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September 26, 2014

Cap-and-Trade Funding Opportunities

Dear SCAG Stakeholders,

To represent our region's interests, SCAG staff has been actively participating in the Cap-and-Trade Implementation Guidelines development processes, particularly those of the Strategic Growth Council (SGC). Our seat at the table with our sister MPOs and State representatives helps ensure our region's share of the Cap and Trade funds to support your good projects. As we move forward, I am confident that our partnerships will be further strengthened. I look forward to collectively making greater progress in implementing our Sustainable Communities Strategy (SCS), and creating ever more livable and sustainable communities in our region.

In the past many months, SCAG staff has been monitoring and reporting on the programs supported by the auction proceeds derived from the California Air Resources Board's AB 32 Cap-and-Trade Program, and appropriated in the annual State Budget to the Greenhouse Gas Reduction Fund (GGRF). These critical funding programs are expected to help local jurisdictions and SCAG's other partners implement the Regional Transportation Plan/Sustainable Communities Strategy. Three GGRF programs are further along than others, and I want to share the information on the following funding opportunities.

1. The Strategic Growth Council (SGC) released Preliminary Draft Guidelines for the Cap-and-Trade Affordable Housing and Sustainable Communities (AHSC) program on September 23, 2014, with comments due by October 31, 2014. SGC will hold a public workshop on the draft guidelines on October 27, 2014 at SCAG headquarters (with video-conferencing to satellite offices, as available). The draft AHSC guidelines are available at:
http://www.sgc.ca.gov/docs/Draft_AHSC_Guidelines_for_posting_082314.pdf.
2. SGC, in conjunction with California Natural Resources Agency and California Department of Conservation staff have released Preliminary Draft Guidelines for the California Sustainable Agricultural Lands Conservation Program (SALCP), a component of the AHSC program. The draft SALCP guidelines are available at:
http://sgc.ca.gov/docs/Sustainable_Ag_Lands_Conservation_Program_Guidelines_092214_DRAFT.pdf.
3. As part of the Natural Resource category of GGRF investments, CAL FIRE has begun the process for their FY 2014-15 Urban & Community Forestry GGRF Grants. Cal FIRE has scheduled a workshop on this program in the Los Angeles/Orange County area on October 1 and in the Inland Empire on October 2. More information is available at:
http://www.fire.ca.gov/resource_mgt/resource_mgt_urbanforestry_grants.php.

Other important items that cover the entire Cap-and-Trade funding program are:

1. Cal/EPA's Guidelines on defining disadvantaged communities by early October 2014;
2. The Air Resources Board (ARB) recently adopted *Interim Guidance to Agencies Administering Greenhouse Gas Reduction Fund Monies*. This document is intended to help maximize the investment benefit to the disadvantaged communities; and
3. ARB's Methodology to quantify the benefit including co-benefit of eligible projects. ARB's Interim Guidance document will be followed by a multi-stage public process over the coming months by ARB to develop full funding guidelines. These will include direction on metrics and quantification, as well as tracking and reporting for relevant projects. The full guidelines are expected to benefit from lessons learned in early implementation of the investment program and may include changes to the Interim Guidelines that will apply to subsequent appropriations.

More information is available at: <http://www.arb.ca.gov/newsrel/newsrelease.php?id=658>.

SCAG staff is developing relevant information and planning to hold workshops on these programs that we hope provide value to our partners and stakeholders. Additional information will be forthcoming as available.

SCAG staff looks forward to further collaborating with you on these and other important programs. For further information, please contact Ms. Huasha Liu, Director, Land Use and Environmental Planning, at 213-236 1838 or liu@scag.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Hasan Ikhata", written over a light gray rectangular background.

Hasan Ikhata
Executive Director