
   Rye Baerg reported on the Active Transportation Health and Economic Impact Study and noted the purpose of the AT Health and Economic Impact Study is to provide an understanding of the public health and economic benefits of building and maintaining a bicycle and pedestrian infrastructure. The study area is the six-county Southern California Association of Governments (SCAG) region. The study was initiated on behalf of SCAG in response to stakeholder input surrounding the development of the 2012 and 2016 Regional Transportation Plans/Sustainable Communities Strategies (RTP/SCS). Mr. Baerg reviewed the economic impacts regionally related to Active Transportation.
4. **Update Subregional SCS Framework & Guidelines**
   Kimberly Clark updated the working group on subregional SCS Framework and Guidelines. Ms. Clark reviewed the modifications to the guidelines and discussed with the working group the elements. It was noted the guidelines will be presented to the policy committees for approval February 2017 and to the Regional Council March 2017.

5. **SB 743 Guideline Development and Case Studies Update**
   Ping Chang reviewed with the working group the SB 743 guidelines development and update on case studies.

6. **2030 Target Scoping Plan Update**
   Ping Chang updated the group on the ARB 2030 Target Scoping Plan. Mr. Chang noted the ARB has released a discussion draft of the plan and is seeking comments.

7. **HCD Housing-Related Parks Grant**
   Ma’Ayn Johnson reported on the HCD’s Housing-related parks grant. It was reported HCD released a Notice of Funding Availability NOFA to fund the Housing-Related Parks Program. It was noted the HRP is an innovative program designed to reward local governments that approve housing for lower-income households and are in compliance with State housing elements law with grants funds to create or rehabilitate parks and/or recreational facilities. Ms. Johnson reported that $35 million in funding is available for the 2016 funding round. All eligible applicants are strongly encouraged to apply.

8. **SCAG SB 375 Regional GHG Target Recommendations**
   Frank Wen provided an update on SCAG’s SB 375 regional GHG Target recommendations.
Technical Working Group

Agenda Item 3
1. **The Limitation of Using VMT Reduction to Reach Climate Goals**

On page 15, under Ongoing and Proposed Measures – Vibrant Communities and Landscapes/VMT Reduction Goal, it includes a goal of 15 percent reduction in total light duty VMT in 2050 referencing the Mobile Source Strategy. It should be noted that in ARB’s Mobile Source Strategy (page 37), when discussing the light-duty vehicle sector, it states “The scenario assumed a 15 percent reduction in total light-duty VMT in 2050, compared to baseline 2050 levels.” So VMT reduction in 2050 was first introduced only as a scenario “assumption” for light-duty vehicles but it is now carried forward into ARB’s current Draft Scoping Plan Update as a “goal”. It’s still unclear about the technical justifications for the assumption which are yet to be documented by ARB.

With extensive bottom-up collaborative process with local jurisdictions and interested parties, SCAG’s 2016 RTP/SCS is estimated to achieve an 18% per/capita reduction in Greenhouse Gas (GHG) emissions in 2035, significantly exceeding the ARB target of 13%. However, even with the passage of Measure M in Los Angeles County in 2016, the region is unlikely to achieve noticeable further GHG reductions over the 18% level considering the significant improvements in vehicle fuel efficiency and the induced travel by 2035. This finding is derived after undergoing extensive technical analysis in collaboration with the other large MPOs in the state.

As to the total VMT reductions from the respective baselines, SCAG’s 2016 RTP/SCS shows an approximately 6% reduction in 2030 and 7% in 2040. Please note that 15% reduction goal in 2050 in the Draft Scoping Plan Update already includes SCAG’s and other MPOs’ adopted RTP/SCS in ARB’s 2050 baseline, so an additional 15% reduction is needed statewide beyond MPOs’ adopted RTP/SCS. This additional 15% reduction will be very difficult given that the Draft Scoping Plan Update calls for doubling the fuel efficiency, increasing to 49 miles/gallon in 2030 from today's 24 miles/gallon which will induce additional VMT since it will be cheaper to use a vehicle.

In summary, the Scoping Plan should include realistic expectations from the Transportation Sector associated with total light-duty VMT reduction.

2. **Need for Regional Equity in Cap-and-Trade/Greenhouse Gas Reduction Funding (GGRF) Allocation Considering Regional Needs Particularly Disadvantaged Communities**

The Draft Scoping Plan expects the Cap-and Trade Program to achieve 25% to 40% of the total GHG reductions needed by 2030 (Page 58 Table III-1). The Cap-and-Trade auction
proceeds have been used to support further GHG reduction efforts. However, up-to-date, there has been a regional disparity in Cap-and-Trade/GGRF Funding allocation. As a specific example, for the first two rounds of the Affordable Housing and Sustainable Communities (AHSC) Program funding, SCAG region has only received about a quarter of the total state funding while the region contains about a half of the state’s population and two-thirds of the state’s disadvantaged population pursuant to SB 535.

3. Comments on Appendix C (Vibrant communities and Landscape and Potential State-Level Strategies to Advance Sustainable, Equitable Communities and Reduce Vehicle Miles Travel (VMT))

The two White Papers in Appendix C mostly provided high level discussions of the various potential strategies and actions. However, further details are needed with respect to, for example, the following:

- What are the implementation feasibility and best practices of several suggested actions such as Growth Boundaries and establishing land conservation targets?
- For the VMT reduction strategies, how to identify and emphasize those that have the potential to yield the greatest benefits of GHG emission reduction and criteria pollutant reduction?

SCAG is encouraged by the recognition that pricing policies are integral to statewide efforts to meet GHG reduction goals and clearly believe that more can be done – both at the state level and locally – to facilitate further studies and demonstrations of pricing policies. SCAG is continuing to evaluate far reaching congestion pricing concepts, including strategic application of cordon pricing in the urban context, that are likely to have a profound impact on GHG reduction goals, local investment in new mobility options, while also serving as critical transportation demand management tools.

4. Integration of the State Implementation Plan Measures with the Scoping Plan

We appreciate ARB’s effort to integrate multiple state planning efforts in the Proposed Scoping Plan Scenario, particularly the Mobile Source Strategy. We urge ARB to go further by integrating, prioritizing funding for, and accounting for the GHG reduction co-benefits of all significant measures in the air quality management plans/state implementation plans (AQMPs/SIPs) currently under development throughout the state, particularly the full scope of the “Further Deployment of Cleaner Technologies” measures in the 2016 South Coast AQMP. First of all, these SIP measures can yield substantial GHG reduction co-benefits as demonstrated in Table III-1. Ranges of Estimated GHG and Air Pollution Reductions by Policy or Measure in 2030 of the Draft Scoping Plan (p. 57), and also represent an excellent opportunity for ARB to strengthen the state GHG programs to support greater air quality co-benefit. Secondly, these SIP measures, once approved by U.S. EPA as anticipated, will be legally enforceable and required to be implemented. Therefore, the GHG reduction co-benefits from these SIP measures have greater degree of enforceability and certainty. In addition, the 2016 South Coast AQMP has identified the need to secure significant incentive
funding to implement measures in the AQMP especially the “Further Deployment of Cleaner Technologies” measures. The integration and prioritization of these SIP measures in the Propose Scoping Plan can provide and prioritize available GHG program funds to fill the large gap of the incentive funding needed for both attainment demonstration and eventual attainment of the health-based national ambient air quality standards. It is critical for the South Coast region to be able to demonstrate attainment now and actually attain by the statutory deadlines in the near future. Otherwise, the South Coast region may face the dire consequences of potential highway sanctions and transportation conformity lapse that can impede the implementation of critical transportation projects in the vast region. Finally, Environmental Justice/Disadvantaged Communities in the severe or extreme non-attainment areas such as the South Coast are disproportionately burdened by heavy pollution from criteria pollutants. The integration and prioritization of the SIP measures can yield tangible co-benefits of health benefits by reducing criteria and toxic air pollution in the EJ/disadvantaged communities.

5. **Further Clarifying that the Communitywide GHG Reduction Goal is not a Requirement for Local Jurisdictions**

On page 134 of the Draft Scoping Plan, it states that “ARB recommends that local governments aim to achieve community-wide goal to achieve emissions of no more than six metric tons CO2e per capita by 2030 and no more than two metric tons CO2e per capita by 2050.” Appendix B also provides examples of local actions that can support the State’s climate goals. While the Draft Scoping Plan has not included any new measures as requirements for local jurisdictions to implement to meeting the 2030 GHG reduction targets, it would be helpful for ARB to state explicitly that the communitywide goal is not a requirement for local jurisdictions. Instead, a communitywide goal should be one of the many ways for the state to support local jurisdictions along with funding, regulatory incentives, technical assistance and other resources, to contribute to the statewide climate goals.

In addition, to meet the SB 32 and Executive Order (S-3-05) requirements for 2030 and 2050 respectively, both 2030 and 2050 should have maximum allowable GHG emissions. Therefore, given the projected statewide population, a statewide goal of GHG emission per capita could be estimated in 2030 and 2050. However, it should be noted that different local jurisdictions may be in different climate zones, have different industry mix, development patterns and public transit availability, accordingly a single numerical GHG emission level per capita for 2030 or 2050 may not be appropriate for all local jurisdictions.

6. **Preparing for Unintended Consequences from the Improvements in Vehicle Fuel Efficiency**

The Draft Scoping Plan Update calls for doubling the fuel efficiency, increasing from today's 24 miles/gallon to 49 miles/gallon in 2030. In addition, the Scoping Plan also includes an accelerated deployment of zero-emission vehicles to 4.3 million by 2030. Since the gasoline
excise tax has been the primary source of state and federal funding for transportation investments, the Proposed Scoping Plan should also recognize that significant improvements in fuel efficiency including the accelerated deployment of zero-emission vehicles would adversely impact already insufficient transportation revenue sources. SCAG has advocated for more than a decade for the transition from a fuel-based tax to a mileage-based user fee among other strategies to establish a user fee based system that better reflects the true cost of transportation. State leadership and collaboration with local and regional partners on the implementation of road charges to fund transportation is critical. Such strategies provide the most promise for reducing VMT and associated GHG emissions.
We request that language and strategies be added to differentiate between working lands and natural. Conservation incentives, carbon sequestration methods, and economic impacts for working lands are very different from natural/habitat lands. In our opinion, strategies appear to be vague or minimal. There needs to be a more specific strategy for farmland conservation. Most importantly strategies and incentives to ensure that land does not go fallow or for farmers and ranchers to use the most efficient techniques for GHG sequestration. Since some farmlands/ranchlands contribute to GHG emissions, we suggest that ARB provide two-tiered strategic approach: 1. Outline strategies to cut emissions on working lands, and 2. Outline strategies for sequestration on working lands.

We request that language and strategies be added to differentiate between large-scale industrial/factory farming and smaller, independent farms.

"Potential VMT Reduction Strategies for Discussion" (Appendix C) was first presented during the proposed Scoping Plan process as potential strategies yet they are now being referred to in Table II-1 on pg. 35 as a path to further VMT reductions. Please clarify if Appendix C has become the defacto menu of VMT reduction measures or are these still just potential strategies as stated in the original document?

We suggest that the text should be revised to state, "Studies indicate" instead of "In fact," since these studies use models.

We believe that a quadrupling of the proportion of trips taken by foot would be dramatic and potentially unrealistic. Walk mode share accounted for 10.7% of trips in 2010-2012. Quadrupling the proportion of trips would result in 42.8% increase by 2030, with a walk score of 14.4%. A 9-fold increase in the bicycle trips would mean a 1.6% mode share in 2010-2012 would result in a 14.4% mode share in 2030. This increase in bicycle trips appears to be more reasonable when compared to the walk trips, but the goals still appear to be lofty and aggressive. Overall, a change of this magnitude would require a major shift in land use and current transportation patterns. It would require a good portion of the trips be achievable within a 1-2 mile distance for walking. These goals might be achievable, if the State’s work culture supports a largely telecommuting work environment and/or we saw major shifts in land use in suburban communities which strengthen their economic core to provide more jobs and housing. We also suggest that ARB clarify if the increase in walking trips is directly correlated with the assumption that public transit ridership would substantially increase. If so, please clarify if the walking trips are double counted as transit ridership would result in an average of two walking trips.

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We believe that there is too much conflation between natural and working lands. Conservation incentives, carbon sequestration methods, and economic impacts for working lands are very different from natural/habitat lands. We support this statement and would also support research into the economic benefits for providing affordable housing.

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We suggest to add a third bullet to this section: Improve statewide data sets to integrate big data, improve data collection for active transportation, and investments in regional modeling capacity to provide information on the VMT reduction opportunities from proposed land use and transportation investments and programs.

We support this statement and would also support research into the economic benefits for providing affordable housing.

Please clarify as to what constitutes a "passenger rail hub" and whether this would include, for example, any inter-city passenger rail (Amtrak) or high-speed rail station, or whether a number of connecting passenger rail, commuter rail, and/or urban rail services are required. It is unclear whether the mode shares would apply only to trips terminating at or originating from the passenger rail station (i.e., trips transferring to or from the passenger rail service) or whether this includes all trips occurring within an unspecified boundary of the passenger rail station. It is unclear how the range of 10 percent to 50 percent was determined or whether this takes into account existing mode shares.

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<tbody>
<tr>
<td>9</td>
<td>Section C. Transportation Sustainability</td>
<td>106</td>
<td>Implement the Cleaner Technology and Fuels Scenario of CARB’s Mobile Source Strategy, which includes: o 4.3 million zero emission and plug-in hybrid light-duty electric vehicles by 2030</td>
<td>The number of zero emissions vehicles forecasted appears to be inconsistent throughout the document. Please clarify if the total number of forecasted zero emissions vehicle is 4.2 million or 4.3 million.</td>
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<tr>
<td>10</td>
<td>IV. Key Sectors</td>
<td>108</td>
<td>“Promoting stronger boundaries to suburban growth through enhanced support for sprawl containment mechanisms such as urban growth boundaries and transfer of development rights programs”</td>
<td>Please clarify if this statement will be supported with the full willingness and support from local land use authorities.</td>
</tr>
<tr>
<td>11</td>
<td>Natural Environment and Working Lands</td>
<td>116</td>
<td>Promote and provide incentives for infill development through community revitalization and urban greening and support for permanent and temporary voluntary conservation of lands under threat of development, paired with stewardship plans where possible. Promote the adoption of regional transportation and development plans, such as SB 375 Sustainable Communities Strategies and Climate Action Plans that prioritize infill and compact development and also consider the climate change impacts of land use and management. Provide support and technical assistance for counties, cities, and regions to integrate natural and working lands conservation priorities into plans, drawing from existing Natural Community Conservation Plans, Habitat Conservation Plans, the State Wildlife Action Plan, and critical agricultural lands.</td>
<td>Please clarify and specify the incentives needed to promote infill development.</td>
</tr>
<tr>
<td>12</td>
<td>Natural Environment and Working Lands</td>
<td>116</td>
<td>We believe that this statement needs further clarification. How would the State promote the adoption of these plans?</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Natural Environment and Working Lands</td>
<td>116</td>
<td>We believe that this statement needs further clarification. Would &quot;critical agricultural lands&quot; be part of the plan?</td>
<td></td>
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<tr>
<td>14</td>
<td>Section E. Waste Management</td>
<td>119</td>
<td>Production and use of bioenergy in the form of biofuels and renewable natural gas has the potential to reduce dependency on fossil fuels for the transportation sector</td>
<td>We agree that biofuel can produce less emissions when compared to fossil fuels. However, the effects from land use change have the potential to cause even more emissions than what would be caused by using fossil fuels alone. Would organic waste diversion and fuel conversion occur by diverting material to a nearby facility; or would the breakdown occur on-site within the landfill?</td>
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<tr>
<td>15</td>
<td>Section E. Waste Management</td>
<td>124</td>
<td>Developing programmatic Environmental Impact Reports (EIRs) and model permit and guidance documents to assist in environmental review and CEQA for new facilities.</td>
<td>We believe that this statement needs further clarification. Please clarify if developing PEIRs would assist in tiering. For example, if CalRecycle developed a PEIR, could a landfill project tier off the PEIR? Or would the PEIR be developed to evaluate the environmental impact of a plan or policy? Additionally, please provide clarification as to the purpose of model permits and guidance documents. Would agencies integrate them as best management practices and/or mitigation measures, within their EIRs?</td>
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<tr>
<td>16</td>
<td>Implementing the Proposed Plan</td>
<td>137</td>
<td>Table VI: Climate Change Policies and Measures: By 2018, develop Integrated Natural and Working Lands Action Plan to secure California’s land base as a net carbon sink . . .</td>
<td>We suggest that the Department of Agriculture be included as a lead agency along with the CNRA. A lot of indispensable knowledge and technical expertise will be missing from strategies if agricultural experts are not included. Current State statute requires that projects that result in the removal of affordable housing units must replace the housing units. It is unclear if the intention here is for the requirement of non-displacement and if it is strictly intended for disadvantaged communities.</td>
</tr>
<tr>
<td>17</td>
<td>EJAC recommendations</td>
<td>3</td>
<td>New projects must not create adverse impacts like displacement of existing residents.</td>
<td>We suggest the language be revised to state that we should minimize new infrastructure that rely on fossil fuels but should not completely avoid due to larger costs and efficiency.</td>
</tr>
<tr>
<td>18</td>
<td>EJAC recommendations</td>
<td>4</td>
<td>Do not create new infrastructure that relies on fossil fuels, including natural gas, fracking, pipeline development, crude oil shipments and processing</td>
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## Additional Draft SCAG Staff Comments on ARB Draft Scoping Plan

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<td>19</td>
<td>EJAC recommendations</td>
<td>9</td>
<td>Climate investments and energy solutions (building retrofits, weatherization, solar, microgrids, etc.) must serve entire disadvantaged communities, rather than just individual buildings or homes. Other populations of note include: fixed-income, seniors, people with chronic conditions, and other low-income residents.</td>
<td>It is our opinion that benefits to individual families can still benefit the entire community and focusing on the entire community may result in a scenario where efficiency is not achieved.</td>
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<td>20</td>
<td>EJAC recommendations</td>
<td>24</td>
<td>Greenhouse Gas Reduction Fund projects must be transformative for disadvantaged communities, in ways defined by each community themselves.</td>
<td>We agree that Greenhouse Gas Reduction Fund Projects are good for encouraging community-specific needs. However, some projects that are otherwise beneficial may not meet certain community requirements while meeting them in other communities.</td>
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Technical Working Group

Agenda Item 4
EXECUTIVE SUMMARY:
In early January 2017, the California Department of Housing & Community Development (HCD) released its draft Statewide Housing Assessment titled “California’s Housing Future: Challenges and Opportunities.” The report provides an overview of statewide housing needs and strategies to address various challenges. The public comment period is through March 4, 2017 while the final Statewide Housing Assessment is anticipated for release in Summer 2017.

BACKGROUND:
In early January 2017, the California Department of Housing & Community Development (HCD) released its draft 2015-2025 Statewide Housing Assessment titled “California’s Housing Future: Challenges and Opportunities”. The report provides a snapshot of the current state of housing affordability in California and discusses various data points such as home prices, overcrowding rates, and building activity. The report also provides an overview of housing affordability for particularly vulnerable groups such as seniors, homeless individuals, persons with disabilities, farmworkers, Native American tribes, and low income and minority groups.

In addition to the snapshot of the State’s housing crisis, the report also identifies specific challenges in meeting the housing needs of Californians:

- Housing supply continues to not keep pace with demand;
- High housing growth is expected in communities with environmental and socio-economic disparities;
- Unstable funding for affordable-home development is impeding our ability to meet California’s housing needs, particularly for lower-income households;
- People experiencing homelessness and other vulnerable populations face additional barriers to obtaining housing;
- Affordable housing has far-reaching policy impacts that benefit the quality of life in California, including health, transportation, education, the environment, and the economy.

Based on these issues, the report provides options to addressing housing challenges. Strategies include expanding local infill and density incentives, locating new housing near jobs and other amenities, and increase regional coordination in land use planning within and across regions.

Public comments on the Statewide Housing Assessment are due to HCD by March 4, 2017. Workshops were scheduled in January and February in various locations throughout the State. Over 40 people attended the Los Angeles area workshop, which was held at SCAG’s downtown Los Angeles office with videoconferencing at SCAG’s regional offices on February 3.
The draft Statewide Housing Assessment represents an update to the previous report released in 2000, titled “Raising the Roof- California Housing Development Projections and Constraints 1997-2020” The 2000 publication also provided an overview of the state of housing in California and recommendations to address its challenges.

For more information about the draft Statewide Housing Assessment please visit http://www.hcd.ca.gov/policy-research/plans-reports/index.shtml.

Attachment: California’s Housing Future: Challenges and Opportunities, Draft Executive Summary and Introduction
Executive Summary

Home is the foundation for life. It’s where we raise families, feel safe and secure, rest and recharge. Our options for where we live have far-reaching impacts in our lives – from our job opportunities to our physical and mental health, from our children’s success in school to our environmental footprint.

With California’s desirable climate, diverse economy, and many of the nation’s top colleges, the State continues to experience strong housing demand; however, housing construction is constrained by regulatory barriers, high costs, and fewer public resources.

Some of the housing challenges facing California include:

- Production averaged less than 80,000 new homes annually over the last 10 years, and ongoing production continues to fall far below the projected need of 180,000 additional homes annually.
- Lack of supply and rising costs are compounding growing inequality and limiting advancement opportunities for younger Californians. Without intervention much of the housing growth is expected to overlap significantly with disadvantaged communities and areas with less job availability,
- Continued sprawl will decrease affordability and quality of life while increasing transportation costs.
- The majority of Californian renters — more than 3 million households — pay more than 30 percent of their income toward rent, and nearly one-third — more than 1.5 million households — pay more than 50% of their income toward rent.
- Overall homeownership rates are at their lowest since the 1940s.
- California is home to 12 percent of the nation’s population, but a disproportionate 22 percent of the nation’s homeless population.
- For California’s vulnerable populations, discrimination and inadequate accommodations for people with disabilities are worsening housing cost and affordability challenges.

But while California’s housing challenges may appear to be overwhelming, California’s Housing Future: Challenges and Opportunities provides the data and analysis to describe the problem and frame the discussion surrounding solutions. This report offers five challenges to add context to discussions about the current state of housing affordability, and provides several possible options to address housing affordability.
Executive Summary

Challenges

California’s Housing Future: Challenges and Opportunities includes five key challenges regarding housing affordability:

1. Housing supply continues to not keep pace with demand, and the existing system of land-use planning and regulation creates barriers to development.

2. The highest housing growth is expected in communities with environmental and socio-economic disparities.

3. Unstable funding for affordable home development is hindering California’s ability to meet California’s housing demand, particularly for lower-income households.

4. People experiencing homelessness and other vulnerable populations face additional barriers to obtaining housing.

5. High housing costs have far-reaching policy impacts on the quality of life in California, including health, transportation, education, the environment, and the economy.

Options for Addressing Housing Challenges

Options for advancing the discussion about how to address the cost of housing fall into three broad categories, with specific potential actions falling under each:

- Reforming land use policies to advance affordability, sustainability, equity.
- Addressing housing and access needs for vulnerable populations through greater inter-agency coordination, program design, and evaluation.
- Investing in affordable home development and rehabilitation, rental and homeownership assistance, and community development.
Introduction

Need for Housing Outstrips Affordable Options

Resulting Consequences: Environmental, Economic, and Social Impacts

California’s high cost of housing is well documented. Average housing costs in California have outpaced the nation and more acute problems exist in coastal areas. As affordability becomes more problematic, people “overpay” for housing, “over-commute” by driving long distances between home and work, and “overcrowd” by sharing space to the point that quality of life is severely impacted. In extreme cases people can become homeless, either visibly on the streets or less visibly as they experience housing instability and cope with temporary and unstable accommodations. In California’s rural areas, high transportation costs often negate the relatively more affordable housing prices. The combined burden of housing and transportation costs can leave residents in rural communities with a cost-of-living comparable to their urban and suburban counterparts.

In addition, high housing costs — and related housing instability issues — also increase health care costs (for individuals and the State), decrease educational outcomes (affecting individuals, as well as the State’s productivity), and make it difficult for California businesses to attract and retain employees.

Land Use Policy Can Promote Sustainability, Affordability, and Equity

In the last 10 years, California has built an average of 80,000 homes a year, far below the 180,000 homes needed a year to keep up with housing growth from 2015-2025. This lack of supply greatly impacts housing affordability. Low production hasn’t always been the case. From 1955-1990, the State was building more than 200,000 homes annually and a much greater percentage were multifamily (in contrast to today’s focus on single-family). In addition to our supply challenges, the housing growth that does occur frequently takes the form of urban sprawl; expanding into undeveloped areas. These development patterns often resulted in reinforcing income inequality and patterns of segregation.

Today’s population of 39 million is expected to grow to 50 million by 2050. Without intervention, much of the population increase can be expected to occur further from job centers, high-performing schools, and transit, constraining opportunity for future generations.

Land use policies and planning can help encourage greater supply and affordability, as well as influence the type and location of housing. Thoughtful land use policies and planning can translate into the ability for families to access neighborhoods of opportunity, with high-performing schools, greater availability of jobs that afford entry to the middle-class, and convenient access to transit and services. Easy access to jobs and amenities reduces a household’s daily commute and other travel demands. Encouraging new homes in already developed areas and areas of opportunity not only alleviates the housing crisis, but also supports the State’s climate change and equity goals.
Introduction

Moving Forward

There are several possible options for addressing California’s housing challenges. *California’s Housing Future: Challenges and Opportunities* can serve as a guide for those efforts by providing a detailed snapshot of the current state of housing affordability in California, five key challenges that can frame the discussion, and three broad policy avenues with specific potential options and action items in each.

*California’s Housing Future: Challenges and Opportunities* has been prepared pursuant to Health and Safety Code Section 50450 and represents the 2025 Statewide Housing Assessment.
General Comments

1. On page 37, figure 2.4 provides a table of various barriers and constraints during housing development. For community opposition, the table identifies “Community resistance to new affordable housing” as a constraint. While community resistance has historically focused on affordable housing, there has been increasing community resistance to all types of housing, including market rate units. As more jurisdictions are finding the need to consider infill development or increase residential density due to higher land costs, community resistance has often taken the stance of opposition to all development even if the units are market rate. It is important to view opposition to all types of housing just as concerning as opposition to affordable housing since a moratorium on increasing housing supply can increase housing prices across all income levels. We suggest that the sentence be changed to “Community resistance to new housing, including affordable housing” to highlight that while building affordable housing is important, community resistance to all types of housing is detrimental to housing affordability for everyone.

2. On pages 48-50, the report outlines options for addressing housing challenges. While this section provides an overview of different strategies, it might be helpful to expand on many of them. The prior sections of the report include comprehensive data and analysis that is helpful in identifying the housing crisis and its impact at the State and local levels. However, the strategies identified might be more helpful if they were further explained or if more examples of key strategies were highlighted.

Additionally, the strategies might be easier to identify by organizing them by implementation level. For instance, one section might list strategies that jurisdictions can focus on, such as “Increase certainty for infill development consistent with local Governments’ General Plans and zoning....” (page 48), or “Target technical assistance to communities based on identified barriers” (page 50). Another section could list strategies that a State agency can focus on such as “Continue to incorporate strategies in State planning activities to build more homes...” (page 49), or “Include compliance with State housing laws as a requirement to receive competitive State resources” (page 49).
Technical Clarifications

3. On page 8, figure 1.4 shows a map of California where growth is expected to occur, presumably by Councils of Government (COG). It would be helpful if this geographical classification were noted for those who may not be familiar with COGs.

4. In Appendix A, in the first paragraph on page 5, the report states “For example Los Angeles experienced a 40 percent rise in chronic homelessness...” It would be helpful to clarify whether this figure is for the City of Los Angeles or the County of Los Angeles.

General Clarifications

5. On page 24, there is a discussion on affordability of housing and income categories, particularly as it relates to area median income (AMI). To give better context for readers, we suggest adding in a couple of examples of AMI from different areas of the State. This can help to highlight geographical differences and affordability challenges, such as coastal versus inland or urban versus suburban versus rural.

6. On page 35, the last sentence reads “In addition, the lack of enforcement of State housing laws limit the effectiveness of existing tools intended to guide housing development.” We suggest clarifying which State housing laws are not being enforced. Examples could be the Housing Accountability Act, housing element law, or other laws that pertain to different parts of the planning, permitting, or building processes.

7. In Appendix A, page 30, there is a thorough discussion on disadvantaged communities as part of the diverse needs throughout the State. It might be helpful to include a discussion or mention of Senate Bill 1000 (Leyva). SB 1000 requires a jurisdiction to add an environmental justice element to its General Plan or to identify related goals, policies, and objectives integrated in other elements, that identifies disadvantaged communities if the jurisdiction has a disadvantaged community. A discussion on the requirements of SB 1000 might be able to further assist jurisdictions in identifying disadvantaged groups, particularly in their respective housing elements.