

## Memorandum

TO: Interested Stakeholders

FROM: Strategic Growth Council

DATE: September 23, 2014

RE: Draft Guidelines for the SGC Affordable Housing & Sustainable Communities (AHSC) Program

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First and foremost, thank you for your interest in this process. The opportunity to implement key land use and transportation strategies to address climate change in California is a responsibility we do not take lightly. Like any good process, we look forward to constructive feedback from diverse stakeholders to help inform the Affordable Housing and Sustainable Communities Program as we move forward.

Following this memo, you will find the Draft Guidelines document for the AHSC Program. Written comments will be accepted on this draft until **Friday, October 31, 2014**. SGC and its partnering agencies and departments will be holding four public workshops across the state to gather feedback to inform the final version of the guidelines that will go to the Council for adoption at its December 11, 2014 meeting. Information on the cities and dates of the workshops is available now in the [SGC Workshop Notice](#), and additional information with exact times and locations will be released by the end of September.

In order to facilitate the most effective engagement, SGC would like to acknowledge several outstanding issues to be resolved prior to Council adoption of the Final Guidelines in December.

Chief among these issues include:

- Coordination and partnership between Metropolitan Planning Organizations/regional agencies and the State to ensure effective implementation of the goals of this Program
- Geographic distribution of funds throughout the state
- ARB Guidance on GHG reductions quantification
- Specific point values for scoring criteria

Again, we would like to acknowledge the complexity of the intersection of land use, affordable housing, transportation and infrastructure needs of the state that this program addresses to reduce greenhouse gas emissions. We appreciate your thoughtful engagement as we navigate multiple perspectives in how to achieve the greatest benefits to our state and its residents.

# **AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM**

**PRELIMINARY DRAFT PROGRAM GUIDELINES**

**FUNDED BY**

**GREENHOUSE GAS REDUCTION FUND**

**STATE OF CALIFORNIA**

**STRATEGIC GROWTH COUNCIL**

Released: September 23, 2014

Please direct comments to:

**Affordable Housing and Sustainable Communities Program**

Email: [AHSC@SGC.CA.GOV](mailto:AHSC@SGC.CA.GOV)

## TABLE OF CONTENTS

	PAGE
ARTICLE I. General	
Section 100 Purpose and Scope	4
101 Program Description and Overview	5
ARTICLE II. Program Requirements	
Section 102 Eligible Projects	8
103 Eligible Uses and Funds	11
104 Assistance Terms and Limits	20
ARTICLE III. Application Procedures	
Section 105 Eligible Applicants and Application Process	22
106 Application Threshold Requirements	26
107 Application Selection Criteria	30
108 Application Criteria and Scoring Summary	53
ARTICLE IV. Program Operations	
109 Legal Documents	55
110 Reporting Requirements	60
111 Performance Requirements	61
112 Default and Cancellations	62
113 Prevailing Wages	63
APPENDICES	
APPENDIX A Definitions	65
APPENDIX B Disadvantaged Community Guidance	78
APPENDIX C Examples of Co-Benefits	79
APPENDIX D GGRF Programs	80
TABLES AND CHARTS	
Table 1 AHSC Program Summary	7
Table 2 TOD Project Area Categories	9
Table 3 Eligible Uses	11
Table 4 Housing Development Minimum Net Density Requirements	12
Table 5 Eligible Costs by Eligible Use Category	16

Chart 1	AHSC Program Application Process	25
Table 6	AHSC Disadvantaged Community Threshold Requirements	29
Chart 2	AHSC Scoring Elements and Criteria	31
Chart 3	AHSC Scoring Process	32
Table 7	AHSC Criteria Applicability Based on Eligible Uses	53

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# Affordable Housing and Sustainable Communities Program DRAFT Program Guidelines

## Article I. General

### Section 100. Purpose and Scope

- (a) The purpose of these guidelines is to implement Division 44, Part 1 of the Public Resources Code (PRC) (commencing with Section 75200), which establishes the Affordable Housing and Sustainable Communities (AHSC) Program, hereinafter referred to as the AHSC Program.
- (b) The purpose of the AHSC Program is to reduce greenhouse gas (GHG) emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development, and that support related and coordinated public policy objectives, including the following:
  - (1) Reducing air pollution.
  - (2) Improving conditions in disadvantaged communities.
  - (3) Supporting or improving public health and other co-benefits as defined in Section 39712 of the Health and Safety Code.
  - (4) Improving connectivity and accessibility to jobs, housing, and services.
  - (5) Increasing options for mobility, including the implementation of the Active Transportation Program established pursuant to Section 2380 of the Streets and Highway Code.
  - (6) Increasing transit ridership.
  - (7) Preserving and developing affordable housing for lower income households, as defined in Section 50079.5 of the Health and Safety Code.
  - (8) Protecting agricultural lands to support infill development.

## Section 101. Program Description and Overview

The AHSC Program is supported by auction proceeds derived from the California Air Resources Board's Cap and Trade Program, and appropriated in the annual State Budget to the Greenhouse Gas Reduction Fund. Accompanying legislation, [SB 862](#), apportions 20 percent of the GGRF's proceeds on an annual basis to the AHSC program beginning in FY 2015-16.

The AHSC Program furthers the regulatory purposes of [AB 32](#) and [SB 375](#) by investing in projects that reduce greenhouse gas emissions by creating more compact, infill development patterns, encouraging active transportation and mass transit usage, and protecting agricultural land from sprawl development. These projects, described in the [AB 32 Scoping Plan](#), will support ongoing climate objectives and contribute substantial public health and safety, economic and environmental co-benefits.

The AHSC Program will provide grants and/or loans to projects that will achieve GHG reductions through one of the following, or a combination of the two:

- 1) Increasing accessibility of affordable housing, employment centers and key destinations via low-carbon transportation options (walking, biking and transit), resulting in fewer vehicle miles traveled (VMT). Two project prototypes have been identified to implement this strategy: (A) Transit Oriented Development Project Areas (TOD) or (B) Integrated Connectivity Projects (ICP).
- 2) Protecting agricultural lands from GHG-intensive development (e.g., agricultural land conservation easements), resulting in net increases in GHG sequestration.

The AHSC Program is intended to integrate and leverage existing housing, transportation, and land use programs and resources, including, but not limited to those programs identified within the *Cap and Trade Auction Proceeds Investment Plan: FYs 2013-14 through 2015-16, May 14, 2013* (see Table 7, pg. 106) and the *AB 32 Climate Change Scoping Plan*, adopted May 15, 2014. The AHSC Program implements investment within the "Sustainable Communities and Clean Transportation" category of the Investment Plan and addresses emissions predominantly from the transportation sector, which accounts for the largest sector of GHG emissions.

The AHSC program is administered by the Strategic Growth Council (SGC), and implemented by the Department of Housing and Community Development (herein the "Department"), and the Natural Resources Agency ("Agency"), in consultation with, and pursuant to guidance from the ARB. (*PRC Secs. 75200.1, 75213, 75216*)

The Department will implement the housing, transportation and infrastructure components of this program. The Agency or the California Department of Conservation will implement the Sustainable Agricultural Lands Conservation (SALC) Program. Program guidelines for the SALC Program are available online at [www.sgc.ca.gov](http://www.sgc.ca.gov). SGC staff will coordinate collaborative efforts with Agency and Department staff, working with the Council to

develop program guidelines (including grants and loans), evaluating applications, preparing agreements, monitoring agreement implementation, reporting and amendments.

The Council, Department and Agency will also coordinate with ARB to develop and incorporate consistent guidance in the following areas, which will apply to all GGRF programs:

- Expenditure records to ensure investments further the goals of AB 32;
- SB 535 requirements to maximize benefits to disadvantaged communities (DACs) and determining whether an investment provides a “benefit to” or “is located within” a DAC;
- Consistent methodologies for quantifying greenhouse gas reductions and other economic, environmental and public health co-benefits; and
- Project tracking and reporting.

SB 862, which created the AHSC Program, states “the Council shall coordinate with the Metropolitan Planning Organizations (MPOs) and other regional agencies to identify and recommend projects within their respective jurisdictions that best reflect the goals and objectives of this division.”

The Council is soliciting input and advice from MPOs and other regional agencies and developing a framework for thorough, meaningful consultation with these institutions throughout project proposal evaluation. It is expected that these institutions will provide insight and recommendations to support effective implementation of the Program.

The AHSC program generates synergistic support for GHG reduction by increasing accessibility of housing, employment centers and key destinations via low-carbon transportation options (walking, biking and transit), resulting in fewer vehicle miles travelled. The program will accomplish these objectives by providing financial assistance for the development and/or revitalization of mixed use development areas and related infrastructure near public transit stations/stops and along public transit corridors.

Under the program, low-interest loans are available as gap financing for rental housing developments that include affordable units, and as mortgage assistance for homeownership developments. In addition, grants are available for infrastructure improvements necessary for the development of specified housing developments, facilitating connections between these developments and the transit station, and other eligible Capital Use and Program Use activities that reduce greenhouse gas emissions and encourage reduction of vehicle miles traveled.

Funds will be allocated through a competitive process, based on the merits of applications submitted and the proposed use of funds within the identified Project Area. The threshold requirements and application selection criteria focus on the extent to which developments realize the program’s objectives of reducing greenhouse gas emissions and addressing co-benefits (e.g. public health and safety, economic and environmental) and traditional concerns of publicly funded programs, such as housing affordability and project readiness.

**Table 1  
AHSC Program Summary**

	TOD (Corridor, District or Neighborhood) Project Areas	Integrated Connectivity Projects (ICP)
	Qualifying High Quality Transit Areas	Areas with Potential to Improve Transit
Transit Requirements §102	Project Area must include a Major Transit Stop within a ½ mile catchment area with service by at least one of the following: <ul style="list-style-type: none"> <li>▪ High Speed Rail</li> <li>▪ Commuter or light rail</li> <li>▪ Bus Rapid Transit (BRT)</li> <li>▪ Express Bus</li> </ul>	Projects must include at least one (1) Transit Station or stop with service by at least one of the following: <ul style="list-style-type: none"> <li>▪ High Speed Rail</li> <li>▪ Commuter or light Rail</li> <li>▪ Bus Rapid Transit (BRT)</li> <li>▪ Bus</li> <li>▪ Vanpool/shuttle</li> </ul>
Eligible Projects §102	Eligible projects <b>MUST</b> include an affordable housing development (residential or mixed-use) <b>AND</b> at least one (1) infrastructure-related Capital Use(s) detailed below.	Projects <b>MUST</b> include at least <u>TWO</u> Eligible Uses. At least one (1) of the Eligible Uses must include an Infrastructure-Related Capital Use as detailed below.
Housing Development Requirements §103	Housing Developments may be: <ul style="list-style-type: none"> <li>• New construction or existing development with rehabilitation and/or preservation of affordable housing at-risk of conversion</li> <li>• Housing Developments are not required to be funded by AHSC Program Funds</li> </ul>	
Eligible Uses §103	Eligible Capital Uses of Funds (*infrastructure-related): <ul style="list-style-type: none"> <li>• Housing Developments*</li> <li>• Housing-Related Infrastructure*</li> <li>• Transportation- or Transit-Related Infrastructure*</li> <li>• Green Infrastructure*</li> <li>• Criteria Pollutant Reduction</li> <li>• Planning Implementation</li> </ul> Eligible Program Uses of Funds: <ul style="list-style-type: none"> <li>• Active Transportation Programs</li> <li>• Transit Ridership Programs</li> <li>• Pollutant Reduction Programs</li> </ul>	
Funds Available §106	<ul style="list-style-type: none"> <li>• No less than 40 percent of funds will be allocated to TOD Projects</li> <li>• No less than 30 percent of available funds will be allocated to Integrated Connectivity Projects</li> </ul>	
Award Amounts §104	Minimum: \$ 1 Million Maximum: \$ 15 Million	Minimum: \$ 500,000 Maximum: \$ 8 Million
Eligible Applicants §105	The Public Agency that has jurisdiction over the Project Area is a required applicant, either by itself or jointly (co-applicant) with any of the following: <ul style="list-style-type: none"> <li>• JPAs, PHAs, Transit Agency/Operators, School District, facilities district or other special district, developers (profit and/or non-profit)</li> </ul>	



## Article II. Program Requirements

### Section 102. Eligible Projects [Section 75212]

The AHSC Program is designed to implement GHG reduction within the transportation sector, while significantly benefiting disadvantaged communities and providing affordable housing. A primary means of achieving GHG reduction within the transportation sector is through reduction of VMT with fewer and shorter vehicular trips. The AHSC Program is intended to fund integrated land use and transportation projects supporting low carbon transportation options through a mode shift from single occupancy vehicles (SOV).

Promoting mode shift away from SOV will require increasing and improving transit and active transportation options so they can better compete with automobiles as the means of travelling between residential areas, major employment centers and other Key Destinations. Key to this is ensuring that transit and active transportation options are accessible, convenient, reliable, affordable, safe, comfortable, and frequent.

The AHSC Program includes two eligible project types:

1. Transit Oriented Development (TOD) Project Areas, and
2. Integrated Connectivity Projects (ICP)

A Transit Oriented Development (TOD) Project Area must be designed to achieve mode shift within a Metropolitan Area by integrating Qualifying High Quality Transit systems and Key Destinations including residential/mixed-uses, with an emphasis on affordable housing development, within a neighborhood, district or corridor as defined below.

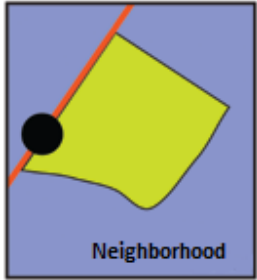
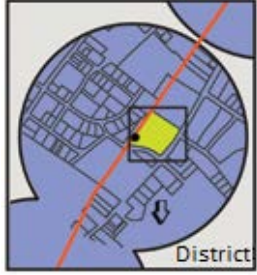
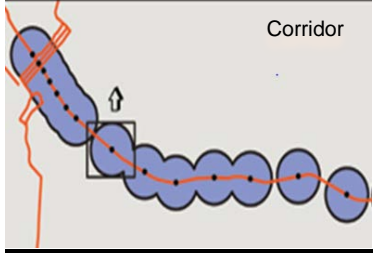
An Integrated Connectivity Project (ICP) must be designed to achieve a reduction in GHG emissions by increasing connectivity between land uses and improved transit access and service, within Non-Metropolitan areas and Metropolitan areas lacking Qualifying High Quality Transit systems. **Project Areas with transit meeting the definition of Qualifying High Quality Transit Service are ineligible to apply as an ICP.**

To be eligible for funding, TOD and ICP Projects must meet the requirements detailed below:

(a) **Transit Oriented Development (TOD) Project Areas** demonstrate all of the following:

- (1) Meet the criteria of one of the following three eligible TOD Project Area Categories:
  - (A) TOD Neighborhood
  - (B) TOD District
  - (C) TOD Corridor

**Table 2**  
**TOD Project Area Categories located within Metropolitan Areas**  
 (Each Category Must Include an Affordable Housing Development)

<b>TOD Neighborhood Area</b>	<b>TOD District Area</b>	<b>Transit Corridor(s) Areas</b>
<p>Focus on projects improving connectivity and accessibility of public transit, active transportation infrastructure and affordable housing and/or mixed-use areas.</p> <ul style="list-style-type: none"> <li>• Most likely to be located within a predominantly multifamily or moderate-to-high density residential or residential mixed use neighborhood</li> <li>• Projects to improve and promote transit accessibility with improvements to a neighborhood project area with a variety of supportive infrastructure improvements focused on connecting residents and key destinations, including neighborhood schools and neighborhood-scale retail, for example:                     <ul style="list-style-type: none"> <li>✓ active transportation improvements to incentivize walking, rolling, biking</li> <li>✓ safe and complete street improvements, improving visibility of neighborhood pathways, improvements to transit stations and express bus stops, neighborhood schools and parks, and to transit</li> </ul> </li> </ul> 	<p>Could consist of similar types of improvements in a TOD Neighborhood of a major Metropolitan Area, but impacting a larger geographic area.</p> <ul style="list-style-type: none"> <li>• An area with high employment intensity, mixed uses, and either including, or providing accessibility to, areas of high residential density</li> <li>• Improvements supporting a major transit hub or “Major Transit Stop” areas</li> <li>• Would typically include central business districts (CBDs) served by a multi-modal or inter-modal regional transit or mobility hub(s)</li> <li>• Improvements support significant activity nodes within a sub-region or region</li> <li>• Includes “first mile – last mile” improvements to leverage transit access</li> </ul> 	<p>Projects focused on improving operation of a transit system relative to activity nodes, improving the capacity to attract and maintain ridership sufficient to achieve and sustain a competitive level of service along a major transit corridor(s), supporting mode shift from SOV.</p> <ul style="list-style-type: none"> <li>• Projects may include similar types of improvements as in TOD Neighborhood Area or District, but focused on the transit corridor, including operation of transit service</li> <li>• Activity nodes should include high employment intensity, mixed uses, providing accessibility to, areas of high residential density.</li> </ul> <p>Priority will be accorded to Major Transit Corridors included in a Corridor System Management Plan (CSMP) which includes provisions for improvement of transit of an inter-city corridor, within a large city, or an inter-regional corridor. Applicable to improving commuter transit.</p> 

- (2) Must be no further than one-half ( $\frac{1}{2}$ ) mile from a Qualifying Transit Station or bordering a Major Transit Corridor, and may be comprised of more than one contiguous legal parcel.
  - (3) Be served by at least one (1) Qualifying Transit Station meeting the criteria of a Major Transit Stop with service by at least one of the following modes of Publicly-Sponsored Transit:
    - (A) High Speed Rail
    - (B) Commuter Rail
    - (C) Light Rail
    - (D) Bus Rapid Transit (BRT)
    - (E) Express Bus
  - (4) Be located within an existing transit corridor, or a new transit corridor with a dedicated public right of way and for which funding has already been committed and programmed for the applicable corridor segment, with construction of the transit line underway or scheduled to begin prior to the prospective award date for this project application.
  - (5) Include at least one (1) or more Affordable Housing Developments in conjunction with at least one (1) other transportation or transit-related infrastructure uses. The Affordable Housing Development may be funded from sources other than the AHSC Program.
- (b) **Integrated Connectivity Projects (ICP)** must meet all of the following:
- (2) Demonstrate mode shift from SOV use to transit use generating new or significant increase in transit ridership to Key Destinations
  - (3) Include at least one (1) Transit Station or stop
  - (4) Be Served by at least one (1) of the following modes of Publicly-Sponsored Transit:
    - (i) High Speed Rail
    - (ii) Commuter or Light Rail
    - (iii) Bus Rapid Transit
    - (iv) Bus with a qualifying Major Transit Stop
    - (v) Vanpool/Shuttle
  - (4) Must be a Project which integrates at least two (2) related Eligible Uses as defined in Section 103(a) and (b). At least one Eligible Use must be an Infrastructure-Related Capital Use (Primary Use).

## Section 103. Eligible Uses of Funds and Eligible Costs

Eligible uses of funds may be capital and/or program uses as follows:

Table 3
Eligible Capital Uses
<ul style="list-style-type: none"> <li>• Housing Developments *</li> <li>• Housing-Related Infrastructure *</li> <li>• Transportation or Transit-Related Infrastructure (includes Active Transportation)*</li> <li>• Green Infrastructure*</li> <li>• Planning Implementation **</li> </ul>
Eligible Program Uses
<ul style="list-style-type: none"> <li>• Active Transportation **</li> <li>• Transit Ridership **</li> <li>• Criteria Pollutant Reduction **</li> </ul>

\* All applications must include at least one of these Primary Capital Uses.

\*\* Secondary Capital and Program Uses may be combined with at least one of the identified Primary Capital Uses

Examples of eligible costs within each category of Capital and Program Uses are identified in Table 5 below. Additional specific criteria related to Eligible Uses are as follows:

### (a) Capital Uses

#### (1) Housing Developments including Housing-Related Infrastructure Capital Uses

- (A) Eligible costs include the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvement.
- (B) Eligible costs for Housing Developments are limited to costs for housing development, as specified in 25 CCR Section 7304 (a) and (b).
- (C) Program loan and grant funds must be used for reasonable and necessary costs of the Capital Activity. Costs must be reasonable compared to similar capital activities of modest and necessary design.
- (D) A Housing Development must:
  - (i) consist of new construction, Substantial Rehabilitation of residential dwelling units, the conversion of one or more nonresidential structures to residential dwelling units, or preservation of at-risk affordable housing with a total of not less than 100 such units in a Metropolitan Area, or 50 such units in a Non-Metropolitan Area;

- (ii) be located within one-half mile (½) from a Qualifying Transit Station, measured from the nearest boarding point of the Qualifying Transit Station to the entrance of the residential structure in the Housing Development furthest from the Transit Station along a walkable route. The walkable route, after completion of the proposed Project, shall be free of negative environmental conditions that deter pedestrian circulation, such as barriers; stretches without sidewalks or walking paths; noisy vehicular tunnels; streets, arterials or highways without regulated crossings that facilitate pedestrian movement; or stretches without lighted streets;
- (iii) include at least 20 percent of the total residential units as Restricted Units; and
- (iv) have a minimum Net Density, upon completion of the Housing Development, not less than that shown on the following table:

Table 4		
Project Location Designation	MINIMUM NET DENSITY REQUIREMENTS	
	Residential only Projects	Mixed-use Project (FAR)
Large City Downtown	60 units per acre	>3.0
Urban Center	40 units per acre	>2.0
All other areas	20 units per acre	>1.5

- (E) Housing Developments may:
  - (i) include residential units that are rental or owner-occupied, or a combination of both;
  - (ii) consist of scattered sites with different ownership entities, within the boundaries of a discrete Project Area, as long as the sites are developed together as part of a common development scheme adopted, approved or required by a public agency; or
  - (iii) include nonresidential uses that are compatible.

- (F) Eligible costs for Housing-Related Infrastructure uses include:
- (i) Capital improvements required by a local governmental entity, transit agency, or special district as a condition to the development of the Housing Development, such as sewer or water system upgrades, streets, construction of drainage basins, parking spaces or structures, bus shelters, utility access, connection or relocation, and noise mitigation;
  - (ii) Real property acquisition, and associated fees and costs, not including real estate commissions for purchase or acquisition
  - (iii) Impact fees required by local ordinance are eligible for funding only if used for the identified eligible Capital Activity Project, and the amount does not exceed \$200,000

(2) Transportation or Transit-Related Infrastructure Capital Uses may include:

- (A) Capital improvements that enhance public transit and/or pedestrian or bicycle access within one-half mile of a Transit Station to one or more housing developments and/or employment centers as identified in Table 5 below.
- (B) Impact fees required by local ordinance are eligible for funding only if used for the identified eligible Capital Activity Project, and the amount does not exceed \$200,000.
- (C) Soft costs such as those incidentally but directly related to construction or acquisition, including, but not limited to, planning, engineering, construction management, architectural, and other design work, environmental impact reports and assessments, required mitigation expenses, appraisals, legal expenses, site acquisitions, and necessary easements.
- (D) Costs must be reasonable compared to similar capital activities of modest and necessary design. For example, if the Project includes a pedestrian bridge, tunnel, grade separation or similar feature, the applicant must demonstrate that this feature is cost effective, compared to street-level crossings or other alternatives and considerate of the number of users reasonably expected to use the feature and any documented safety problems that the feature would eliminate.
- (E) Activity Delivery Costs that are associated with the implementation of the Capital Uses not to exceed 10 percent of the costs associated with the Capital Use.

(F) Other Capital Use costs required as a condition of local approval for the Capital Use Project, as approved by the Department.

(3) Green Infrastructure

(A) Eligible costs include green infrastructure uses which enhance environmental sustainability of the Project Area as detailed in Table 5 below.

(4) Pre-Development Costs Related to Planning Implementation

(A) Eligible costs include planning-related expenses typically considered “pre-development” costs, or costs associated with improvement or to allow for updates to existing plans.

(b) Program Uses

Program Uses include education, outreach and training programs in the following three Eligible Use categories:

- (1) Active Transportation Program Uses
- (2) Transit Ridership Program Uses
- (3) Pollutant Reduction Program Uses

Eligible costs for Program uses include start-up costs associated with program creation, expansion of existing programs to serve new populations or offer new program service and implementation as detailed in Table 5 below. Eligible Costs do not include ongoing operational costs.

(c) Ineligible costs include all of the following:

- (1) Costs are not eligible for funding if there is another feasible, available source of funding for the Capital Use or portion thereof to be funded by the Program or if the cost is incurred prior to Program award.
- (2) Parking spaces and structures, except as indicated in Table 5 below.
- (3) Costs of site acquisition, grading, foundations and other structural improvements for buildings with parking structures below housing ( i.e. podium and below grade).

- (4) Projects that eliminate a hazardous condition that was created due to a lack of routine maintenance.
- (5) Soft costs related to ineligible costs.
- (6) In lieu fees for local inclusionary housing programs.
- (7) Ongoing operational cost for Program Uses.

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**Table 5  
Eligible Costs by Eligible Use Category**

* All applications must include at least one Primary Infrastructure Related Use	Primary Infrastructure-Related Uses				Secondary Uses			
	Affordable Housing	Housing-Related Infrastructure	Transportation or Transit Related Infrastructure	Green Infrastructure	Planning Implementation	Active Transportation	Transit Ridership	Criteria Pollutant Reduction
Eligible Use of Funds Include, but are not limited to the following:	CAPITAL USES				PROGRAM USES*			
<b>Construction</b>								
Construction, rehabilitation, demolition, relocation, preservation, acquisition or other physical improvement of affordable housing	X							
Site Acquisition related to a Capital Use, including easements and rights of way		X <sup>1</sup>	X	X				
Site Preparation, including required remediation, and demolition		X <sup>1</sup>	X					
Water, sewer, or other utility service improvements and relocation		X <sup>1</sup>	X	X				
Required environmental remediation necessary for the capital activity <sup>2</sup>	X	X <sup>1</sup>	X	X				
Engineering, construction management, architectural and/or design work related to a Capital Use	X	X <sup>1</sup>	X	X				
Drainage basins, storm water detention basins, culverts or similar drainage features. Includes bioswales, and capture/store/infiltration of stormwater		X <sup>1</sup>	X	X				
Parking spaces/structures <sup>3</sup>		X <sup>1</sup>	X					
Relocation costs	X	X <sup>1</sup>	X	X				
Updated infrastructure or project-specific financing analysis					X			
Analysis to update adopted General or Specific/Area Plan, zoning ordinances, etc. which are required to implement a capital project					X			
Implementation of anti-displacement strategies					X			
<b>Complete Streets and Non-Motorized Transportation</b>								
Development and/or improvement of walkways or bikeways that improve mobility, access or safety			X					

**Table 5  
Eligible Costs by Eligible Use Category**

* All applications must include at least one Primary Infrastructure Related Use	Primary Infrastructure-Related Uses				Secondary Uses			
	Affordable Housing	Housing-Related Infrastructure	Transportation or Transit Related Infrastructure	Green Infrastructure	Planning Implementation	Active Transportation	Transit Ridership	Criteria Pollutant Reduction
Eligible Use of Funds Include, but are not limited to the following:	CAPITAL USES				PROGRAM USES*			
Development or improvement of frequent and safe crossing opportunities			X					
Sidewalk or streetscape improvements, including, but not limited to, the reconstruction or resurfacing of sidewalks and streets or the installation of lighting, signage, or other related amenities		X <sup>1</sup>	X					
Street crossing enhancements including installation of accessible pedestrian signals		X <sup>1</sup>	X					
Traffic calming projects including development of curb extensions, roundabouts, median islands, "road diets," lane narrowing projects			X					
Signage and way-finding markers			X					
Installation of traffic control devices to improve safety of pedestrians and bicyclists		X <sup>1</sup>						
Street furniture including benches, shade structures, etc.			X					
Bicycle repair kiosks			X					
Bicycle lanes and paths			X					
Secure bicycle storage or parking			X					
Bicycle carrying structures on public transit			X					
<b>Transit and Station Areas</b>								
Development of special or dedicated bus lanes			X					
Development and/or improvement of transit facilities or stations		X <sup>1</sup>	X					
Necessary relocation of transportation related infrastructure or utilities			X					
Capital purchases of transit related equipment which will increase transit service and/or reliability			X					
Transit Signal Priority technology systems			X					
Real-time arrival/departure information systems			X					

**Table 5  
Eligible Costs by Eligible Use Category**

* All applications must include at least one Primary Infrastructure Related Use	Primary Infrastructure-Related Uses				Secondary Uses			
	Affordable Housing	Housing-Related Infrastructure	Transportation or Transit Related Infrastructure	Green Infrastructure	Planning Implementation	Active Transportation	Transit Ridership	Criteria Pollutant Reduction
Eligible Use of Funds Include, but are not limited to the following:	CAPITAL USES				PROGRAM USES*			
Installation of at-grade boarding infrastructure			X					
Development or improvement of bus and transit shelters or waiting areas		X <sup>1</sup>	X					
Add or improve lighting of station area and pedestrian walkways and bicycle access and storage areas			X					
Transit ticket machine purchase or improvements			X					
Transit passenger amenities - e.g. WiFi access			X					
Station area signage			X					
Noise mitigation projects		X <sup>1</sup>	X					
Removal of access barriers to transit stations			X					
Safety related intersection improvements		X <sup>1</sup>	X					
Required replacement of transit station parking spaces <sup>2</sup>			X					
Facilities that support pedestrian and bicycle transit		X <sup>1</sup>	X					
<b>Urban Greening and Conservation</b>								
Tree Canopy or shade trees along walkable and/or bikeable corridors		X <sup>1</sup>	X	X				
Heat island mitigation measures (e.g. vegetated roofs)	X		X	X				
Community demonstration or outdoor education gardens or orchards				X				
Creation, development or rehabilitation of parks and open space		X <sup>1</sup>		X				
Flow and filtration systems including rain gardens, vegetated swales, bioretention basins, infiltration trenches and integration with riparian buffers		X	X	X				
Rainwater recycling devices including rain barrels and cisterns		X	X	X				
Stormwater planters and filters		X	X	X				

**Table 5  
Eligible Costs by Eligible Use Category**

* All applications must include at least one Primary Infrastructure Related Use	Primary Infrastructure-Related Uses				Secondary Uses			
	Affordable Housing	Housing-Related Infrastructure	Transportation or Transit Related Infrastructure	Green Infrastructure	Planning Implementation	Active Transportation	Transit Ridership	Criteria Pollutant Reduction
Eligible Use of Funds Include, but are not limited to the following:	CAPITAL USES				PROGRAM USES*			
Site preparation strategies including soil amendments and permeable surfaces		X	X	X				
<b>Programs</b>								
Pedestrian and bicycle safety education programs						X		
Development and publishing of community walking and biking maps, include school route/travel plans						X		
Development and implementation of "walking School Bus" or "bike train" programs						X		
School crossing guard training programs						X		
Bicycle clinics						X		
Public outreach efforts to increase awareness and understand the needs of active transportation users						X		
Bike sharing programs						X		
Transit subsidy programs							X	
Education and marketing of transit subsidy programs							X	
Transportation Demand Management (TDM) programs							X	
Outreach and marketing of Consolidated Transportation Service Agency (CTSA) programs							X	
E-Mobility programs which include the expansion or development of internet based applications that allow customers, clients and/or the public to conduct transactions online, circumventing vehicle travel								X

<sup>1</sup> Where the cost of the remediation does not exceed 50 percent of requested Program grant funds.  
<sup>2</sup> Must be required by a local governmental entity, transit agency or special district as a condition to the approval of a development of an affordable housing development.  
<sup>3</sup> Only the minimum residential per unit parking spaces in parking structures as required by local land-use approval, not to exceed one parking space per residential unit and not to exceed \$40,000 per permitted space.

## **Section 104. Assistance Terms and Limits**

- (a) The maximum Program loan or grant award, or combination thereof, for a TOD project is \$15 million with a minimum award of at least \$ 1 million.
- (b) The maximum Program award for an ICP project is \$8 million with a minimum award of at least \$500,000.
- (c) The maximum Program award(s) within the geographic boundary of a Locality is limited to \$15 million per NOFA funding cycle. A single Project Area cannot receive more than one award. A single developer may receive no more than \$15 million per NOFA funding cycle.
- (d) Loans for rental Housing Developments, or the rental portions of a Housing Development, are subject to the following terms:
  - (1) Program funds will be provided as a loan for permanent financing by the Department to the owner of the Housing Development, with the same terms as MHP financing as set forth in 25 CCR 7308.
  - (2) The maximum loan amount shall be calculated pursuant to 25 CCR Section 7307 based on the number of Restricted Units in the Housing Development, affordability, unit sizes, location, and on the base amount for loan calculation as specified in the Program NOFA.
- (e) For homeownership Housing Developments, Program assistance will be provided in the form of a grant from the Department to a Locality, to be used to provide a loan from the Locality to a qualified first-time homebuyer in an identified homeownership Housing Development, in accordance with the provisions of the BEGIN program as set forth in the BEGIN Guidelines issued by the Department, as amended April 21, 2009, except for the requirements for regulatory relief, set forth in Section 106 of those guidelines, and the application selection criteria set forth in Section 119.
- (f) Grants shall be subject to the following terms:
  - (1) The total housing-related infrastructure grant amount is \$35,000 per residential unit in the proposed Housing Development, and \$50,000 per Restricted Unit.
  - (2) The total grant amount for Program Uses within a Project Area shall not exceed 10 percent of the funding request for the overall Project.
  - (3) The applicant must demonstrate that the grant does not result in a profit that exceeds the commercially reasonable range for other developments of similar size and level of risk. The applicant must show that Program funds are

reasonably necessary for Project feasibility and no other source of compatible funding is reasonably available.

- (4) Conditions precedent to the first disbursement of Program funds shall include receipt of all required public agency entitlements and all funding commitments for the Housing Development supported by the infrastructure. If the Housing Development includes multiple phases or developments, all entitlements and funding commitments for the first phase must be received.
  - (5) Funds will be disbursed as progress payments for eligible costs incurred after the Program award of funds.
  - (6) Rental Housing Developments supported by the Infrastructure Project shall be subject to a recorded covenant ensuring affordability for duration of at least 55 years. Homeownership Housing Developments supported by the Infrastructure Project shall be subject to a recorded covenant with a duration of at least 30 years that includes either a resale restriction or equity sharing upon resale.
  - (7) Where the Housing Development is receiving low income housing tax credits, the Public Agency may provide Program grant funds to the Developer of the Housing Development in the form of a zero (0) percent, deferred payment loan, with a term of at least 55 years. The loan may be secured by a deed of trust which may be recorded with the local county recorder's office. Provided, however, the beneficiary of the loan shall not under any circumstances exercise any remedy, including, without limitation, foreclosure, under the deed of trust without the prior written consent of the Department, in its sole and absolute discretion. The loan may not be sold, assigned, assumed, conveyed or transferred to any third party without prior written Department approval in its sole and absolute discretion.
  - (8) For Projects assisted by other Department funding programs, repayment of the loan between the Public Agency and the developer shall be limited to (1) no repayments to the Public Agency until the maturity date or (2) repayment only from "distributions" from the project within the meaning of Title 25, California Code of Regulations Section 8301(h). The Public Agency shall be responsible for all aspects of establishing and servicing the loan. The provisions governing the loan shall be entirely consistent with these Guidelines and all documents required by the Department with respect to the use and disbursement of Program funds. All documents governing the loan between the Public Agency and the developer borrower shall contain all the terms and conditions set forth in this subdivision and shall be subject to the review and approval of the Department prior to making the loan.
- (g) The total transportation or transit-related and/or green infrastructure grant amount shall not exceed fifty (50) percent of the total Capital Use Project budget.

## Article III. Application Procedures

### Section 105. Eligible Applicants and Application Process

#### (a) Eligible Applicants

- (1) Applicants considered eligible for funding under the Program are as follows:
  - (A) A Public Agency that has jurisdiction over the Project Area is a required applicant, either by itself or jointly with any of the following entities as co-applicant(s): joint powers authority, where the authority encompasses the activities necessary to comply with the requirements of the Program, public housing authority, transit agency and/or operator, school district, facilities district, or any other special district or political subdivision of the State of California, corporation, limited liability company, limited partnership, general partnership, business trust, or joint venture. If awarded funds, all joint applicants for the Project will be considered Co-Recipients and be held jointly and severally liable for the completion of the Project.
- (2) Applicant entities for Capital Use projects shall be a Public Agency and may also include a Developer.
- (3) Applicant entities for Program Uses shall be a Public Agency and may also include a Program Operator.

#### (b) Application Process

- (1) Pursuant to direction of the Council, the Department shall offer funds through a Notice of Funding Availability (NOFA) in accordance with the procedures for the Department's Multifamily Housing Program (MHP) set forth in 25 CCR 7317 and applications will be reviewed based on the steps detailed below in (2) through (11) and illustrated in Chart 1.
- (2) Applications shall be made on forms made available by the Department.
- (3) All Applicants must submit a required concept proposal. The concept proposal form is available for online submittal at the following website: ADD WEBLINK ONCE AVAILABLE. The intent of the concept proposal process is three-fold: 1) coordinate with MPOs on SCS implementation, 2) focus expenditures of local resources on the most competitive applications given limited Program funding, and 3) provide targeted technical assistance to potential applicants, with a priority to Disadvantaged Community applicants.

- (4) Concept Proposals will be reviewed to assess eligibility based on select Program elements (see Chart 1) to determine whether applicant will be invited to submit a full application. (An invitation to apply does not guarantee project will compete successfully for funding.)
- (5) Applicants will be notified whether or not they are invited to participate and submit a full application.
- (6) For those applicants which have been invited to submit a full application package, a complete application must be submitted to the Department by the deadline detailed in the NOFA.
- (7) The Department shall evaluate applications for compliance with the threshold requirements listed in Section 106, and score them based on the application selection criteria listed in Section 107.
- (8) Based upon the evaluation of applications as detailed in (7) above, highest scoring applications may receive site visits from AHSC review committee team members and representatives of SGC member agencies.
- (9) The highest scoring applications that meet all threshold requirements shall be recommended to the Council for funding as specified in the NOFA, except that the Council may make adjustments in this procedure to meet the following distribution objectives of each NOFA release:
  - (A) At least fifty (50) percent of program expenditure for projects benefitting disadvantaged communities (Refer to Appendix B for additional information).
  - (B) At least fifty (50) percent of the annual proceeds appropriated for the AHSC Program shall be expended for affordable housing, consistent with the provisions of that program.<sup>1</sup>
  - (C) No less than forty (40) percent of funds available as designated in the NOFA will be allocated to TOD Project Area applications.
  - (D) No less than thirty (30) percent of funds available as designated in the NOFA will be allocated to ICP applications.
  - (E) The Council may make adjustments in this procedure in order to more equitably target and distribute investments across California

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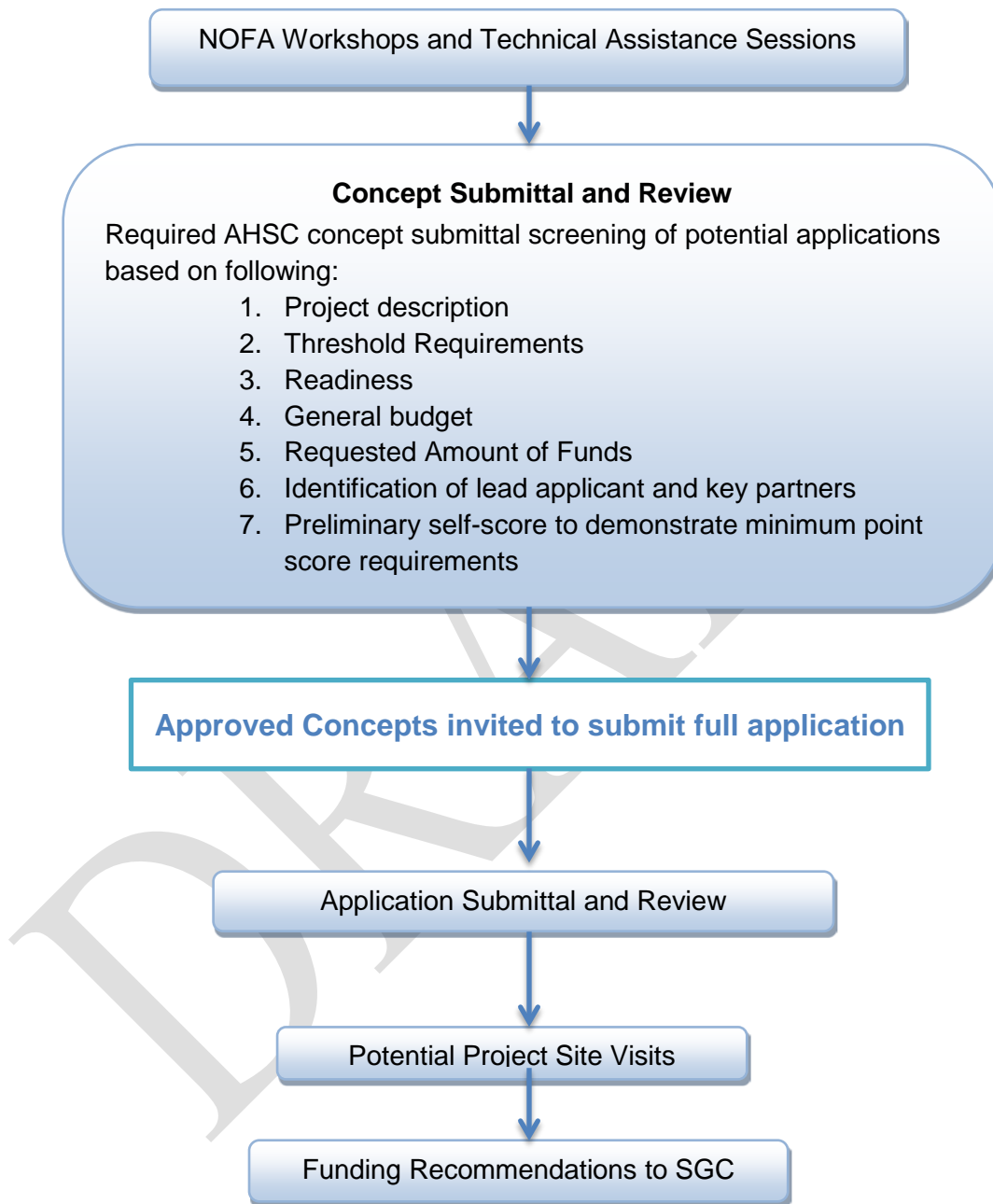
<sup>1</sup> The requirements detailed in Section 106(b)(9) subsections (A) and (B) are not mutually exclusive.



- (10) The Department may elect to not evaluate compliance with some or all threshold requirements for applications that are not within a fundable range, as indicated by a preliminary point scoring. In the event of two or more applications having the same rating and ranking scores, the Department will apply a tie breaking criteria outlined in the NOFA.
- (11) Applications selected for funding by the Council shall be approved subject to conditions specified by the Department.

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**Chart 1**  
**TENTATIVE**  
**AHSC Program Application Submittal Process \***



\* Previously announced application deadlines and award timeframes are subject to change

Note: The Council is soliciting input and advice from MPOs and other regional agencies and developing a framework for thorough, meaningful consultation with these institutions throughout project proposal evaluation. It is expected that these institutions will provide insight and recommendations to support effective implementation of the Program.

## Section 106. Application Threshold Requirements

### (a) Application Threshold Requirements

To be eligible for Program funding, an application shall demonstrate to the Department all of the following:

- (1) It will achieve a reduction in greenhouse gas emissions through fewer vehicle miles travelled, including mode shift from SOV, pursuant to ARB requirements (PENDING ADDITIONAL INFORMATION FROM ARB).
- (2) The proposed Project must be consistent with a plan or strategy contained in a regional Sustainable Communities Strategy (SCS), as confirmed by the MPO, or similar sustainable planning document in non-MPO regions, as allowed by [SB 862](#). The application must be consistent with activities or strategies identified in the regional SCS, or similar planning document, that demonstrate a per capita reduction in VMT and greenhouse gas emissions through travel modeling consistent with California Transportation Commission [Regional Transportation Plan Guidelines](#).
- (3) It is consistent with the State planning priorities established pursuant to Section 65041.1 of the Government Code.
- (4) The applicant must be eligible pursuant to Section 105.
- (5) All proposed uses of Program funds must be eligible pursuant to Sections 102-104.
- (6) The application must be sufficiently complete to assess the feasibility of the proposed project and its compliance with Program and application requirements. The applicant must demonstrate that the Project to be developed in the Project Area, as proposed in the application, is financially feasible as evidenced by documentation such as, but not limited to, a market study, project pro-forma, sources and uses statement, or other feasibility documentation that is standard industry practice for the type of proposed housing development. A market study that meets the requirements specified in TCAC Regulations Section 10322(h)(10) will be accepted by the Department.
- (7) The Project or Program Use(s) is infeasible without Program funds, and otherwise available or committed funds are not being supplanted by Program funds.
- (8) The applicant or developer of the Project must have site control sufficient to ensure the timely commencement of the Project as determined by the Department.

- (9) Construction of the Project has not commenced as of the deadline for submittal for the application set forth in the NOFA.
- (10) The application must receive the minimum point scores for those application selection criteria requiring minimum scores and the overall application total score shall not be less than ~~XX~~ points for TOD Project Areas and ~~XX~~ for ICP applications.
- (11) Applications requesting Program funding for **Housing Developments and Housing-Related Infrastructure Capital Uses** must also demonstrate to the satisfaction of the Department all of the following:
- (A) The Project must be defined by the applicant and be contained within the contiguous boundaries of the Project Area.
  - (B) Rental Housing Developments must meet the underwriting standards in the Uniform Multifamily Regulations, 25 CCR 8308 through 8312. However, the Department may use alternative underwriting standards for Housing Developments receiving 9% tax credits or that have more than twenty (20) percent market-rate, unrestricted units or more than 100 total units.
  - (C) Owner-occupied Housing Developments must meet the requirements of the [BEGIN Program](#), except for the following:
    - (i) The requirements for regulatory relief specified in the BEGIN Program Guidelines, including those in Section 106 of these guidelines.
    - (ii) The requirements of Section 119 of the BEGIN Program Guidelines, on application selection criteria.
  - (D) If the application involves the demolition or rehabilitation of existing units affordable to lower income households, the Housing Development must include units with equal or greater affordability, equal to or greater than the number of the existing affordable units, except in cases where the rehabilitated units provide amenities such as bathrooms and kitchens not present in existing units in which case, the reduction may not result in more than twenty five (25) percent fewer units upon project completion.
  - (E) Completion of all necessary environmental clearances including those required under the California Environmental Quality Act and if applicable, the National Environmental Policy Act, and all applicable time periods for filing appeals or lawsuits have lapsed.
  - (F) Applications must demonstrate that all necessary discretionary local land use approvals, excluding design review have been granted.

- (12) Applications requesting program funding for **Infrastructure Capital Uses** that are not housing-related (includes both Transportation or Transit-Related Infrastructure and/or Green Infrastructure Eligible Uses) must also demonstrate to the satisfaction of the Department that the project will satisfy all of the following:
- (A) The Project must be defined by the applicant and be contained within the contiguous boundaries of the Project Area.
  - (B) Where approval by a local public works department, or other responsible local agency, is required for the Project, the application must include a statement from that department indicating that the Infrastructure Project is consistent with all applicable local rules, regulations, codes, policies and plans enforced or implemented by that department.
  - (C) Completion of all necessary environmental clearances including those required under the California Environmental Quality Act and if applicable, the National Environmental Policy Act, and all applicable time periods for filing appeals or lawsuits have lapsed.
  - (D) Applications must demonstrate that all necessary discretionary local land use approvals, excluding design review have been granted.
- (13) Applications requesting Program funding for **Program Uses** must also demonstrate to the satisfaction of the Department that the application meets the following minimum point scores in the application selection criteria in Section 107:
- (A) Readiness - XX Points
  - (B) Qualifications, Experience and Past Performance - XX Points
  - (C) Need and Benefit of Program Activities - XX Points
  - (D) Leveraging of Program Activities - XX Points

(b) Disadvantaged Community Threshold Requirements

If requesting Program Funds to meet the requirements of Section 105(b)(9)(A) to benefit a Disadvantaged Community, the Applicant must evaluate the following criteria detailed in Table 6 below to demonstrate how the Project provides benefit to a Disadvantaged Community or Communities pursuant to [Interim Guidance](#) approved and revised pursuant to ARB on September 18, 2014. Table 6 below is subject to revision to be available by September 30, 2014.

<b>Table 6</b> <b>AHSC Program Disadvantaged Community Threshold Requirements</b>
<p><b>Located Within:</b> Evaluate the project to see if it meets at least one of the following criteria for being located in a DAC census tract* and provides direct, meaningful and assured benefit to a DAC.</p>
<p>Project must meet the following criteria focused on reducing passenger vehicle miles travelled by DAC residents or in a DAC:</p> <ul style="list-style-type: none"> <li>• A majority (50%+) of the project is within one or more DACs and reduces vehicle miles travelled, and the project is designed to avoid displacement of DAC residents and businesses.</li> </ul>
<p><b>Provides Benefits To:</b> If the project does not meet the above criteria for “located within,” evaluate the project to see if it meets at least one of the following criteria for providing direct, meaningful and assured benefit to a DAC.</p>
<p>Project must meet at least one of the following criteria focused on reducing passenger vehicle miles travelled by DAC residents or in a DAC:</p> <ul style="list-style-type: none"> <li>• Project is accessible by walking within ½ mile of a DAC and reduces vehicles miles travelled, and is designed to avoid displacement of DAC residents and businesses, or</li> <li>• Project includes recruitment, agreements, policies or other approaches that are consistent with federal and state law and result in at least 25 percent of project work hours performed by residents of a DAC, or</li> <li>• Project includes recruitment, agreements, policies or other approaches that are consistent with federal and state law and result in at least 10 percent of project work hours performed by residents of a DAC participating in job training programs which lead to industry-recognized credentials or certifications.</li> </ul>

\*For maps of DAC census tracts, refer to <http://oehha.ca.gov/ej/ces2.html>

If the Eligible Capital and/or Program Uses are determined to provide benefit to Disadvantaged Community, pursuant to the criteria above, the application must demonstrate, based on ARB’s guidance, how the Program funds will provide benefit to a Disadvantaged Community.

## **Section 107. Application Selection Criteria**

### **Scoring Philosophy and Process**

Funds will be allocated through a competitive process, based on the merits of the proposal to support sustainable development that expands and improves transit and provides opportunities to reduce or maintain SOV usage by supporting connectivity between housing, jobs and Key Destinations to bring about reduction of greenhouse gas emissions. While the application selection criteria includes project readiness, underwriting requirements for loans and documentation of the need for grants, points will be assigned based upon the demonstration of reduction of auto trips, energy use and carbon sequestration (pending guidance from ARB) and climate resilience, health and public safety, economic and environmental co-benefits.

The scoring criteria will apply to each proposal, and scoring of the criteria will be reviewed based upon the following three elements, each with specific criteria relative to the proposed eligible use of funds:

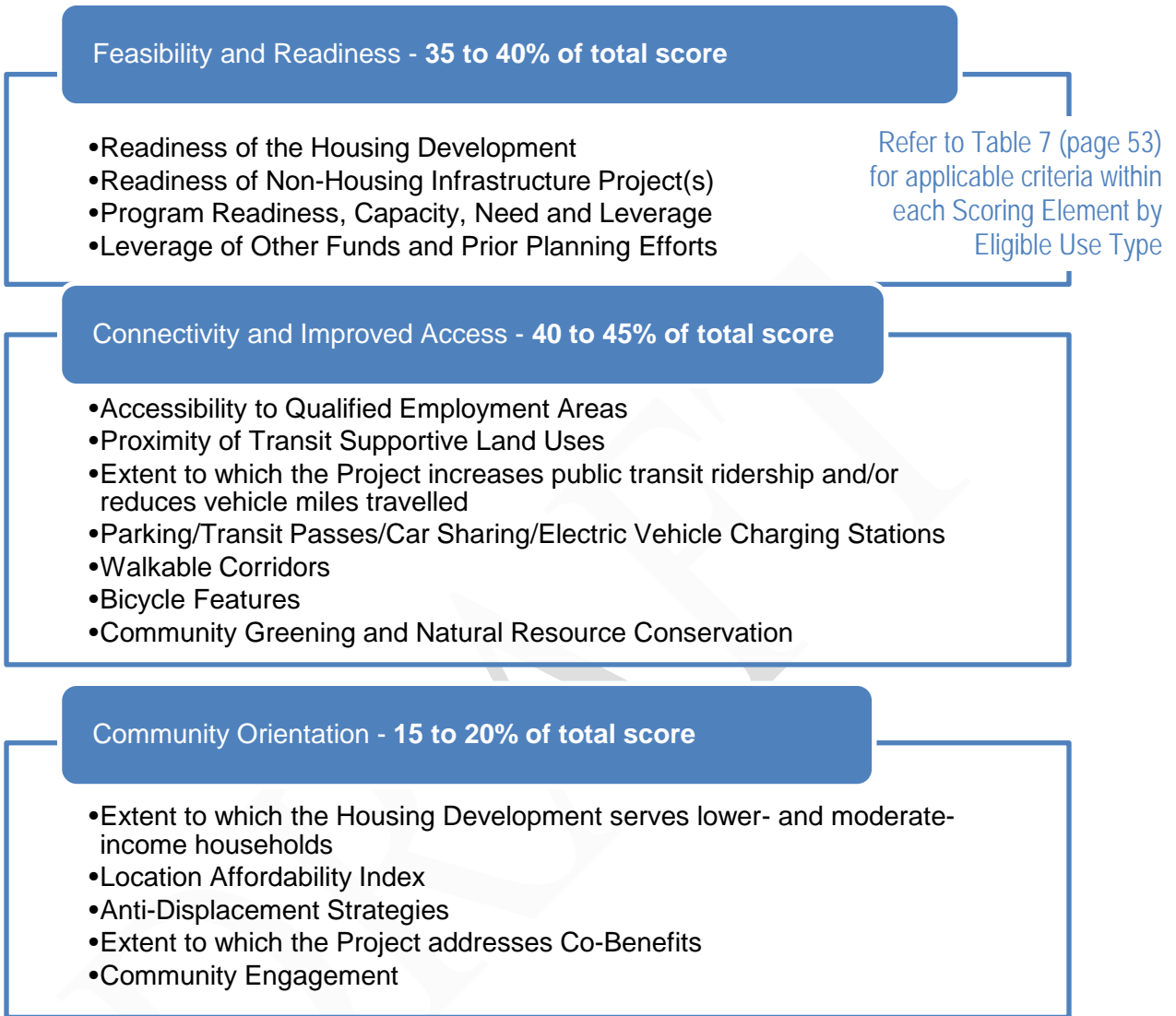
1. Feasibility and Readiness
2. Connectivity and Improved Access
3. Community Orientation

Applications meeting all threshold requirements as detailed in Section 106 will be reviewed and scored based upon the criteria detailed below. A total of 16 scoring criteria have been identified, however, not all criteria will apply to each application. Only those criteria which are applicable to the application based use(s) of funds outlined in Table 7 (page 53) will be scored. For example, a TOD Neighborhood application requesting funds for an affordable Housing Development and transportation-related infrastructure use (i.e. new sidewalks and street furniture) would be scored on all criteria identified in the appropriate columns in Table 7. Applications will be scored on the applicable criteria based upon the strength of the entire proposal for the Project Area, including those elements funded by other sources but which are applicable to connectivity between key destinations with particular emphasis on improving access to affordable housing opportunities.

TOD and ICP applications will compete separately. Therefore, TOD Project Area applications will compete only against other TOD Project Area applications and ICP applications will compete only against other ICP applications. The maximum number of points will vary based upon the application submitted (see Table 7). As a result, scoring will be calculated based upon the percentage of maximum eligible points an application received, i.e. if 340 points are possible and an application receives 327 points, that application's final score would be 96.1 percent. Competitive ranking of the application shall be based, in part, on the magnitude of greenhouse gas emission reductions relative to scale and cost of the project. Total GHG emissions reductions shall be calculated by the applicant, using quantification guidance provided by ARB.

Chart 3 (page 32) outlines the application review and scoring process. The following chart shows the approximate weight of the three scoring elements and the criteria which will be evaluated, as applicable, within each of the three elements.

## Chart 2 AHSC Scoring Elements and Criteria

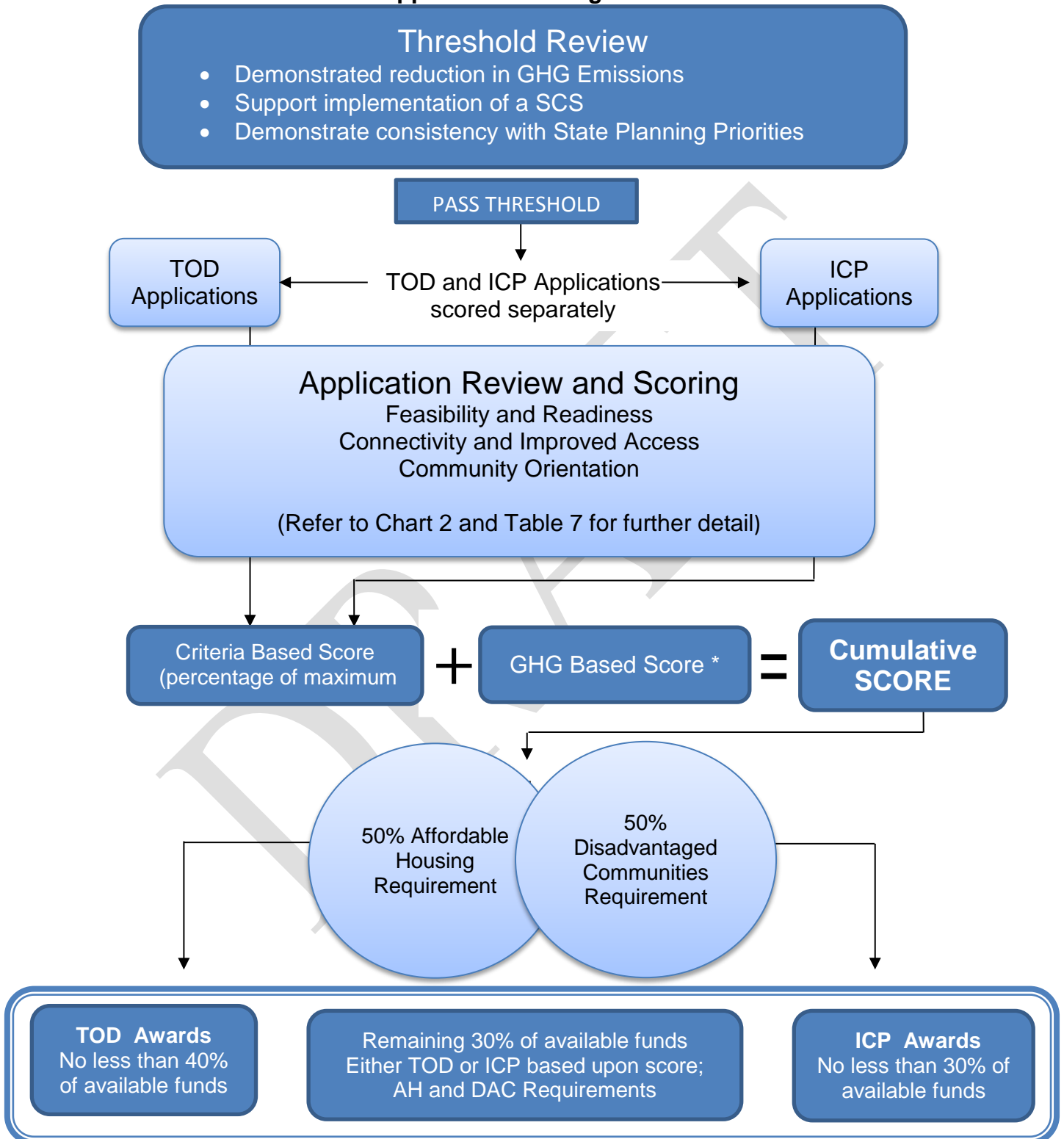


Please note, the draft document does not include point values for criteria at this time. Further detail on each of the criteria is included in the following pages. The chart at the beginning of each section (see example below) indicates the applicable Eligible Uses which will be subject to scoring for each criterion (see Table 7 for a complete listing).

Housing Development	Housing Related Infrastructure	Transportation/ Transit Related Infrastructure	Green Infrastructure	Planning Implementation	Programs



**Chart 3  
Application Scoring Process**



\*Metrics and Scoring Method to be determined – Pending ARB Guidance

Points within each applicable criteria will be assigned based on the following:

- (a) Extent to which the Project will achieve GHG Emissions Reduction (measured in metric tons) – XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X	X	X	X

<< PENDING GUIDANCE FROM ARB >>

- (b) Readiness of Housing Development - XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X				

Points will be awarded for each of the following at the level indicated:

- (1) XX Points for obtaining enforceable funding commitments for all construction period funding for the Housing Development excluding funding provided by another Department program, provided that this funding is awarded prior to or simultaneously with the final rating and ranking of the Program application, tax credit equity, and tax-exempt bonds. A land donation in fee for no other consideration that is supported by an appraisal or purchase/sale agreement (“Land Donation”) or a local fee waiver resulting in quantifiable cost savings for the Project where those fees are not otherwise required by federal or state law (“Local Fee Waiver”) may be considered a funding commitment. The value of the Land Donation will be the greater of either the original purchase price or the current appraised value as supported by an independent third party appraisal prepared by a MAI-qualified appraiser within one year of the application deadline. A funding commitment in the form of a Local Fee Waiver must be supported by written documentation from the local public agency.

- (2) XX Points for Applicants demonstrating any one of the following:
  - (A) The developer or developers of the Housing Development have fee title ownership of the site, or a long-term leasehold meeting the requirements of Section 8303(b) of the Uniform Multifamily Regulations.
  - (B) Local design review approval has been obtained, or is not required.
  - (C) All deferred payment grants and subsidies, in accordance with TCAC requirements, and with the same exceptions as allowed by TCAC, have been committed.

(c) Readiness of non-housing related infrastructure projects – XX Points Maximum

Housing Development	Housing Related Infrastructure	Transportation/ Transit Related Infrastructure	Green Infrastructure	Planning Implementation	Programs
		X	X		

- (1) XX Points will be awarded for Transportation/Transit-Related and/or Green Infrastructure Projects obtaining enforceable funding commitments for all construction period funding. A land donation in fee for no other consideration that is supported by an appraisal or purchase/sale agreement (“Land Donation”) or a local fee waiver resulting in quantifiable cost savings for the Project where those fees are not otherwise required by federal or state law (“Local Fee Waiver”) may be considered a funding commitment. The value of the Land Donation will be the greater of either the original purchase price or the current appraised value as supported by an independent third party appraisal prepared by a MAI-qualified appraiser within one year of the application deadline. A funding commitment in the form of a Local Fee Waiver must be supported by written documentation from the local public agency.
- (2) XX Points for Applicants demonstrating any one of the following:
  - (A) The eligible applicant or developer has site control pursuant to Section 8303(b) of the Uniform Multifamily Regulations; or
  - (B) Right-of-way acquisition/rights have been obtained;
  - (C) Preparation of plans, specifications and estimates has been completed.

(d) Program readiness, capacity, need and leverage - XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
					X

(1) Program Readiness:

- (A) XX points will be awarded for a program description and structure for implementation (i.e. staffing needs, administrative structure, program objective(s) and deliverables/outcomes).
- (B) XX points will be awarded to Program Operators that can demonstrate site control of the program operation facility and/or office space.
- (C) XX points will be awarded for the demonstration of executed memoranda of understanding with key partners necessary to achieve program outcomes.

(2) Capacity/Experience/Past Performance for Program(s):

- (A) XX points will be awarded for having sufficient Program Operator staff as demonstrated by an organization chart and program operations flow chart
- (B) XX points will be awarded for Program Operator Qualifications demonstrating 3 or more years of experience operating these types of programs.
- (C) XX points will be awarded for Program Operators who can demonstrate administrative responsibility operating the same type of program for at least 5 consecutive years

(3) Need and Benefit of Program Activities:

XX points will be awarded for programs demonstrating the extent to which services are addressing the needs and benefits of those to be served by the program activity as identified and documented by a Public Agency.

(4) Leveraging for Program Activities

Applications will receive points based on the percentage of Program funds supporting the overall program operating budget, demonstrating the extent to which other funds are leveraged for the proposed Program Uses

- XX points for < 30%
- XX points for 30%-50%
- XX points for > 50%

(e) Leveraging of Other Funds and Prior Planning Efforts – XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X	X		*

*\*Sub-section (4) - Prior Planning Efforts Only*

(1) Project Funds Leveraged

Applications will be scored based on the amount of permanent development funding commitments from sources other than the Program, as a percentage of the requested amount of Program funds. For each full 10-percent increment above 100 percent, 0.75 points will be awarded. For example, an application where other funds equal 140 percent of Program funds will receive 3 points, and a Project where other funds equal 300 percent of program funds will receive the maximum XX points.

In calculating the amount of other funds:

- (A) Funds used for the Project will be counted.
- (B) Deferred developer fees will not be counted as a source.
- (C) Land Donations will be counted and the value of the Land
- (D) Donation will be the greater of either the original purchase price or the current appraised value supported by an independent third party appraisal prepared by an MAI-qualified appraiser within one year of the application deadline.
- (E) Local Fee Waivers will be counted so long as it is supported by written documentation from the local public agency.

(2) Project Area Public / Private Investment

In addition to (1) above, TOD and ICP Projects will also be scored based on the following:

- (A) XX points will be awarded to all TOD Project Area and those ICP applications including Housing Developments where there is coordinated public and private investment in amounts sufficient to transform the area

into a transit-oriented community, as evidenced by both of the following occurring within a half-mile radius of the Qualifying Transit Station:

- i. Expenditures or commitments of public and/or private funds during the ten years preceding the application due date on transit-oriented infrastructure or housing in the amount of at least \$5 million; and
  - ii. The construction during the ten years preceding the application due date of privately owned transit supportive uses with a gross floor area of at least 50,000 square feet (including developments under construction).
- (B) XX points will be awarded to ICP Projects (without housing) where the applicant demonstrates proposed Capital Use Project will further the implementation action of a publicly identified need for which there has been public and/or private investment of at least \$100,000 in the last 5 years.

(3) Leverage of Other GGRF Programs

Many of the GGRF programs support common and interrelated goals. XX points will be provided to applications which demonstrate leverage other GGRF programs that support or complement their AHSC proposal. A list of other GGRF programs, with eligible uses of program funds, is included as Appendix D.

(4) Leverage of Prior Planning Efforts

Points will be awarded to Projects which implement a policy or program of any the following applicable adopted plans as detailed below:

- Local General Plan (e.g. program or policy of the circulation element or site identified in the site inventory of an adopted housing element) - XX Points
- Specific Plan - XX Points
- Community Plan - XX Points
- Redevelopment Plan - XX Points
- Bicycle/Pedestrian Master Plan - XX Points
- Transit Corridor Plan - XX Points
- Station Area Plan - XX Points
- Corridor System Management Plan - XX Points
- Transit Village Plan - XX Points
- Regional Greenprint Plans - XX Points
- Disadvantaged Community Assessment (GC Section 65302) – XX Points

Evidence of implementation of the above plans must be demonstrated by providing relevant sections of the applicable plan or a letter or resolution executed by an officer or an equivalent representative, from the appropriate governing body. Examples of implementation may include an applicable zoning ordinance, development regulations or program.

(f) Accessibility of Qualified Employment Areas - XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X			

Points will be awarded based on the number of employees determined to be in a Qualified Employment Area\* that is within a half-mile radius of a Destination Transit Station which is located no more than 30 minutes\*\* from the Qualifying Transit Station that serves the Housing Development, or from another Transit Station not serving a specific Housing Development, via public transit and involves no more than one transfer point:

TOD Project Area Applications		
DENSITY DESIGNATION	NUMBER OF EMPLOYEES	POINTS
Low	2,500-9,999	<u>XX</u>
Medium	10,000-24,999	<u>XX</u>
High	>25,000	<u>XX</u>

ICP Applications		
DENSITY DESIGNATION	NUMBER OF EMPLOYEES	POINTS
Low	Minimum of 200 - 500	<u>XX</u>
Medium	500 - 1500	<u>XX</u>
High	Greater than 1500	<u>XX</u>

\*A Qualified Employment Area is determined by utilizing the instructions provided for the mapping and reporting data accessible through the following link:  
<http://onthemap.ces.census.gov/>

\*\*The transit time for accessibility to the Qualified Employment Area from the Qualifying Transit Station or from another Transit Station not serving a specific Housing Development to the Destination Transit Station must be demonstrated with the transit agency's schedule of regular service.

(g) Proximity to Transit Supportive Land Uses - XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X			

Points will be awarded based on the existing and planned land uses in the TOD Project area or in proximity to the Housing Development funded with Program Funds in a qualifying ICP application.

The following transit-supportive amenities, services and uses within a half-mile of the Qualifying Transit Station should be identified and listed in the application. The term “within half-mile of the Qualifying Transit Station or Transit Station” means that any part of the physical structure or portion of a structure occupied by the use is located within a half-mile of the nearest boundary of the Qualifying Transit Station. The term “amenities, services and uses” includes uses projected for improvements that are either under construction or included as part of the Project.

- (1) Applications may identify up to ten (10) different types of transit-supportive amenities based on the following:
- (A) XX points for uses in Category 1
  - (B) XX points for uses in Category 2
  - (C) XX points for uses in Category 3

At a minimum, applications must include at least 3 uses are identified in Category 1 below.

Transit-Supportive Amenities and Services	
<b>Category 1</b>	
Bank /Credit union	Police / fire station
Licensed child care facility (each such facility will count as two amenities)	Health club, sport court, or active outdoor recreation facility
Grocery Store / Supermarket	Senior care facility
School	Medical /hospital/dental office/healthcare provider
Library	
<b>Category 2</b>	
Hardware store	Bicycle Shop
Park or playground	Community/civic center
Convenience store	Shoe Repair shop
Restaurant	Social service facility
Drugstore/Pharmacy	Farmers Market
<b>Category 3</b>	
Laundry / dry cleaner	Salon/Barber/Hair care
Place of worship	Postal Mailing & Shipping Center
Theater	Delicatessen or bakery
Restaurant/Coffee shop/café	*Other amenities or services that may be approved by the Department



(h) Extent to which the Project will increase public transit ridership and reduce vehicle miles travelled – XX Points Maximum

Housing Development	Housing Related Infrastructure	Transportation/ Transit Related Infrastructure	Green Infrastructure	Planning Implementation	Programs
X	X	X			

- (1) A maximum of XX points shall be assigned to applications which involve implementation of an adopted Transportation Demand Management (TDM) Strategy, Plan or agreement which is managed by a public agency or a public-private partnership. The application must include a copy of the executed TDM Plan or Agreement and its specific applicability to the Project.
- (2) A maximum of XX points shall be assigned to TOD Project Area applications in which the best performing mode of transit serving the Qualifying Transit Station has peak period headway frequency of fifteen (15) minutes or less. Scoring for applications which include rail, bus or ferry modes of transit will be determined by the best performing primary mode of transit demonstrating all day, on-time arrival/departure performance as set forth below:

Points	Rail	Bus/ Ferry
<u>XX</u>	≥95%	≥90%
<u>XX</u>	90-94.99%	85-89.99%
<u>XX</u>	85-89.99%	80-84.99%
<u>XX</u>	<85%	<80%

Peak period means the time between 7 a.m. to 10 a.m., inclusive, and 3 p.m. to 7 p.m., inclusive, Monday through Friday or the alternative peak period designated for the transportation corridor by the transit agency.

- (3) A maximum of XX points shall be assigned to ICP applications which include employer-sponsored or other shuttle/vanpool modes of transit to a Transit Station according to the criteria below:

Points	Vanpool/Shuttle Performance Measure	Proposed Service Standard
<b>Efficiency and Effectiveness Measures</b>		
<u>XX</u>	Boarding Passengers/ Revenue Hour	Feeder Transit System: 10 passengers/hour Vanpools: 8 passengers/hour
<u>XX</u>	Passengers per Mile	Feeder Transit System: 0.7 passengers/mile Vanpools: 0.6 passengers/mile
<b>Quality and Reliability Measures</b>		
<u>XX</u>	On-Time Performance	Feeder Transit System: 90% on-time performance for all services Vanpools: Should always depart on-time; notice should be provided to riders in unusual weather circumstances
<u>XX</u>	Accidents/ Vehicle Miles Operated	Feeder Transit System: Fewer than 2 accidents/100,000 revenue miles Fewer than 1 preventable accident/100,000 revenue miles Fewer than 1.5 major accidents per million bus miles  Vanpool: Fewer than 1 accident/500,000 miles
<u>XX</u>	Maintenance	Feeder Transit System: At least 85% of regular fleet vehicles should be available for operations at all times. The ratio of spare vehicles to regular fleet vehicles should be less than 20% 95% of vehicle inspections shall be completed on time  Vanpool: Vehicles should be operable at all times; an inoperable vehicle will be replaced immediately by the vanpool provider Vanpool providers should be able to secure a spare vehicle within one business day

- (4) XX points will be assigned to applications where electronic user information services provide information on schedules and real-time predicted arrival times at the transit stop, Housing Development, area businesses or through wireless device access for the best performing primary mode of transit serving the Qualifying Transit Station.
- (5) A maximum of XX points will be assigned based on the primary mode of transit serving the Qualifying Transit Station and the population density of the area within a four mile radius of the Qualifying Transit Station, in accordance with the following table. Population density shall be calculated based on the most recent available census data, as more specifically described in the Program application and in the instructions posted on the Department's website.

Density Range (population per square mile of land area)										
Transit Mode	0 - 1,000	1001 - 2,000	2,001 - 3,000	3,001 - 4,000	4,001 - 5,000	5,001 - 6,000	6,001 - 8,000	8,001 - 10,000	10,000 - 13,000	13,001+
Commuter Rail (BART, METRO Red Line)	29	31	33	37	41	44	48	50	53	55
Light Rail/ Bus Rapid Transit	21	22	23	27	31	35	38	42	46	50
Rapid Bus / Express Bus	20	20	20	22	24	26	28	30	33	36
Commuter Rail (High Speed Rail, Capitol Corridor, Caltrain, Metrolink, Surfliner, Coaster), Ferry, Non-Express Bus, Vanpool, or Shuttle Service	19	19	19	20	22	24	26	27	29	30

(i) Parking, Transit Passes, Car Sharing and Electric Vehicle Charging Stations - XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X			X

For TOD and ICP applications which include a Housing Development, points will be awarded based on the extent to which the pricing, supply, and management of motor vehicle parking serving the Housing Development promotes economic efficiency and minimizes the development of new parking spaces as detailed in subcategories 1-6 below. Housing Developments that do not include parking will

automatically receive the maximum available points under all subcategories. For applications which do not include a Housing Development, points will be awarded based on subcategories 3-6 below:

- (1) Parking pricing (XX points). Points will be assigned to applications where the Housing Development parking is priced to cover the full capital and operating costs of the parking, and paid for separately, rather than bundled with the cost of the housing, except for units subsidized under one or more affordable housing funding programs, including low-income housing tax credit programs.
- (2) Maximum parking spaces (XX points). Ten points will be assigned to applications for Projects which provide for no more than the following maximum parking spaces excluding park-and-ride and Transit Station replacement parking.

MAXIMUM PARKING SPACES		
Project Location Designation	Bedrooms per Unit	Maximum resident and guest parking spaces per unit
Large City Downtown	0-1	1.0
	2+	1.5
Urban Center	0-1	1.25
	2+	1.75
All Other Areas (Non-Metropolitan Areas)	0-1	1.5
	2+	2.0

- (3) Shared parking (XX points). Points will be assigned to applications where the Project provides parking that will be shared between different uses, such as parking that serves housing residents at night and retail customers by day.
- (4) Car sharing (XX points). Points will be assigned to applications where the Project provides dedicated parking spaces for shared vehicle only parking.
- (5) Electric vehicle charging stations (XX points). Five points will be assigned to applications where the Project provides electric vehicle charging stations.
- (6) Transit passes (XX points). Points will be assigned to applications where Projects provide to residents free or discounted transit passes priced at no more than half of retail cost. For Housing Developments, at least one transit pass shall be made available to each Restricted Unit for the term of the Program loan or grant.

(j) The extent to which the Project Incorporates Walkable Corridors – XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X			

Points will be awarded based on the extent to which the application demonstrates the following features exist, will exist upon completion of the Project, or will directly serve the Project Area in the primary walkable corridor. The primary walkable corridor is the route most likely to be taken by pedestrians traveling directly between any of the following:

- (1) A Housing Development and the Qualifying Transit Station; or
- (2) A Transit Station and an identified Key Destination; or
- (3) Residential areas and at least one identified Key Destination

XX points will be awarded for each of the following features:

- (A) No more than 25 percent of the street blocks in the walkable corridor exceed 500 feet in length.
- (B) The walkable corridor is fully served by continuously-paved, ADA-compliant sidewalks with a minimum width of 4 feet.
- (C) The walkable corridor provides for safe pedestrian crossing of any arterials between the point of origin and final destination in (1), (2), or (3) above.
- (D) The walkable corridor is adequately lighted to accommodate pedestrian use after dark.
- (E) The Qualifying Transit Station or Transit Station has waiting facilities, seating, lighting, and overhead shelter from outdoor elements.

(k) The extent to which the Project Area Incorporates Bicycle Features – XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X			

Points will be awarded based on the extent to which the application demonstrates the following bicycle features exist, will exist upon completion of the Project, or will directly serve the Project Area.

(1) XX points will be awarded for each of the following features:

- (A) The Qualifying Transit Station (TOD Project Areas) or Transit Station (ICPs) has bicycle access and provides secure bicycle storage facilities, or the transit service allows bicycle conveyance on-board.
- (B) Bike sharing program available that serves the Project Area or is located at a Transit Station.
- (C) Bike repair facilities or kiosks available.
- (D) The corridor includes a safe bicycle route that shows potential to increase bicycling between the Housing Development and the Qualifying Transit Station or between the Transit Station and identified community amenities such as schools, community centers, employment centers, and other destinations, including residential uses.

(2) Applications will receive points based on the ratio of linear feet of existing and/or planned dedicated bike lanes or paths within the Project Area relative to population density.

- XX Points for a Ratio of XXX to XXXX
- XX Points for a Ratio of XXX to XXXX
- XX Points for a Ratio of XXX to XXXX

(I) Community Greening and Natural Resource Conservation - XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X	X		

Applications must demonstrate how the proposed urban greening and conservation features of the Project will contribute to the reduction of greenhouse gas emissions and provide multiple benefits.

(1) Urban and Community Greening

Projects incorporating urban greening, forestry or urban tree and vegetation planting will receive points as follows:

- XX points for applicants which have an existing urban forest or street tree protection system (i.e. city ordinance, etc.)
- XX points for applicants with an existing and current (updated within last 10 years) tree inventory

(2) Construction-related Energy Efficiency

All projects must meet requirements of [California's 2013 Building Energy Efficiency Standards Title 24, Part 6](#).

XX Points will be given to applications with Projects that exceed [California's 2013 Building Energy Efficiency Standards Title 24, Part 6](#) for heating, cooling, fan energy, and water heating

(3) Green Infrastructure and Conservation

XX Points will be given for Projects which exceed mandatory site development requirements per [California Green Building Code Standards \(Title 24, Part 11\)](#), updated with the July 1, 2014 Supplement, demonstrated any one of the following:

- (A) Incorporation of native California vegetation or drought tolerant plants and trees.

- (B) Projects which incorporate green infrastructure elements including but not limited to any one of the following:
    - On-site catchment, filtration and potable water use reduction
    - Permeable pavement for walking, parking or patio surfaces
  - (C) Projects which include any one of a number of low-impact design (LID) elements and materials that support low maintenance and durability, energy efficiency and reduced waste, such as:
    - Native vegetation and patterns restored following construction.
    - Cool or vegetated roof or walls
    - Resilient flooring systems
    - Thermal insulation,
    - Recycled content,
    - Reduced or repurposed on-site construction waste
  - (D) Projects which provide documentation of application for Leadership in Energy & Environmental Design (LEED) or GreenPoint Rated Multifamily Guidelines.
  - (E) Projects that demonstrate reuse or repurposing of an existing historic structure (built prior to 1976).
- (m) Extent to which the Housing Development serves lower and moderate income households – XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X				

Applications will be scored based on the percentage of units in the Housing Development limited to various income levels, in accordance with the following schedule. Applicants may elect to exclude from the calculation of “total units” units which are not utilized in the calculation of leverage points pursuant to subdivision (h) of this Section and which are not utilized in the calculation of the loan amount pursuant to Section 104. Point scores will be rounded to the nearest one hundredth point in this category:

- (1) 0.13 points will be awarded for each percent of total units that are owner-occupied and restricted to initial occupancy by households with incomes not exceeding the moderate income limit.



- (2) 0.25 points will be awarded for each percent of total units that are owner-occupied and restricted to occupancy by households with incomes not exceeding the moderate income limit at affordable housing costs for not less than 55 years.
- (3) 0.30 points will be awarded for each percent of total units that are owner-occupied and restricted to occupancy by households with incomes not exceeding the lower income limit at affordable housing costs for not less than 55 years
- (4) 0.13 points will be awarded for each percent of total units that are rental Restricted Units for households with incomes less than or equal to 50 percent of Area Median Income.
- (5) 0.7 points will be awarded for each percent of total units that are rental Restricted Units for households with incomes less than or equal to 40 percent of State Median Income, expressed as a percentage of Area Median Income.
- (6) 0.9 points will be awarded for each percent of total units that are rental Restricted Units for households with incomes less than or equal to 35 percent of State Median Income, expressed as a percentage of Area Median Income.
- (7) 1.3 points will be awarded for each percent of total units that are rental Restricted Units for households with incomes not exceeding 20 percent of State Median Income (adjusted by the Department to avoid exclusion of working CalWORKs recipients and individuals receiving SSI and expressed as a percentage of Area Median Income) for the first 10 percent of total Restricted Units; then 1 point for each subsequent percent of total Restricted Units.
- (8) For rental Housing Developments utilizing 9% low income housing tax credits, applicants may elect to have their rental units scored in accordance with the scoring system used for this purpose by TCAC, under the Lowest Income point category. Applicants making this election shall be awarded .577 points for every 1 point they would be eligible to receive using TCAC's system (so that applications eligible for the maximum possible 52 points using the 9% scale receive 30 points in this category for the Program).
- (9) For rental Housing Developments, rent limits for initial occupancy and for each subsequent occupancy of Restricted Units pursuant to 25 CCR 7312 of the MHP regulations, shall be based on unit type, applicable income limit, and area in which the Project is located, following the calculation procedures used by TCAC and using the income limits recognized by TCAC for purposes of

application scoring as well as the income limits set forth above. Rents will be further restricted in accordance with rent and income limits submitted by the Applicant in its application for the Program loan, approved by the Department, and set forth in the regulatory agreement. Rents shall not exceed 30 percent of the applicable income eligibility level. The maximum rent shall be 30 percent of 60 percent of Area Median Income for the appropriate unit size.

(n) Location Affordability Index – XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X			

Projects will be scored and points allocated based on location affordability index factor as determined by HUD's Location Affordability Index ([www.locationaffordability.info](http://www.locationaffordability.info)) as follows:

- (1) XX points for Projects located within an area with a 27% to 44% Affordability Factor
- (2) XX points for Projects located within an area with a 45% to 61% Affordability Factor
- (3) XX points for Projects located within an area with a 62% to 87% Affordability Factor

All applicants must use the combined (Owner + Renter) and Median Income settings when determining eligibility for this criterion.

(o) Anti-Displacement Strategies – XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X	X		

For Projects located within or benefiting a Disadvantaged Community XX points will be provided for demonstration of policies, strategies or programs designed to avoid the displacement of low-income residents and businesses of the project area and community.

NOTE: The Department recognizes not all Projects “benefiting” or “located within” a Disadvantaged Community may have a need to evaluate displacement risk and/or include anti-displacement strategies. Applicants may provide evidence for Department review demonstrating no displacement risk. Those applications will not be evaluated on the criteria and the points will not be factored into their score.

Examples of strategies include, but are not limited to:

- (1) Residential Anti-Displacement Strategies
  - Phased construction or rehabilitation, minimizing disruptions for tenants.
  - Provision of Housing Choice Voucher (HCV) or other mechanism for affordability, including temporary relocation.
  - Assignment of a relocation specialist to develop and implement a relocation plan and work closely with any tenants that temporarily relocate off-site to provide relocation planning, mobility counseling, and assistance (for example, reviews of school options, benefits, re-occupancy plans, and services access).
  - Case management support to residents and relocation technical assistance to the local housing authority/department to ensure that all residents are informed about maintenance of lease compliance requirements.
  - A HCD-certified housing element of the General Plan.
- (2) Business Anti-Displacement Strategies:
  - Implementation of an overlay zone designed to protect and assist small businesses.
  - Establishment of a small business advocate office and designate a single point of contact for every small businesses.
  - Creation and maintenance of a small business alliance.
  - Increased visibility of the jurisdiction’s small business assistance programs.
  - Formal program to ensure that some fraction of a jurisdiction’s purchases of goods and services come from local businesses.

(p) Extent to Which the Project Addresses Co-Benefits – XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X	X	X	X

Beyond greenhouse gas reductions, [SB 535](#) indicates that programs funded through the GGRF should provide public health and safety, economic and environmental benefits to communities served by the project.

Applicants to the AHSC program are required to describe and, where possible, quantify the expected co-benefits of the project. Co-benefits should be considered both broadly for the entire community and for low-income populations within the community at large. Eligible co-benefits must fit in one of the three categories as identified in SB 535 (public health and safety, economy, and environmental).

To demonstrate the extent to which the proposed Project addresses co-benefits, all applicants must identify and describe four (4) expected co-benefits from the project where:

- (1) At least one must be a public health co-benefit (see Appendix C for examples)
- (2) Describe who will benefit (e.g. the community, low-income populations, etc.)
- (3) Describe how the co-benefits will be quantified (pending ARB guidance). For those co-benefits that cannot be quantified due to technical or feasibility challenges, applicants must provide an explanation citing published literature which demonstrates rationale for how cited co-benefits will be achieved. See Appendix C for additional co-benefits guidance and resources, including examples of co-benefits related to public health and safety, the economy and the environment as provided below.

Applications will be evaluated based on the following identified co-benefits:

- (A) A maximum of XX points may be awarded for each co-benefit that is identified, described, and justified through quantification/evidence based on the following:
  - (i) XX points for identifying and describing the co-benefit, including who will benefit
  - (ii) XX point for quantification/evidence

- (B) Applications requesting Program Funds to benefit a Disadvantaged Community as defined in Section 106(a)(10) may earn an additional XX points in this section by providing three (3) more examples for co-benefits.

(q) Community Engagement – XX Points Maximum

<u>Housing Development</u>	<u>Housing Related Infrastructure</u>	<u>Transportation/ Transit Related Infrastructure</u>	<u>Green Infrastructure</u>	<u>Planning Implementation</u>	<u>Programs</u>
X	X	X	X	X	X

- (1) Application describes community outreach on proposed project, in addition to that required by the local government or other government body. The application must demonstrate how the outreach was designed to remove barriers to community participation and provided opportunities for engagement for community members, in particular lower-income households and DAC residents, which the project is proposed to benefit. The application should detail:
- the dates, times and location of meetings
  - how community members were engaged (i.e. marketing/noticing of meetings and opportunities for involvement)
  - approximate level of attendance at meeting(s)
  - identify how feedback received during the process was considered in the design of the proposed Project (XX Points)
- (2) Application identifies key stakeholders and/or community organizations which have been engaged in community outreach or in supporting the project (XX Points)

## Section 108. Criteria Applicability based on Eligible Use Type and Scoring Summary

Based on the application’s Eligible Project Types and Eligible Uses of Funds as defined in Sections 102 and 103 above, Table 7 below indicates the criteria which will be applied and the scored to determine an applicant’s final score. The draft document does not identify specific point values for criteria at this time.

Applications will be scored based upon the strength of the entire proposal for the Project Area, including those elements funded by other sources but which are applicable to connectivity between key destinations with particular emphasis on improving access to affordable housing opportunities.

TABLE 7 AHSC Criteria Applicability based on Eligible Uses										
Guideline Reference	* Both TODs and ICPs must include at least one Primary Use  ** Secondary uses may be combined with any eligible Primary Use	Housing Development	Housing Related Infrastructure	Transportation and Transit-Related Infrastructure (includes Active Transportation)	Green Infrastructure	Planning Implementation	Programs – Active Transportation	Programs – Transit Ridership	Programs – Pollutant Reduction	
		Primary Uses*					Secondary Uses**			
		Capital Uses						Program Uses		
		<b>GHG Reduction Potential will be factored into all applications based on Pending ARB Guidance</b>								
a	Extent to which the Project will achieve GHG Reduction	X	X	X	X	X	X	X	X	
<b>Project / Program Feasibility and Readiness – 35 to 40% of Total Score</b>										
b	Readiness of the Housing Development	X <sup>1</sup>	X							
c	Readiness of Non-Housing Infrastructure Project		X	X	X					
d	Program Readiness, Capacity, Need and Leverage						X	X	X	
e	Leverage of Other Funds and Prior Planning Efforts	X	X	X	X					

Guideline Reference	<p>* Both TODs and ICPs must include at least one Primary Use</p> <p>** Secondary uses may be combined with any eligible Primary Use</p>	Housing Development	Housing Related Infrastructure	Transportation and Transit-Related Infrastructure (includes Active Transportation)	Green Infrastructure	Planning Implementation	Programs – Active Transportation	Programs – Transit Ridership	Programs – Pollutant Reduction	
		Primary Uses*				Secondary Uses**				
		Capital Uses					Program Uses			
		<b>Connectivity and Improved Access – 40 to 45% of Total Score</b>								
f	Accessibility to Qualified Employment Areas	X	X	X						
g	Proximity of Transit Supportive Land Uses	X	X	X						
h	Extent to which the Project will increase public transit ridership and reduce vehicle miles travelled	X	X	X						
i	Parking / Transit Passes / EV charging	X <sup>1</sup>	X	X						
j	Walkable corridors	X	X	X						
k	Bicycle features	X	X	X						
l	Community Greening and Natural Resources Conservation	X	X	X	X					
<b>Community Orientation – 15 to 20 % of Total Score</b>										
m	The extent to which the Housing Development serves households at lower and moderate income levels	X <sup>1</sup>	X							
n	Location Affordability Index	X	X	X						
o	Anti-Displacement Strategies	X	X	X	X					
p	Extent to which the Project addresses co-benefits	X	X	X	X	X	X	X	X	
q	Community Engagement	X	X	X	X	X	X	X	X	

<sup>1</sup> Housing specific criteria will only apply and be scored for applications where an affordable Housing Development and/or Housing-Related Infrastructure is funded through AHSC Program funds.

## Article IV. Program Operations

### Section 109. Legal Documents

- (a) Rental Housing Developments: Upon the award of Program funds to assist a rental Housing Development, the Department shall enter into one or more agreements with the Applicant, which may be in the form of a conditional commitment letter issued by the Department and accepted by the Applicant, which shall commit funds from the Program in an amount sufficient to fund the approved Program loan amount. The agreement or agreements shall contain the following:
- (1) a description of the approved Housing Development and the permitted uses of Program funds;
  - (2) the amount and terms of the Program loan;
  - (3) the regulatory restrictions to be applied to the Housing Development through the Regulatory Agreement;
  - (4) special conditions imposed as part of the Department's approval of the Housing Development;
  - (5) requirements for the execution and the recordation of the agreements and documents required under the Program;
  - (6) terms and conditions required by federal or state law;
  - (7) requirements regarding the establishment of escrow accounts for the deposit of documents and the deposit and disbursement of Program loan proceeds;
  - (8) the approved schedule of the Housing Development, including land acquisition if any, commencement and completion of construction or rehabilitation work, and occupancy by eligible households;
  - (9) terms and conditions for the inspection and monitoring of the Project in order to verify compliance with the requirements of the Program;
  - (10) provisions regarding tenant relocation in accordance with State law;
  - (11) provisions relating to the placement on or in the vicinity of, the Housing Development site a sign indicating that the Department has provided financing for the Housing Development. The Department may also arrange for publicity of the Program loan in its sole discretion; and
  - (12) provisions to ensure that the eligible Capital Use and Program Use of funds maintains the required GHG Reduction represented in the application.
  - (13) Other provisions necessary to ensure compliance with the requirements of the Program.
- (b) For rental Housing Developments the Department shall enter into a Regulatory Agreement with the Applicant for not less than the original term of the loan that shall be recorded against the property of the Housing Development prior to the disbursement of funds. The Regulatory Agreement shall include, but not be limited to, the following:



- (1) the number, type and income level of Restricted Units;
- (2) standards for tenant selection pursuant to 25 CCR 8305;
- (3) provisions regulating the terms of the rental agreement pursuant to 25 CCR 8307;
- (4) provisions related to a Rent Schedule, including initial rent levels for Restricted Units and non-Restricted Units pursuant to subsections (a) and (b) of 25 CCR 7312;
- (5) conditions and procedures for permitting rent increases pursuant to 25 CCR 7312;
- (6) provisions for limitations on Distributions pursuant to 25 CCR 8314 and on developer fees pursuant to 25 CCR 8312;
- (7) provisions regarding the deposit and withdrawal of funds to and from reserve accounts in accordance with 25 CCR 8308 and 8309;
- (8) assurances that the Housing Development will be maintained in a safe and sanitary condition in compliance with state and local housing codes and the management plan, pursuant to 25 CCR 7324;
- (9) description of the conditions constituting breach of the Regulatory Agreement and remedies available to the parties thereto;
- (10) provisions governing use and operation of non-Restricted Units and common areas to the extent necessary to ensure compliance with Program requirements;
- (11) special conditions of loan approval imposed by the Department;
- (12) Article 4, Subchapter 4, Chapter 7, Division 1 of Title 25, "Program Operations," Sections 25 CCR 7321 through 7326, shall apply to rental Housing Developments assisted by the Program; and
- (13) other provisions necessary to assure compliance with the requirements of the Program.

(c) All Program loans for assistance to rental Housing Developments shall be evidenced by a promissory note payable to the Department in the principal amount of the loan and stating the terms of the loan consistent with the requirements of the Program. The note shall be secured by a deed of trust on the Housing Development property naming the Department as beneficiary or by other security acceptable to the Department; this deed of trust or other security shall be recorded junior only to such liens, encumbrances and other matters of record approved by the Department and shall secure the Department's financial interest in the Housing Development and the performance of Applicant's Program obligations.

(d) Upon the award of Program funds to a Locality for assistance to a homeowner Housing Development, the Department shall enter into a Standard Agreement with the Recipient constituting a conditional commitment of funds. This agreement shall require the Recipient to comply with the requirements and provisions of these Guidelines. The Standard Agreement shall encumber Program funds in an amount sufficient to fund the approved Project, subject to limits established in the NOFA and consistent with the application. The Standard Agreement shall contain, but not be limited to, the following:

- (1) a description of the approved local Project and the permitted uses of Program funds;
  - (2) requirements for the execution and, where appropriate, the recordation of the agreements and documents required under the Program;
  - (3) the Recipient's responsibilities for completion of the Project, including, but not limited to, number of units to be assisted, marketing, Program loan processing and funding, construction monitoring and disbursement, report submissions, and file documentation;
  - (4) manner, timing and conditions for disbursement of Program funds to Recipients;
  - (5) provisions relating to the placement on or in the vicinity of the homeownership Housing Development project site, a sign indicating that the Department has provided financing for the Project. The Department may also arrange for publicity of the Project in its sole discretion;
  - (6) remedies available to the Department in the event of a violation, breach or default of the standard agreement;
  - (7) requirements that the Recipient permit the Department or its designated agents and employees the right to inspect the project or local program and all books, records and documents maintained by the Recipient in connection with the local program and the local program individual Program loans;
  - (8) special conditions imposed on a case-by-case basis as part of Department's approval of the Project;
  - (9) terms and conditions required by federal or state law; and
  - (10) provisions to ensure that the eligible Capital Use and Program Use of funds maintains the required GHG Reduction as represented in the application.
  - (11) other provisions necessary to ensure compliance with the requirements of the Program.
- (e) Prior to the disbursement of Program funds for a homeownership Housing Development, the Department shall enter into a monitoring agreement with the Recipient requiring the Recipient to comply with Program requirements. The monitoring agreement shall contain, but not be limited to, the following:
- (1) requirements regarding the establishment of a reuse account for the deposit of loan repayments, including interest and principal, and the requirements for disbursement of funds from the reuse account;
  - (2) the plan for servicing of the Program loans as prepared by the Recipient to be reviewed for approval by the Department
  - (3) the plan for the reuse of Program funds as prepared by the Recipient to be reviewed for approval by the Department;
  - (4) requirements for submittal of an annual report on a form provided by the Department;
  - (5) remedies available to the Department in the event of a violation, breach or default of the monitoring agreement;
  - (6) requirements that the Recipient permit the Department or its designated

agents and employees the right to inspect the Program and Project books, and all records and documents maintained by the Recipient in connection with the reuse account and long term loan servicing; and

- (7) other provisions necessary to ensure compliance with the requirements of the Program.
- (f) All homebuyer Program loans originated by a Recipient for a homeowner Housing Development shall be evidenced by the following documents and provisions, models of which may be provided by the Department:
- (1) A promissory note evidencing the Program loan, payable by the homebuyer to the Recipient in the principal amount of the Program loan and stating the terms and rate of interest of the Program loan consistent with the requirements of the Program. The Recipient is and shall be prohibited from assigning their beneficial interest under the note.
  - (2) The note shall be secured by a deed of trust, or other appropriate security instrument acceptable to the Department, on the homebuyer property naming the Recipient as beneficiary. This deed of trust or other appropriate security instrument shall be recorded in the official records of the county in which the unit is located and shall secure the Recipient's financial interest in the project.
- (g) Grants for infrastructure Projects shall be governed by a standard agreement or other agreement with the Recipient in a form prescribed by the Department. The agreement shall ensure that the provisions of Section 105 of these Guidelines are applicable to the Project covered by the agreement and enforceable by the Department. The agreement will contain such other provisions as the Department determines are necessary to meet the requirements and goals of the Program, including but not limited to the following:
- (1) A description and sources and uses of the approved Project and the permitted uses of Program funds;
  - (2) Provisions governing the amount, terms and conditions of the Program grant;
  - (3) Provisions governing the construction work and, as applicable, the acquisition and preparation of the site of the Project, and the manner, timing and conditions of the disbursement of grant funds;
  - (4) a schedule for completion of the Project and a series of milestones for progress toward Project completion together with the remedies available to the Department in the event of the failure to meet such milestones;
  - (5) provisions for the payment of prevailing wages if and as required by state or federal law;
  - (6) requirements for periodic reports from the Recipient on the construction and use of the Project and provisions for monitoring of the Project by the Department;

- (7) The Recipient's responsibilities for the development of the approved Project, including, but not limited to, construction management, maintaining of files, accounts and other records, and report requirements;
- (8) Provisions relating to the development, construction, affordability and occupancy of the Housing Development supported by the Project, if applicable;
- (9) Provisions relating to the placement on, or in the vicinity of, the Project site, a sign indicating that the Department has provided financing for the Project. The Department may also arrange for publicity of the Department grant in its sole discretion;
- (10) Remedies available to the Department in the event of a violation, breach or default of the Standard Agreement;
- (11) Requirements that the Recipient permit the Department or its designated agents and employees the right to inspect the Project and all books, records and documents maintained by the Recipient in connection with the Program grant;
- (12) Special conditions imposed as part of Department approval of the project;
- (13) Terms and conditions required by federal or state law;
- (14) Provisions to ensure that the eligible Capital Use and Program Use of funds maintains the required GHG Reduction as represented in the application; and
- (15) Other provisions necessary to ensure compliance with the requirements of the Program.

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## Section 110. Reporting Requirements

- (a) During the term of the Standard Agreement and according to the annual deadline identified in the Standard Agreement, the Recipient shall submit, upon request of the Department and the Council, an annual performance report that demonstrates satisfaction of all Program requirements which includes, but is not limited to, GHG reduction, the construction of the Project and where applicable, the development, construction, affordability and occupancy of housing designated in the application, pursuant to ARB's [Interim Guidance to Agencies Administering GRRF Monies: Expenditure Record and Fiscal Procedures](#). The reports will be filed on forms provided by the Department.
- (b) At any time during the term of the Standard Agreement, the Department may perform or cause to be performed a financial audit of any and all phases of the Recipient's Project. At the Department's request, the Recipient shall provide, at its own expense, a financial audit prepared by a certified public accountant.

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**Section 111. Performance Requirements**

- (a) Recipients shall begin construction of the housing units to be developed in the Project and the housing designated in the application within the time set forth in the Standard Agreement but not more than two (2) years from the date of the Program grant award.
- (b) The housing units to be developed in the Project and the housing designated in the application must be completed, as evidenced by receipt of a certificate of occupancy, within the period of time set forth in the Standard Agreement, but not more than five (5) years from the date of the award of the Program grant.
- (c) Program funds must be disbursed in accordance with deadlines specified in the Standard Agreement, and in no event later than the following disbursement deadlines. The Department may approve a disbursement extension deadline request up to the applicable Maximum Disbursement Extension Deadline (as shown below) if the Recipient demonstrates, to the satisfaction of the Department, that it has complied with the following performance milestones related to the Notice of Funding Availability (NOFA) round in which the Department made its award to the Recipient:

Table 8 Performance Milestone Dates			
NOFA Date	Current Disbursement Deadline	Standard Agreement Executed	Disbursement Agreement Executed
January, 2015	February 1, 2019	June, 2016	June, 2016

- (d) Recipients will be required to repay disbursed Program grant funds where construction of residential units used as the basis for calculating the grant amount pursuant to Section 104 has not received building permits within two (2) years from the date of the Program grant award. The amount to be repaid shall be the same proportion to the total grant amount as the number of residential units where construction has not timely commenced to the total number of designated residential units.
- (e) Recipients may only reapply for Program funds in a subsequent NOFA if the Recipient has disbursed at least fifty (50) percent of the funds allocated to Program Uses from prior awards.
- (f) Notwithstanding anything to the contrary herein, the Department will not consider, nor will it approve, a disbursement extension deadline request for any and all awards that are provided pursuant to the NOFA. As such there shall not be a Maximum Disbursement Extension Deadline for said award, no extension will be available.

## **Section 112. Defaults and Cancellations**

- (a) In the event of a breach or violation by the Recipient of any of the provisions of the Standard Agreement, the Department may give written notice to the Recipient to cure the breach or violation within a period of not less than 15 days. If the breach or violation is not cured to the satisfaction of the Department within the specified time period, the Department, at its option, may declare a default under the Standard Agreement and may seek legal remedies for the default including the following:
  - (1) The Department may seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the Project in accordance with Program requirements.
  - (2) The Department may seek such other remedies as may be available under the relevant agreement or any law.
- (b) Funding commitments and Standard Agreements may be canceled by the Department under any of the following conditions:
  - (1) The objectives and requirements of the Program cannot be met by continuing the commitment or Standard Agreement;
  - (2) Construction of the Project or implementation of the Program Uses cannot proceed in a timely fashion in accordance with the timeframes established in the Standard Agreement; or
  - (3) Funding conditions have not been or cannot be fulfilled within required time periods.
- (c) Upon receipt of a notice of intent to cancel the grant from the Department, the Recipient shall have the right to appeal to the Director of the Department.

### **Section 113. Prevailing Wages**

For the purposes of the State Prevailing Wage Law (Labor Code Sections 1720 – 1781), a grant under the Program shall be considered public funding for the construction, rehabilitation, demolition, relocation, preservation, or other physical improvement of the Capital Use subject to the provisions of the State Prevailing Wage Law. Program funding of a Project shall not necessarily, in and of itself, be considered public funding of a Project unless such funding is considered public funding under the State Prevailing Wage Law. It is not the intent of the Department in these regulations to subject Projects to the State Prevailing Wage Law by reason of Program funding of the Project in those circumstances where such public funding would not otherwise make the Project subject to the State Prevailing Wage Law. Although the use of Program funds does not require compliance with federal Davis Bacon wages, other funding sources may require compliance with federal Davis Bacon wages.

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## APPENDICIES

		Page
Appendix A	Definitions	65
Appendix B	Disadvantaged Communities Guidance	78
Appendix C	Examples of Co-Benefits	79
Appendix D	GGRF Programs	80

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## Appendix A. Definitions

**\*\*Note some definitions below are placeholders (identified in red front) for terms to be defined through pending ARB guidance.**

- (a) “Active Transportation” means infrastructure and non-infrastructure projects that encourage increased use of active modes of transportation, but does not include funding program operations. The project types include but are not limited to:
  - (1) Infrastructure Projects: Capital improvements (construction) that will encourage increased use of active modes of transportation, such as biking and walking
  - (2) Non-infrastructure Projects: Education, encouragement, enforcement, and planning activities must encourage increased use of active modes of transportation, such as biking and walking.
- (b) “Active Transportation Program” means non-infrastructure related programs which instill safe pedestrian, bicyclist and motorist behaviors to make safe active transportation possible. Non-infrastructure activities can stand-alone or be conducted with infrastructure projects (fixed facilities or permanent structural changes) to increase effectiveness.
- (c) “Activity Delivery Costs” means staff costs incurred by the Public Agency that are directly related to implementing specific Capital Uses and Program Uses. They may include costs such as project document preparation, project underwriting, construction management, inspections, or reporting to the Department.
- (d) “Affordable Housing Development” means a housing development in which at least 20 percent of the total units are Affordable Units.
- (e) “Affordable Unit” means a unit that is made available at an affordable rent, as defined in Section 50053 of the Health & Safety Code, to a household earning no more than 80 percent of the Area Median Income or at an affordable housing cost, as defined in Section 50052.5 of the Health & Safety Code, to a household earning no more than 120 percent of the Area Median Income. Rental units shall be subject to a recorded covenant ensuring affordability for a duration of at least 55 years. Ownership units shall be sold to and occupied by an income-qualified household, and subject to a recorded covenant with a duration of at least 30 years that includes either a resale restriction or equity sharing upon resale. Rent and income limits for rental Affordable Units shall be those established by TCAC. Those units will be restricted to the targeted income levels with rents not to exceed 30 percent of the income level in accordance with TCAC procedures.
- (f) “Agency” means California Natural Resources Agency.
- (g) “ARB” means the California Air Resources Board.

- (h) "Area Median Income" means the most recent applicable county median family income published by the California Tax Credit Allocation Committee.
- (i) "Baseline Emissions" means a measurement, calculation, or time used as a basis for comparison. Baseline emissions are the level of emissions that would occur without policy intervention or without implementation of a project. Baseline estimates are needed to determine the effectiveness of emission reduction programs (also called mitigation strategies).
- (j) "Bus Hub" means an intersection of three or more bus routes, where one route or a combination of routes has a minimum scheduled headway of 10 minutes or at least six buses per hour during peak hours. Peak hours means the time between 7 a.m. to 10 a.m., inclusive, and 3 p.m. to 7 p.m., inclusive, Monday through Friday or the alternative, peak hours designated for the transportation corridor by the transit agency.
- (k) "Bus Rapid Transit" (BRT) means a rubber-tired form of rapid transit in an integrated system of facilities, equipment, services, and amenities that exceed the speed and reliability of bus transit. Major components include the following: (1) use of exclusive right-of way, including busways, exclusive lanes, and bypass/queue jumping lanes for buses at congested intersections to reduce vehicle running time; (2) use of more limited-stop service including express service and skip-stopping; (3) application of intelligent transportation systems (ITS) technology such as signal priority, automatic vehicle location systems, system security, and customer information.
- (l) "Bus Transfer Station" means an arrival, departure, or transfer point for the area's intercity, intraregional, or interregional bus service having permanent investment in multiple bus docking facilities, ticketing services, and passenger shelters.
- (m) "Capital Use" means the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvement that is an integral part of, or-is necessary for the development of a Project.
- (n) "CCR" means the California Code of Regulations.
- (o) "Carbon Sequestration" means the capture of CO<sub>2</sub> from the atmosphere and its long term storage in oceans (oceanic carbon sequestration), in biomass and soils (terrestrial carbon sequestration) or in underground reservoirs (geologic carbon sequestration). Sequestration enhances carbon storage in trees and soils, preserves existing tree and soil carbon and reduces emissions of CO<sub>2</sub>, methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O).
- (p) "Compact Development" means a land use and design concept which promotes relatively high residential development with mixed land uses and based on an efficient public transport system and has an urban layout which encourages active transportation, low energy consumption and reduced pollution.

- (q) “Complete Streets” means streets designed and operated to ensure safe access by all users, including pedestrians, bicyclists, motorists, and transit riders of all ages and abilities. Complete streets projects include, but are not limited to:
- (1) Development of new bikeways and walkways that improve safe access of pedestrians and cyclists to local amenities.
  - (2) Development of special bus lanes and dedicated bus lanes.
  - (3) Development of comfortable and accessible public transportation stops and amenities.
  - (4) Development or improvement of frequent and safe crossing opportunities.
  - (5) Installation of accessible pedestrian signals.
  - (6) Development of curb extensions, roundabouts, median islands, “road diets”, lane narrowing projects, or other traffic calming mechanisms with the intent of improving safety and accessibility for non-motorized users.
- (r) “Consolidated Transportation Service Agency (CSTA)” means Transportation for people with disabilities, elderly and low- income travelers. Providers include transit agencies, city and county social services, senior centers, faith-based organizations, independent living centers, health care centers, and for profit paratransit companies. Varying needs require flexible services and expose barriers to coordination of intermodal transportation. The CTSA consolidates coordination among providers, including fixed-route, dial-a-ride and shuttle services.
- (s) “Corridor System Management Plan” (CSMP) means a strategy focused on congestion reduction and optimizing system performance of designated transportation corridors. A CSMP is implemented by a partnership of state, regional and local transportation planning agencies (may also include federal agencies). The CSMP implementation involves corridor performance and system management strategies within the context of a long-range planning vision for the role of the corridor within the transportation system.
- (t) “Criteria Air Pollutants” means an air pollutant for which acceptable levels of exposure can be determined and for which an ambient air quality standard has been set. Examples include: ozone, carbon monoxide, nitrogen dioxide, sulfur dioxide, and PM10 and PM2.5. The U.S. EPA and CARB periodically review new scientific data and may propose revisions to the standards as a result.
- (u) “Department” means the Department of Housing and Community Development of the State of California.
- (v) “Destination Transit Station” means a Transit Station located not more than thirty (30) minutes from the Qualifying Transit Station that serves the Housing Development or Key Destination via public transit and involves no more than one transfer point.

- (w) “Disadvantaged Community” means Areas designated by the California Environmental Protection Agency pursuant to Health and Safety Code Section 39711, based on either of the following:
- (1) Areas disproportionately affected by environmental pollution and other hazards that can lead to negative public health effects, exposure, or environmental degradation.
  - (2) Areas with concentrations of people that are of low income, high unemployment, low levels of homeownership, high rent burden, sensitive populations, or low levels of educational attainment.
- (x) “FAR” (Floor Area Ratio) means the square footage of the floor area of a building divided by the site square footage, excluding therefrom dedicated streets, sidewalks, parks and open space. The floor area of a building is the sum of the gross area of each floor of the building, excluding mechanical space, cellar space, floor space in open balconies, enclosed parking and elevators or stair bulkheads. Multiplying the FAR by the area of the site produces the minimum amount of floor area required in a building on the lot. For example, on a 10,000 square-foot site in a district with a minimum FAR of 1.5, the floor area of a building must be at least 15,000 square feet.
- (y) “Feeder Transit System” means a service that picks up and delivers passengers to a Transit Station, Bus Rapid Transit stop, or terminal such as that served by an urban circulator.
- (z) “First Mile - Last Mile Strategy” means a plan to coordinate infrastructure investments in transit station areas to extend the reach of transit, with the ultimate goal of increasing ridership. It identifies projects and programs that would bridge the access gap between home and the transit station (first mile), and between the transit station and work (last mile).
- (aa) “GHG Reduction” means Greenhouse Gas Reduction as provided in ARB metrics.
- (bb) “Green infrastructure” means using vegetation, soils, and natural processes (through evaporation, filtration, sequestration, reuse, runoff) to help create healthier urban environments through land and water management. At the scale of a city or county, green infrastructure refers to the patchwork of natural areas that provides habitat, flood protection, cleaner air, and cleaner water. At the scale of a neighborhood or site, green infrastructure refers to low impact design and stormwater management systems that mimic nature by soaking up and storing water.
- (cc) “Greenhouse gas” means any gas that absorbs infrared radiation in the atmosphere. Greenhouse gases include, but are not limited to, water vapor, carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrochlorofluorocarbons (HCFCs), ozone (O<sub>3</sub>), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF<sub>6</sub>). (UNFCCC)

- (dd) “Greenhouse Gas Effect” means the trapping and build-up of heat in the atmosphere (troposphere) near the earth's surface. Some of the heat flowing back toward space from the earth's surface is absorbed by water vapor, carbon dioxide, ozone, and several other gases in the atmosphere and then reradiated back toward the earth's surface. If the atmospheric concentrations of these greenhouse gases rise, the average temperature of the lower atmosphere will gradually increase. (UNFCC).
- (ee) “Green Streets” means a sustainable stormwater strategy that meets regulatory compliance and resource protection goals by using a natural systems approach to manage stormwater, reduce flows, improve water quality and enhance watershed health.
- (ff) “Housing Choice Voucher” means the federal government's program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.
- (gg) “Housing Development” means a residential development or the residential portion of a mixed-use development.
- (hh) “Infill Development” means a residential, mixed-use development, or integrated connectivity project designated in the program application that is located in an Urbanized Area and has any of the following:
- (1) At least 75 percent of the area included within the Project Area must be previously improved (including areas where improvements have been demolished) or used for any use other than open space, agriculture, forestry, or mining waste storage; or
  - (2) At least 75 percent of the perimeter of the Project Area adjoining parcels are developed with Urban Uses, or is separated from parcels that are developed with Urban Uses only by an improved public right-of-way. In calculating this percentage, perimeters bordering navigable bodies of water and improved parks shall not be included; or
  - (3) The combination of at least 50 percent of the area included within the Project Area as previously improved (including areas where improvements have been demolished) or used for any use other than open space, agriculture, forestry or mining waste storage, and at least 50 percent of the perimeter of the Project Area adjoining parcels that are developed with Urban Uses, or is separated from parcels that are developed with Urban Uses only by an improved public right-of-way. In calculating this percentage, perimeters bordering navigable bodies of water and improved parks shall not be included.

- (ii) “Integrated Connectivity Project” means a combination of two or more eligible activities as defined in Section 104.
- (jj) “Intelligent Transportation Systems” means electronics, communications, or information technology, used singly or in combination, to improve the efficiency, accessibility or safety of the surface transportation system.
- (kk) “Intermodal” means transportation by more than one means of conveyance during a single journey, as by rail, vanpool, circulator and bike.
- (ll) “Key Destination” means one or more community amenities such as schools, community centers, employment centers, retail, services, parks and other destinations, including residential uses.
- (mm) “Large City Downtown” means an area in one of the following cities: Anaheim, Long Beach, Los Angeles, Oakland, Sacramento, San Diego, San Francisco, San Jose, and Santa Ana which is designated as a downtown, central business district, or core area in local planning documents.
- (nn) “Locality” means a California city, county or city and county.
- (oo) “Location Efficiency” means the deliberate placement of homes, jobs, shopping, entertainment, parks and other amenities close to transit stations to promote walking, biking and transit use.
- (pp) “Low Impact Design” means land development (or re-development) that works with nature to manage stormwater as close to its source as possible, such as minimizing impervious surfaces and treating stormwater as a resource rather than a waste product. Practices include bioretention facilities, rain gardens, vegetated rooftops, rain barrels, and permeable pavements, maintenance or restoration of a watershed's hydrologic and ecological functions.
- (qq) “Lower income” has the meaning set forth in Health and Safety Code Section 50079.5.
- (rr) “Major Transit Corridor” means a transportation corridor which meets all of the following criteria:
  - (1) Accommodates either a dedicated public right of way and a fixed guideway system or a public roadway which accommodates high frequency public transit, and
  - (2) Has been the subject of analysis, planning and environmental mitigation, and designation for investment within the regional transportation plan of a metropolitan planning organization or regional transportation planning agency, or within a long range transportation plan of a transit agency.

- (ss) “Major Transit Stop” means a bus, ferry or rail stop served by either:
- (1) one (1) route departing nine (9) or more times for a Metropolitan Area, and six (6) or more times for a Non-Metropolitan Area between both 7:00 a.m. to 10:00 a.m., inclusive, and 3:00 p.m. to 7:00 p.m., inclusive, Monday through Friday or the alternative peak hours designated for the transportation corridor by the transit agency; or
  - (2) two (2) or more routes departing twelve (12) or more times for a Metropolitan Area, and eight (8) or more times for a Non-Metropolitan Area between both 7:00 a.m. to 10:00 a.m., inclusive, and 3:00 p.m. to 7:00 p.m., inclusive, Monday through Friday or the alternative peak hours designated for the transportation corridor by the transit agency; or
  - (3) one (1) route departing four (4) or more times for a stop located in a Metropolitan Area, or two (2) or more times for a stop located in a Non-Metropolitan Area, between both 7:00 a.m. to 10:00 a.m., inclusive, and 3:00 p.m. to 7:00 p.m., inclusive, Monday through Friday or the alternative peak hours designated for the transportation corridor by the transit agency; or
  - (4) two (2) or more routes departing six (6) or more times for a stop located in a Metropolitan Area, or four (4) or more times for a stop located in a Non-Metropolitan Area, between both 7:00 a.m. to 10:00 a.m., inclusive, and 3:00 p.m. to 7:00 p.m., inclusive, Monday through Friday or the alternative peak hours designated for the transportation corridor by the transit agency.
- (tt) “Metropolitan Area” means an area which contains a core urban area of 50,000 or more population typically consisting of one or more counties, includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core.
- (uu) “Mixed Use Development” means a building, combination of buildings, or building complex, designed to functionally and physically integrate non-residential uses such as retail, commercial, institutional, recreational, or community uses with residential uses, in a complementary manner.
- (vv) “Moderate income” has the meaning set forth in Health and Safety Code Section 50093.
- (ww) “MHP” shall mean the Multifamily Housing Program authorized and governed by Sections 50675 through 50675.14 of the Health and Safety Code and the regulations promulgated there under in 25 CCR 7300, *et seq.*



- (xx) “Net Density” means the total number of dwelling units per acre of land to be developed for residential or mixed use, excluding allowed deductible areas. Allowed deductible areas are public dedications of land which are for public streets, public sidewalks, public open space, and public drainage facilities. Non-allowed deductible areas include utility easements, setbacks, private drives and walkways, landscaping, common areas and facilities, off street parking, and drainage facilities exclusive to a development project. Mitigations required for development will not be included in the allowed deductible areas.
- (yy) “Net GHG Emissions Reduction” means the calculation of reduction of greenhouse gas (GHG) emissions as defined under single occupancy vehicle (SOV) usage and vehicle miles traveled (VMT), relative to an established GHG emissions baseline, by employing ARB-source guidance; including but not limited to metrics based upon # of trips, length of trips, first mile/last mile single occupancy vehicle usage - per capita, per day, per source - taking into account performance standards for multimodal and/or alternative transport systems; as well as calculation of reduction in GHG emissions relative to business as usual (BAU) performance standards, by employing ARB-source guidance specific to energy efficiency and carbon sequestration performance metrics limited to those activities as defined under Energy Efficiency and Carbon Sequestration.
- (zz) “New Starts Program” means fixed Guideway Capital Investment Grants available from the US Federal Transit Administration (FTA), pursuant to 49 U.S.C. Section 5309 / MAP-21 Section 20008 Section 5309. Funds are available to improve transportation options in key corridors, including for new fixed-guideways or extensions/improvements, or expansion of core capacity, to existing fixed guideways, bus rapid transit (BRT) projects operating in mixed traffic that represent a substantial investment in the corridor. The program involves a multi-step, multi-year process. [http://www.fta.dot.gov/documents/MAP-21\\_Fact\\_Sheet\\_-\\_Fixed\\_Guideway\\_Capital\\_Investment\\_Grants.pdf](http://www.fta.dot.gov/documents/MAP-21_Fact_Sheet_-_Fixed_Guideway_Capital_Investment_Grants.pdf)
- (aaa) “NOFA” means a Notice of Funding Availability issued by the Department.
- (bbb) “Non-Metropolitan Area” means an area which contains an urban core of at least 10,000 (but less than 50,000) population. A Non-Metropolitan area may consist of one or more counties and include counties containing the urban core area as well as any adjacent counties that have a high degree of social and economic integration with the urban core as measured by commuting to work.
- (ccc) “Performance measures” means indicators of transit regarding data indicators such as accessibility, mobility choices and ridership.
- (ddd) “Program” means the AHSC Program as implemented by these Guidelines.
- (eee) “Program Operator” means the organization that administers the day-to-day operational responsibilities for the funded program(s).

- (fff) “Preservation of Housing Affordability” means preservation of housing or housing opportunities within the Project Area, through application of equitable access and anti-displacement strategies, including directly funding or implementing policies to maintain or construct or renovate housing development available and affordable to buyers or renters with 80% or less of the annual median income by household size for the county in which the Project Area is located.
- (ggg) “Primary Uses” means those Eligible Capital Uses of Funds which are infrastructure-related in nature, i.e. Housing Development, Housing-Related Infrastructure, Transportation and Transit-Related Infrastructure and Green Infrastructure. Both TOD Project Area and ICP applications requirement incorporation of at least one Primary Use.
- (hhh) “Program Uses” means costs associated with transit ridership support (e.g. transit passes), non-infrastructure related active transportation projects (safe routes to schools) and programs designed to reduce GHG and vehicle-related Criteria Air Pollutants as defined in Section 104. Programs may not include operating costs.
- (iii) “Project” means a Housing Development, a Mixed Use Development, or an Infrastructure Project or a combination of these. A Project may consist of a portion or phase of a larger development. The provisions of these Guidelines shall apply only to the Project as designated by the applicant in the application for Program funds.
- (jii) “Project Area” means the area encompassing transit, housing and Key Destinations used as the boundary within which GHG reductions are projected.
- (kkk) “Public Agency” means a California city, county, city and county, council of governments, transit agency, redevelopment successor agencies, or a joint powers authority comprised of any of the preceding.
- (III) “Publicly Subsidized Transit” means transit service which is either:
- (1) Directly operated by a public entity;
  - (2) Operated by a public entity via a contract for purchased transportation service with a private provider;
  - (3) Operated by a private entity as a grant recipient or sub-recipient from a public entity; or
  - (4) Operated by an independent private entity with the approval from a public entity that certifies that the vanpool/shuttle service is helping to meet the overall transportation needs of the local urbanized area.

- (mmm) "Qualified Employment Area" means that area that contains at least 2,500 employees and is within a half-mile radius of a Destination Transit Station. A Qualified Employment Area is determined by utilizing the instructions provided for the mapping and reporting data accessible through the following link: <http://onthemap.ces.census.gov/>
- (nnn) "Qualifying High Quality Transit" means transit with peak period headway frequency of 15 minutes or less.
- (ooo) "Qualifying Transit Station" means a Transit Station where the transit serving the Transit Station provides weekday, evening, and weekend service consistent with the criteria of a Major Transit Stop (for TOD Project Areas) or a Transit Station (for ICPs), as defined.
- (ppp) "Quantifiable Emissions Reductions" means the amount of the emission reductions which can be measured with reasonable certainty. Quantification requires that: a baseline set of conditions can be defined; the emissions associated with the baseline conditions can be measured; the alternative set of conditions that will exist due to the project can be defined; and the emissions associated with the alternative set of conditions can be measured. The emission reduction is the change in emissions from the baseline to the new conditions caused by the emission reduction project.
- (qqq) "Recipient" means the eligible applicant receiving a commitment of Program funds.
- (rrr) "Recurrent Congestion" means a condition lasting 15 minutes or longer where travel demand exceeds freeway design capacity, as evident by vehicular speeds of 35 mph or less occurring during peak commute periods on a typical incident-free weekday. Recurrent Congestion is documented in the 2008 State Highway Congestion Monitoring Program (HICOMP) Report, published by Caltrans in 2009.
- (sss) "Restricted Units" mean residential units restricted by an enforceable covenant or agreement with the Department or other public agency to occupancy by low- or very low-income households, with affordable rents pursuant to 25 CCR 7312 of the MHP regulations or affordable housing costs pursuant to the BEGIN Program for at least 55 years. Restricted Units must be substantially equivalent in size and number of bedrooms to the balance of units in the Housing Development. Restricted Units may consist of units designated for any housing tenure, rental or owner-occupied, within the Housing Development.
- (ttt) "Secondary Uses" means those Eligible Uses, including Capital Uses related to Pollutant Reduction and Planning Implementation as well as Program Uses, which may be funded through AHSC funds if included as part of an integrated application which includes at least one Primary Use.

- (uuu) "Site Control" means the applicant or developer has control of property through one or more of the following:
- (1) fee title;
  - (2) a leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit, prior to grant funding, compliance with all program requirements;
  - (3) an enforceable option to purchase or lease which shall extend through the anticipated date of the Program award as specified in the Notice of Funding Availability;
  - (4) an executed disposition and development agreement, right of way, or irrevocable offer of dedication to a public agency;
  - (5) an executed encroachment permit for construction of improvements or facilities within the public right of way or on public land;
  - (6) an executed agreement with a public agency that gives the applicant exclusive rights to negotiate with the agency for the acquisition of the site; provided that the major terms of the acquisition have been agreed to by all parties;
  - (7) a land sales contract or other enforceable agreement for acquisition of the property; or
  - (8) other forms of site control that give the Department equivalent assurance that the applicant or developer will be able to complete the Project and all housing designated in the application in a timely manner and in accordance with all the requirements of the Program.
- (vvv) "Strategic Growth Council" means the California Strategic Growth Council, established pursuant to PRC Section 75121.
- (www) "Substantial Rehabilitation" means a Housing Development with reasonable rehabilitation construction contract costs of at least \$35,000 per residential unit. Rehabilitation projects must fully and efficiently address all of the physical needs of the Project for the term of the project loan and therefore merely meeting the minimum threshold cost amount of \$35,000 per residential unit may not, in and of itself, be sufficient to be considered Substantial Rehabilitation for purposes of the project loan.
- (xxx) "TCAC" means the California Tax Credit Allocation Committee.
- (yyy) "Terrestrial Carbon Sequestration" means the process through which carbon dioxide (CO<sub>2</sub>) from the atmosphere is absorbed by trees, plants and crops through photosynthesis, and stored as carbon in biomass (tree trunks, branches, foliage and roots) and soils. The term "sinks" is also used to refer to forests, croplands, and grazing lands, and their ability to sequester carbon. Agriculture and forestry activities can also release CO<sub>2</sub> to the atmosphere. Therefore, a carbon sink occurs when carbon sequestration is greater than carbon releases over some time period.

- (zzz) “Transit” means a conveyance of persons or goods from one place to another via local transportation especially of people by public conveyance; or specifically the vehicles or a system engaged in such transportation.
- (aaaa) “Transit Signal Priority (TSP)” means an operational strategy that facilitates the movement of transit vehicles through traffic-signal controlled intersections. Objectives of TSP include meeting on time schedule performance and improved transit travel time efficiency while minimizing impacts to normal traffic operations. TSP is made up of four components: (1) a detection system that lets the TSP system know where the vehicle requesting signal priority is located. The detection system communicates with a (2) priority request generator that alerts the traffic control system that the vehicle would like to receive priority. (3) Priority control strategies; and 4) System management software collecting data and generating reports.
- (bbbb) “Transit Station” means a high-speed rail, commuter rail or light-rail station, ferry terminal, Bus Hub, Bus Transfer Station, bus stop, or a shuttle service or vanpool stop. Included in this definition are planned transit stations otherwise meeting this definition, whose construction is programmed into a Regional or State Transportation Improvement Program to be completed prior to the scheduled completion but in no case more than five years from the application due date.
- (cccc) “Transportation Demand Management” (TDM) means strategies that increase transportation system efficiency by encouraging shifting from single-occupant vehicle (SOV) trips to non-SOV transportation modes, or shifting SOV trips off peak travel periods. Effective TDM strategies result in reduction of vehicle miles traveled (VMT) by increasing travel options, providing incentives and information to incentivize individuals and employers to modify their travel behavior to support these objectives, and/or by reducing the need to travel or reducing travel distance via location efficient development patterns. TDM strategies encourage travel by transit, bike, walking or in shared vehicles.
- (dddd) “Urban Center” means an area other than a Large City Downtown as defined above and which is served by more than one mode of transit.
- (eeee) “Urban Greening” means projects that provide multiple benefits including: reducing greenhouse gas emissions, decreasing air and water pollution, reducing consumption of natural resources and energy, increasing reliability of local water supplies, and increasing adaptability to climate change.
- (ffff) “Urbanized Area” means an incorporated city, or an urbanized area or urban cluster as defined by the United States Census Bureau, or an unincorporated area within an urban service area that is designated in the local general plan for urban development and is served by public sewer and water.

- (gggg) "Urban Uses" mean any residential, commercial, industrial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses. Urban Uses do not include lands used for agricultural uses or parcels in excess of 15,000 square feet in size and containing only one single family residence.
- (hhhh) "Vanpool" means publically subsidized mass transportation, including Consolidated Transportation Service Agencies, which meets all of the following criteria:
- (1) Is open to the public and where any vans/shuttles that are restricted to a particular employer in the public ride-matching service of a vanpool are excluded from the National Transportation Database report;
  - (2) Is actively engaged in advertising the vanpool service to the public and in matching interested members of the public to vans/shuttles with available seats;
  - (3) Is operated in compliance with the American with Disabilities Act of 1990 and implements regulation at 49 CFR 37.31; and
  - (4) Has a record-keeping system in place to meet all NTD reporting requirements, consistent with other modes, including collecting and reporting full allocated operating and capital costs for the service.
- (iii) "Very-low income" has the meaning set forth in Health and Safety Code Section 50105.
- (jjjj) "Walkable Corridor" means the primary walkable route most likely to be taken by pedestrians travelling between two Key Destinations.

## Appendix B. Disadvantaged Communities

Per the 2014-15 fiscal year Greenhouse Gas Reduction Fund (GGRF) Appropriations, the AHSC Program is expected to reach the goal of 50 percent of available funds to benefit Disadvantaged Communities.

Per SB 535, the California Air Resources Board will provide guidance for the State and local agencies charged with the expenditure of the auction proceeds. This guidance is designed to address two core considerations:

- 1) How to maximize the benefits of investments to disadvantaged communities, while still meeting all of the related statutory requirements.
- 2) How to determine whether proposed projects that achieve the goals of AB 32 would also benefit disadvantaged communities.

Each agency receiving auction proceeds for investment is responsible for administering its own program(s), consistent with statutory direction and applicable ARB guidance. The decisions about how to design programs, select projects for funding, and implement projects rest with each agency, directed by its executive priorities and supported by its staff expertise.

ARBs Interim Guidance on Disadvantaged Communities is available online at <http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/workshops/arb-sb-535-interim-guidance-08-22-2014.pdf>

Disadvantaged Communities across all GGRF investment categories are identified by the California Environmental Protection Agency (CalEPA). To serve this purpose, the Office of Environmental Health Hazard Assessment (OEHHA) within CalEPA has developed a tool called CalEnviroScreen. To learn more about CalEnviroScreen and to view the maps of Disadvantaged Communities, please visit OEHHA's webpage: <http://oehha.ca.gov/ej/ces2.html>

## Appendix C. Co-Benefits

The table below is excerpted from ARB's Interim Guidance on Disadvantaged Communities (Table 3, page 19).

Illustrative Examples of Common Needs of Disadvantaged Communities (as Identified by Community Advocates)
<p><u>Public Health and Safety Co-Benefits:</u></p> <ol style="list-style-type: none"> <li>1. Reduce health harms (e.g., asthma) suffered disproportionately by low-income residents/communities due to air pollutants</li> <li>2. Reduce health harms (e.g., obesity) suffered disproportionately by low-income residents/communities due to the built environment (e.g., by providing active transportation opportunities, parks)</li> <li>3. Increase community safety</li> <li>4. Reduce heat-related illnesses and increase thermal comfort (e.g., weatherization and solar energy can provide more efficient and affordable air conditioning; urban forestry can reduce heat-island effect)</li> </ol>
<p><u>Economic Co-Benefits:</u></p> <ol style="list-style-type: none"> <li>1. Create quality jobs and increase family income (e.g., targeted hiring for living wage jobs that provide access to health insurance and retirement benefits with long-term job retention)</li> <li>2. Increase job readiness and career opportunities (e.g., workforce development programs, on-the-job training, industry-recognized certifications)</li> <li>3. Revitalize local economies (e.g., increased use of local businesses/small businesses)</li> <li>4. Reduce housing costs (e.g., affordable housing)</li> <li>5. Reduce transportation costs (e.g., free or reduced cost transit passes) and improve access to public transportation (e.g., new services in under-served urban and rural communities)</li> <li>6. Reduce energy costs (e.g., weatherization, solar, etc.)</li> <li>7. Improve transit service levels and reliability on systems/routes that have high use by low-income riders</li> <li>8. Bring jobs and housing closer together (e.g., affordable housing in transit-oriented development, and in healthy, high-opportunity neighborhoods)</li> </ol>
<p><u>Environmental Co-Benefits:</u></p> <ol style="list-style-type: none"> <li>1. Reduce exposure to local toxic air contaminants (e.g., provide a buffer between bike/walk paths and corridors with high levels of transportation pollution)</li> <li>2. Prioritize zero-emission vehicle projects for areas with high diesel air pollution</li> </ol>



## Appendix D. GGRF Programs

Category	Department	Program	2014-15
<b>Sustainable Communities and Clean Transportation</b>	High-Speed Rail Authority	High-Speed Rail Project	\$250 m
	State Control Office/ Caltrans	Low Carbon Transit Operations Program	\$25 m
	Transportation Agency/ Caltrans	Transit and Intercity Rail Capital Program	\$25 m
	<b>Strategic Growth Council</b>	<b>Affordable Housing and Sustainable Communities (AHSC) Program</b>	<b>\$130 m</b>
	Air Resources Board	Low Carbon Transportation	\$200 m
<b>Energy Efficiency and Clean Energy</b>	Dept. of Community Services and Development	Energy Efficiency Upgrades/Weatherization	\$75 m
	Energy Commission	Energy Efficiency for Public Buildings	\$20 m
	Dept. of Food and Agriculture	Agricultural Energy and Operational Efficiency	\$15 m
<b>Natural Resources and Waste Diversion</b>	Dept. of Fish and Wildlife	Wetlands and Watershed Restoration	\$25 m
	Dept. of Forestry and Fire Protection	Fire Prevention and Urban Forestry Projects	\$42 m
	Cal Recycle	Waste Diversion	\$25 m
		<b>TOTAL</b>	<b>\$832 m</b>

### Examples of AHSC Leverage Opportunities

Transit and Intercity Rail Capital Program	Eligible Uses: Rail capital Projects that expand, enhance and improve existing rail systems and connectivity to existing and future rail systems, including high speed rail
Low Carbon Transit Operations Program	Eligible Uses: expenditures supporting new or expanded bus or rail services, including operations expenses; expanded intermodal transit facilities and other costs to operate services and facilities.