EXECUTIVE DIRECTOR'S MONTHLY REPORT MAY 2013

New Members

I am delighted to report three cities recently joined SCAG. Please welcome the cities of Rancho Santa Margarita, Costa Mesa and Jurupa Valley as the newest SCAG members.

Sustainability Program Call for Proposals

On April 4 SCAG released a Call for Proposals as part of the new Sustainability Program. The call combines the popular ongoing Compass Blueprint program with two new components — Green Region and Active Transportation. Taken as a whole, the Sustainability Program will provide funding for innovative planning proposed by our member jurisdictions. Applications are due to SCAG on May 31, and can be accessed at http://www.compassblueprint.org/apply.

California Business, Transportation and Housing (BT&H) Agency Secretary Brian P. Kelly at General Assembly

I am very pleased to report that BT&H Secretary Kelly is the breakfast keynote speaker at the Regional Conference and General Assembly on Friday, May 3. Secretary Kelly oversees 12 departments and several economic development programs and commissions consisting of more than 45,000 employees and a budget of \$18 billion. The Agency addresses myriad issues that directly impact our economic vitality and quality of life including transportation, public safety, affordable housing, international trade, financial services and tourism. Further, significant to SCAG and our stakeholders, Kelly has been at the center of most of the major transportation policy decisions in the state of California for the past decade and a half. I strongly encourage Regional Council and Policy Committee members to attend this valuable portion of the Regional Conference and General Assembly.

2013 Local Profiles Release at the General Assembly

Almost 200 individual Local Profiles have been prepared for SCAG member jurisdictions for release at the SCAG General Assembly on May 2. Building on the foundation of the 2009 and 2011 reports, the expanded 2013 Local Profiles provide additional information related to housing, employment, income and education. Local Profiles have been used for a variety of purposes including community planning and outreach, economic development, visioning initiatives and grant application support. SCAG would like to thank all local and subregional planning directors and staff for their review and comments of the draft reports. Beginning May 2, all the 2013 Local Profiles Reports will also be posted on the SCAG website at www.scag.ca.gov/resources/profiles.htm.

Imperial County Highway Sanctions Will Be Permanently Terminated

On April 22, the U.S. Environmental Protection Agency published in the Federal Register a final rule approving the revised fugitive dust regulations submitted previously by the Imperial County Air Pollution Control District. Effective May 22, the final action permanently terminates the Imperial County Highway Sanctions that were temporarily lifted earlier this year. I am very pleased to report that no job loss and no impact on transportation projects have occurred from the highway sanctions. The collaborative effort among the stakeholder agencies that led to the resolution of this issue is very much appreciated.

Air Resources Board (ARB) Public Hearing on Draft Investment Plan for Cap-and-Trade Auction Proceeds

On April 25, the ARB held a public hearing on the Administration's Draft Cap-and-Trade Auction Proceeds Investment Plan. In general, stakeholders from various sectors reiterated their positions as previously stated at regional workshops on the Plan. A number of stakeholders spoke for the principles of the Transportation for Livable Communities (which was approved by the Regional Council). Also of note, many speakers representing diverse constituencies referred to the groundbreaking collaborative planning efforts of cities and regions through SB 375 and asked that a clear message be sent that such planning efforts will be rewarded with state funding to implement these critical plans. Many spoke to the co-benefits associated with transportation related investments, both infrastructure and clean technologies. Others spoke to the need to more explicitly recognize the relationship between land use and transportation and providing funds in a manner that let regions and localities decide how to best invest them. A number of speakers recommended on behalf of the Local Government Coalition to specifically identify a program to fund local government's emissions reduction efforts. A number of people testified of the need to invest in additional transit operations (i.e., increase transit service).

After public testimony, ARB and Department of Finance staff stated that the testimony was generally consistent with the intent of the Investment Plan, but committed to reconvene and review testimony.



The Board members then discussed how to best:

- ensure accountability and effective expenditure of funds through a performance based approach;
- · balance short-term and long-term needs;
- accurately identify disadvantaged communities and how to implement the requirements of SB 535 relative to such communities;
- provide opportunities to benefit local governments, especially considering the loss of redevelopment agencies;
- have a mechanism to refine the Investment Plan or allow for additional ideas prior to expenditure of funds;
- ensure central accountability (some suggesting that ARB could reasonably be the most appropriate agency to do so);
 and
- set principles now for long-term efforts that would guide future Investment Plans.

Major next steps include:

- May 15: Governor releases revised FY 2013-14 State budget that includes proposed expenditures for auction proceeds.
 Department of Finance submits revised Cap-and-Trade three-year auction proceed investment plan to Legislature.
- June: Legislature approves budget trailer bill including funding for FY 2013-14 auction proceeds (either consistent with investment plan or modified per pending AB 574 [Lowenthal] Cap-and-Trade funding legislation).
- FY 2013-14: State agencies that receive appropriations use the money to fund projects that help achieve GHG reductions and further other AB 32 objectives, in accordance with statute.

I will keep the Regional Council apprised as additional information becomes available.

Notices of Funding Availability (NOFA) for the Infill Infrastructure Grant (IIG) Program and the Transit-Oriented Development (TOD) Housing Program

The Department of Housing and Community Development (HCD) will soon be issuing NOFAs for the IIG and TOD Housing programs. IIG is a grant program, while the TOD Housing provides low-interest loans as gap financing for rental housing developments that include affordable units and as mortgage assistance for homeownership developments. AB 1585 appropriates \$25 million each for IIG and TOD Housing programs, respectively. HCD anticipates applications for these competitive programs will be due in June and funds awarded in September. Considering the dissolution of redevelopment agencies, there is an urgent need of the state's partnership to secure funding for infill infrastructure and TOD housing to help successfully implement the 2012-2035 RTP/SCS, and HCD's IIG and TOD Housing NOFAs are part of the solution. In effect, these HCD programs are a critical further step along the continuum of state, regional and local planning and implementation of these important projects. Information regarding these programs HCD can be accessed at: http://www.hcd.ca.gov/fa/tod/.

Perris Valley Line Litigation

There is no final decision in the Perris Valley Line litigation (Friends of Riverside's Hills v. RCTC, RCSC Case No. RIC1113896). On April 24, Hon. Judge Sharon Taylor ordered the parties to prepare additional briefs and proposed judgments for the court's consideration. The judge indicated that she will thereafter take the matter under submission before issuing an actual judgment. Staff will continue to monitor the case and update the Regional Council accordingly.

Recent Meetings with the FHWA and BTS: National Freight Network Designation

On April 9, SCAG staff met with the Federal Highway Administration's (FHWA) Office of Freight Management and the Bureau of Transportation Statistics (BTS) in Washington D.C. to discuss the national freight network designation process. SCAG staff conveyed concerns about the proposed use of some primary data sources (such as the Freight Analysis Framework tonnage data) in the network designation process and the ability to capture the importance of truck travel in Southern California to the rest of the nation.

While the FHWA and BTS staff acknowledged the limitations of currently available national tools and data sources, they suggested that the network designation process is national in focus and too much emphasis on the variations of localized routes that trucks take would not be conducive to allocating a constrained 27,000 mile freight network. FHWA staff indicated that they are trying to work within the constraints of the statutory provisions of MAP-21. As such, a draft national freight network would be released very shortly. Southern California is encouraged to formally comment upon the release of the draft network through the federal register process.



SCAG staff anticipates establishing communication with the Office of the Secretary of Transportation to raise our concerns about the designation process and criteria. Further, there is an opportunity to participate in the anticipated May field hearing in Los Angeles for the "Panel on 21st Century Freight Transportation," recently established by the U.S. House of Representative Committee on Transportation and Infrastructure. Congressman Gary Miller and Congresswoman Janice Hahn have been identified as members of the panel.

Establishment of the California Freight Advisory Committee

On April 23, SCAG participated in the first meeting of the California Freight Advisory Committee. The committee will gather quarterly to advise the State on the development of the California Freight Mobility Plan and serve as a forum for dialogue on freight-related issues. The Draft California Freight Mobility Plan is scheduled to be completed by December, with release of the Final Plan in June/July of 2014.

The committee was formed by the California Department of Transportation in response to MAP-21 provisions encouraging all states to establish a state freight advisory committee and develop a comprehensive state freight plan. The committee comprises representation from 25 non-governmental organizations and 30 public agencies. The next meeting of the committee has been scheduled for June 12 in Southern California. SCAG staff anticipates active participation in the development of the California Freight Mobility Plan and will provide regular updates on the progress/outcome of committee meetings.

SCAG GIS Services

SCAG GIS Services staff presented at the California GIS Conference on the services SCAG provides to GIS participants and SCAG members. The information was well received and generated positive feedback from GIS professionals throughout the state. In September, SCAG staff will present at the URISA National Conference in Providence, Rhonda Island. To date, it is estimated that the GIS Services Program has saved member jurisdictions over \$2 million. We are expecting to soon add another 18 member jurisdictions. Additional support is also being sought for the development of new data resources through a recent grant application in collaboration with the County of Los Angeles and METRO. SCAG GIS Services staff will conduct GIS demonstrations, distribute information and accept new applicants into the program at the Regional Conference & General Assembly. I encourage members to visit the GIS Services exhibit table at the conference.

General Plan Land Use and Zoning Dataset Development

SCAG is currently working to update its land use database in preparation for the 2016-2040 Regional Transportation Plan and Sustainable Communities Strategy. This database comprises over 5,000,000 parcels and contains local land use information in a digitized GIS format for every jurisdiction in the SCAG region. When complete, this information will be available as an electronic dataset or as hardcopy maps at no cost. In the past, local jurisdictions have used this resource to save funds when undergoing a general plan update and to automate manual processes in their day-to-day work. In order to ensure its accuracy, SCAG staff are reaching out to cities and counties to obtain their most recent general plan and zoning information. Alongside initiating contact with 197 jurisdictions individually, staff is also coordinating with each subregional organization to request input for this data coordination effort. I encourage local jurisdictions to work closely with SCAG staff on this important dataset.

