



REGULAR MEETING

TRANSPORTATION COMMITTEE

Main Office

818 West 7th Street
12th Floor
Los Angeles, California
90017-3435

t (213) 236-1800
f (213) 236-1825

www.scag.ca.gov

Officers

President
Michele Martinez, Santa Ana

First Vice President
Margaret E. Finlay, Duarte

Second Vice President
Alan Wapner, Ontario

Immediate Past President
Cheryl Viegas-Walker, El Centro

Executive/Administration Committee Chair

Michele Martinez, Santa Ana

Policy Committee Chairs

Community, Economic and
Human Development
Bill Jahn, Big Bear Lake

Energy & Environment
Carmen Ramirez, Oxnard

Transportation
Barbara Messina, Alhambra

Thursday, July 7, 2016
10:00 a.m. – 12:00 p.m.

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

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Tess Rey-Chaput at (213) 236-1908 or via email at REY@scag.ca.gov. Agendas & Minutes for the Transportation Committee are also available at:
<http://www.scag.ca.gov/committees/Pages/default.aspx>

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency's essential public information and services. You can request such assistance by calling (213) 236-1908. We request at least 72 hours notice to provide reasonable accommodations and will make every effort to arrange for assistance as soon as possible.

This Page Intentionally Left Blank



Transportation Committee

Members – July 2016

<u>Members</u>	<u>Representing</u>
Chair* 1. Hon. Barbara Messina	<i>Alhambra</i> District 34
Vice-Chair* 2. Hon. Karen Spiegel	<i>Corona</i> District 63
* 3. Hon. Michael D. Antonovich	Los Angeles County
* 4. Hon. Sean Ashton	<i>Downey</i> District 25
* 5. Hon. Rusty Bailey	<i>Riverside</i> District 68
* 6. Hon. Glen Becerra	<i>Simi Valley</i> District 46
7. Hon. Ben Benoit	<i>Wildomar</i> WRCOG
8. Hon. Russell Betts	<i>Desert Hot Springs</i> CVAG
* 9. Hon. Art Brown	<i>Buena Park</i> District 21
* 10. Hon. Joe Buscaino	<i>Los Angeles</i> District 62
11. Hon. Diana Lee Carey	<i>Westminster</i> OCCOG
* 12. Hon. Jonathan Curtis	<i>La Cañada Flintridge</i> District 36
* 13. Hon. Gene Daniels	<i>Paramount</i> District 24
* 14. Hon. Paul Eaton	<i>Montclair</i> District 9
* 15. Hon. Felipe Fuentes	<i>Los Angeles</i> District 54
* 16. Hon. James Gazeley	<i>Lomita</i> District 39
* 17. Hon. Jeffrey Giba	<i>Moreno Valley</i> District 69
* 18. Hon. Lena Gonzalez	<i>Long Beach</i> District 30
19. Hon. Bert Hack	<i>Laguna Woods</i> OCCOG
* 20. Hon. Curt Hagman	San Bernardino County
* 21. Hon. Jan Harnik	<i>Palm Desert</i> RCTC
22. Hon. Dave Harrington	<i>Aliso Viejo</i> OCCOG
* 23. Hon. Carol Herrera	<i>Diamond Bar</i> District 37
* 24. Hon. Steve Hofbauer	<i>Palmdale</i> District 43
* 25. Hon. Jose Huizar	<i>Los Angeles</i> District 61
* 26. Hon. Jim Hyatt	<i>Calimesa</i> District 3
* 27. Hon. Jim Katapodis	<i>Huntington Beach</i> OCTA
28. Hon. Linda Krupa	<i>Hemet</i> WRCOG
* 29. Hon. Randon Lane	<i>Murrieta</i> District 5
30. Hon. Severo Lara	<i>Ojai</i> VCOG
31. Hon. James C. Ledford	<i>Palmdale</i> North L. A. County
* 32. Hon. Antonio Lopez	<i>San Fernando</i> District 64
* 33. Hon. Clint Lorimore	<i>Eastvale</i> District 4
* 34. Hon. Ray Marquez	<i>Chino Hills</i> District 10



Transportation Committee

Members – July 2016

Members

Representing

* 35. Hon. Michele Martinez	<i>Santa Ana</i>	District 16
* 36. Hon. Ryan McEachron	<i>Victorville</i>	SANBAG
37. Hon. Marsha McLean	<i>Santa Clarita</i>	North L. A. County
* 38. Hon. Dan Medina	<i>Gardena</i>	District 28
* 39. Hon. Keith Millhouse	<i>Moorpark</i>	VCTC
* 40. Hon. Fred Minagar	<i>Laguna Niguel</i>	District 12
41. Hon. Carol Moore	<i>Laguna Woods</i>	OCCOG
* 42. Hon. Gene Murabito	<i>Glendora</i>	District 33
* 43. Hon. Kris Murray	<i>Anaheim</i>	District 19
* 44. Hon. Frank Navarro	<i>Colton</i>	District 6
* 45. Hon. Pam O'Connor	<i>Santa Monica</i>	District 41
* 46. Hon. Sam Pedroza	<i>Claremont</i>	District 38
47. Hon. Teresa Real Sebastian	<i>Monterey Park</i>	SGVCOG
48. Hon. Dwight Robinson	<i>Lake Forest</i>	OCCOG
* 49. Hon. Ali Saleh	<i>Bell</i>	District 27
50. Hon. Damon Sandoval		Morongo Band of Mission Indians
* 51. Hon. Marty Simonoff	<i>Brea</i>	District 22
52. Hon. Zareh Sinanyan	<i>Glendale</i>	SFVCOG
* 53. Hon. Jose Luis Solache	<i>Lynwood</i>	District 26
54. Hon. David Spence	<i>La Cañada/Flintridge</i>	Arroyo Verdugo Cities
55. Hon. Barb Stanton	<i>Town of Apple Valley</i>	SANBAG
* 56. Hon. Michelle Steel		Orange County
57. Hon. Cynthia Sternquist	<i>Temple City</i>	SGVCOG
58. Hon. Brent Tercero	<i>Pico Rivera</i>	GCCOG
* 59. Hon. Cheryl Viegas-Walker	<i>El Centro</i>	District 1
* 60. Hon. Alan Wapner	<i>Ontario</i>	SANBAG
* 61. Hon. Chuck Washington		Riverside County
* 62. Hon. Michael Wilson	<i>Indio</i>	District 66
63. Mr. Gary T. Slater	<i>Caltrans, District 7</i>	Ex-Officio Member

* Regional Council Member

TRANSPORTATION COMMITTEE

AGENDA

JULY 7, 2016

The Transportation Committee 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. Barbara Messina, Chair)

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 Committee, must fill out and present a speaker’s card to the Assistant prior to speaking. Comments will be limited to three (3) minutes. The Chair may limit the total time for all comments to twenty (20) minutes.

REVIEW AND PRIORITIZE AGENDA ITEMS

CONSENT CALENDAR

Time Page No.

Approval Item

- | | | |
|---|------------|---|
| 1. <u>Minutes of the June 2, 2016 Meeting</u> | Attachment | 1 |
|---|------------|---|

Receive and File

- | | | |
|--|------------|----|
| 2. <u>Highlights from the 27th Annual SCAG/USC Demographic Workshop – June 13, 2016</u> | Attachment | 7 |
| 3. <u>2016 Regional Council and Policy Committees Meeting Schedule</u> | Attachment | 35 |
| 4. <u>2017 Active Transportation Program (ATP) Update</u> | Attachment | 36 |
| 5. <u>Housing Summit – October 11, 2016</u> | Attachment | 45 |

ACTION/DISCUSSION ITEM

- | | | | |
|---|------------|----------|----|
| 6. <u>Release of the Draft 2017 Federal Transportation Improvement Program (FTIP)</u>
<i>(John Asuncion, SCAG Staff)</i> | Attachment | 10 mins. | 51 |
|---|------------|----------|----|

Recommended Action: Authorize the release of the Draft 2017 FTIP for public review and comment, beginning July 8, 2016 and ending August 8, 2016.

TRANSPORTATION COMMITTEE

AGENDA

JULY 7, 2016

INFORMATION ITEMS

	<u>Time</u>	<u>Page No.</u>
7. <u>Metrolink Strategic Plan</u> <i>(Roderick Diaz, Director of Planning and Development, Metrolink)</i>	Attachment 15 mins.	57
8. <u>Draft California Sustainable Freight Action Plan Update</u> <i>(Annie Nam, SCAG Staff)</i>	Attachment 30 mins.	67
9. <u>Briefing on 2016 Mobile Source Strategy</u> <i>(Jon Taylor, Assistant Chief of Air Quality Planning and Science Division, California Air Resources Board)</i>	Attachment 30 mins.	79
10. <u>Industrial Warehousing in the SCAG Region Study Update</u> <i>(Akiko Yamagami, SCAG Staff)</i>	Attachment 15 mins.	89

CHAIR'S REPORT

(Hon. Barbara Messina, Chair)

STAFF REPORT

(Courtney Aguirre, SCAG Staff)

FUTURE AGENDA ITEM/S

ADJOURNMENT

There is no meeting in August (dark).

The next regular meeting of the Transportation Committee (TC) will be held on Thursday, September 1, 2016 at the SCAG Los Angeles Office.

Transportation Committee Meeting
of the
Southern California Association of Governments
June 2, 2016
Minutes

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE TRANSPORTATION COMMITTEE. A DIGITAL RECORDING OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Transportation Committee (TC) met at SCAG's office in downtown Los Angeles. The meeting was called to order by Chair Hon. Barbara Messina, Alhambra. A quorum was present.

Members Present:

Hon. Mike Antonovich	Los Angeles County
Hon. Sean Ashton, Downey	District 25
Hon. Russell Betts, Desert Hot Springs	CVAG
Hon. Art Brown, Buena Park	District 21
Hon. Joe Buscaino, Los Angeles	District 62
Hon. Diana Lee Carey, Westminster	OCCOG
Hon. Gene Daniels, Paramount	District 24
Hon. James Gazeley, Lomita	District 39
Hon. Bert Hack, Laguna Woods	OCCOG
Hon. Jan Harnik, Palm Desert	RCTC
Hon. Carol Herrera, Diamond Bar	District 37
Hon. Steven Hofbauer, Palmdale	District 43
Hon. Clint Lorimore, Eastvale	District 4
Hon. Ray Marquez, Chino Hills	District 10
Hon. Michele Martinez, Santa Ana	District 16
Hon. Ryan McEachron, Victorville	District 65
Hon. Marsha McLean, Santa Clarita	District 67
Hon. Dan Medina, Gardena	District 28
Hon. Barbara Messina, Alhambra (Chair)	District 34
Hon. Keith Millhouse, Moorpark	VCTC
Hon. Fred Minagar, Laguna Niguel	District 12
Hon. Kris Murray, Anaheim	District 19
Hon. Frank Navarro, Colton	District 6
Hon. Pam O'Connor, Santa Monica	District 41
Hon. Sam Pedroza, Claremont	District 38
Hon. Dwight Robinson, Lake Forest	OCCOG
Hon. Ali Saleh, Bell	GCCOG
Hon. David Spence, La Canada-Flintridge	Arroyo Verdugo Cities
Hon. Karen Spiegel, Corona (Vice Chair)	District 63
Hon. Michelle Steel	County of Orange
Hon. Cynthia Sternquist, Temple City	SGVCOG
Hon. Brent Tercero, Pico Rivera	GCCOG
Hon. Cheryl Viegas-Walker, El Centro	District 1
Hon. Alan Wapner, Ontario	SANBAG
Hon. Chuck Washington, Temecula	Riverside County
Mr. Gary Slater	Caltrans District 7

Members Not Present:

Hon. Rusty Bailey, Riverside	District 68
Hon. Glen Becerra, Simi Valley	District 46
Hon. Ben Benoit, Wildomar	WRCOG
Hon. Jonathan Curtis, La Cañada Flintridge	District 36
Hon. Paul Eaton, Montclair	District 9
Hon. Felipe Fuentes, Los Angeles	District 54
Hon. Jeffrey Giba, Moreno Valley	District 69
Hon. Gonzalez, Lena, Long Beach	District 30
Hon. Curt Hagman	San Bernardino County
Hon. Dave Harrington, Aliso Viejo	OCCOG
Hon. Jose Huizar, Los Angeles	District 61
Hon. Jim Hyatt, Calimesa	District 3
Hon. Jim Katapodis, Huntington Beach	District 64
Hon. Linda Krupa, Hemet	WRCOG
Hon. Randon Lane, Murrieta	Murrieta
Hon. Severo Lara, Ojai	VCOG
Hon. James C. Ledford	Palmdale
Hon. Antonio Lopez, San Fernando	District 67
Hon. Carol Moore, Laguna Woods	OCCOG
Hon. Gene Murabito, Glendora	District 33
Hon. Teresa Real Sebastian, Monterey Park	SGVCOG
Hon. Damon Sandoval	Morongo Band of Mission Indians
Hon. Marty Simonoff, Brea	District 22
Hon. Zareh Sinanyan	Glendale
Hon. José Luis Solache, Lynwood	District 26
Hon. Barb Stanton, Apple Valley	SANBAG
Hon. Michael Wilson, Indio	District 66

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Hon. Barbara Messina, Alhambra, called the meeting to order at 10:03 a.m. Hon. Keith Millhouse, Moorpark, led the Pledge of Allegiance.

PUBLIC COMMENT

Ms. Eleanor Torres, from Incredible Edible Community Garden, stated their organization received grant funding and worked to plant trees in San Bernardino County in an effort to sequester carbon. Ms. Torres noted they were seeking funding for two additional intern positions.

Ms. Demi Espinoza, Safe Routes to School National Partnership, spoke in support of the 2017 Active Transportation Program (ATP). Ms. Espinoza noted the ATP Regional Call for Projects would help many more communities start or expand Safe Routes to School activities. Additionally, Ms. Espinoza expressed support for SCAG’s request to refine a planning set-aside from 2 percent to 5 percent.

Dr. Mary Petit, Founder and Co-Executive Director of Incredible Edible Community Garden, stated their organization offered trees throughout the region for a tax deductible donation of \$50 per tree. She stated that the organization also worked on youth development, education, and public awareness programs.

ACTION ITEMS

1. 2017 Active Transportation Program Regional Guidelines

Stephen Patchan, SCAG staff, reported on the 2017 Active Transportation Program (ATP) Regional Guidelines. Mr. Patchan noted approximately \$50 million in funding was available in the Regional Program. He stated that funding would be distributed on a county basis based on population, and that the application process was currently open and would close on June 15, 2016.

Hon. Diana Lee Carey, Westminster, thanked the Active Transportation staff for their partnership at the May 21, 2016 event in Westminster at Hoover Street and Siglar Park. She stated that the open streets event showcased possible improvements that would make walking and biking on Hoover St. safe and more enjoyable for all users.

Gary Slater, Caltrans, stated Caltrans recently hosted a meeting in Pasadena for all cities in Los Angeles County interested in implementing Active Transportation projects. Mr. Slater reported that approximately 30 cities attended the meeting and noted the meeting could be presented in other counties by request.

A MOTION was made (Martinez) and SECONDED (Navarro) to approve the 2017 Active Transportation Program Regional Guidelines. The Motion passed by the following votes:

AYES: Antonovich, Ashton, Betts, Brown, Buscaino, Carey, Daniels, Gazeley, Hack, Harnick, Herrera, Hofbauer, Lorimore, Marquez, Martinez, McEachron, McLean, Medina, Messina, Millhouse, Murray, Navarro, O'Connor, Pedroza, Robinson, Saleh, Spence, Spiegel, Steel, Sternquist, Tercero, Viegas-Walker, Wapner, Washington

NOES: None

ABSTAIN: None

CONSENT CALENDAR

2. Minutes of the April 7, 2016 Meeting

A MOTION was made (Ashton) and SECONDED (Lorimore) to approve Consent Calendar items 2-5. The Motion passed by the following votes:

AYES: Antonovich, Ashton, Betts, Brown, Buscaino, Carey, Daniels, Gazeley, Hack, Harnick, Herrera, Hofbauer, Lorimore, Marquez, Martinez, McEachron, McLean, Medina, Messina, Millhouse, Murray, Navarro, O'Connor, Pedroza, Robinson, Saleh, Spence, Spiegel, Steel, Sternquist, Tercero, Viegas-Walker, Wapner, Washington

NOES: None

ABSTAIN: None

Receive and File

3. SCAG Invitation to the 27th Annual Demographic Workshop – June 13, 2016
4. 2016 Regional Council and Policy Committees Meeting Schedule
5. Cap-and-Trade/Greenhouse Gas Reduction Fund: Affordable Housing & Sustainable Communities (AHSC) Program Update

6. Regional Pavement Management System

Warren Whiteaker, SCAG staff, stated the 2016 Regional Transportation Plan/Sustainable Communities Strategy invested one-half of total expenditures on system preservation and the 2020 RTP/SCS would continue this focus on strategies to achieve a state of good repair. Mr. Whiteaker introduced Margot Yapp, Vice President, Nichols Consulting Engineers, to provide an overview of the Regional Pavement Management System (RPMS).

Ms. Yapp stated local streets and roads were a large part of regional system preservation needs. She noted that there were greater than 50,000 miles of local streets and road regionally with \$80 billion in asset value compared with 15,000 miles of state highways. She stated that the Pavement Condition Index (PCI) was used to determine road conditions measuring pavement on a scale of 0 to 100. She noted that the PCI for the SCAG region was 69, which was rated as “At Risk” but was just under the “Good/Excellent” category. She further noted the cost of maintaining the regional local roads system over the next 25 years was estimated to be \$66 billion, and that current funding during this period was estimated to be \$19 billion, leaving a \$47 billion funding shortfall.

Ms. Yapp provided photos showing examples of various levels of pavement deterioration and PCI ratings. She stated that a PCI rating of 57 indicated the road was experiencing structural failure and repair required reconstruction at a greater cost. Ms. Yapp noted that early preventative maintenance on roadways could be achieved for \$4 to \$5 per square yard. She noted that if maintenance was delayed and reconstruction was needed, then costs could escalate to \$60 to \$80 per square yard. Ms. Yapp encouraged policymakers to consider this escalation of repair costs and noted when maintaining local streets and roads a useful guide was “Pay Now or Pay More Later.”

Hon. Keith Millhouse, Moorpark, asked if there was a listing of PCI ratings for individual counties. Ms. Yapp responded PCI ratings per county were listed at www.savecaliforniastreet.org.

Hon. Russell Betts, Desert Hot Springs, asked about options for addressing a PCI condition of 6. Ms. Yapp responded that the pavement would require reconstruction and encouraged recycling old road material to reduce the cost.

Hon. Cheryl Viegas-Walker, El Centro, stated the greatest concern in Imperial County was the poor state of agricultural roads. She noted that the county’s limited population also limited their ability to generate appropriate funding levels to maintain this infrastructure. Mark Baza, Executive Director, Imperial County Transportation Commission, stated current funding allocations were skewed toward the urbanized counties and rural counties would continue to fall behind unless a change in the funding structure was enacted.

Hon. Pam O’Connor, Santa Monica, noted her city employs a “dig once” policy and lays fiber as part of road projects to promote economic development.

7. Notice of Proposed Rulemaking Federal Aviation Administration “Eligibility of Airport Ground Access Transportation Projects for Funding Under the Passenger Facility Charge (PFC) Program”

Ryan N. Hall, SCAG staff, provided an update on proposed FAA rulemaking on usage of the Passenger Facility Charge (PFC), a user fee that airports can add to tickets to pay for on-airport infrastructure. Mr. Hall reported the proposed rulemaking would allow more flexible use of the PFC for ground access projects that connect airports to municipal transit systems. He stated that the current FAA guidelines on PFCs allowed airports to use PFCs only to pay for ground access improvements on airport property and connections solely for airport users, and that the proposed rule would relax this restriction and allow airports and cities to make better planning decisions and possibly save taxpayer time and money. He noted that this proposed rule change was seen as beneficial to SCAG region airports in light of planned rail improvements to regional airports. Mr. Hall noted he would update the committee as the rulemaking process continues.

CHAIR'S REPORT

Hon. Barbara Messina, Alhambra, reported that a Regional Forum would take place June 13, 2016, jointly with San Gabriel Valley Council of Governments and San Bernardino Associated Governments at the Kellogg West Conference Center. She explained that this would be an opportunity for elected and appointed officials to discuss a variety of topics, including Ontario Airport access, the I-10 Corridor Study, the future of express lanes in San Bernardino and the SR 60-57 interchange. She noted that all interested cities were welcome to attend.

FUTURE AGENDA ITEMS

Hon. Marsha McLean, Santa Clarita, requested an agenda item on future Metrolink funding.

ADJOURNMENT

Hon. Barbara Messina, Alhambra, adjourned the meeting at 11:52 a.m. The next meeting of the Transportation Committee will be July 7, 2016.



Courtney Aguirre, Senior Regional Planner
Transportation Planning

Transportation Committee Attendance Report

2016

Member (including Ex-Officio) Last Name, First Name	Representing	X = County Represented							X = Attended			= No Meeting				NM = New Member			
		IC	LA	OC	RC	SB	VC	Jan	Feb	Mar	April	GA May	June	July	Aug	Sep 1	Sep 29	Nov	Dec
1 Antonovich, Michael*	Los Angeles County		X						X					X					
2 Ashton, Sean*	Downey								X				X		X				
3 Bailey, Rusty*	Riverside, WRCOG				X				X				X						
4 Becerra, Glen*	Simi Valley		X																
5 Benoit, Ben	Wildomar, WRCOG				X														
6 Betts, Russell	Desert Hot Springs, CVAG				X				X				X						
7 Brown, Art*	Buena Park			X					X				X		X				
8 Buscaino, Joe*	Los Angeles		X						X				X		X				
9 Carey, Diana Lee	Westminster, OCCOG			X					X				X		X				
10 Curtis, Jonathan*	La Cañada Flintridge		X						X				X						
11 Daniels, Gene*	Paramount		X						X				X		X				
12 Eaton, Paul*	Montclair					X			X				X						
13 Fuentes, Felipe*	Los Angeles		X										X						
14 Gazeley, James*	Lomita		X							NM			X		X				
15 Giba, Jeffrey*	Moreno Valley				X				X										
16 Gonzalez, Lena	Long Beach		X																
17 Hack, Bert	Laguna Woods			X					X				X		X				
18 Hagman, Curt*	San Bernardino County					X			X				X						
19 Hamik, Jan*	Palm Desert, RCTC				X				X						X				
20 Harrington, Dave	Aliso Viejo, OCCOG			X					X										
21 Herrera, Carol	Diamond Bar		X						X				X		X				
22 Hofbauer, Steven*	Palmdale/No. LA County		X						X						X				
23 Huizar, Jose*	Los Angeles		X																
24 Hyatt, Jim*	Calimesa				X				X				X						
25 Katapodis, Jim*	Huntington Beach			X															
26 Krupa, Linda	Hemet, WRCOG				X														
27 Lane, Randon*	Murieta				X				X										
28 Lara, Severo	Ojai, VCTC						X		X										
29 Ledford, James C.	Palmdale/No. LA County		X																
30 Lopez, Antonio*	San Fernando		X						X				X						
31 Lorimore, Clint*	Eastvale				X				X				X		X				
32 Marquez, Ray*	Chino Hills					X			X				X		X				
33 Martinez, Michele*	Santa Ana			X					X				X		X				
34 McEachron, Ryan*	Victorville					X			X						X				
35 McLean, Marsha	Santa Clarita		X						X						X				
36 Medina, Dan*	Gardena		X						X				X		X				
37 Messina, Barbara* (Vice-Chair)	Alhambra		X						X				X		X				
38 Millhouse, Keith*	Moorpark						X		X				X		X				
39 Minagar, Fred	Laguna Niguel			X											X				
40 Moore, Carol	Laguna Woods, OCCOG			X					X				X						
41 Murabito, Gene*	Glendora		X						X				X						
42 Murray, Kris*	Anaheim			X					X				X		X				
43 Navarro, Frank*	Colton					X			X				X		X				
44 O'Connor, Pam*	Santa Monica		X										X		X				
45 Pedroza, Sam*	Claremont		X						X						X				
46 Real Sebastian, Teresa	Monterey Park/SGVCOG		X						X				X						
47 Robinson, Dwight	Lake Forest, OCCOG			X											X				
48 Saleh, Ali*	City of Bell, GCCOG		X										X		X				
49 Sandoval, Damon	Morongo Band of Mission Indians																		
50 Simonoff, Marty*	Brea			X					X										
51 Sinanyan, Zareh	Glendale		X						X										
52 Slater, Gary	Caltrans District 7								X				X		X				
53 Solache, José Luis*	Lynwood		X																
54 Spence, David	Flintridge/Arroyo Verdugo Cities		X						X				X		X				
55 Spiegel, Karen*	Corona/WRCOG				X				X				X		X				
56 Stanton, Barb	Apple Valley					X													
57 Steel, Michelle*	Orange County			X					X						X				
58 Stemquist, Cynthia	Temple City		X						X				X		X				
59 Talamantes, Jess*	Burbank/SFVCOG		X						X				X						
60 Tercero, Brent	Pico Rivera		X										X		X				
61 Viegas-Walker, Cheryl*	El Centro	X							X				X		X				
62 Wapner, Alan* (Chair)	Ontario, SANBAG					X			X				X		X				
63 Washington, Chuck*	Riverside County				X				X				X		X				
64 Wilson, Michael*	Indio, CVAG				X				X										
	Totals	1	27	12	12	7	2												

* Regional Council Member

DATE: July 7, 2016

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

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

SUBJECT: Highlights from the 27th Annual SCAG/USC Demographic Workshop - June 13, 2016

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

For Information Only – No Action Required.

EXECUTIVE SUMMARY:

SCAG staff will provide highlights from the 27th Annual Demographic Workshop, which was jointly held with the University of Southern California (USC) Sol Price School of Public Policy, on June 13, 2016 at the California Science Center.

STRATEGIC PLAN:

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

BACKGROUND:

SCAG and USC Sol Price School of Public Policy jointly hosted the 27th Annual Demographic workshop at California Science Center on June 13, 2016. This year's workshop program was developed under the main theme, "*The Continued Rise of the Millennials?*" The workshop provided new insights and research on this important demographic group and what that means for the region's future, including housing, employment and services. 180 demographers, policy makers, business leaders, and professionals from California registered for the workshop. The PPT and videotaped presentations are posted on the SCAG website (<http://www.scag.ca.gov/calendar/Pages/DemographicWorkshop.aspx>). The following is a summary of five key sessions.

The Road to 2020

Mr. James T. Christy started with a brief overview of the 2010 census including the contribution of 2010 census, the overview of census official form and the input for contacting addresses that didn't respond. His presentation listed four innovation areas for the 2020 Census: better address validation, better response options, better use of existing information, and better field operations. In order to understand the specific measures to re-engineering the census, Los Angeles County was selected as an example. According to the preliminary findings, the change in the response options and the improvement in the language setting for census test both contributed to more efficient process.

Growth and Diversity of Millennials: Is Decline Coming?

This session discussed two major questions about the future urban growth of Millennials and their impact on housing needs. The first question was about urban preferences of Millennials. Prof. Dowell Myers found that the younger generation had stronger preferences for urban living, but their urban presence will not last when they grow older due to changing impacts of three reinforcing cycles that generated millennial impacts, including the birth cycle, the employment or business cycle and the housing lifecycle. The second question was about the rental crisis. Prof. Myers found that Millennials slowed down, backed up into parents' homes, and bottled up in singles areas, but Millennials over age 25 or 30 were breaking out and looking for better housing where they could find it. This may result in gentrification of housing close to singles districts.

The Critical Importance of Millennials and Housing:

This panel discussed the housing behavior of baby boomers and Millennials. Most baby boomers preferred to stay in their current houses, while the majority of Millennials want to buy their own houses but they still face lots of challenges. With an acknowledgement of the increasing housing needs of the Millennials, the panel discussed the barriers to improving their housing conditions. The outdated regulations and unstable and declining funding sources may be the challenges. The panel discussed that more housing was proposed as the key solution for economic competitiveness, equity and quality of life, and at the same time, with the increasing supply, the displacement would also decrease. The panel agrees that the framework of connecting different segments is important. Millennials and seniors are connected, low income and middle/high income residents are connected, and in general, housing is connected to economic competitiveness, transportation and environmental progress.

Urban Revitalization and Gentrification:

This panel began with a presentation of different perspectives on gentrification and the historical cycle of neighborhood transition in Northeast Los Angeles. Eagle Rock and Highland Park were selected to show the different growth dynamics experienced during revitalization stages from 1970 to 2016. The second presentation discussed the importance of gentrification in planning for housing and how it impacted housing and planning. The third presentation focused on the ongoing housing crisis and the current housing situation in Los Angeles. A few examples included the baseline mansions, accessory dwelling units, small lot subdivision, multi-family redevelopment, the LA River development and transit oriented development. It suggested to produce more market-rate and affordable house in order to solve the displacement issues of the city, and presented flexible tools for diverse neighborhoods and new code approach.

Forecast LA 2016:

Professor Fernando Guerra at Loyola Marymount University made a keynote speech on the findings from the third annual LA public opinion survey of 2016. Using interviews with 2,425 LA county residents from January 4th to February 13th, 2016, the 2016 survey results were presented and compared with the survey results of 2014 and 2015. The 2016 public opinion survey shows that Los Angeles County residents are generally optimistic about the future of Los Angeles. 65 percent of LA County

REPORT

residents said the region was headed in the right direction, 74 percent said their city was headed in the right direction, and 75 percent said their neighborhood was headed in the right direction. However, last year, all of these numbers were higher: 69 percent, 75 percent, and 80 percent, respectively. When compared with other generations, Millennials tend to show more positive attitudes about the expectations on the direction of the regional outlook, regional economy, housing affordability of the city, housing prices, financial situation, and race relations.

FISCAL IMPACT:

Work associated with this item is included in the current FY 2015-16 Budget under 800-0160.04.

ATTACHMENT:

Highlights from the 27th Annual SCAG/USC Demographic Workshop, June 13, 2016.

This Page Intentionally Left Blank

Highlights from the 27th Annual SCAG-USC Demographic Workshop (June 13, 2016): CONTINUED RISE OF THE MILLENNIALS

Simon Choi, Chief of Research and Forecasting
Frank Wen, Manager of Research and Analysis

CEHD Committee
July 7, 2016



AGENDA

**27TH ANNUAL DEMOGRAPHIC WORKSHOP
THE CONTINUED RISE OF THE MILLENNIALS?
JUNE 13, 2016**

7:30 AM Registration/Continental Breakfast

8:00 AM Welcome/Introductions
 Jack Koval, Dean, USC Price School of Public Policy
 Hans Michael Mathews, Council Member, City of San Marcos, President, Southern California Association of Governments
 Introduced by
 Hans Michael, Executive Director, Southern California Association of Governments
 James T. Orling, Regional Director, Los Angeles Regional Office, U.S. Census Bureau

8:15 AM 2020 Census: Over Digital: Early Findings from the LA Experiment
 James T. Orling, Regional Director, Los Angeles Regional Office, U.S. Census Bureau

8:45 AM Growth and Diversity of Millennials: Is Decline Coming?
 David Weis, Professor and Director of the Population Dynamics Research Group, USC Price School of Public Policy

9:25 AM Panel 1: Critical Importance of Millennials and Housing
 David Weis, Professor and Director of the Population Dynamics Research Group, USC Price School of Public Policy
 Leslie Appleton-Young, Vice President and Chief Economic, California Association of Realtors
 Greg Canales, Assistant Deputy Director, California Department of Housing and Community Development
 Matthew Long, Director, Center for the Continuing Study of the California Economy
 Randall Lewis, Executive Vice President and a Principal, Lewis Operating Corp.

10:40 AM Break

10:50 AM Panel 2: Urban Revitalization and Gentrification
 Marianne Manning (Moderator), Associate Editor, Current LA
 Lori Fabian, Associate Professor, USC Price School of Public Policy
 Matthew Shinn, City Planner, City of Los Angeles
 Jack Liu, Professor of Sociology, Stanford College

12:00 PM Working Lunch

12:15 PM Luncheon Keynote Speech
 Fernando Suarez, Professor of Political Science and Director of Luskay Center for the Study of Los Angeles, Loyola Marymount University

1:15 PM Meetings
 Ellen Wenzel, Demographer, State Census Data Center, California Department of Finance

1:25 PM Afternoon Roundtables
 Table 1—Envisioning American Future (Sheng Wang)
 Table 2—State/City/County Population Estimates (Phyllis Koppert)
 Table 3—Population Projections (Shen Wang)
 Table 4—Millennials & State School Choice (Walter Lewin & Ming (Shenghui) Pridemore)
 Table 5—SCAG RIVISDS—Performance Monitoring (Tom Urban, Melissa, Ping Chang & Michael Gadow)

2:35 PM Takeaways of Roundtables, Questions & Answers

3:00 PM Concluding Remarks



Highlights

- SCAG and USC Sol Price School of Public Policy jointly hosted the 27th Annual Demographic workshop at California Science Center on June 13, 2016. This year's workshop program was developed under the main theme, "*The Continued Rise of the Millennials?*"
- The Census Bureau reported on their experimental data collections for 2020 Census in Los Angeles. The workshop provided new insights and research findings on the rapidly rising Millennial generation and what that means for the region's future housing and gentrification. Our luncheon keynote by Fernando Guerra offered fresh interpretations gleaned from this spring 2016 survey. Presenters and participants discussed what these coming changes mean for the region's future.
- 180 demographers, policy makers, business leaders, and professionals from California registered for the workshop.
- The PPT and videotaped presentations are posted on the SCAG website (<http://www.scag.ca.gov/calendar/Pages/DemographicWorkshop.aspx>).

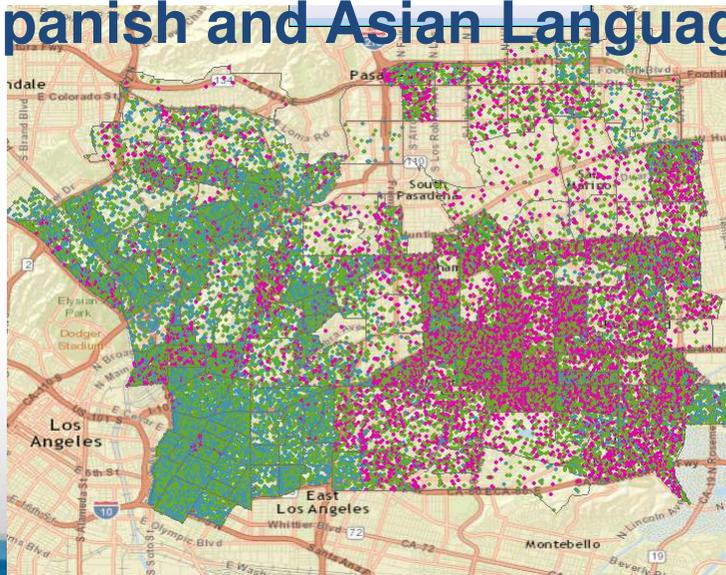
The Road to 2020

Jamey Christy
Regional Director
US Census Bureau
Los Angeles Region

Better Response Options

- People do a better job of counting themselves than we do
- Goal is to make it as easy to respond as possible
- Incorporating heavy use of web and mobile response options
- Expanded telephone response options
- Paper and personal visits

Spanish and Asian Language



United States
Census
Bureau

U.S. Department of Commerce
Economics and Statistics Administration
U.S. CENSUS BUREAU
census.gov

---The 2020 Census

Peak Millennials and the Rental Crisis

Dowell Myers
USCPrice

Sol Price School of Public Policy

New Urban Preferences

The younger generation has stronger preferences for urban living,
but will it last when they grow older?

Yes there is some **survey evidence**....

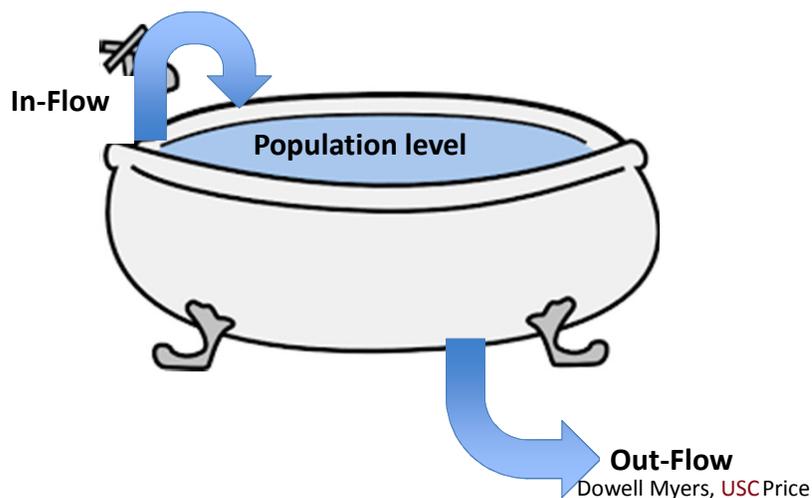
But mainly we see “preference” based on **urban presence** and how their numbers are growing.

How strong was the contextual effect
of the Great Recession?

Supposed preferences might be driven by limited
opportunities, but those are now improving....

Dowell Myers, USCPrice

How Does the Number of Millennials Grow in Cities?



Inflow = Number of Eligible Candidates
X Preference X Ability

Outflow = Number of Eligible Candidates
X Preference X Ability

“Ability” represents the access to resources
and opportunities.

“Preference” is desire, not just revealed location.

All of these components are changing, but
preferences are least understood and so are not a
solid basis for judging future outcomes.

Dowell Myers, USCPrice

Three Reinforcing Cycles that Generate Millennial Impacts

Rise and fall of **births** 25 years earlier

Rise and fall of **employment** growth, 1990
to (projected) 2022

Progress through **the housing lifecycle** is
blocked but then resumed (we expect)

Dowell Myers, USCPrice

Net Result for Millennials

- Slowed down, backed up into parents' homes, and bottled up in singles areas
- But Millennials over age 25 or 30 are breaking out and looking for better housing where they can find it
- That includes gentrifying housing close to singles districts

Dowell Myers, USCPrice

OVER-VIEW OF CALIFORNIA HOME BUYING TRENDS

June 13, 2016

USC – SCAG 27th Annual Demographic Workshop

Leslie Appleton-Young, C.A.R. Chief Economist

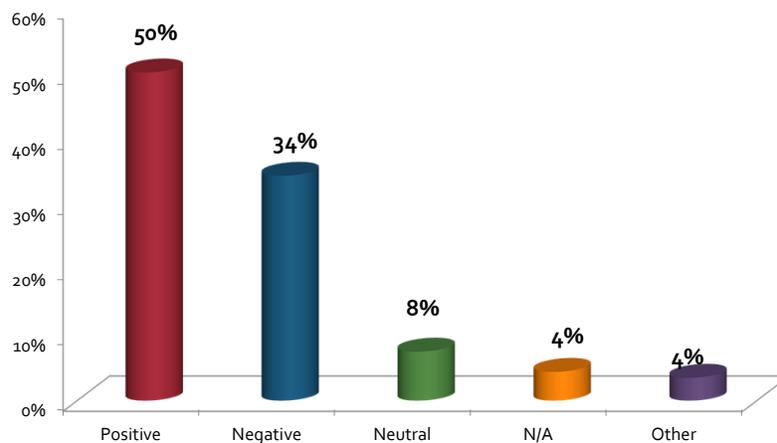
BOOMERS AREN'T GOING ANYWHERE

Affordability challenge for repeat buyers

- Low rate on current mortgage
- Low property taxes
- Capital gains hit is viewed as onerous
- Could not qualify for a mortgage today
- Why sell when there is nowhere to go I can afford?

---Over-view of California Home Buying Trends

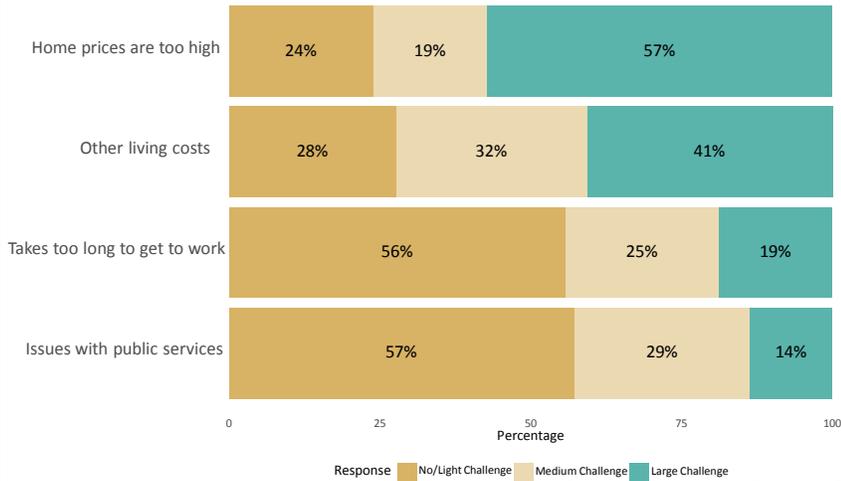
ATTITUDE TOWARD THE HOME BUYING PROCESS – MIXED RESULTS



SOURCE: How would you describe your attitude towards the home buying process?
C.A.R. 2014 Millennial Survey ---Over-view of California Home Buying Trends

HOUSING CHALLENGES FACING YOU

What are the biggest housing challenges that you face today?
 Rate from No/Light Challenge to Large / Constant Challenge
 n: 1319



---Over-view of California Home Buying Trends

California Department of Housing and Community Development

Draft 2025 Statewide Housing Plan Overview of Draft Findings

USC/SCAG 27th Annual Demographic Workshop

“The Continued Rise of the Millennials?”

Glen Campora, Assistant Deputy Director, Housing Policy Division
Glen.Campora@hcd.ca.gov (916.263.7427)

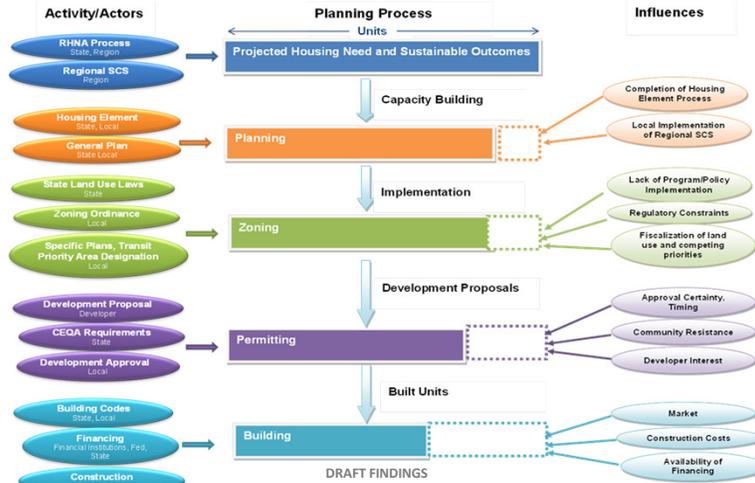
Megan Kirkeby, Policy Research Specialist, Housing Policy Division
Megan.Kirkeby@hcd.ca.gov (916.263.7428)





California's Residential Planning and Development Process

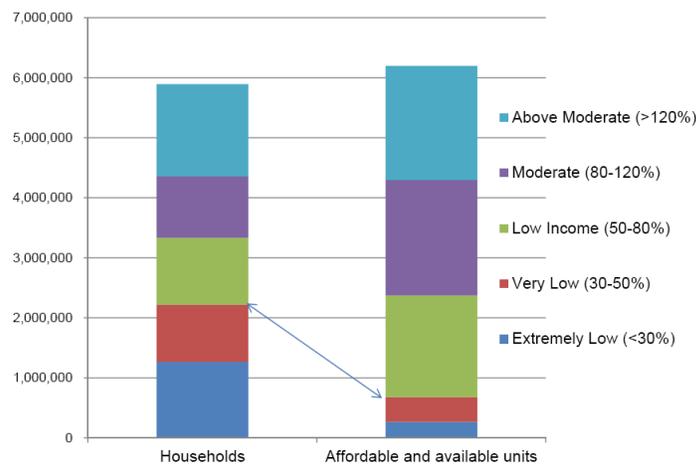
Figure 1: Constraints Create a Large Gap Between Planned Capacity and Built Units



---Draft 2025 Statewide Housing Plan Overview of Draft Findings



Households in Greatest Need Outnumber (2:1) Affordable and Available Rentals



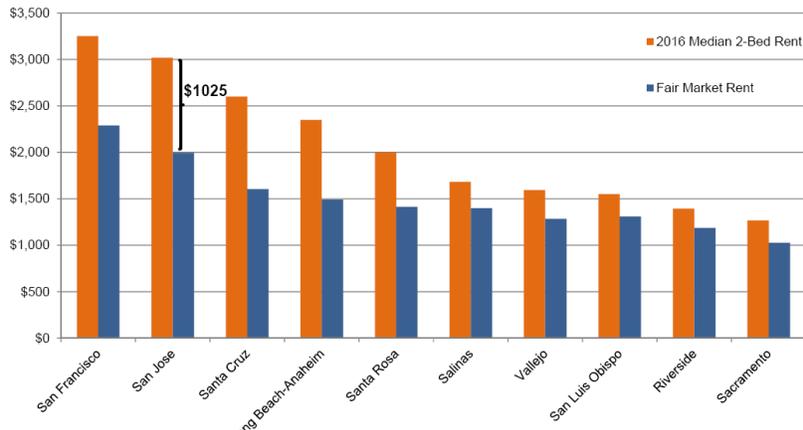
Source: 2016 National Low Income Housing Coalition tabulations of 2014 American Community Survey Public Use Microdata Sample (PUMS) housing file, Graphic created by HCD.

DRAFT FINDINGS

---Draft 2025 Statewide Housing Plan Overview of Draft Findings



Section 8 Housing Assistance Not Enough to Afford Median Rent



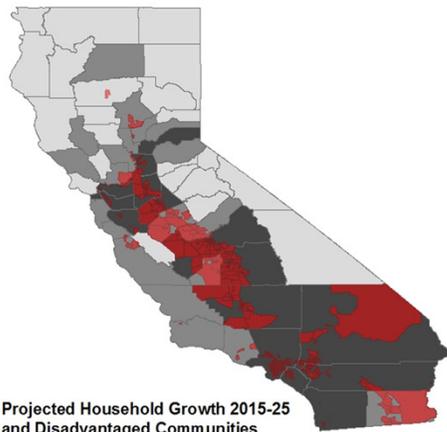
Sources: 2016 Fair Market Rents – HUD, 2016 2-Bedroom Median Rents - Zillow

DRAFT FINDINGS

---Draft 2025 Statewide Housing Plan Overview of Draft Findings ²¹



Projected Household Growth is High in Counties with Disadvantaged Communities



Projected Household Growth 2015-25 and Disadvantaged Communities

- Disadvantaged Communities (Top 25%)
- -42 to +4,000 Households
- +4,001 to 20,000 Households
- +20,000 to 179,219 Households

Sources: State of California, Department of Finance P-4; State and County Projected Households, Household Population, Group Quarters, and Persons per Household 2010-2030—Based on Baseline 2013 Population Projection Series, 3/10/2015, CalEnviroScreen 2.0, Disadvantaged Communities, Graphic by HCD

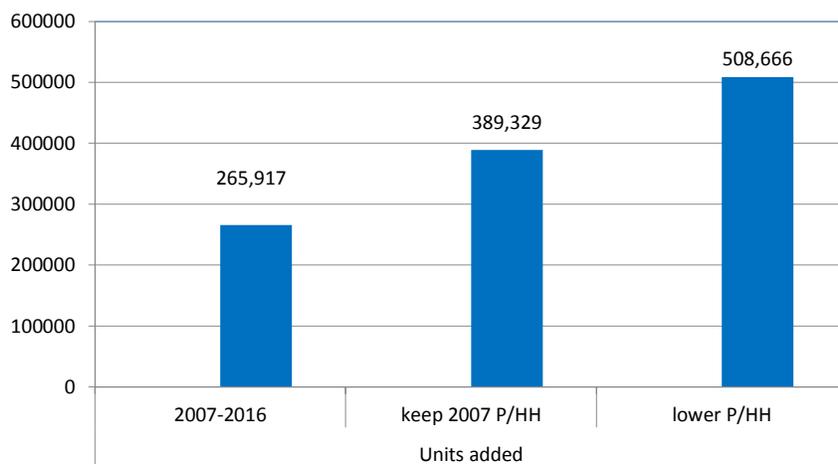
DRAFT FINDINGS

---Draft 2025 Statewide Housing Plan Overview of Draft Findings ²²

Millennials, Housing, the Economy and Equity

Stephen Levy, CCSCE
USC/SCAG Demographic Workshop
June 13, 2016

Measures of A Regional Housing Shortage 2007-2016



---Millennials, Housing, the Economy and Equity

If You Remember One Phrase from this Presentation

- “More housing is an imperative for economic competitiveness, equity and quality of life”
- If workers can’t find housing, companies will shy away from investing here
- If the shortage fosters economic segregation, that is a blow to equity, a sense that our fate is connected and will cause more travel, congestion and pollution

---Millennials, Housing, the Economy and Equity

If You Remember One Word about Housing Markets

- Remember ‘CONNECTED’
- It’s true AND it is the only way housing politics can work
- Millennials and seniors are connected, low income and middle/high income residents are connected, housing is connected to economic competitiveness and (in the right location) to transportation and environmental progress
- OVERCOME SILO THINKING AND ACTION

---Millennials, Housing, the Economy and Equity

USC/SCAG Demographic Workshop - June 2016

Urban Revitalization and
Gentrification panel
Jan Lin, Occidental College

Outline

- Gentrification in comparative and historical context
- Ethnographic and demographic data
- Demand vs. supply-side perspectives
- Stage model of gentrification
- New housing projects, displacement and neighborhood activism in Highland Park
- Ethnic-based revitalization/gentrification
- See KCET-Departures for my online work
- Book forthcoming with NYU Press.

---USC/SCAG Demographic Workshop – June 2016

Revitalization stage: NE LA art scene and slow growth activism

- 1970s Chicano/Latino arts collectives – Mechicano Art Center and Centro de Arte Publico
- 1989 Arroyo Arts Collective
- 1997 Eagle Rock Center for the Arts
- 1998 First Eagle Rock Music Festival
- 1999 Avenue 50 Studio
- 2006 First Lummis Day Festival in Highland Park
- 1987-1991 TERA protests of mini-malls, condos, mansions
- 1988-1994 Highland Park campaign for Historical Preservation Overlay Zone
- 1992 Colorado Boulevard Specific Plan passed
- 1995 McDonald's controversy
- 2000-2003 Walgreen's protests
- 2010-2013 Take Back the Boulevard campaign
- 2005-2015 Friends of the Southwest Museum Coalition

---USC/SCAG Demographic Workshop – June 2016

Business Profile and Sectoral Growth in Northeast LA

Source: L.A. City Dept of Finance, June 2015, 90041 and 90042 combined

Figure 4: Currently active businesses that opened since 2000

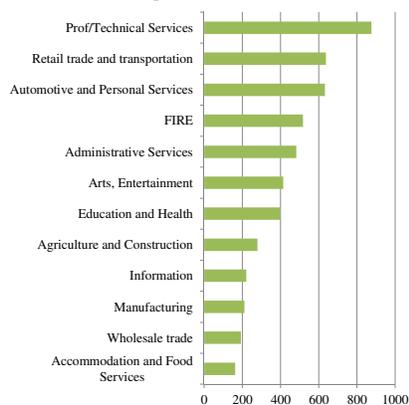
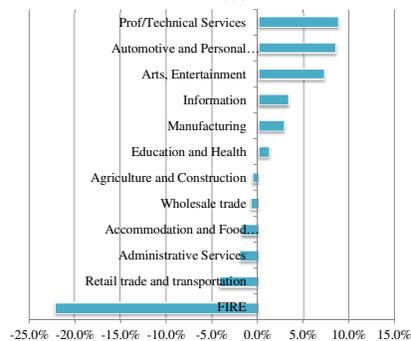


Figure 5: Sectoral growth and decline among currently active businesses that opened since 2000 as compared to before 2000



---USC/SCAG Demographic Workshop – June 2016

Displacement and “root shock”

- Traumatic stress reaction to loss of community’s multi-family inter-generational social networks caused by urban renewal and displacement
- Mindy Fullilove, 2005. *Root Shock: How Tearing Up City Neighborhoods Hurts America and What We Can Do About It*. One World/Ballantine
- Strategic Alliance for a Just Economy (SAJE) study in 2015 cited root shock impacts of proposed \$775 million Reef development project in South LA

---USC/SCAG Demographic Workshop – June 2016

The Gentrification Debate

And How It Impacts Housing and Planning

Matthew Glesne, Housing Planner,
Los Angeles Department of City Planning

Why **Gentrification** Matters in Planning for Housing

It influences the world:

Population density and transit ridership

Impact on Equity, Sustainability (VMT, GHG, etc.)

How we understand it then shapes the decisions we make:

Public investments

Used to stop/modify development

Planning Paradigm of Analysis

---The Gentrification Debate: and how it impact housing and planning

Neighborhood Change Research

Neighborhood change is rare and pretty slow¹

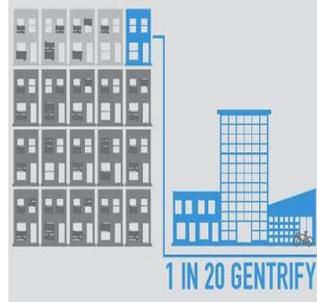
Few areas really gentrify

Increasing poverty/spatial inequality is dominant

Gentrification not all bad...

Displacement is very bad

Whether a neighborhood remains in concentrated poverty (75%), or becomes a place slightly less poor (25%), the likelihood of a neighborhood rebounding is just 1 in 20.



1. Wei and Knox, 2014; US Census

---The Gentrification Debate: and how it impact housing and planning

Gentrification and Transit Investment

- Kahn (2007) - some - but not in LA
- Dukakis Report (Bluestone/Pollack 2011)
 - Higher rent/income increases than non TOD
 - Higher vehicle ownership than TOD
- SCAG Study (RTP 2012)
 - Higher incomes and housing prices
 - More cars
- Hollywood Thesis (Boland 2011)
 - Fewer transit users today than pre-red line



---The Gentrification Debate: and how it impact housing and planning

Do Disadvantaged Communities Benefit?

Yes, if the adjacent development¹:

- improves mobility
- supports neighborhood revitalization
- lowers transportation costs
- provides other spillover amenities

No, if leads to²:

- Displacement of low-income or minority residents
- Doesn't provide more housing choices and improved job opportunities

1. Cervero (2004)
2. Pollack, Bluestone and Billingham (2010)

---The Gentrification Debate: and how it impact housing and planning



IMAGE SOURCE: CurbedLA, accessed 6/12/16.

GENTRIFICATION & HOUSING TRADE OFFS IN LA

Liz Falletta - 27th Annual Demographic Conference - 6/13/16

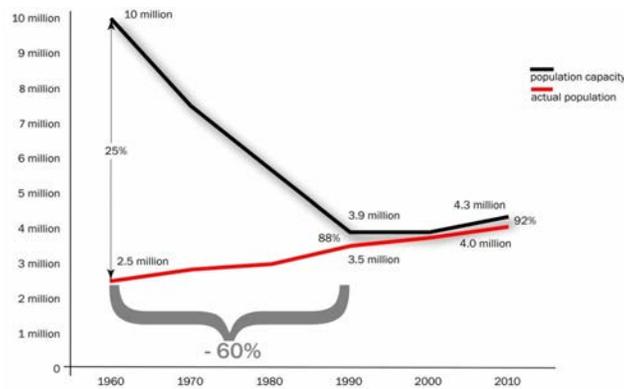


Fig. 1-1: Down-Zoning versus Population Growth
Data Sources: Census and all 104 Community Plans (cumulative population capacity)
 SOURCE: Kenworthy, Greg. "The Postwar Revolution: Demography, Land Use, and the Los Angeles Slow-Growth Movement, 1965-1990." 2013. Page 5.

LONG IN THE MAKING
 ---Gentrification & Housing Trade Offs in LA

Liz Falletta - 27th Annual Demographic Conference - 6/13/16



IMAGE SOURCE: <http://www.echoparkneighbors.blogspot.com> (retrieved 12/20/15)
 IMAGE SOURCE: <http://www.echoparkneighbors.blogspot.com> (retrieved 12/20/15)

SMALL LOT SUBDIVISION

---Gentrification & Housing Trade Offs in LA

Dr. Pallotta - 27th Annual Demographic Conference - 6/13/16



IMAGE SOURCE: www.mcdonalds.com

LA RIVER DEVELOPMENT

---Gentrification & Housing Trade Offs in LA

Dr. Pallotta - 27th Annual Demographic Conference - 6/13/16

Tool Kit Used To Create Solutions

R1-C FLOOR AREA RATIO TABLE

FAR	0.40	0.43	0.41	0.39	0.37	0.35
LOT SIZE	>10K	10K	5K	5K	7K	5K < 5K

BUILDING COVERAGE

BUILDING ENVELOPE

SIDE WALL LENGTH

DETACHED SECONDARY STRUCTURE

FRONTAGE PACKAGES

F1 Lotterystreet Rearparking
F2 2 Lotterystreet Rearparking
F4 Lotterystreet Frontparking

IMAGE SOURCE: www.lapublicaffairs.com, accessed 6/22/16

FLEXIBLE TOOLS FOR DIVERSE NEIGHBORHOODS
---Gentrification & Housing Trade Offs in LA

Dr. Falletta - 27th Annual Demographic Conference - 6/13/16

Forecast LA 2016

Loyola Marymount University

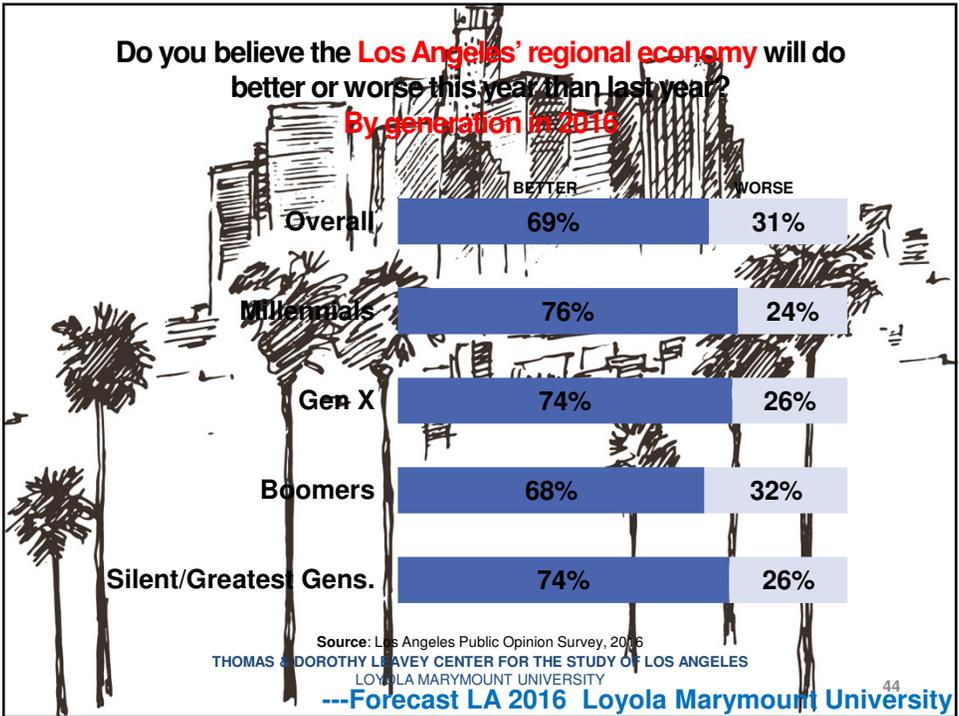
Fernando J. Guerra, Ph.D.

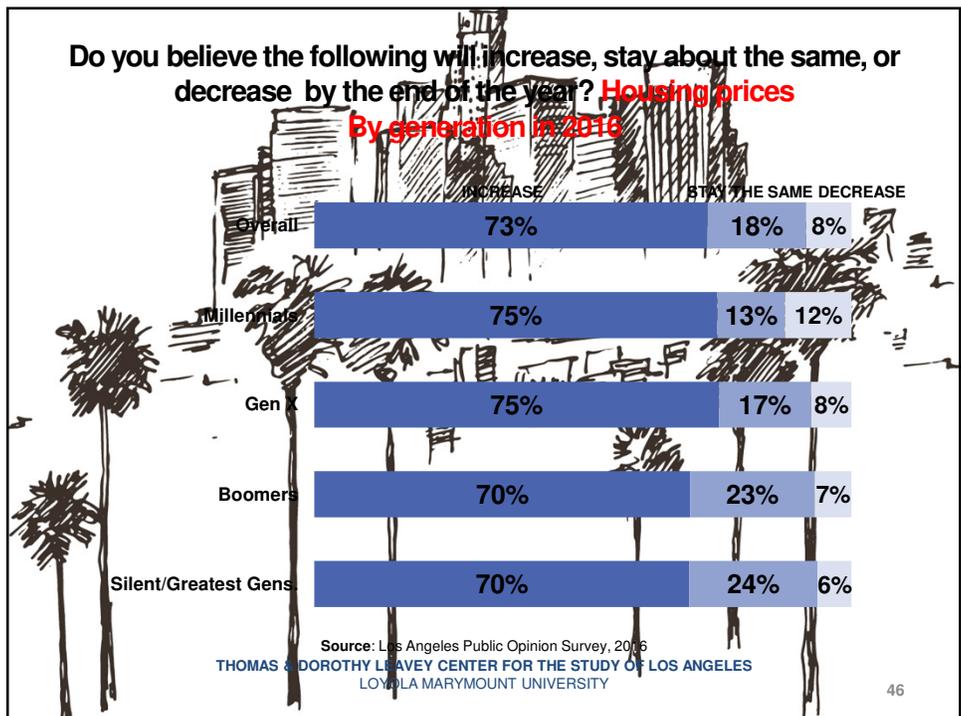
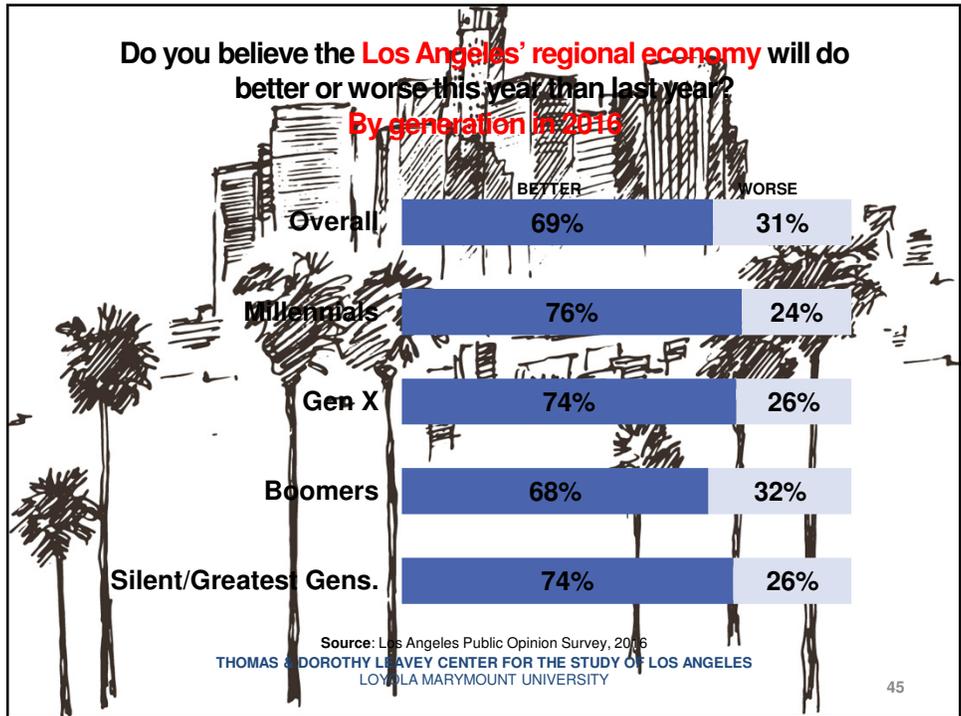
THOMAS & DOROTHY LEAVEY CENTER FOR THE STUDY OF LOS ANGELES
LOYOLA MARYMOUNT UNIVERSITY

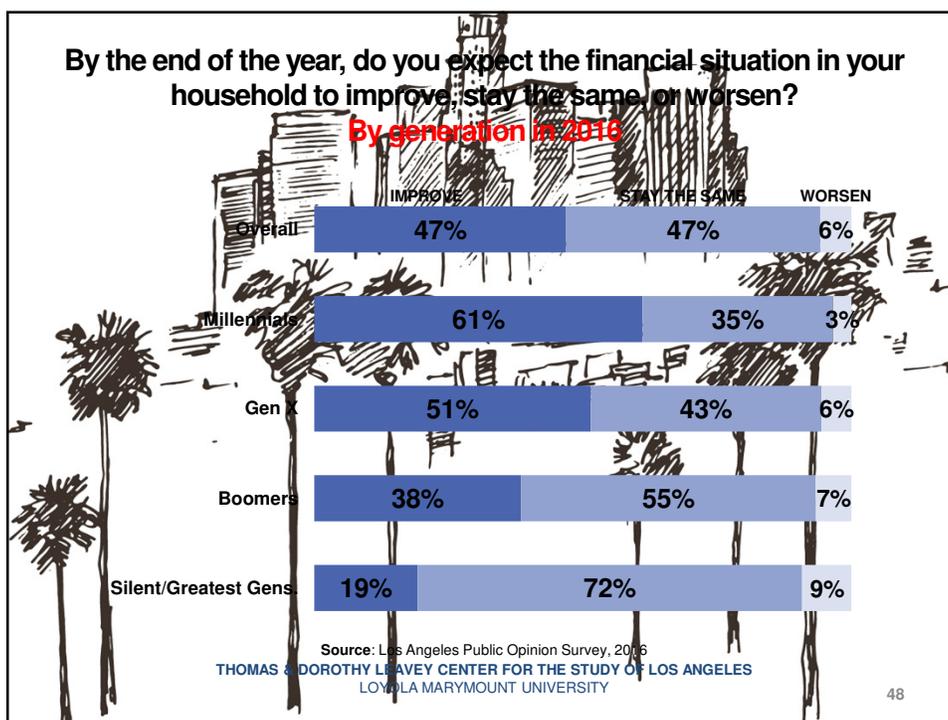
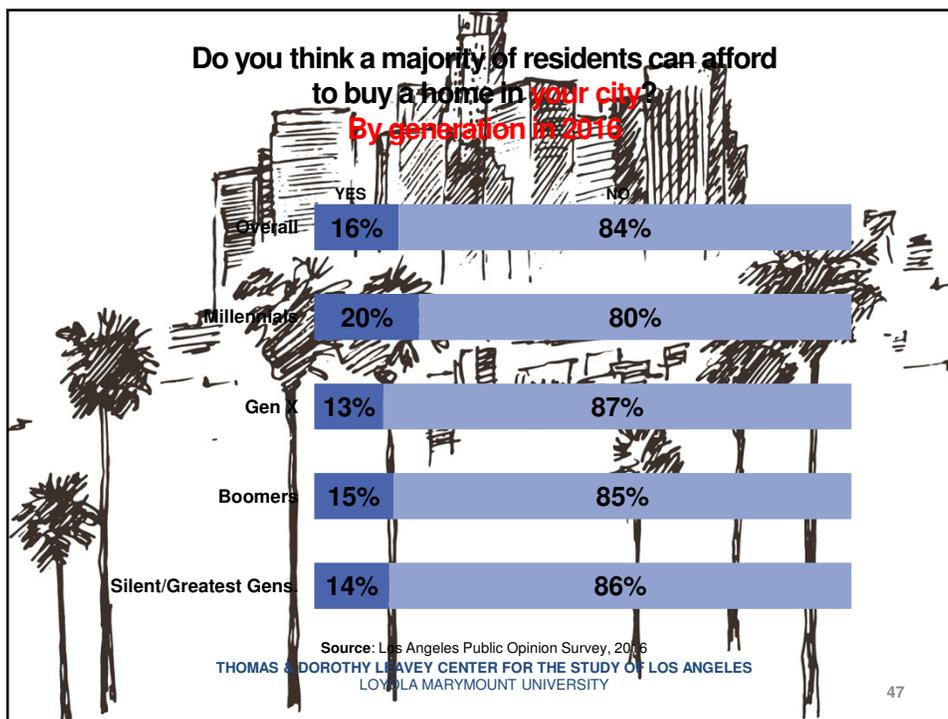
Third annual Forecast: LA Public Opinion Survey

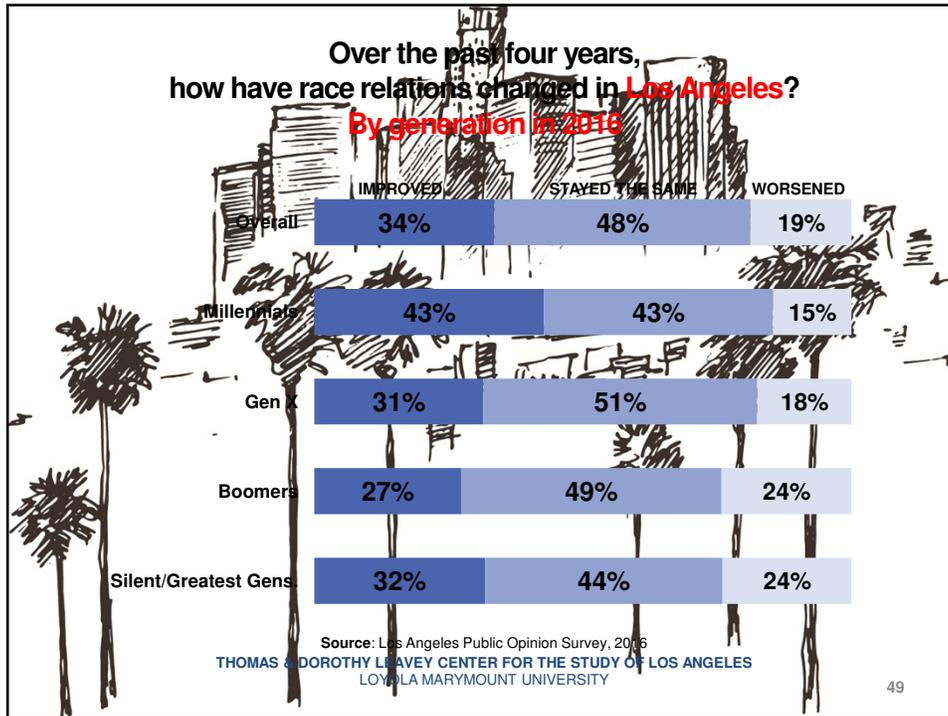
- Largest annual social survey in the region
- 2,425 Los Angeles County residents interviewed
- Interviews of 20 minutes conducted Jan. 4-Feb. 13, 2016
- Interviews conducted in English, Spanish, Mandarin, & Korean
- Significant demographic & geographic groups oversampled
- The only systemic survey of leadership in the region

THOMAS & DOROTHY LEAVEY CENTER FOR THE STUDY OF LOS ANGELES
 LOYOLA MARYMOUNT UNIVERSITY
---Forecast LA 2016 Loyola Marymount University









For workshop materials
please visit
<http://www.scag.ca.gov/calendar/Pages/DemographicWorkshop.aspx>

Thank you!

Simon Choi, Ph. D.
Chief of Research and Forecasting
choi@scag.ca.gov

 SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS

This Page Intentionally Left Blank



2016 MEETING SCHEDULE

REGIONAL COUNCIL AND POLICY COMMITTEES

All Regular Meetings are scheduled on the 1st Thursday of each month; except for the month of October which is on the 5th Thursday of September* (Approved by the Regional Council 9-3-15)	
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

Main Office
 818 West 7th Street
 12th Floor
 Los Angeles, California
 90017-3435
 t (213) 236-1800
 f (213) 236-1825
 www.scag.ca.gov

January 7, 2016
(SCAG Sixth Annual Economic Summit --- in lieu of the regularly scheduled Regional Council and Policy Committees' Meetings)

Officers
 President
 Michele Martinez, Santa Ana
 First Vice President
 Margaret E. Finlay, Duarte
 Second Vice President
 Alan Wapner, San Bernardino
 Associated Governments
 Immediate Past President
 Cheryl Viegas-Walker, El Centro

February 4, 2016

March 3, 2016

April 7, 2016

May 5 – 6, 2016
(2016 SCAG Regional Conference and General Assembly, La Quinta)

Executive/Administration Committee Chair
 Michele Martinez, Santa Ana

June 2, 2016

Policy Committee Chairs
 Community, Economic and Human Development
 Bill Jahn, Big Bear Lake

July 7, 2016

Energy & Environment
 Carmen Ramirez, Oxnard

August 4, 2016 (DARK)

September 1, 2016

September 29, 2016*

(Note: League of California Cities Annual Conference, Long Beach, CA, Oct. 5 - 7)

November 3, 2016

December 1, 2016

This Page Intentionally Left Blank

DATE: July 7, 2016

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

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

SUBJECT: 2017 Active Transportation Program (ATP) Update

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:
Receive and File.

EXECUTIVE SUMMARY:

On June 2, 2016, the Regional Council adopted the 2017 Active Transportation Program (ATP) Regional Guidelines (Guidelines), which includes the policy, standards, criteria, and procedures for the development, adoption and management of 2017 Regional Program of the ATP. The Guidelines are expected to be approved by the California Transportation Commission (CTC) in August with minor administrative adjustments. This report provides information on the CTC requested adjustments, as well as the actions staff will be pursuing over the next few months to implement the Regional Program. Key work elements include the development of an Active Transportation Planning and Capacity Building Call for Proposals to supplement the application process that is administered by the CTC, as well as developing a funding strategy and program framework to coordinate the Call for Proposals with SCAG's Sustainability Program to leverage resources and expand program eligibility.

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 1: Identify new infrastructure funding opportunities with State, Federal and private partners.

BACKGROUND:

The California Active Transportation Program (ATP) was created by Senate Bill 99 (Chapter 359, Statutes 2013) and Assembly Bill 101 (Chapter 354, Statutes 2013), to encourage increased use of active modes of transportation, such as biking and walking, as well as to ensure compliance with the federal transportation authorization Moving Ahead for Progress in the 21st Century (MAP-21). The CTC initiated the 2017 ATP in March 2016 with the release of the statewide 2017 Active Transportation Program Guidelines and intends to adopt the funding recommendations for the program by April 1, 2017. Approximately \$240m is available statewide to be programmed through the 2017 ATP. An estimated \$50m will be allocated to the SCAG region for the MPO component of the 2017 ATP, referred to as SCAG's Regional Program.

ATP Regional Guidelines

On June 2, 2016, the Regional Council (RC) adopted the 2017 Active Transportation Program (ATP) Regional Guidelines (Guidelines), which includes the policy, standards, criteria, and procedures for the development, adoption and management of 2017 Regional Program of the ATP. The Guidelines included a request for the CTC to increase the amount of funding available for planning projects from 2% to 5% of the overall program, and to expand eligibility for these funds to all communities, not just those considered disadvantaged per by the statewide ATP Guidelines. The regional guidelines also recognized the CTC's authority to deny SCAG's request and included contingency language that would limit awards of planning funds to the amount and eligibility requirements dictated by the statewide ATP Guidelines, if necessary. CTC staff has determined that the contingency language must be used in order for the Regional Guidelines to be approved by the Commission, as they do not believe the requested modifications are within the scope of the changes that MPOs are authorized to make under state law. The attached Regional Guidelines reflect the administrative changes requested by the California Transportation Commission staff to clarify that the contingency language will be used to guide project selection, limiting the programming of funds for planning to a maximum of 2% for planning in disadvantaged communities only. Staff will submit the amended Guidelines to the CTC for approval at the August CTC meeting.

Active Transportation Planning & Capacity Building Call for Projects

The 2017 ATP Regional Program is the first funding cycle SCAG has exercised its option to implement a supplemental call for projects. Per the Regional Guidelines, the SCAG Call for Projects will provide an alternative means for new project sponsors to apply for the funds to be awarded through the Planning & Capacity Building portion of the Regional ATP. A total of \$2.5 million is expected to be awarded under the Planning and Capacity Building portion of the program, the remaining \$47.5 million will be awarded under the Implementation Projects portion of the program, which focuses funding awards for infrastructure projects. A CTC issued Call for Proposals that closed on June 15 served as the sole means for applying for the Implementation Project funds, as further described in the attached Regional Guidelines.

The Active Transportation Planning & Capacity Building Call for Projects will simplify the ATP application process for smaller projects and new applicants and is intended to provide a vehicle to leverage additional regional funds for active transportation planning and local capacity building through coordination with the Sustainability Program, as described below.

The tentative schedule for developing the application and issuing the Call for Proposals is outlined below. Greater details on eligibility, selection criteria and the evaluation process can be found in the attached Regional Guidelines.

- July-August 2016 Planning & Capacity Building Application Development and Stakeholder Engagement
- September 1, 2016 Issue Planning & Capacity Building Call for Projects.
- November 11, 2016 Applications Due
- November 14, 2016 Project Review and Scoring in concert with review of proposals submitted through the Statewide ATP Call for Projects (See Guidelines)
- December 14, 2016 Staff recommended Project Scores/Draft Regional Program
- January 27, 2017 County Transportation Commission Regional Program Approvals completed
- February 2, 2017 Regional Council Approval of 2017 Regional Program

REPORT

- February 6, 2017 Submittal of 2017 Regional Program to CTC
- March 2017 CTC adoption of 2017 Regional Program

Sustainability Program Coordination

Since 2005, SCAG's Sustainability Planning Grant Program has provided resources and direct technical assistance to member jurisdictions to complete important local planning efforts and enable implementation of the RTP/SCS. The Program is structured with three categories:

- Active Transportation – Examples includes bicycle, pedestrian and safe routes to school plans
- Green Region – Examples include natural resource plans, climate action plans (CAPs) and greenhouse gas (GHG) reduction programs
- Integrated Land Use – Examples include sustainable land use planning, Transit Oriented Development (TOD) and land use & transportation integration

The Sustainability Planning Grant Program illustrates the value that effective growth planning can bring to jurisdictions and to the region as a whole. The most recent call for projects was issued in 2013, and a total seventy (70) important planning projects were funded throughout the region over the past three years. In preparing for a 2016 Sustainability Planning Grant Program call for projects, staff is refining the Program's scope, structure, framework and guidelines to promote implementation of the goals, objectives and strategies of the recently adopted 2016 RTP/SCS, and to facilitate the development concepts that contribute to a shared vision for the region.

Staff is recommending the Active Transportation Planning and Capacity Building Call for Projects, discussed above, that is being issued to supplement the ATP Regional Program selection process, also serve as the vehicle for selecting projects to be awarded funds dedicated to active transportation in the 2016 Sustainability Planning Grant Program. The Sustainability Planning Grant Program resources would increase the number and types of planning and capacity building projects to be awarded through the Active Transportation Planning and Capacity Building Call of Projects, including providing some resources to fund plans outside of disadvantaged communities and to support project and corridor-based plans. Project-level plans that are not ATP-eligible but are needed to support local competitiveness for future ATP funding cycles.

Next Steps

Staff will provide a presentation to the Policy Committees and Regional Council in September on the release of the Active Transportation Planning and Capacity Building Call for Projects, as well as, the guidelines, application, schedule and funding strategy for the broader 2016 Sustainability Planning Grant Program.

FISCAL IMPACT:

Funding is included in SCAG's FY 2015-16 Overall Work Program (OWP) Budget in 050-SCG00169.06.

ATTACHMENT:

Amended 2017 Active Transportation Program (ATP) Regional Guidelines

This Page Intentionally Left Blank

2017 Active Transportation Program

Southern California Association of Governments Regional Guidelines

Purpose

The intent of this document is to successfully implement the active transportation related programs and funding components of the Moving Ahead for Progress in the 21st Century Act (MAP-21) and California Senate Bill 99 (SB 99). The following 2017 Active Transportation Program Regional Guidelines (Regional Guidelines) outline the roles, responsibilities and processes for selecting projects to receive funding from the SCAG region's dedicated share of the 2017 California Active Transportation Program (ATP). The SCAG region's annual share is approximately \$25 million, which includes 100% of SCAG's federal Transportation Alternative Program apportionments (approximately \$14 million) plus approximately \$11 million/year from other federal and state funding programs that were consolidated by SB 99 into the ATP. These Guidelines relate to the 2017 California Active Transportation Program only, which includes two years of funding in Fiscal Years 2019/20 and 2020/21. The Regional Guidelines may be revisited and modified for future rounds of funding.

Background

- The goals of the ATP program are to:
 - Increase the proportion of trips accomplished by biking and walking.
 - Increase the safety and mobility of non-motorized users.
 - Advance the active transportation efforts of regional agencies to achieve greenhouse gas reductions goals as established pursuant to SB 375.
 - Enhance public health, including reduction of childhood obesity through the use of programs including, but not limited to, projects eligible for Safe Routes to School Program funding.
 - Ensure that disadvantaged communities fully share in the benefits of the program.
 - Provide a broad spectrum of projects to benefit many types of active transportation users.
- The 2017 Active Transportation Program Statewide Guidelines, adopted by the California Transportation Commission on March 26, 2016 describe the policy, standards, criteria and procedures for the development, adoption and management of ATP.
- Per the requirements of SB 99 and Map-21, 40% of the funds for the ATP program must be distributed by Metropolitan Planning Organizations (MPO) in urban areas with populations greater than 200,000, with funds distributed to each MPO based on total MPO population.
- The funds distributed by the MPOs must be programmed and allocated to projects selected through a competitive process in accordance with the ATP Statewide Guidelines.
- The ATP Statewide Guidelines establish four eligible project types:
 - Infrastructure Projects: Capital improvements that will further the goals of this program. This typically includes the environmental, design, right-of-way, and

2017 Active Transportation Program

Southern California Association of Governments Regional Guidelines

construction phases of a capital (facilities) project. A new infrastructure project will not be programmed without a complete project study report (PSR) or PSR equivalent. The application will be considered a PSR equivalent if it defines and justifies the project scope, cost and schedule. Though the PSR or equivalent may focus on the project components proposed for programming, it must provide at least a preliminary estimate of costs for all components. PSR guidelines are posted on the Commission's website: <http://www.catc.ca.gov/programs/ATP.htm>

A capital improvement that is required as a condition for private development approval or permits is not eligible for funding from the Active Transportation Program.

- Plans: The development of a community wide bicycle, pedestrian, safe routes to school, or active transportation plan in a disadvantaged community.
- Non-infrastructure Projects: Education, encouragement, and enforcement activities that further the goals of this program. The Commission intends to focus funding for non-infrastructure on start-up projects. A project is considered to be a start-up when no program currently exists. Start-up projects must demonstrate how the program is sustainable after ATP funding is exhausted. ATP funds cannot fund ongoing program operations. Non-infrastructure projects are not limited to those benefiting school students. Program expansions or new components of existing programs are eligible for ATP funds as long as the applicant can demonstrate that the existing program will be continued with non-ATP funds.
- Infrastructure projects with non-infrastructure components.
- Per SB 99 and the ATP Statewide Guidelines, the following requirements apply specifically to SCAG:
 - SCAG must consult with the county transportation commission, the California Transportation Commission (CTC), and the State Department of Transportation (Caltrans) in the development of the competitive project selection criteria. The criteria should include consideration of geographic equity, consistent with program objectives;
 - SCAG must place priority on projects that are consistent with plans adopted by local and regional governments within the county where the project is located; and
 - SCAG must obtain concurrence from the county transportation commissions.
- A MPO choosing to use the same project selection criteria and weighting, minimum project size, match requirement, and definition of disadvantaged communities as used by the CTC for the statewide competition may defer its project selection to the CTC.
- 25% of the regional funds must benefit disadvantaged communities.
- The ATP Statewide Guidelines allow for a large MPO to make up to 2% of its funding available for active transportation plans in disadvantaged communities; SB 99 does not

2017 Active Transportation Program

Southern California Association of Governments Regional Guidelines

impose a funding cap on planning nor does it limit the development of active transportation plans to disadvantaged communities.

- Pending legislation, including AB 2796, could impact the statewide guidelines by increasing funding thresholds for planning projects to 5% and establishing a 10% funding set-aside for non-infrastructure projects. If the legislation is approved, the proposed Regional Guidelines will be revised to meet all legislative requirements.

Regional Program Project Selection

The Regional Program will be segmented into two categories. These categories include: 1. Implementation Projects and 2. Planning & Capacity Building Projects.

Implementation Projects may include Infrastructure, Non-Infrastructure, and Infrastructure projects with non-infrastructure components, as defined by the statewide ATP Guidelines and included in the Background (above). No less than 95% of the total regional funds will be dedicated to funding Implementation Projects.

Planning & Capacity Building Projects may include the development of Non-Infrastructure projects and Plans, as defined by the statewide ATP Guidelines and included in the Background (above). No more than 5% of the total regional funds will be allocated in this category with a maximum of 2% being dedicated to planning projects. **Error! Bookmark not defined.** In the event that the funding requested in this category is below the 5% threshold, and/or in consideration of geographic equity, the funding surplus will be directed accordingly to Implementation Projects.

Implementation Projects Category

In this category, SCAG intends to build upon the CTC statewide application, scoring and ranking process and forgo its option to issue a supplemental application and call for proposals. This means that an evaluation committee will not be required at the county or regional level within the SCAG region to separately score Implementation Projects. The selection process will occur as follows:

- Prior to scoring by the CTC, SCAG will provide each county with the Implementation Project applications submitted through the statewide call for proposals.
- The county transportation commissions will review the Implementation Project applications and determine which projects “are consistent with plans adopted by local and regional governments within the county” per the requirements of SB 99. If a project is consistent, the county may assign up to 10 points to each project.

2017 Active Transportation Program

Southern California Association of Governments Regional Guidelines

- If a county transportation commission assigns additional points (up to 10, as noted above) to a project for which they are the lead applicant, an explanation must be provided to SCAG on how the scoring process resulted in an unbiased evaluation of the project.
- The Board of each respective county transportation commission will approve the scoring methodology/guidelines and point assignments, and submit the scores to SCAG for inclusion in the preliminary ranking of regional projects.
- SCAG will establish a preliminary regional Implementation Projects list based on the county's submissions that will program no less than 95% of the total regional funds and rely on population-based funding targets to achieve geographic equity.

Planning & Capacity Building Projects Category

In this category, SCAG intends to build upon the CTC application, scoring and ranking process for the selection of planning and non-infrastructure projects. To reduce administrative burden and ensure disadvantaged communities can effectively participate in the process, SCAG will provide the option for “new” project sponsors seeking awards of less than \$200,000 to apply through a supplemental call for projects. This supplemental application option will only be available to project sponsors that have not received an ATP award in previous funding cycles.

- Application Process:
 - All eligible applicants are encouraged to first submit proposals for planning and non-infrastructure projects to the CTC to be considered for funding in the statewide funding program. Projects seeking more than \$200,000 or project sponsors that have previously been awarded ATP grants are required to submit a proposal through the CTC application process to be eligible for funding awards in the Regional Program. Projects submitted but not funded through the statewide process, will be considered for funding in the Regional Program. SCAG intends to use the scores provided by the statewide review process to rank and select projects, alongside projects submitted through the supplemental call as described below.
 - A supplemental call for projects and application process will be available to “new” project sponsors for projects seeking funding requests of less than \$200,000. To qualify as “new”, a project sponsor must not have received funds in a previous ATP funding cycle. There will be no minimum project size.
 - Proposals received through the supplemental call will be scored using the same project selection criteria and weighting, match requirement, and definition of disadvantaged communities as used by the CTC in the statewide selection process.

2017 Active Transportation Program

Southern California Association of Governments Regional Guidelines

- SCAG in consultation with the counties and a multi-disciplinary working group will develop supplemental call for project applications to score the proposals that are submitted through the supplemental call.
 - County-specific evaluation committees comprised of county transportation commission and SCAG staff will be assembled to score the projects submitted in each county through the supplemental call.
 - Project sponsors that have submitted projects in the statewide competition, but were unsuccessful, may also choose to complete a supplemental application, if desired. If a supplemental application is not provided, SCAG will rely on the scores provided by the CTC through the statewide review process to rank and select projects, alongside projects submitted through the supplemental call. The \$200,000 cap will not be applied to projects that first submitted an application through the statewide call for projects.
- To establish a preliminary Planning & Capacity Building project list, project proposals will be ranked by county and prioritized by score and in consideration of the following principles:
 - The total funding recommended in this category will not exceed 5% of the total Regional Program. Planning projects funding shall not exceed 2% of the total Regional Program.
 - Each county shall receive its population based share of funds available in this category.

Recommended Regional Program of Projects

SCAG shall create a draft Regional Program List that incorporates the preliminary project lists from the Implementation and Planning & Capacity Building project categories.

SCAG will analyze the draft Regional Program list to ensure it meets the disadvantaged communities' requirements by allocating at least 25% to disadvantaged communities' projects (as defined by the state guidelines).

If the total is less than 25%, SCAG will modify the preliminary regional project list to ensure the 25% mark is achieved, as follows:

- Across all counties, the highest scored disadvantaged communities' project that is below the funding mark will be added to the regional project list. This project will displace the lowest scoring project that is above the funding mark and does not benefit a disadvantaged community, regardless of the county.

2017 Active Transportation Program

Southern California Association of Governments Regional Guidelines

- This process will be repeated until the 25% target is met.
- This process may lead to an outcome where a county receives less than its population-based share of the funding, but is necessary to ensure the disadvantaged communities' requirements for the regional program are met.

The final recommended Regional Program of Projects will be reviewed by the CEOs of the county commissions, Caltrans and CTC staff to make any final adjustments and achieve consensus prior to submitting the Regional Program recommendations to SCAG's Regional Council and the Boards or Chief Executive Officers of the county transportation commissions for approval and submission to the CTC.

Technical Adjustments: The SCAG CEO, the CEO of each County Transportation Commission, and their designees may make technical changes to the program as needed to ensure the timely delivery of the regionally-selected projects.

Schedule

- July-August 2016 Planning & Capacity Building Application Development and Stakeholder Engagement
- September 1, 2016 Issue Planning & Capacity Building Call for Projects.
- October 28, 2016 Project Applications Due
- October 28, 2016- November 11, 2016 Application Review and Scoring in concert with review of applications submitted through the Statewide ATP Call for Projects (See Guidelines)
- November 11, 2016 Staff recommended Application Scores/Draft Regional Program
- December-January 27 2017—County Transportation Commission Regional Program Approvals
- February 2, 2017 Regional Council Approval of 2017 Regional Program
- February 6, 2017 Submit Regional Program to CTC
- March 2017 CTC adopts Regional Program

DATE: July 7, 2016

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

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

SUBJECT: Housing Summit – October 11, 2016

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:
For Information Only – No Action Required.

EXECUTIVE SUMMARY:
SCAG, in partnership with 20 non-profit, private and public entities is planning to hold a Housing Summit on October 11, 2016 to connect attendees with resources and opportunities created by State legislation and local policies to build more housing, including affordable housing, as aligned with the goals of SCAG's Regional Transportation Plan/ Sustainable Communities Strategy (RTP/SCS). The goal of the Housing Summit is to address causes to California's housing crisis and offer solutions for more housing to be built. Based on the discussion from the Housing Summit Steering Committee and Executive Administration Committee Retreat, SCAG and its partners developed a draft Housing Policy Framework Proposal. The Proposal will serve as a blueprint for developing the Housing Summit program. Anticipated Summit participants include elected officials, planning directors/staff, city managers, developers, housing advocates, public health department directors, and transit planners.

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

BACKGROUND:
SCAG, in partnership with 20 non-profit, private and public entities is planning to host a Housing Summit on October 11, 2016 in downtown Los Angeles. The Housing Summit will connect attendees with strategies, resources and opportunities created by State legislation and local policies to build more housing as aligned with the goals of SCAG's Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). The goal of the Summit will clearly explain the causes of California's housing crisis and offer solutions to allow for more housing to be built.

To prepare for the Summit, a Steering Committee meeting was held at SCAG headquarters on May 26, 2016. Attendees for the Steering Committee included various partners and stakeholders who agreed to



REPORT

participate in this event. The Steering Committee meeting included a discussion of the housing crisis in California and the agenda for the Housing Summit. A discussion of the Housing Summit also occurred at the Executive Administrative Committee (EAC) Retreat on June 9, 2016. Similar to the Steering Committee meeting, attendees of the EAC Retreat voiced many opinions regarding the Housing Summit.

Based on the discussion at Steering Committee meeting and the EAC retreat, SCAG and its partners developed a draft Housing Policy Discussion Framework Proposal. The Proposal provides four buckets that will serve as a blueprint to develop the Summit program. Currently, it is envisioned that Bucket No. 1 will present the current state of affairs with respect to housing, within a general session. Buckets No. 2 to 4 will provide solutions in separate sessions. The Proposal will also assist in the development of a publication that will accompany the Housing Summit. A summary of the four buckets are as follows:

Bucket No. 1: Data Points

Present data showing the current condition of California's housing deficit, explain the cause of the deficit and show the consequences from the lack of adequate housing. Bucket No. 1 will present possible reasons for the housing crisis which may include but are not limited to, population growth outpacing housing supply, NIMBYism, lack of local fiscal incentives for housing projects, lack of dedicated funding for housing, lack of adequate infrastructure and an increase in environmental regulation. It will also present the consequences of lack of planned adequate housing which may include but are not limited to, adverse impacts on quality of life, lack of household's ability to accumulate wealth and a decrease in regional economic wellbeing and strained infrastructure.

Bucket No. 2: Supply and Demand

Present demographic, employment and income trends on housing demand. It will also provide a snapshot of the cost of housing (i.e., materials, labor, technology, and infrastructure).

Bucket No 3: Policy Consensus

Present policy based strategies that fosters housing development including affordable housing. Possible strategies include regulatory relief (CEQA exemption, local general plan and zoning modernizations, permit streamlining), preservation of existing affordable housing, State, Local and Regional Planning policies (SCS, TODs, TRDs, inclusionary zoning, etc.) and ways to secure federal, state and local housing funding.

Bucket No. 4: Tools to get to "BUILD"

Present tools to assist in planning for affordable housing. Such tools may include utilizing specific plans (with certified Environmental Impact Reports) within Transit Priority Areas, Enhanced Infrastructure Financing District (EIFD), Community Revitalization and Investment Authorities (CRIAs), GreenTrip Credits and best practices on good design and management, all of which will allow decision-makers to say "YES" to housing.

Anticipated participants include elected officials, planning directors/planning staff, city managers, developers, housing advocates, public health department directors, and transit planners. To ensure sufficient

REPORT

geographical representation for different challenges and solutions, SCAG is currently partnering with several agencies and stakeholders (See Attachment 1, Housing Summit Steering Committee Members). Partnership with these agencies can help secure keynote speakers and enhance marketing efforts to promote the event. SCAG has begun its marketing campaign for the conference and is reaching out to potential sponsors and partners concurrently.

FISCAL IMPACT:

Work associated with this item is included in the Fiscal Year 2016-2017 Overall Work Program (WBS Number 16-080.SCG00153.04: Regional Assessment).

ATTACHMENTS:

1. List of Housing Summit Steering Committee Partners
2. Housing Summit Invitation Flyer

This Page Intentionally Left Blank

Housing Summit Steering Committee Members

City of Santa Ana	Michele Martinez	Regional Council Member/President
City of Duarte	Margaret Finlay	Regional Council Member/First Vice President
City of El Centro	Cheryl Viegas-Walker	Regional Council/Immediate Past President
City of Big Bear Lake	Bill Jahn	Community, Economic and Human Development Committee Chair
City of Eastvale	Clint Lorimore	Regional Council Member
City of Glendale	Vartan Gharpetian	Regional Council Member
City of San Buenaventura	Carl Morehouse	Regional Council Member
City of Santa Monica	Pam O'Connor	Regional Council Member
OCCOG/City of Mission Viejo	Wendy Bucknum	Community, Economic and Human Development Committee Member
BIA Southern California	Mark Knorringa	CEO
BizFed	Tracy Rafter	Founding CEO
California Association of Councils of Governments	Bill Higgins	Executive Director
California Department of Housing and Community Development	Lisa Bates	Deputy Director
California Forward	Susan Lovenburg	Director
Inland Empire Economic Partnership	Paul Granillo	President & CEO
Kennedy Commission	Cesar Covarrubias	Executive Director
Kosmont Companies	Larry Kosmont	President & CEO
LA n Sync	Ellah Ronen	Program Administrator
LA Thrives	Thomas Yee	Initiative Officer
Lewis Management Corp.	Randall Lewis	Executive Vice President
Move LA	Denny Zane	Executive Director
National CORE	Steve PonTell	President & CEO
Newhall Land and Farming Company	Greg McWilliams	President
Orange County Business Council	Lucy Dunn	President & CEO
Southern California Association of Non-Profit Housing	Alan Greenlee	Executive Director
Southern California Leadership Council	Kish Rajan/Richard Lambros	President/Managing Director
Urban Land Institute Los Angeles	Gail Goldberg	Executive Director

This Page Intentionally Left Blank

SAVE THE DATE

CALIFORNIA

HOUSING

Summit

THE COST OF NOT HOUSING

TUESDAY, OCTOBER 11, 2016

8:00 a.m. - 3:00 p.m.

L.A. HOTEL
333 S. Figueroa St.
Los Angeles, CA 90071

www.scag.ca.gov/housingsummit



CALIFORNIA

HOUSING SUMMIT

There is a chronic shortage of housing throughout California. Major institutions, employers, and startups cite lack of housing options as a serious impediment to recruiting and retaining talent. The impact of housing affordability is a critical challenge to local, regional, and Statewide economies, particularly as people from all income groups are increasingly frustrated with the lack of affordable options to rent or buy and instead opt to develop their careers in more affordable areas. The California Housing Summit will focus on resources and opportunities created by State legislation and local policies to build more housing, including affordable housing, and will provide innovative tools to get to **YES** for housing development in local communities. The program will also include speakers on funding infrastructure to support housing and how to convey the health, economic, and accessibility benefits to communities.

Learn more at:

www.scag.ca.gov/housingsummit

IN PARTNERSHIP WITH



Southern California



Lewis Group Of Companies



For more information, contact Ma'Ayn Johnson (213) 236-1975 or johnson@scag.ca.gov.

DATE: July 7, 2016
TO: Transportation Committee (TC)
FROM: Maria Lopez, Manager, FTIP, (213) 236-1806, lopez@scag.ca.gov
SUBJECT: Release of the Draft 2017 Federal Transportation Improvement Program (FTIP)

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Authorize the release of the Draft 2017 FTIP for public review and comment, beginning July 8, 2016 and ending August 8, 2016.

EXECUTIVE SUMMARY:

SCAG is responsible for developing and maintaining the FTIP in cooperation with the State (Caltrans), the county transportation commissions (CTCs), and public transit operators.

SCAG in cooperation with its stakeholders has developed the Draft 2017 FTIP. In order to submit the Final 2017 FTIP to Caltrans by October 1, 2016, staff is seeking the approval of the Transportation Committee (TC) to release the Draft 2017 FTIP for a 30-day public review and comment period beginning on July 8, 2016. Upon completion of the public review and response to public comments, SCAG staff will report back to the TC and the Regional Council at the September 1, 2016 meetings to present a summary of comments received and ask for approval of the proposed final 2017 FTIP.

The pending release of the Conformity Analysis associated with the Draft 2017 FTIP is also going before the Energy and Environment Committee (EEC) as an information item at its July 7, 2016 meeting.

STRATEGIC PLAN:

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

BACKGROUND:

SCAG is the federally designated Metropolitan Planning Organization (MPO) for the six (6) counties region of Southern California and the designated Regional Transportation Planning Agency (RTPA) per state law. As such, it is responsible for developing and maintaining the FTIP and Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) in cooperation with the State (Caltrans), the county transportation commissions (CTCs), and public transit operators. Both the FTIP and RTP/SCS are developed through a "bottom up" approach.

Over the past several months, staff has worked in consultation and continuous communication with the CTCs throughout the region to develop the Draft 2017 FTIP. The Draft 2017 FTIP is a programming document totaling over \$27 billion in programming and containing close to 2,000 projects covering a six (6) year period. The Draft 2017 FTIP includes 67 projects for Imperial County programmed at \$85.4 million; 846 projects for Los Angeles County programmed at \$10.9 billion; 203 projects for Orange County programmed at \$5.6 billion; 389 projects for Riverside County programmed at \$5.8 billion; 260 projects for



REPORT

San Bernardino County programmed at \$4.4 billion; and 195 projects for Ventura County programmed at \$706 million.

The FTIP must meet the following five (5) required transportation conformity tests:

1. Consistency with the Adopted 2016-2040 RTP/SCS
(23 FR, Section 450.324 of the U.S. DOT Metropolitan Planning Regulations)
2. Regional Emissions Analysis
(40 FR, Sections 93.109, 93.110, 93.118, and 93.119)
3. Timely Implementation of Transportation Control Measures (TCMs)
(40 FR, Section 93.113)
4. Financial Constraint
(40 FR, Section 93.108 and 23 CFR, Section 450.324)
5. Interagency Consultation and Public Involvement
(40 CFR, Sections 93.105 and 93.112 and 23 CFR, Section 450.324)

In order to allow for a September 1, 2016 adoption of the 2017 FTIP by the Regional Council and submit the adopted FTIP to Caltrans by October 1, 2016, staff is requesting authorization to release the Draft 2017 FTIP including the Conformity Analysis for a 30-day public review and comment period, July 8, 2016 through August 8, 2016.

Two public hearings will be held during the public review period. The first public hearing will be held on July 14, 2016 and the second public hearing will be held on July 21, 2016 at SCAG's Los Angeles office with video-conferencing availability from SCAG's regional offices. The Draft 2017 FTIP will be posted on SCAG's website and noticed in major county newspapers, including in Chinese, Korean, Vietnamese, and Spanish newspapers. The Draft 2017 FTIP will be distributed to over 50 public libraries throughout the region. Upon completion of the public review period, SCAG staff will provide responses to all comments in the proposed final 2017 FTIP. The proposed final 2017 FTIP will thereafter be presented to the Transportation Committee and Regional Council for approval at the September 1, 2016 meetings. The final Conformity will be presented to the EEC and Regional Council for approval on the same day. Federal approval of the 2017 FTIP is expected to occur in mid-December 2016.

The Draft 2017 FTIP is accessible at: <http://ftip.scag.ca.gov/Pages/2017/draft.aspx>.

FISCAL IMPACT:

None. Work associated with this item is included in the current FY 16-17 Overall Work Program (WBS No. 17-030.00146A.02: Federal Transportation Improvement Program).

ATTACHMENT:

PowerPoint Presentation – Draft 2017 Federal Transportation Improvement Program



DRAFT
2017 FEDERAL TRANSPORTATION
IMPROVEMENT PROGRAM



Presented to the Transportation Committee

July 7, 2016



What is the Federal Transportation Improvement Program (FTIP)?

- The FTIP is a federally mandated list of transportation investment priorities in the SCAG region.
- Federal regulations require the FTIP be updated at least every four years, SCAG updates it every two years to be consistent with the State Transportation Improvement Program (STIP).
- The FTIP is prepared by SCAG in coordination and consultation with the County Transportation Commissions (CTCs) through a bottoms-up approach, it is a multimodal list of capital improvements programmed with various federal, state, and local fund sources proposed over a six-year period.
- The FTIP is prioritized to implement the region's overall strategy for providing mobility and improving both the efficiency and safety of the transportation system. It is the process by which the Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS) policies and goals are implemented.



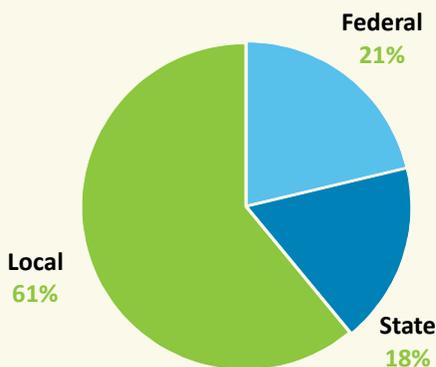
DRAFT
2017 FEDERAL TRANSPORTATION
IMPROVEMENT PROGRAM

What is the Federal Transportation Improvement Program (FTIP)? Cont.

- The FTIP is a dynamic document that is amended frequently to reflect updates to funding, schedules and program priority changes.
- The 2017 FTIP includes approximately 2,000 projects in the region, representing an investment of \$27.7 billion from 2016 to 2022.
- Funding programmed in the first two years are committed funds. Funds in years three and four are reasonably available. Funds in year five and six are for informational purposes.



Summary of 2017 FTIP by Funding Source (000's)

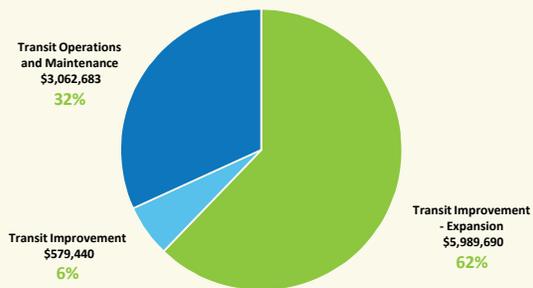


	Federal	State	Local	Total
2016/17	\$1,843,969	\$2,015,459	\$ 4,008,601	\$ 7,868,029
2017/18	\$1,297,261	\$1,353,451	\$ 4,071,787	\$ 6,722,499
2018/19	\$1,235,286	\$ 264,781	\$ 4,561,018	\$ 6,061,085
2019/20	\$ 698,264	\$ 230,705	\$ 2,061,341	\$ 2,990,310
2020/21	\$ 463,884	\$1,018,528	\$ 1,386,000	\$ 2,868,412
2021/22	\$ 348,122	\$ 23,932	\$ 789,145	\$ 1,161,199
TOTAL	\$5,886,786	\$4,906,856	\$16,877,892	\$27,671,534
% of Total	21%	18%	61%	100%

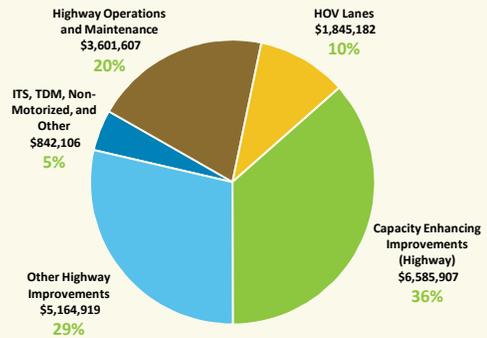


2017 FTIP Investment Categories

TRANSIT INVESTMENTS



HIGHWAY INVESTMENTS



Approximately **2000 projects** programmed region-wide for an investment of **\$27.7 billion**

2017 FTIP Program Performance

- The FTIP helps implement the goals and strategies set out in the RTP/SCS.
- MAP-21 and the FAST Act calls for establishing performance targets in the RTP/SCS and FTIP addressing performance measures specifically called out in the legislation.
- Currently, specific measures, targets and the type of information regarding performance that will eventually be required to be included in future FTIPs have not been identified.
- SCAG is monitoring and participating in these processes and will continue to work with our stakeholders on this important topic.

Conformity Tests for the 2017 FTIP

The 2017 FTIP has met the five tests for transportation conformity:

- 1. Consistent with 2016 RTP/SCS**
 - The FTIP is consistent with the 2016 RTP/SCS.
- 2. Regional Emissions Analysis**
 - Projects in the FTIP meet the Air Quality Standards set forth in the State Implementation Plan (SIP).
- 3. Timely Implementations of Transportation Control Measure (TCM)**
 - The FTIP includes projects that meet this test.
 - TCM's reduce pollutants from transportation sources by reducing vehicle use or congestion conditions.
- 4. Financial Constraint**
 - The 2017 FTIP complies with federal financial constraint requirements.
- 5. Public Participation/Interagency Consultation**
 - The FTIP was presented to The Conformity Working Group (TCWG) throughout its development.
 - The FTIP will be released for a 30 day public review period.
 - SCAG will hold two public hearings on July 14 and July 21, 2016.
 - Public notices will be placed in newspapers throughout the region, including four foreign language newspapers.



DRAFT
2017 FEDERAL TRANSPORTATION
IMPROVEMENT PROGRAM

DRAFT 2017 FEDERAL TRANSPORTATION IMPROVEMENT PROGRAM



Thank you.

For more information please visit <http://ftip.scag.ca.gov>
or email us at gutierre@scag.ca.gov



DATE: July 7, 2016
TO: Transportation Committee (TC)
FROM: Philip Law, Manager of Transit/Rail, (213) 236-1841, law@scag.ca.gov
SUBJECT: Metrolink Strategic Plan

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:
For Information Only – No Action Required.

EXECUTIVE SUMMARY:
On March 11, 2016, the Southern California Regional Rail Authority (SCRRA) Board adopted its 2015 10-Year Strategic Plan. The Strategic Plan defines a vision for SCRRA and is a tool that will assist the Board in creating funding priorities and in establishing a road map for SCRRA and its funding partners.

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:
The SCRRA was established in 1991 by a common joint exercise of powers agreement among five member county transportation commissions, "to advocate planning, design, and construction, and then to administer the operation of regional passenger rail lines serving the counties of San Bernardino, Los Angeles, Ventura, Orange, and Riverside." As a Joint Powers Agency (JPA), much of the work of SCRRA is performed in consultation with and support of the five member agencies: Los Angeles County Metropolitan Transportation Authority (Metro), Orange County Transportation Authority (OCTA), Riverside County Transportation Commission (RCTC), San Bernardino Associated Governments (SANBAG), and Ventura County Transportation Commission (VCTC). This support includes staff support, contract and financial support, policy support, and funding. Decisions to invest in infrastructure and service depend on the consent and support of its member agencies.

In preparing the Strategic Plan, the technical analysis provided the following data, which serves as a baseline for future action:

- Safety remains a high priority. SCRRA has addressed all safety themes in the expansive safety report issued five years ago except the last two themes, Strategic Plan and Governance. This Strategic Plan and the SCRRA Ad Hoc Governance Committee established following the July 2014 Strategic Plan Board Workshop now address those two themes.

REPORT

- While the majority of the Metrolink passenger population remains white-collar workers, passengers now represent commuters from and traveling to more diverse locations, more travelers during off-peak hours and in reverse direction, and more students and leisure travelers.
- Core service remains in the commute to downtown Los Angeles, but the market for additional service to outlying areas of the region is growing rapidly.
- Service has grown, but has now effectively reached the capacity of the system. Metrolink line capacity is constrained by operating agreements and the capacity of the existing infrastructure
- SCRRA lacks a long-term, dedicated funding source and, therefore, has difficulty in making long-term commitments. The identified funding options would either provide a dedicated funding source at the state and/or regional level or provide added funds each year through discretionary grants.

The Strategic Plan identifies a set of Board-adopted guiding principles, which form the foundation for the agency's mission, vision, and values. A series of agency goals are then identified that emphasize a strengthening of core functions, and balances these with customer needs and the demand for growth within the operational and fiscal context in which that growth will occur. The goals are:

1. Ensure a Safe Operating Environment
2. Achieve a Fiscal Sustainability
3. Invest in Our People and Assets
4. Retain and Grow Ridership
5. Increase Regional Mobility
6. Improve Communications to Customers and Stakeholders
7. Improve Organizational Efficiency

In the short term, the Strategic Plan identifies that SCRRA can focus on addressing the goals by adopting an investment strategy and taking actions in four major areas:

1. Strengthen core institutional functions, focused on fiscal sustainability, system reliability, and customer communications and responsiveness.
2. Focus initial investment in the rehabilitation of the system (vehicles and infrastructure) to ensure a state of good repair that can provide a base for supporting the growth scenarios.
3. Evaluate the potential for additional reverse commute trips to address the growth balance of travel patterns in the region. Initiate discussions with host railroads on potential for reverse peak services on corridors that are governed by shared use agreements.
4. Establish strategic partnerships to tap new sources of funds, encourage rail friendly development, and enable Metrolink to better serve markets within its existing network.

FISCAL IMPACT:

Work associated with this item is included in the Fiscal Year 2015-2016 Overall Work Program (WBS Number 16-140.SCG00121.01 Transit Planning).

ATTACHMENT:

PowerPoint Presentation: "SCRRA 10-Year Strategic Plan and 5-Year Short Range Transit Plan"

METROLINK.



SCRRA 10-Year Strategic Plan and 5-Year Short Range Transit Plan

SCAG Transportation Committee
July 7, 2016

METROLINK.



Metrolink
Today





Goals of Strategic Plan

- Satisfy recommendation of Metrolink Commuter Rail Safety Peer Review Panel Final Report (January 2009) for a comprehensive strategic plan that identifies goals, desired safety culture, capital improvement and overall agency Mission
- Assess Metrolink performance, identify challenges and needs of the agency
- Define a vision for Metrolink for the next 10 years and highlight approaches and principles for achieving that vision
- Identify capital and operating funding requirements in a multi-year time frame



Benefits of This Strategic Plan

- Foundation for planning and capital programming
- Strengthens Grant Pursuits
- Forms a basis for organizational work planning
- Guides budget planning
- Highlights regional transportation partnership opportunities



Review of Metrolink - Key Findings

1. **Aging Network & Infrastructure** (over 20 years)
2. **Line Capacity Constraints**
 - More than half of Metrolink's network remains single track
3. **Cost Growth**
 - Over the next 10 years if the "Big 5" operating contracts all grow at 4.0% per year this will lead to a 56% increase in operating budget in FY 2024
4. **Changing Income Demographics**
 - Lower average income of riders than comparable systems nationwide, fares are on par.
5. **Market Growth**
 - Outlying areas of the region - growing rapidly.
 - Growth of off-peak and bi-directional travel.



Key Focus: Back to Basics

- Called for by initial outreach with Board, member agency leadership and public
- Reflected in
 - Mission and Vision Statements
 - Guiding Principles
 - Agency goals
 - Investment plans

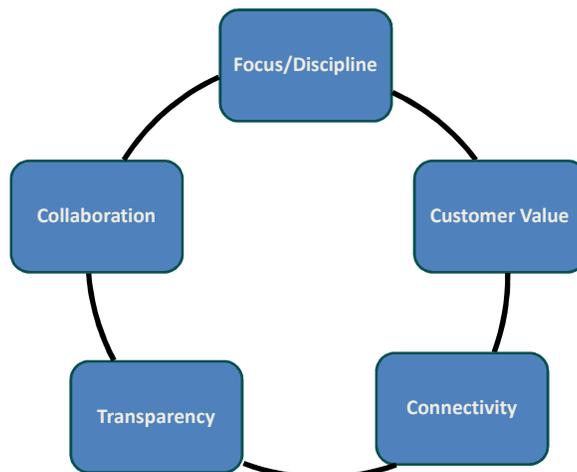


Mission and Vision Statements

- **Mission:** To provide safe, efficient, dependable, and on-time transportation service that offers outstanding customer experience, and enhances quality of life.
- **Vision:** To be Southern California's preferred transportation system built upon safety, reliability, customer service, leading-edge technology, and seamless connectivity.



5 Guiding Principles





Strategic Plan - A Strategy in Two Parts

1. Strengthening the Core of Metrolink
2. Investments for the Future



Part I - Strengthening the Core of Metrolink

GOALS & OBJECTIVES	Goal 1: Ensure a Safe Operating Environment	Goal 2: Achieve Fiscal Sustainability	Goal 3: Invest in People & Assets	Goal 4: Retain & Grow Ridership	Goal 5: Increase Regional Mobility	Goal 6: Improve Communication to Customers & Stakeholders	Goal 7: Improve Organizational Efficiency
	Focus	Focus	Focus	Customer Value	Customer Value	Customer Value	Focus
GUIDING PRINCIPLES	Customer Value	Customer Value		Customer Value	Customer Value	Customer Value	
		Transparency		Connectivity	Connectivity	Transparency	
STRATEGIES					Collaboration	Collaboration	Collaboration
	Maintain Sufficient Oversight of Operations Reduce Operating Rule Violations Reduce Train Accidents Reduce Employee Injuries Continue to Update the Metrolink System Safety Program Plan	Increase Fare Revenues Increase Non-Fare Revenues Reduce Cost Per Revenue Vehicle Mile (VRM) Reduce Operating Contractor Costs Secure Multi-Year Funding Commitments from Member Agencies for Operations and Rehabilitation and an agreement on Capital Project priorities Secure Clean Opinions on Annual Audits	Maintain State of Good Repair Maintain Culture to Recruit and Maintain a Qualified and Diverse Workforce	Improve On-Time Performance Develop Comprehensive Marketing Plan and Update it Annually Retain Ridership Grow Ridership	Improve Connectivity of Regional Transit Agency Services to Metrolink Expand and Enhance Partnerships and Coordination with Station Cities	Improve Customer Amenities Enhance Passenger Information Systems Reduce Customer Complaints Improve Ticket Vending Machine (TVM) Reliability Strengthen Role of Technical Advisory Committee in Reviewing Technical and Policy Issues Improve Communication and Partnerships with Member Agencies	Clearly Define Roles and Responsibilities Improve Internal Communications Improve External Communications



Investment Scenarios

- Different service scenarios require investment in fleet and infrastructure
- Strategic Plan does not commit to a “preferred” scenario



SRTP Highlights

- 5 Year outlook for investments
- No specific budget commitments yet
- Frames potential growth and describes required investments in fleet and infrastructure to support the growth
- Still depends on annual budget decisions
- Highlights potential short-term funding needs
- Future updates include more Board-directed funding commitments
- Guides short-term investments to support long-term goals



Next Steps and How the Strategic Plan Will Be Used

- Board Adoption the 10-Year and 5-Year Plans - Early 2016
- Frames budget process with member agencies
- Supports grant pursuits at the State and Federal levels
- Provide technical background for county Sales Tax efforts
- Capital programming
- Tie investments to service growth
- Establish performance targets for agency
- Pursue investments in rehabilitation (Asset Management Plan)

DATE: July 7, 2016

TO: Transportation Committee (TC)

FROM: Annie Nam, Manager of Transportation Finance & Goods Movement, nam@scag.ca.gov, (213) 236-1827

SUBJECT: Draft California Sustainable Freight Action Plan Update

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:
For Information Only – No Action Required.

EXECUTIVE SUMMARY:
In July 2015, Governor Brown issued Executive Order B-32-15, which directs the Secretary of the California Transportation Agency, Secretary of the California Environmental Protection Agency, and the Secretary of the Natural Resources Agency to lead the appropriate State departments in the development of a California Sustainable Freight Action Plan by July 2016. The draft plan was released in May 2016. SCAG staff requested an informational presentation on the Draft California Sustainable Freight Action Plan by an interagency team who represents California Air Resources Board, Caltrans, California Energy Commission and Governor's Office of Business and Economic Development.

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 collaboration and cooperative environment to produce forward thinking regional plans.

BACKGROUND:
The California Sustainable Freight Action Plan is an administrative document that outlines ambitious statewide efforts to improve freight efficiency and transition the freight transport system to zero-emission technologies, while continuing to support California's economy.

In July 2015, Governor Brown issued Executive Order B-32-15, which directs the Secretary of the California Transportation Agency, Secretary of the California Environmental Protection Agency, and the Secretary of the Natural Resources Agency to lead the appropriate State departments in the development of a California Sustainable Freight Action Plan by July 2016. The State departments involved in this effort include the California Department of Transportation, the California Air Resources Board, the California Energy Commission and the Governor's Office of Business and Economic Development.

The integrated action plan will identify strategies and actions to achieve a sustainable freight transportation system that meets California's environmental, energy, mobility, safety and economic needs. The plan will also identify and initiate corridor-level freight pilot projects within the State's primary trade corridors that integrate advanced technologies, alternative fuels, freight and fuel infrastructure and local economic development opportunities.



REPORT

Chris Schmidt of Caltrans, on behalf of the interagency team, will present on an overview of the Draft California Sustainable Freight Action Plan and its adoption timeline.

FISCAL IMPACT:

No Fiscal Impact

ATTACHMENT:

PowerPoint Presentation: Draft California Sustainable Freight Action Plan Update

CALIFORNIA SUSTAINABLE FREIGHT ACTION PLAN

Draft California Sustainable Freight Action Plan Update
SCAG Transportation Committee
July 7, 2016

1

California's Freight Transport System

Modes:



Facilities:

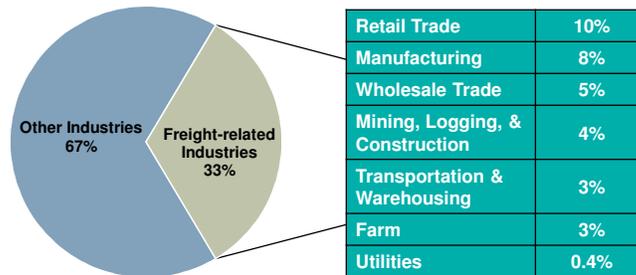
- Seaports
- Airports
- Rail yards & lines
- Distribution centers
- Warehouses
- High traffic roads
- Border crossings

2

1/3 of California's Jobs and Economy

California Industry Employment Composition

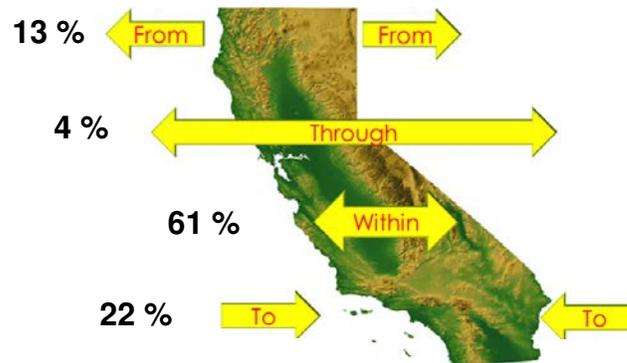
Total Employment (2014): 16 Million



Source: EDD, Labor Market Information Division, 2014

3

2/3 of Freight Transport Within California



Source: Freight Analysis Framework Data by U.S. Department of Transportation, 2015

4

Under Continuous Pressure to Evolve

- 25 percent increase in volume by 2025
- Competition and cost pressures
- Demands of e-commerce
- System capacity, safety, and security
- More protective toxics and air quality standards
- Increased vulnerability of freight facilities to climate change impacts



5

Progress Will Require Partnerships Across...

- Multiple sectors, disciplines, and organizations
- State government
- Industry
- Federal, regional, and local agencies
- Environmental and community partners
- International bodies



6

Governor's Executive Order B-32-15

Multi-decade, iterative process needed to transform California's freight system. State agencies, in consultation with stakeholders, to develop plan by July 2016 to:

- Improve freight efficiency
- Transition to zero emission technologies
- Increase competitiveness



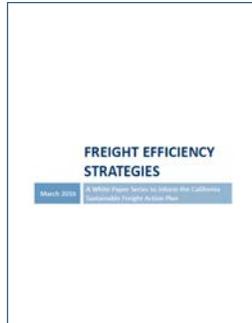
7

Other Recent State Plans



8

Freight Efficiency Working Group



- **Participants:** Freight industry, academics, advocates, and government
- **Developed a series of white papers:**
 - Funding for Freight Infrastructure and Clean Equipment
 - Strategies to Maximize Asset Utilization
 - Planning and Policy
 - Operational Modernization at Distribution Nodes
 - Information Technology

9

Framework of Draft Action Plan

Released on May 3, includes:

- 2050 Freight System Vision
- Guiding Principles
- 2030 Statewide Targets
- Freight Funding Approach
- State Agency Actions
- Pilot Projects
- Discussion Concepts



10

2050 Freight System Vision

Utilize a partnership of federal, State, regional, local, and industry stakeholders to move freight in California on a modern, safe, integrated, and resilient system that continues to support California's economy and livability.

Transporting freight reliably and efficiently by zero emission equipment everywhere feasible, and near-zero emission equipment powered by clean low-carbon renewable fuels everywhere else.



11

Guiding Principles

“In addition to statutory requirements, the Guiding Principles characterize priorities for future investments of freight funding in California.”



- Regional and Local Support
- Economy
- Safety
- Community Impacts
- Maintenance
- Reliability
- Efficiency
- Environment
- Resiliency
- Land Use

12

2030 Statewide Targets

- **System Efficiency:** Improve 25 percent by 2030
- **Technology:** Deploy over 100,000 zero emission vehicles/equipment and maximize near-zero by 2030
- **Economy:** Foster future economic growth within the freight and goods movement industry



13

Freight Funding Approach

- **Potential Freight Funding**
 - Fixing America's Surface Transportation (FAST) Act
 - Governor Brown's Fiscal Year 2016-2017 Budget Proposal
- **Approach to Ongoing Freight Investments**
 - Trade Corridor Improvement Fund/Goods Movement Emission Reduction Program – Phase II
 - Further explore matching grants, financing assistance, and bulk purchasing power

14

State Agency Actions

1. **Work with legislature on a freight transport funding package**
2. **Work with legislature on distribution of federal FAST Act funds**
3. **Plan and invest in infrastructure to modernize freight corridors**
4. **Accelerate use of advanced technologies and renewable fuels**

15

State Agency Actions (cont'd)

5. **Establish a sustainable freight think tank**
6. **Develop strategies, tools, and data that consider commercial viability and promote competitiveness**
7. **Continue work with the freight efficiency development group**
8. **Implement steps to meet existing and future workforce needs**
9. **Identify process improvements to expedite delivery of projects**

16

Implementation Steps for Actions

- **Transportation and Fueling Infrastructure**
 - Highway, Rail, and Waterway Network Planning and Development
 - Charging and Hydrogen Fueling Network Planning and Incentives
 - Freight Handbook
- **Advanced Technologies**
 - Vehicle and Equipment Regulatory and Incentive Concepts
 - Renewable Fuels Concepts
- **Competitiveness**
 - Cost and Benefit Data, Tools, and Metrics Development
- **System Efficiency**
 - Freight Truck Platooning, Route Designation, and Signal Priority
 - Intelligent Transportation Systems Enhancements
 - Off-Hour Delivery/Pick Up Strategy
- **Workforce Development**
 - Upskilling Programs and Job Training Models

17

Pilot Projects

- **Dairy Biogas for Freight Vehicles**
San Joaquin Valley
- **Advanced Technology for Truck Corridors**
Southern California
- **Advanced Technology Corridors at Border Ports of Entry**
California-Mexico Border



18

Discussion Concepts

- Inland marine corridors
- Non-traditional transport methodologies
- Packaging optimization
- Supply chain consolidation in the agricultural industry
- System efficiency strategies
- Transportation projects
 - Interstate 710 Corridor
 - State Route 11 Otay Mesa East Port of Entry



19

Action Plan Timeline

May 3, 2016	Draft Action Plan released for public comment
May-June 2016	Stakeholder meetings on draft Action Plan
July 6, 2016	Public comment period ends
July 2016	Agency Secretaries transmit final Action Plan to Governor

View the full draft Action Plan at:
<http://www.casustainablefreight.org/>

20

DATE: July 7, 2016

TO: Transportation Committee (TC)

FROM: Annie Nam, Manager of Transportation Finance & Goods Movement, (213) 236-1827, nam@scag.ca.gov

SUBJECT: Briefing on 2016 Mobile Source Strategy

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION:

For Information Only – No Action Required.

EXECUTIVE SUMMARY:

SCAG staff requested a presentation from the California Air Resources Board (CARB) on the updated 2016 Mobile Source Strategy. Released on May 16, 2016, the updated Mobile Source Strategy demonstrates how the State can simultaneously meet air quality standards, achieve greenhouse gas emission reduction targets, decrease health risks from transportation emissions, and reduce petroleum consumption over the next fifteen years.

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 collaboration and cooperative environment to produce forward thinking regional plans.

BACKGROUND:

Over the next fifteen years, California will need to build upon its successful efforts to meet critical air quality and climate goals. These include:

- Attaining federal health-based air quality standards for ozone in 2023 and 2031 in the South Coast and San Joaquin Valley, and fine particulate matter (PM2.5) standards in the next decade;
- Achieving greenhouse gas (GHG) emission reduction targets of 40 percent below 1990 levels by 2030, with continued progress towards an 80 percent reduction by 2050;
- Minimizing health risk from exposure to toxic air contaminants;
- Reducing our petroleum use by up to 50 percent by 2030; and
- Increasing energy efficiency and deriving 50 percent of our electricity from renewable sources by 2030.

Mobile sources – cars, trucks, and myriad of off-road equipment – and the fossil fuels that power them are the largest contributors to the formation of ozone, PM2.5, diesel particulate matter and GHG emissions in California. They are responsible for approximately 80 percent of smog-forming nitrogen oxide (NOx) emissions, 90 percent of diesel particulate matter emissions, and nearly 50 percent of GHG emissions. Given this contribution, significant cuts in pollution from these sources are needed.

REPORT

The actions contained in the Mobile Source Strategy will deliver broad environmental and public health benefits, as well as support much needed efforts to modernize and upgrade transportation infrastructure, enhance system-wide efficiency and mobility options, and promote clean economic growth in the mobile sector. The integrated approach to planning described in this report allows consideration of the multi-pollutant benefits, identifies interactions between measures, and maximizes program effectiveness.

The major plans that are being released this year will be built on the mobile source strategy by streamlining measures in the strategy to draw specific roadmaps for meeting climate and air quality targets. These include State Implementation Plans (SIPs) to meet federal air quality standards, California's Scoping Plan Update to meet GHG reduction goals, the California Sustainable Freight Action Plan to establish targets to improve freight emission performance and transition to zero-emission technologies, and the Short-Lived Climate Pollutant Plan to reduce potent short-lived climate forcers.

Jon Taylor, Assistant Chief of Air Quality Planning and Science Division at CARB, will provide a presentation on the 2016 Mobile Source Strategy.

FISCAL IMPACT:

No fiscal impact

ATTACHMENT:

PowerPoint Presentation: 2016 Mobile Source Strategy



Briefing on 2016 Mobile Source Strategy

Southern California Association of Governments Transportation Committee

July 7, 2016



California Environmental Protection Agency
Air Resources Board

California's Air Quality and Climate Goals

- Federal air quality standards
 - 2023 and 2031 ozone attainment
 - 2021 to 2025 PM2.5 attainment
- Greenhouse gas reduction target
 - 40% below 1990 levels by 2030
- Health risk reduction
 - Reduce exposure to toxic air contaminants
- Petroleum reduction target
 - 50% reduction by 2030
- Renewable energy targets
 - Increase energy efficiency
 - 50% electricity from renewable sources by 2030

2

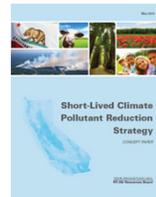
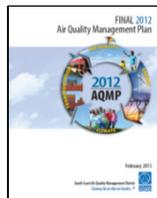
Mobile Source Reductions are Key

- Largest contributor to smog-forming, greenhouse gas, and diesel PM emissions
 - 80 percent of ozone-forming NOx
 - 50 percent of greenhouse gases
 - 90 percent of diesel PM
- Requires integrated planning process to develop strategies to meet multiple goals



Supports Multiple Planning Efforts

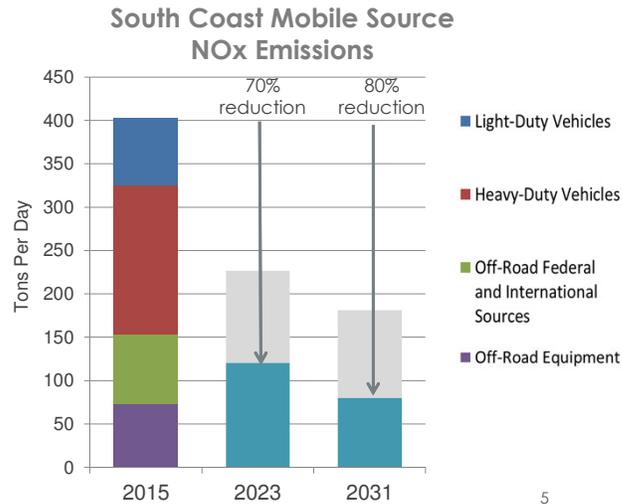
- Strategy provides framework for ongoing planning efforts:
 - State Implementation Plans
 - Scoping Plan Update
 - California Freight Action Plan
 - Short Lived Climate Pollutant Plan



4

South Coast Attainment Needs

- Significant reductions needed to meet ozone standards
- Current programs achieve two thirds of necessary reductions
- Further efforts need to address all mobile sectors



Key Strategy Actions

- Establish cleaner engine performance standards
- Increase penetration of ZEV technologies
- Ensure durability of emission control systems
- Expand use of cleaner renewable fuels
- Conduct pilot studies to demonstrate new technologies
- Incentivize deployment of cleanest technologies

Establish Cleaner Engine Standards

- **Low-NOx Engine Standard**
 - Establish California standard effectively 90% cleaner than today's engines; petition U.S. EPA to establish federal standard
- **More Stringent Locomotive Emission Standards**
 - Petition U.S. EPA for federal Tier 5 standard and more stringent requirements for remanufactured locomotives
- **Tier 4 Vessel Standards**
 - Advocate for more stringent IMO standards and efficiency targets
- **At-Berth Regulation Amendments**



Introduce ZEV Technologies: 1

- **Advanced Clean Cars 2**
 - Increase number of ZEVs and PHEVs sold in California
 - Increase stringency of fleet-wide emission standards
- **Advanced Clean Transit**
 - Continue transition of transit fleets to advanced clean technologies
 - Achieve benefits in disadvantaged communities and maintain/expand service
- **Last Mile Delivery**
 - Phase-in of zero emission purchase requirements
- **Zero-Emission Airport Shuttle Buses**
 - Develop approaches to increase penetration of zero of zero emission technologies



Introduce ZEV Technologies: 2

- **Zero-Emission Off-Road Forklift Regulation**
 - Increase penetration of zero emission technologies for forklifts with lift capacities <8,000 lbs
- **Transport Refrigeration Units Used in Cold Storage**
 - Stationary run-time limitations
 - Increased operational efficiencies
- **Zero-Emission Airport Ground Support Equipment**
 - Transition diesel and LSI equipment to zero emission technologies
- **Small Off-Road Engines**
 - Establish more stringent exhaust and evaporative standards
 - Increase penetration of zero emission technologies
- **Technology Assessments for other off-road categories**

Ensure Engine Durability

- **Light-Duty Lower In-Use Performance Assessment**
 - Joint assessment with Bureau of Automotive Repair
 - Evaluate in-use performance of OBD II systems
- **Heavy-Duty Lower In-Use Emission Performance Level**
 - Develop supplemental actions to address in-use emissions and decrease engine deterioration
- **Innovative Technology Certification Flexibility**
 - Provide regulatory flexibility for innovative technologies to expand hybrid and other advanced technologies in heavy-duty truck applications

Expand Use of Renewable Fuels

- **Low Emission Diesel Fuel**
 - Replace 50 percent of diesel demand with low emission diesel by 2031
 - Gradual implementation of strategy beginning in South Coast, then expanding statewide
 - Greatest emission reductions in off-road, legacy fleets



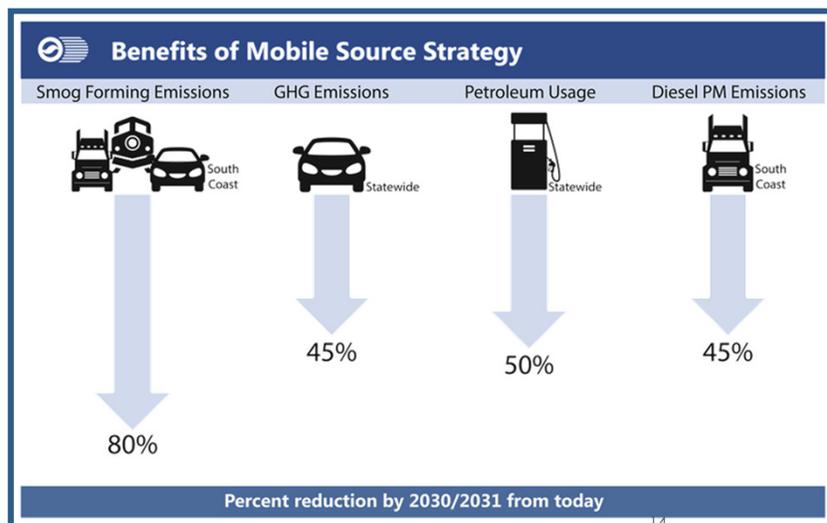
Further Technology Deployment

- Achieve further emission reductions for South Coast attainment through a suite of additional actions including:
 - Incentive programs for early penetration of zero and near-zero technologies
 - Further regulatory strategies based on initial technology deployment
 - Increased operational efficiency strategies
 - Use of connected and autonomous vehicles, telematics, and intelligent transportation systems

Scope of Cleaner Technologies

	South Coast	2031
Passenger Fleet	ZEV Population	2.9 Million
	PHEV Population	1.2 million
Truck Fleet	Low-NOx truck population	430,000
	ZEV last-mile delivery truck population	11,000

Strategy Meets Multiple Goals



Economic Analysis

- Analysis of economic impacts conducted using Regional Economic Models, Inc. (REMI)
- Benefits: Broad environmental and health benefits
- Costs: Strategy not anticipated to significantly impact California economy
- Measures likely to change the way vehicles, fuels, and mobile equipment are manufactured, distributed, and consumed
- Employment and production shifts within industries

15

Next Steps

- Expand on elements of Mobile Source Strategy in related planning efforts
 - Short-Lived Climate Pollutant Plan
 - State SIP Strategy
 - Scoping Plan Update
 - Sustainable Freight Action Plan
- Board will consider State SIP Strategy in September



16

DATE: July 7, 2016

TO: Transportation Committee (TC)

FROM: Akiko Yamagami, Senior Transportation Planner, (213) 236-1987, yamagami@scag.ca.gov

SUBJECT: Industrial Warehousing in the SCAG Region Study Update

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION:

For Information Only – No Action Required.

EXECUTIVE SUMMARY:

SCAG staff will present findings from the recently completed Industrial Warehousing in the SCAG Region Study. This is an update of SCAG's Regional Warehousing Needs Assessment Study (2009) and includes a refresh of the underlying data and development of a future warehousing demand forecasting tool to test various policy scenarios that might influence the development patterns for logistics facilities in the region.

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 collaboration and cooperative environment to produce forward thinking regional plans, and Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies; Objective a: Develop and maintain planning models that support regional planning.

BACKGROUND:

In April 2014, SCAG's Goods Movement Department initiated the Industrial Warehousing in the SCAG Region Study. The goals of the study were to better understand global supply chain trends that impact development patterns of warehouses and distribution facilities across the region; update the regional inventory of such facilities that were used in SCAG's Regional Warehousing Needs Assessment (2009); and develop a policy evaluation tool that would assist SCAG and regional policy makers to examine outcomes of various scenarios that influence supply and demand of warehousing and distribution spaces, and associated potential impacts including development patterns and traffic volumes.

Using commercial real estate data from CoStar Realty Inc., the study found that, in 2014, the region had almost 1.2 billion square feet of building area across six (6) billion square feet of land area that were designated for warehouses and distribution use. SCAG's compilation of General Plan Land Use data was then used to estimate the amount of developable land for future warehouses and distribution use. Based on existing land use designations, this analysis demonstrated that the region has approximately 338 million square feet of warehouse building area available within 790 million square feet of land that is assumed developable for warehousing and distribution purposes.

REPORT

To understand the impacts of global supply chain trends and local land use policy changes on the supply and demand of warehouse and distribution facilities in the region, a policy evaluation tool was developed to test six (6) macro level scenarios. The scenarios are: 1) replacement of obsolescent warehouses with higher efficiency warehouses; 2) increased share of mega regional distribution centers; 3) increased share of cross-dock facilities; 4) increased share of e-commerce fulfillment centers; 5) increase in border trade volume through Imperial County; and 6) increase in overall developable land for warehouses and distribution centers in the region.

SCAG staff will present findings on overall development patterns that have been observed in the region, a brief description on the structure of the scenario testing model, and preliminary policy discussion points based on the scenario outcomes. This presentation is intended to be the first of a series of meetings that SCAG staff plans on coordinating with various stakeholders to further define and refine policy implications of the study findings.

FISCAL IMPACT:

No fiscal impact. Staff time for this project was budgeted in FY 15-16 budget.

ATTACHMENT:

PowerPoint Presentation: Industrial Warehousing in the SCAG Region Study Update



Industrial Warehousing in the SCAG Region Study Update

Presented to The Transportation Committee

July 7, 2016

Akiko Yamagami, Senior Transportation Planner

Presentation Overview

1. Study Motivations
2. Findings from Global Supply Chain Trend Analysis
3. Updated Inventory Highlights
4. Scenario Testing Tool
5. Findings and Discussion

Key Questions for The Study

- a. What are the major global supply chain trends that influence warehouse and logistics industry?
 - What are the foreseeable changes that we might be able to predict based on the recent trends?
 - How will they impact the development patterns of logistics facilities in Southern California?
- b. What does the inventory of SCAG region's warehouse and distribution facilities tell us?
- c. Given the trends and existing development patterns, what would be the warehouse space forecast?
- d. What kind of discussions should we initiate as a region?

3

Changing Logistics Landscape

Main Drivers for Supply Chain Performance

- Fulfill customer demand
 - Greater product variety
 - Lower cost
 - Increased convenience
 - Rapid order delivery
- Minimize total landed cost
 - Product sourcing
 - Logistics operational efficiency – inventory control, transportation network optimization

4

Global Supply Chain Key Trends

Six *historical* trends were studied:

- Mega distribution centers (DC)
- Transloading and cross-docking
- Distribution center location
- Value-added services
- Vendor-managed inventory
- Information technology (IT) in cargo-handling facilities



Five *emerging* trends also were reviewed:

- Multimodal logistics centers
- Near-shoring and re-shoring
- Warehouse automation
- Retail order fulfillment
- Compressed time of order fulfillment



5

Supply Chain Trend Findings

- Increasingly, cargo owners are outsourcing their logistics operations to third party logistics companies (3PLs) who specialize in inventory, warehouse and transportation management
- Emergence of omni-channel retailing and e-commerce changing the traditional retail business model
- Higher level of technology integration to increase information accuracy and to increase goods handling speed
- Emergence of large size distribution centers – facilities larger than 500,000 square feet of space
- Location and access to transportation network are still major considerations for selecting the right warehouse/DC site

6

Regional Warehouse Facility Inventory

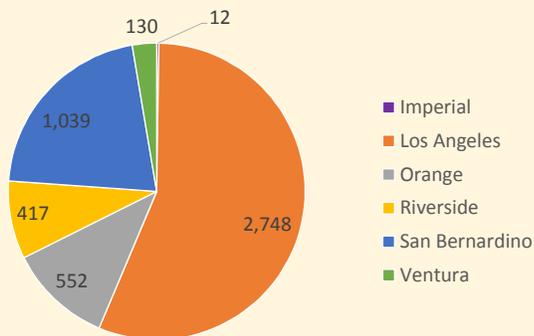
What's new with this study?

Regional Warehousing Needs Assessment (2008/2009)	Industrial Warehousing in the SCAG Region Study (2016)
Data from County Assessors Offices and Proprietary real estate data obtained by a contracted consultant	CoStar Realty Information Inc. for the existing inventory data (November 2014), and SCAG's General Plan Land Use data for developable land analysis
SCAG region separated into 25 zones	SCAG region separated into 43 zones
Limited to buildings $\geq 50,000$ sq. ft.	All building sizes

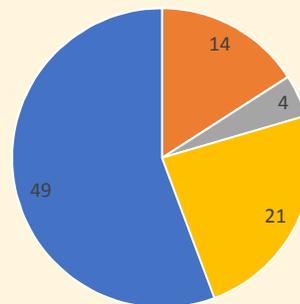
7

Total Number of Buildings

For Facilities $\geq 50,000$ Sq. Ft.



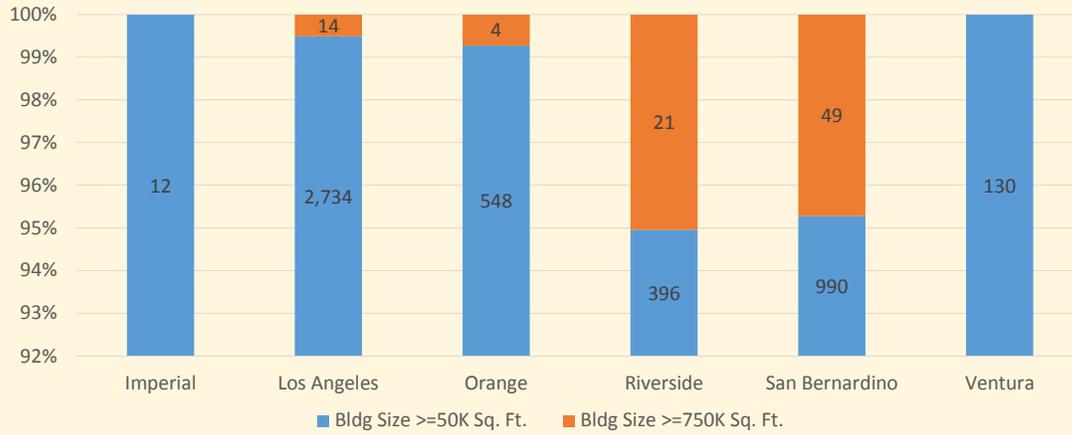
For Facilities $\geq 750,000$ Sq. Ft.



Source: CoStar Realty Inc. November 2014 downloads

8

The Share of Facilities Larger Than 750,000 Sq. Ft. Per County*

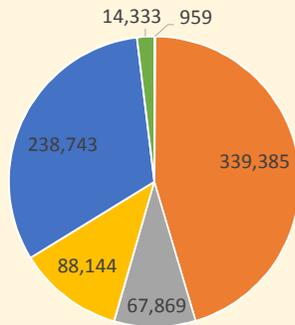


Source: CoStar Realty Inc. November 2014 downloads
* Among facilities larger than 50,000 sq. ft.

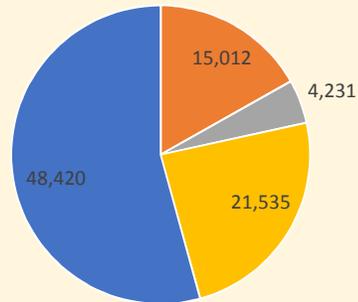
9

Total Building Area in Square Feet

For Facilities >=50,000 Sq. Ft.
(in 1,000s sq. ft.)



For Facilities >=750,000 Sq. Ft.
(in 1,000s sq. ft.)

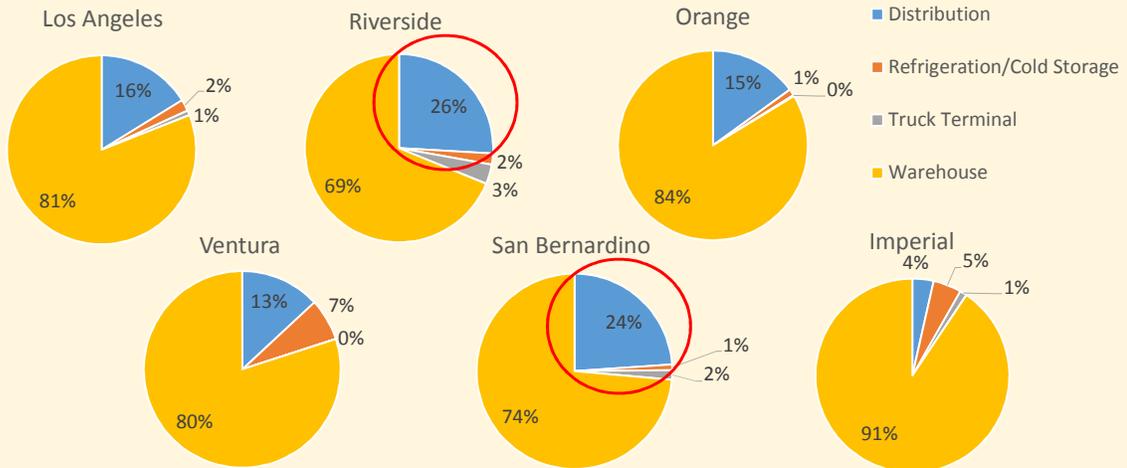


Source: CoStar Realty Inc. November 2014 downloads

10

Warehousing Facility County Level Profiles

Share of Buildings by Facility Type for Facilities Larger Than 50,000 sq. ft. *



* For Imperial County, the data includes all building sizes.

Source: CoStar Realty Inc. November 2014 downloads

11

Average Year Built for Facilities $\geq 50,000$ Sq. Ft.

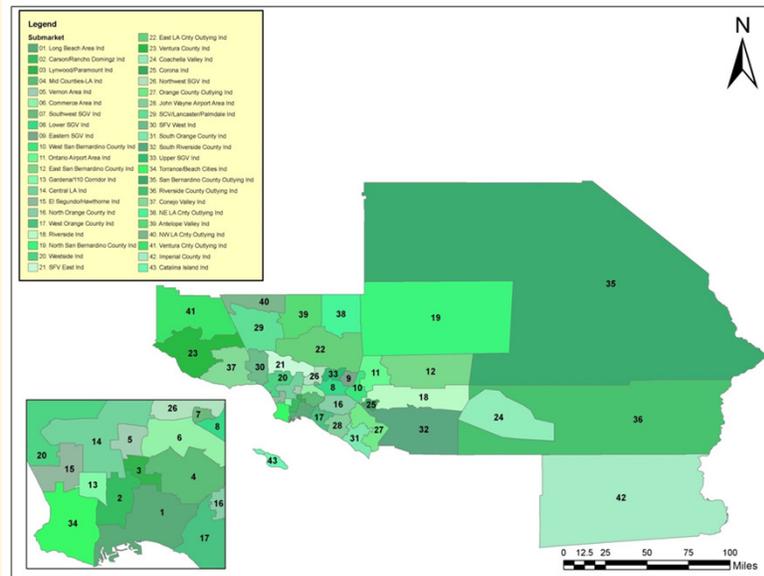
Facility Type	LA	OC	RIV	SB	VEN	IMP*
Distribution	1980	1988	2001	2000	1988	2008
Refrigeration/Cold Storage	1972	1973	1982	1982	1975	1994
Truck Terminal	1971	1988	1952	1992	N/A	N/A
Warehouse	1975	1979	1995	1994	1982	1981
Total Average	1976	1981	1995	1995	1983	1984

Source: CoStar Realty Inc. November 2014 downloads

*Imperial County data includes all facility size

12

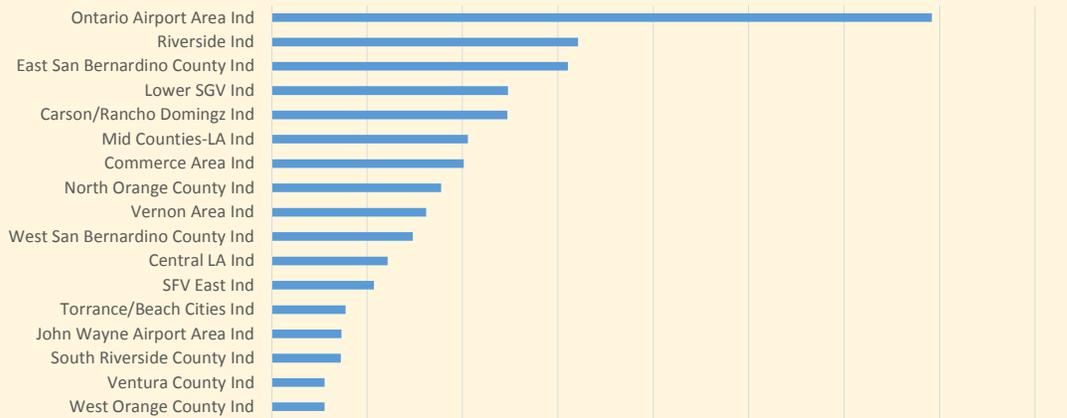
43 Submarkets



Source: CoStar Realty Inc. November 2014 downloads and SCAG

Submarkets with Large Rentable Buildings Areas*

Top Submarkets with >=10 Million Sq. Ft. (in 1,000s Sq. Ft.)



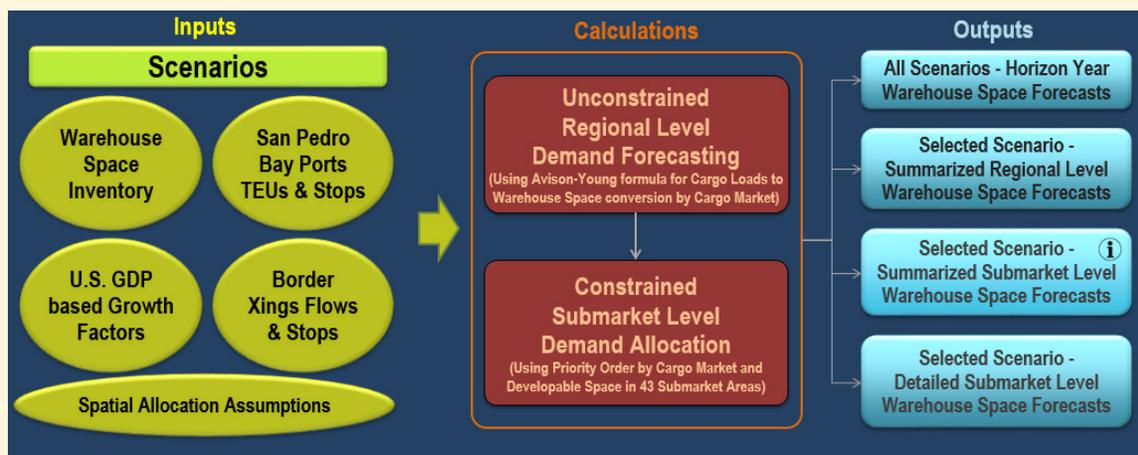
Source: CoStar Realty Inc. November 2014 downloads
 * Among facilities larger than 50,000 sq. ft.

Estimated Developable Warehousing Space

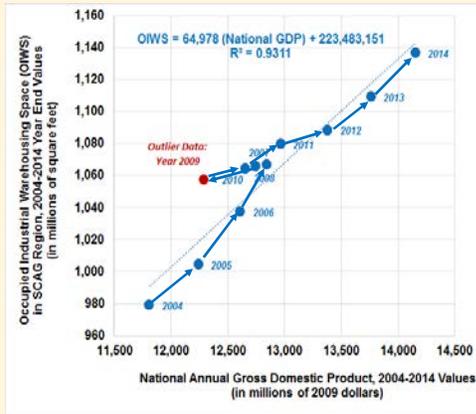
- Based on SCAG’s 2012 General Plan Land Use Data
 1. Estimated warehousing Land Use area as percentage share of total industrial Land Use area per county.
 2. Calculated the average Floor-Area-Ratio for each county to derive the county-level warehouse building area

Estimated Developable Warehousing Building Area (in Millions Sq. Ft.)						
LA	OC	RIV	SB	VEN	IMP	Total
121.1	7.7	83.6	119.2	6.8	-	338.4

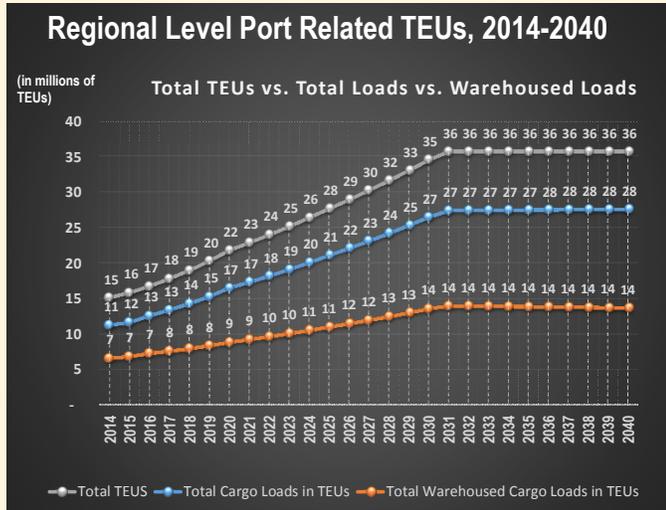
Scenario Testing Tool



Scenario Testing Tool Inputs



Source: CoStar Realty Inc. and Regional Economic Model, Inc.



Source: Port of Los Angeles, May 2015; Cambridge Systematics and GVH & Associates' Analysis

Alternate Scenarios

1

Baseline Scenario with Replacement of Obsolescent Warehouses

2

Increased mega RDCs share.

3

Increased cross-docking share.

4

Increased e-commerce and fulfillment centers (distribution centers) share.

5

Shift in port related market to Baja-California border trade

6

Increased developable industrial use land available.

Preliminary Findings and Discussions

- Modern/modernized facilities seem to yield higher operational capacity, thereby being able to handle higher volume within the same building footprint.
 - What would be the potential benefits and concerns to local jurisdiction to encourage building modernization?
 - What would be the potential benefits and concerns for real estate developers?
- Rapid technology evolutions continue to take place in logistics facilities across the region.
 - What would be the implications to employment skill requirements?
 - What policy discussions should we as a region be initiating to prepare our workforce to capitalize on these opportunities?

19

Preliminary Findings and Discussions

- While efficiency improvements within logistics facilities seem to further delay the need for new developable space, at some point, the region will likely face the land space shortfall for logistics facilities.
 - What considerations should the region be giving to 24/7 operations of logistics facilities?
 - How would we mitigate potential impacts?
- We anticipate that Southern California will remain one of the major global supply chain nodes for the foreseeable future.
 - How do we balance growth in global commerce and associated activities, and quality of life of our region?

20

