



WHERE FOUNDATIONS BEGIN

Affordable Housing and Sustainable Communities Program

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Brownfields Redevelopment Financing Workshop
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Primary Program Objectives

To fund project areas that:

- reduce greenhouse gas emissions and vehicle miles travelled (VMT), and
- increase accessibility of housing, employment centers and key destinations through low-carbon transportation options such as walking, biking and transit.
- The Cap-and-Trade Program, a key strategy for achieving the GHG emission reduction goals of AB 32, issues a limited number of GHG emissions permits (called allowances) each year. A portion of these allowances can be purchased from the State at quarterly auctions, thereby generating auction proceeds. These State auction proceeds are then deposited in the GGRF, where they become available for appropriation by the Legislature to further the purposes of AB 32.

Structure of SGC-led Cap and Trade Proceed Investments

Greenhouse Gas Reduction Fund Investments

Air Resources Board

GHG Reductions

Co-Benefits

Disadvantaged
Communities

Strategic Growth Council

Resources Agency

Department of Housing and
Community Development

Ag Lands Conservation

Affordable Housing and
Sustainable Communities

What typical improvements might look like...



Existing Conditions

After...



Avenue developed as a mixed-use transit corridor

Before...



Existing Conditions

After...



Sidewalks protected from traffic with street trees; addition of dedicated bike lane and buildings at sidewalk

After...



Infill buildings (including housing) built to sidewalk; addition of median with street trees

After...

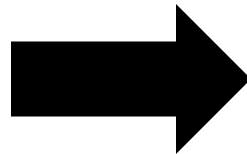


Addition of side median creating dedicated bike and slow access lanes

Big Picture – VMT Reduction Per Capita

Travel Mode

- ✓ Rail: Heavy/light
- ✓ Bus/BRT
- ✓ Bike
- ✓ Walk
- ✓ Alternatives to Single-Occupancy Vehicles (e.g. car-sharing, ride-sharing)



Key Destinations

- ✓ Home
- ✓ Work
- ✓ Shopping
- ✓ Schools
- ✓ Parks
- ✓ Critical Services
- ✓ Recreational



VMT



GHG

Eligible Project Types

- Transit-Oriented Development (TOD) Projects
- Integrated Connectivity Projects (ICP)



**Based upon score and meeting Affordable Housing (AH) and Disadvantaged Communities (DAC) Requirements*

Transit-Oriented Developments

- Located within a ½ mile of Qualifying High Quality Transit

Required

**Affordable Housing
or Housing-Related
Infrastructure**

+

Required

**Transportation-
Related
Infrastructure**

Optional

**Additional
Capital or
Program Uses**

TOD Project Examples

**Affordable
Housing
Development**

OR

**Housing-
Related
Infrastructure**

+

**At least one Transportation Capital Project,
such as...**

**Station area improvements, including bus
stop benches or shelters**

OR

**Sidewalks and dedicated bicycle paths
providing connectivity between housing
and a transit station**

OR

Transit signal priority technology systems

Integrated Connectivity Projects

- Must have Qualifying Transit
- May include affordable housing, but not required

Required

At least one
Capital Use

+

Required

One
Additional
Capital or
Program Use

Optional

Additional
Capital or
Program Uses

ICP Project Examples

Capital Use

+

Capital or Program Use

**Bicycle/pedestrian
connections from
employment center to
transit**

+

**Improvements to a transit
station**

**Affordable Housing
Development**

+

**Complete Streets
improvements to increase
walking and biking to a
transit stop**

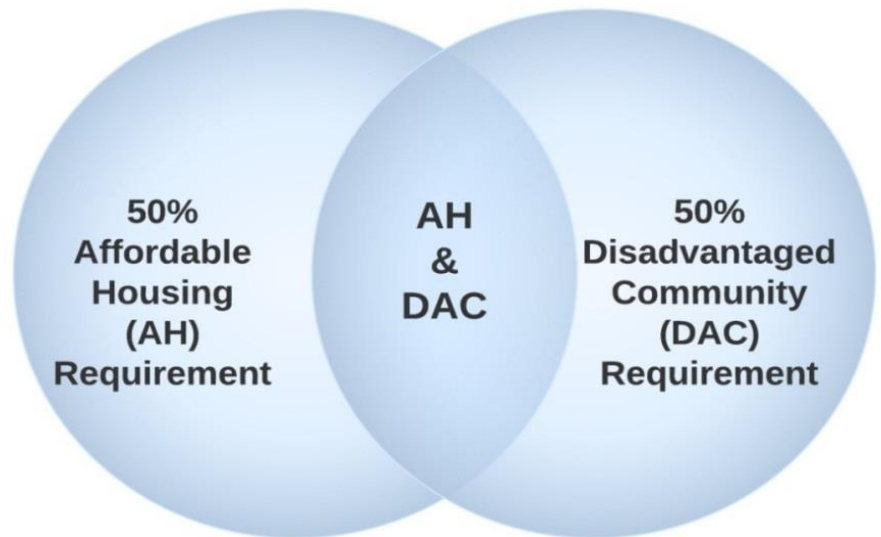
Vanpool Fleet

+

Transit Ridership Program

AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM

- At least 50% of annual proceeds appropriated for affordable housing*
- At least 50% of funding to benefit Disadvantaged Communities*
- These two requirements may occur in one project (e.g. construction of affordable housing in a disadvantaged community)



*SB 862

Awards: Ranges & Limits

TOD

\$1-\$15 million

ICP

\$500,000-\$8 million

- Maximum award of \$15 million per funding cycle per city, city/county, or unincorporated county
- A single developer may receive no more than \$15 million per funding cycle

Statutory Thresholds

- GHG Reduction
- Supports implementation of a Sustainable Community Strategy*
- Consistent with State Planning Priorities
- Project Readiness

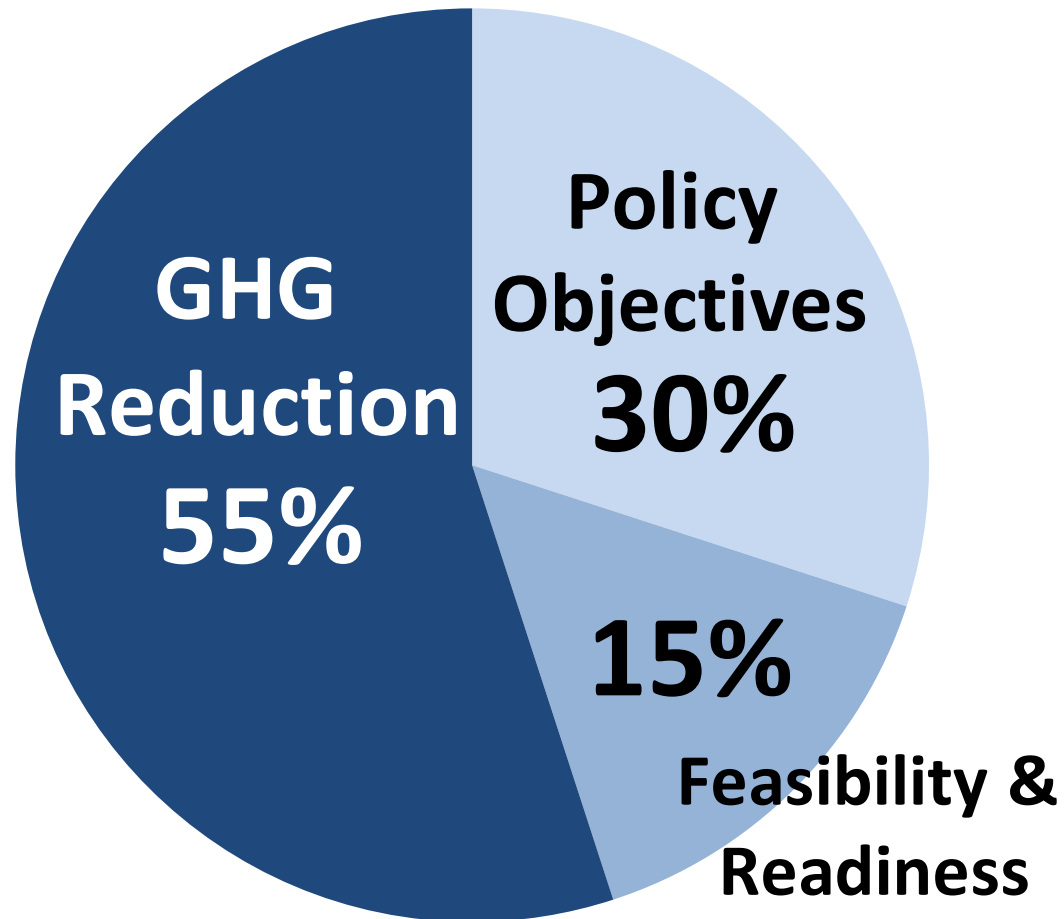
**SB 862: "If a Sustainable Communities Strategy is not required for a region by law, a regional plan that includes policies and programs to reduce greenhouse gas emissions" will meet this requirement.*

Key Thresholds

- Environmental clearances
- Entitlements and Permits
- No outstanding legal challenges to Project
- Construction has not started
- Climate Adaptation
- No conversion of working or natural resource lands

Ref. AHSC Program Guidelines Section 106

Application Scoring Criteria



AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM

- Competitive Statewide Program
 - 50% required investment in affordable housing
 - 50% required investment in disadvantaged communities
- Awarded \$121.9 million in FY 2014-15
- \$400 million available in FY 2015-16
- Eligible Applicants: Local Governments, Transportation and Transit Agencies, For- and Nonprofit Developers and Program Operators

Eligible Uses and \$'s Requested/Awarded

	Concept Application	Full Application	Awarded
Housing	\$440.7	\$190.4	\$89
Transportation	\$252.1	\$78.9	\$32
Planning	\$3.4	\$1.1	\$.3
Program	\$12.8	\$2.5	\$.8
TOTAL (Rnd.)	\$709 Million	\$272 Million	\$122 Million

2014-15 Statistics

723,286 METRIC TONS IN AVOIDED GHG EMISSIONS =
ELIMINATING 140,000 CARS

2,003 new
affordable units
near transit

28 projects

19 counties

21 cities

\$92 million to
benefit
Disadvantaged
Communities

\$32 million for transit,
walking & biking

Draft Round 2 Guideline Changes

Changes under consideration

1. Promoting transportation improvements that support mode shift.
2. Refining TOD and ICP Project Areas.
3. Creation of Rural Innovation Project Areas.
4. Housing and transportation collaboration.
5. Diversification of GHG Reductions scoring.
6. Elimination of jurisdictional dollar caps.
7. Promoting 4% low income housing tax credits.

***Comment period ended on October 30th**

Project Type: Transit-Oriented Developments

- Located within a ½ mile of High-Quality Transit
- **NEW for 2015: May include transportation, but not required***

Required

**Affordable Housing
or Housing-Related
Infrastructure**

AND at least one additional use

+

**Sustainable
Transportation
Infrastructure**

or

**Additional
Capital or
Program Uses**

Project Type: Integrated Connectivity Projects

- Must have Qualifying Transit
- **NEW for 2015: Must include Transportation Infrastructure***

Required

**Sustainable
Transportation
Infrastructure**

+

Required: At least
one of the following

- Affordable Housing (AHD or HRI)
- **Transportation-Related Amenities**
- Programs

Optional

**Additional
Capital or
Program Uses**

Project Type: **Rural Innovation Project Area (RIPA)**

NEW for 2105:

- CANNOT be served by High Quality Transit
- Must be located in a Rural Area
- Must meet same requirements as an ICP

Required

**Sustainable
Transportation
Infrastructure**

+

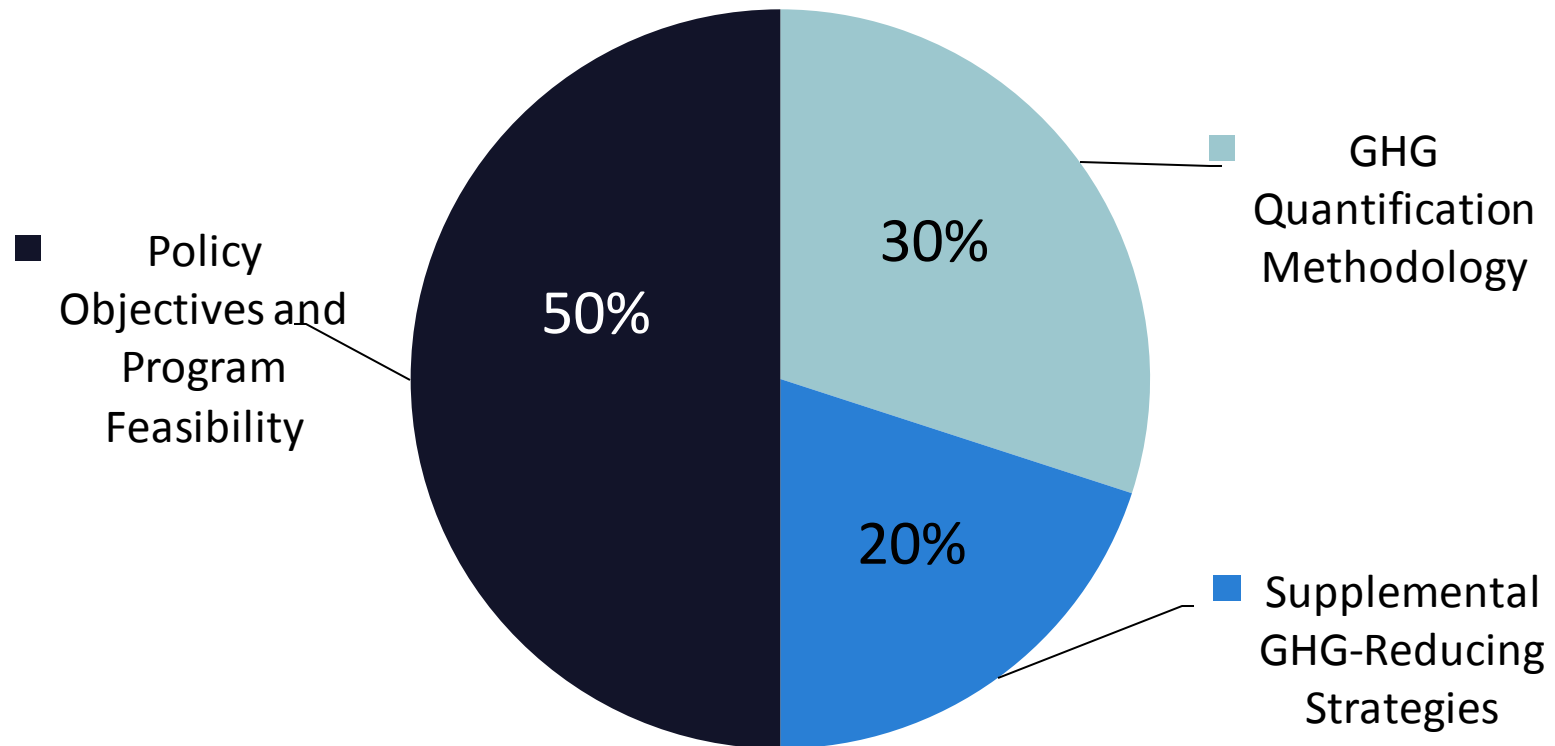
Required: At least
one of the following

- Affordable Housing (AHD or HRI)
- Transportation-Related Amenities
- Programs

Optional

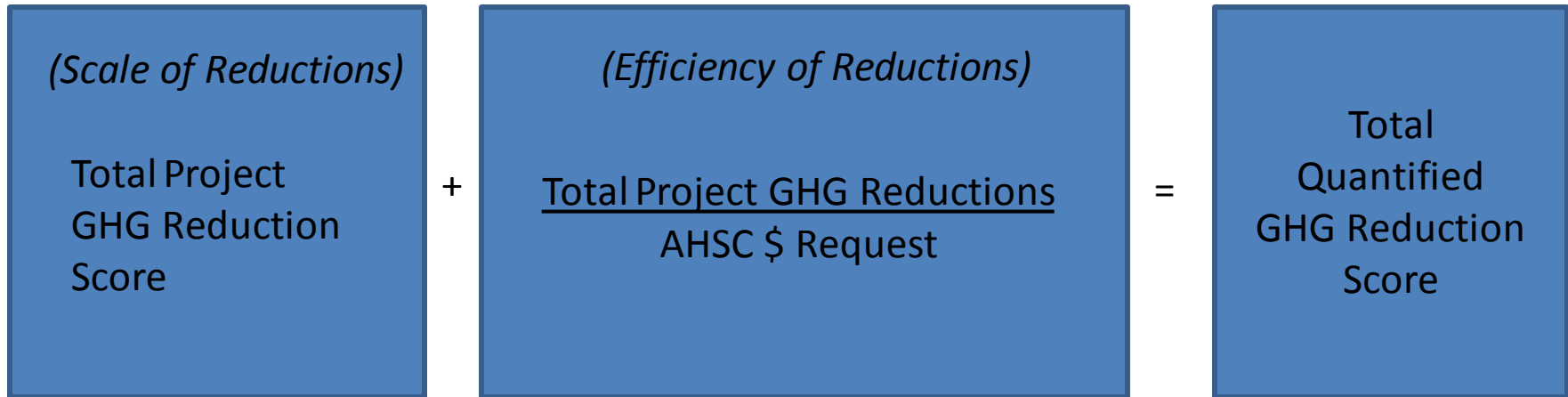
**Additional
Capital or
Program Uses**

Revised Application Scoring Criteria



Scoring Criteria:

GHG Emissions Reductions - 30 points



Total Project GHG Reductions Score		Efficiency of Reductions Score	
Bin 1 = 15 points	+	Bin 1 = 15 points	=
Bin 2 = 12 points		Bin 2 = 12 points	
Bin 3 = 9 points		Bin 3 = 9 points	
Bin 4 = 6 points		Bin 4 = 6 points	
Bin 5 = 3 points		Bin 5 = 3 points	
			Total GHG Reduction Score

Scoring Criteria:

Complementary GHG Reducing Strategies- **20 points**

Active Transportation Improvements – 10 points

- Installation, expansion or improvement of active transportation infrastructure

Water, Energy and Greening – 10 points

- Incorporation of infrastructure components or building standards that contribute to reduction in GHG emissions

Sizing AHSC Awards

Award Range: \$1 million - \$20 million

- AHD awards determined by MHP calculations
\$55-105k/unit depending on size and AMI
*\$50,000 per restricted unit boost for 4% tax credit projects**
- HRI awards determined by # of units (limit \$50k per AHSC restricted unit, otherwise \$35k per unit)
- STI and TRA awards determined by cost of infrastructure and items.
- **No jurisdictional cap.**
- **Developer cap raised to \$40 million total.**

* Pending SGC adoption of 2015-16 AHSC Guidelines in December 2015

Other Draft Programmatic Changes

Related to eligible housing developments and costs:

- Acquisition and Rehabilitation projects exempt from minimum density requirements.
- Requirement for AHSC-funded Affordable Housing Developments (AHD) to include secure overnight bicycle parking (1 space/2 units).
- Limits on AHSC funds for auto parking at AHD.

Estimated Timeline

Stakeholder Meetings on 2015-2016 Draft Guidelines	Late October 2015
Comments due on Draft Guidelines	October 30, 2015
Revision of Guidelines	Late Fall/Early Winter 2015
Final Guidelines presented to Council for Approval	December 2015
Release of 2015-2016 Notice of Funding Availability	January 2016
Concept Applications Due	February 2016
Full Applications Due	April 2016
Awards Announced	July/August 2016

Questions?

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http://sgc.ca.gov/s_ahscprogram.php

<http://www.hcd.ca.gov/financial-assistance/affordable-housing-and-sustainable-communities/index.html>