REGULAR MEETING

ENERGY AND ENVIRONMENT COMMITTEE

Thursday, November 2, 2017
10:00 a.m. – 12:00 p.m.

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

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Tess Rey-Chaput at (213) 236-1908 or via email at REY@scag.ca.gov.

Agendas and Minutes for the EEC are also available at: http://www.scag.ca.gov/committees/Pages/default.aspx

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency’s essential public information and services. You can request such assistance by calling (213) 236-1908. We request at least 72 hours (three days) notice to provide reasonable accommodations and will make every effort to arrange for assistance as soon as possible.
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<table>
<thead>
<tr>
<th>Members</th>
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<tbody>
<tr>
<td>Chair* 1. Hon. Carmen Ramirez</td>
<td>Oxnard</td>
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<td>Vice-Chair* 2. Sup. Linda Parks</td>
<td>Ventura County</td>
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<td>3. Hon. Ana Beltran</td>
<td>Westmorland</td>
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<td>* 4. Hon. Margaret Clark</td>
<td>Rosemead</td>
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<td>5. Hon. Ned Davis</td>
<td>Westlake Village</td>
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<td>* 6. Hon. Peggy Delach</td>
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<td>7. Hon. Paula Devine</td>
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<td>12. Hon. Sandra Genis</td>
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<td>* 15. Hon. Steve Hwangbo</td>
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<td>16. Hon. Diana Mahmud</td>
<td>South Pasadena</td>
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<td>* 17. Hon. Judy Mitchell</td>
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<td>19. Hon. Jim Osborne</td>
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<td>21. Hon. David Pollock</td>
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<td>* 22. Hon. Deborah Robertson</td>
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<td>* 23. Hon. Laura Rosenthal</td>
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<td>24. Hon. Meghan Sahli-Wells</td>
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<td>25. Hon. Betty Sanchez</td>
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<td>26. Hon. Emma Sharif</td>
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<td>27. Hon. Diane Williams</td>
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<td>29. Hon. Bonnie Wright</td>
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<td>30. Mr. Steve Schuyler</td>
<td>Building Industry Association</td>
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<td>of Southern California (BIASC)</td>
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* Regional Council Member
The Energy & Environment Committee (EEC) may consider and act upon any of the items listed on the agenda regardless of whether they are listed as Information or Action Items.

CALL TO ORDER & PLEDGE OF ALLEGIANCE
(The Honorable Carmen Ramirez, Chair)

PUBLIC COMMENT PERIOD – Members of the public desiring to speak on items on the agenda, or items not on the agenda, but within the purview of the Committee, must fill out and present a Public Comment Card to the Assistant prior to speaking. Comments will be limited to three (3) minutes per speaker. The Chair has the discretion to reduce the time limit based upon the number of speakers and may limit the total time for all public comments to twenty (20) minutes.

REVIEW AND PRIORITIZE AGENDA ITEMS

CONSENT CALENDAR

<table>
<thead>
<tr>
<th>Approval Item</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Minutes of the October 5, 2017 Meeting</td>
<td>Attachment 1</td>
</tr>
</tbody>
</table>

Receive and File

<table>
<thead>
<tr>
<th>Item</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. California WaterFix - Support</td>
<td>Attachment 7</td>
</tr>
<tr>
<td>3. Status Update on Implementation of 2016 South Coast Air Quality Management Plan (AQMP)</td>
<td>Attachment 11</td>
</tr>
<tr>
<td>4. Notice of Funding Availability (NOFA): Infill Infrastructure Grant (IIG)</td>
<td>Attachment 14</td>
</tr>
<tr>
<td>5. SB 1 Sustainable Planning Grant Program – Formula Funds</td>
<td>Attachment 17</td>
</tr>
<tr>
<td>6. 2018 Meeting Schedule of the Regional Council and Policy Committees</td>
<td>Attachment 22</td>
</tr>
<tr>
<td>7. Update on Federal Clean Air Action Sanctions Clocks in South Coast</td>
<td>Attachment 23</td>
</tr>
</tbody>
</table>
INFORMATION ITEMS

8. Adapting to a Changing Climate
   (Dr. Alex Hall, Director, UCLA Center for Climate Science)

9. ARB Final Staff Recommendations on SB 375 Regional GHG Target for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (2020 RTP/SCS) and Beyond
   (Hasan Ikhrata, Executive Director)

CHAIR’S REPORT
(The Honorable Carmen Ramirez, Chair)

STAFF REPORT
(Grieg Asher, SCAG Staff)

FUTURE AGENDA ITEM/S

ANNOUNCEMENT/S

ADJOURNMENT

The next regular meeting of the EEC is scheduled for Thursday, December 7, 2017 at the SCAG Los Angeles Office.
THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE ENERGY AND ENVIRONMENT COMMITTEE. AN AUDIO RECORDING OF THE MEETING IS AVAILABLE AT SCAG, 818 W. 7TH STREET, 12TH FLOOR, LOS ANGELES, CA 90017.

The Energy and Environment Committee (EEC) held its meeting at the SCAG Los Angeles Office. A quorum was present.

**Members Present**

Hon. Ned Davis, Westlake Village
Hon. Peggy Delach, Covina
Hon. Larry Forester, Signal Hill
Hon. Mike Gardner, Riverside
Hon. Jon Harrison, Redlands
Hon. Shari Horne, Laguna Woods
Hon. Sandra Genis, Costa Mesa
Hon. Diana Mahmud, South Pasadena
Hon. Judy Mitchell, Rolling Hills Estates
Hon. Jim Osborne, Lawndale
Hon. Luis Plancarte, Imperial County
Hon. Carmen Ramirez, Oxnard (Chair)
Hon. Laura Rosenthal, Malibu
Hon. Meghan Sahli-Wells, Culver City
Mr. Steve Schuyler, Ex Officio
Hon. Emma Sharif, Compton
Hon. Diane Williams, Rancho Cucamonga
Hon. Edward Wilson, Signal Hill
Hon. Bonnie Wright, Hemet

LVMCOG
District 33
GCCOG
WRCOG
SBCTA/SBCOG
OCCOG
OCCOG
SGVCOG
District 40
SBCCOG
ICTC
District 45
District 44
WCCOG
Building Industry Association
GCCOG
SBCTA/SBCOG
Gateway Cities COG
WRCOG

**Members Not Present**

Hon. Ana Beltran, Westmoreland
Hon. Margaret Clark, Rosemead
Hon. Paula Devine, Glendale
Hon. Jordan Ehrenkranz, Canyon Lake
Hon. Mitchell Englander, Los Angeles
Hon. Judy Nelson, Glendora
Hon. Linda Parks (Vice-Chair)
Hon. David Pollock, Moorpark
Hon. Deborah Robertson, Rialto
Hon. Betty Sanchez, Coachella Valley

ICTC
District 32
Arroyo Verdugo Cities
WRCOG
District 59
SGVCOG
Ventura County
VCOG
District 8
CVAG
CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The Honorable Carmen Ramirez, Chair, called the meeting to order at 10:05 a.m. and asked the Hon. Laura Rosenthal, Malibu, to lead the Pledge of Allegiance.

PUBLIC COMMENT PERIOD

REVIEW AND PRIORITIZE AGENDA ITEMS

CONSENT CALENDAR

Approval Items

1. Minutes of the September 7, 2017 Meeting

Receive and File

2. Walktober 2017

3. 2017/2018 Go Human Event Series

4. SB 1 Sustainable Communities Planning Grant Programs

5. Affordable Housing and Sustainable Communities (AHSC) Program Update and SCAG Technical Assistance

6. 2018 Meeting Schedule of the Regional Council and Policy Committees

A MOTION was made (Forester) to approve the Consent Calendar. Motion was SECONDED (Genis) and passed by the following votes:

AYES: Davis, Delach, Forester, Genis, Harrison, Horne, Mahmud, Osborne, Plancarte, Ramirez, Rosenthal, Sahli-Wells, Sharif, Williams, Wright (15).

NOES: None (0).

ABSTAIN: None (0).

INFORMATION ITEMS

7. California WaterFix Program

Christine Frey, Metropolitan Water District, stated that “California WaterFix” is the state’s plan to upgrade outdated infrastructure in the Sacramento-San Joaquin Delta (Delta) to secure California’s water supplies and improve the Delta’s ecosystem. One of California’s chief sources of water is the snowpack of the 400-mile-long Sierra Nevada mountain range. In the low-lying Delta, some water flows west into the San Francisco Bay and out to the Pacific Ocean. Some water is lifted by federal and state pumping plants into southbound canals that supply the Bay Area, Central Valley, and Southern California. The water diverted by the federal and state water projects in the Delta reaches
25 million Californians and three million acres of farmland. WaterFix is planned as an upgrade to the existing system of levees and pumps in the Delta and is intended to provide additional water to central and southern California by allowing wet-year water to replenish reservoirs.

The project would allow more wet-year water to be captured and help address natural flow patterns in the south Delta. While providing great protection for fish species. The initial operating criteria would result in a total yield south of the Delta, for the state Water Project (SWP) AND Central Valley Project (CVP), of approximately 4.9 million acre-feet, averaged over time factoring both wet and drought years.

Over the past several months, the Metropolitan Water District of Southern California staff has provided detailed information in a series of policy white papers that include physical infrastructure, operations, and finance and cost allocation. Metropolitan staff has made more than 100 presentations to elected officials, community leaders, businesses, water agencies and other organizations who have an important voice in the water decisions that affect them. The white papers include many of the most commonly asked questions about the project with responses from Metropolitan staff who are subject matter experts on a wide range of water management and planning, system operations, Delta science, construction, financing, and other related issues.

Opponents, mostly environmental and community advocates, complain that the tunnels would drive up regional water rates, harm the struggling delta environment and primarily benefit San Joaquin Valley agribusiness.

Hon. Diane Mahmud, South Pasadena, stated that she represented the San Gabriel Valley Council of Governments (SGVCOG) and its Board did take a support position for the funding for 26% of the proposed project’s capital costs of $16.7 billion prior to learning of the opposition of Westlands Water District, the single largest central valley contractor. District 7, Santa Clara Valley, notwithstanding Westlands opposition, has gone on to support the project. Ms. Frey responded that Westlands, is a contractor in the Central Valley side and on the Federal system. Westlands recently opted not to participate in the project. Metropolitan’s Chair and General Manager decided it is important to move forward with it vote for the 26% which is Metropolitan’s current share that matches the amount of water that Metropolitan gets on the State water project side. On the Federal side, the financing is a little different and Westlands was being asked to pay for other entities and cover the costs. Westlands did not feel that this was a financial situation that they could commit to. Potentially, this was a way for Westlands to start negotiations to get a better financial deal. Should Westlands decide not to move forward, Metropolitan may decide to move forward with a smaller project. Councilmember Mahmud asked Ms. Frey if she could help in communicating to Metropolitan that SGVCOG’s position of support was predicated upon the facts as the SGVCOG then knew them which included participation by Westlands. Boards and agencies that have gone on record as supporting the plan will need to once again have to determine its support once Metropolitan figures out what it is going to do to.

More information can be found at: mwdh2o.com/waterfix and Bewaterwise.com

8. California Climate Investments Annual Report - 2017

Dr. Cheryl Laskowski, Air Pollution Specialist, California Air Resources Board (CARB), stated that there are numerous goals and objectives in the Greenhouse Gas (GHG) reduction fund money in the California Climate Investments Program. Not only is one of the goals to reduce GHG
emissions, there are statutory requirements that also maximize other co-benefits and also invest a minimum amount of money to benefit residents of disadvantaged communities. The state receives some of the money from the Cap and Trade auctions and to date the state has received over $5 billion in auction proceeds.

There are a number of requirements and laws that have been passed that tell CARB how it needs to help the state agencies administer the program. The auction proceeds are deposited into the GHG Reduction Fund (GGRF). The Administration then develops a Three Year Investment Plan that helps the legislature to identify potential investment priorities. CARB develops guidance for administering agencies with GHG quantification methodologies, evaluation co-benefits, and identifying benefits to targeted disadvantage communities and households. CARB also provides guidance to the Department of Finance’s annual report that talks about the status and outcomes of the investments made.

The Funding Guidelines are provided to give guidance to agencies administering California Climate Investments (CCI) programs in the areas of: general guidance, investments to benefit disadvantaged populations, and reporting. Initial draft guidelines were first released in 2015, the guidelines are currently undergoing an update to reflect new programs and Legislative direction. Agencies design and implement their own programs based on the Funding Guidelines. CARB will be developing a proposed Board version in the next few months and post it on-line for additional comments and will go to the Board in December 2017 for approval.

Expected outcomes of the program will include: GHG emissions reduction, qualitative benefits of co-benefits, investments benefiting disadvantage communities, updates to providing benefits to target populations, affordable housing and sustainable communities, and clean energy and energy efficiency.

More information on the program, including project maps and project lists, can be found at: www.caclimateinvestments.ca.gov

9. Volkswagen (VW) Zero-Emissions Investment Plan

Marco Anderson, SCAG Staff, stated that SCAG’s Clean Cities Coalition includes parts of Los Angeles County, Orange, San Bernardino, Ventura and Imperial. The program has been a SCAG component since 2010. The Coalition reports to SCAG’s Energy & Environment Policy Committee EEC and Regional Transit Technical Advisory Committee (RTTAC) and has over 200 stakeholders/members. There are four other Coalitions located within the SCAG region: LA City, Long Beach, Western Riverside, and Coachella Valley. The Coalition is funded through the US Department of Energy (DOE) program contract and available through the California Energy Commission (CEC) Grant Funding.

On July 27, 2017, the California Air Resources Board (CARB) approved the first of four plans by Volkswagen (VW) under the Zero-emissions Investment Plan (ZIP). The ZIP calls for VW to invest $800 million over 10 years in zero-emission vehicle (ZEV) infrastructure, public outreach and access to ZEVs for residents of disadvantaged communities. The investment is part of a multi-pronged settlement agreement resulting from the automaker’s use of software to cheat on vehicle certification tests for its diesel passenger cars sold between 2009 and 2016. The software, referred to as a “defeat device” in the settlement, resulted in up to 40 times the allowable amount of nitrogen oxide (NOx) to be emitted into the atmosphere. As part of the ZIP, the VW subsidiary Electrify
America is intending to invest approximately $25-$35 million in the Los Angeles area as defined by the US Census Bureau’s Los Angeles Metropolitan Statistical Area (MSA).

Hon. Diane Mahmud suggested that staff encourage and support free ZEV charging in municipal parking lots.

More information can be found at: www.electrifyamerica.com

**CHAIR’S REPORT**

None.

**STAFF REPORT**

None.

**FUTURE AGENDA ITEM/S**

AB 1668, (Friedman), Water Conservation as a Way of Life - Hon. Diana Mahmud

**ANNOUNCEMENTS**

Hon. Carmen Ramirez reminded the EEC that SCAG will be holding its eighth annual Southern California Economic Summit, ‘The Cost of Not Housing’ on November 9, 2017, 8:00 a.m. – 2:00 p.m., at the L.A. Hotel Downtown Los Angeles.

**ADJOURNMENT**

The Honorable Carmen Ramirez adjourned the meeting at 11:45 a.m.

The next regular meeting of the EEC will be held on Thursday, November 1, 2017 at the SCAG Los Angeles office.

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE ENERGY AND ENVIRONMENT COMMITTEE]
| Member (including Ex Officio) | Date Appointed if after 1/1/17 | Representing | Imperial | Los Angeles | Orange | Riverside | San Bernardino | Ventura | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec | Total Mtgs Attended |
|------------------------------|---------------------------------|--------------|----------|-------------|--------|-----------|----------------|---------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------------|
| Beltran, Ana                 | 2/17                            | ITC         | X        |             |        |           |                |         |     |     |     |     |     |     |     | 3   |     |     |     | 2    |
| Clark, Margaret              |                                 | Rosemead    | X        | X           | X      | X         | E              | X       | A   |     |     |     |     |     |     | 6   |     |     |     | 3    |
| Davis, Todd                  | 1/17                            | LVMCOG      | X        |             |        |           | X              | X       | N   | X   | R   | X   |     |     |     | 3   |     |     |     | 1    |
| Delach, Peggy                | 10/17                           | Corona      | X        | E           | K      | X         |                |     |     |     |     |     |     |     |     | 1   |     |     |     | 1    |
| Deane, Paula                 | 2/17                            | Arcadia     | X        | X           | X      | R         | X              |         |     |     |     |     |     |     |     | 4   |     |     |     | 4    |
| Ehrenkranz, Jordan           |                                 | WRCOG       | X        | X           | X      | X         | A              | X       |     |     |     |     |     |     |     | 5   |     |     |     | 5    |
| Englefield, Mitchell         |                                 | Los Angeles | X        |             |        |           |                |         |     |     |     |     |     |     |     | 5   |     |     |     | 5    |
| Forrest, Larry               |                                 | Gateway Cities | X    |             |        |           |                |         |     |     |     |     |     |     |     | 6   |     |     |     | 6    |
| Gardner, Mike                |                                 | WRCOG       | X        | X           | X      | X         | X              | X       |     |     |     |     |     |     |     | 6   |     |     |     | 6    |
| Geiss, Sandra                |                                 | OCCOG       | X        | X           | X      | X         |                | X       |     |     |     |     |     |     |     | 7   |     |     |     | 7    |
| Harrison, John               |                                 | SBCTA/SANBAG | X      |             |        |           |                |         |     |     |     |     |     |     |     | 4   |     |     |     | 4    |
| Home, Shari                  |                                 | OCCOG       | X        | X           | X      | S         |                | X       |     |     |     |     |     |     |     | 7   |     |     |     | 7    |
| Hwangbo, Steve               |                                 | La Palma    | X        |             |        |           |                |         |     | S   | X   |     |     |     |     | 3   |     |     |     | 3    |
| Mahmud, Diana                |                                 | SGVCOCG     | X        |             |        |           |                |         |     | X   | E   | X   | X   |     |     | 5   |     |     |     | 5    |
| Mitchell, Judy               |                                 | SBCCOG      | X        |             |        |           |                |         |     | M   | X   | X   | X   |     |     | 6   |     |     |     | 6    |
| Nelson, Judy                 | 7/17                            | SGVCOCG     | X        |             |        |           |                |         |     |     |     |     |     |     |     | 4   |     |     |     | 4    |
| Osborne, Jim                 |                                 | SBCCOG      | X        |             |        |           |                |         |     | X   | L   |     |     |     |     | 5   |     |     |     | 5    |
| Parks, Linda                  |                                 | Ventura     | X        |             |        |           |                |         |     |     |     |     |     |     |     | 6   |     |     |     | 6    |
| Planicarte, Luis             |                                 | ICTC        | X        |             |        |           |                |         | X   | X   | X   | X   |     |     |     | 7   |     |     |     | 7    |
| Pollock, David               |                                 | VCCG        | X        | X           | X      | X         |                | X       |     |     |     |     |     |     |     | 6   |     |     |     | 6    |
| Ramirez, Carmen              |                                 | Oxnard      | X        | X           | X      | X         |                | X       |     |     |     |     |     |     |     | 8   |     |     |     | 8    |
| Robertson, Deborah           |                                 | Rialto      | X        |             |        |           |                |         |     |     |     |     |     |     |     | 3   |     |     |     | 3    |
| Rosenthal, Laura             | 1/17                            | Malibu      | X        |             |        |           |                |         |     |     |     |     |     |     |     | 7   |     |     |     | 7    |
| Salhi-Wells, Meghan          |                                 | WCCOG       | X        |             |        |           |                |         |     |     |     |     |     |     |     | 6   |     |     |     | 6    |
| Sanchez, Betty               |                                 | CVAG        | X        |             |        |           |                |         |     |     |     |     |     |     |     | 5   |     |     |     | 5    |
| Schuyler, Steve              |                                 | BAASC       | X        |             |        |           |                |         |     |     |     |     |     |     |     | 7   |     |     |     | 7    |
| Shariff, Emma                | 5/17                            | GCCOG       | X        |             |        |           |                |         |     |     |     |     |     |     |     | 3   |     |     |     | 3    |
| Williams, Diane              |                                 | SBCTA/SANBAG | X      |             |        |           |                |         |     |     |     |     |     |     |     | 8   |     |     |     | 8    |
| Wilson, Edward               |                                 | GCCOG       | X        |             |        |           |                |         |     |     |     |     |     |     |     | 7   |     |     |     | 7    |
| Wright, Bennie               |                                 | WRCOG       | X        |             |        |           |                |         |     |     |     |     |     |     |     | 3   |     |     |     | 3    |

TOTALS 2 14 4 4 3 3
DATE: November 2, 2017

TO: Executive/Administration Committee (EAC)
    Regional Council (RC)
    Energy and Environment Committee (EEC)

FROM: Darin Chidsey; Chief Operating Officer; (213) 236-1836; chidsey@scag.ca.gov

SUBJECT: California WaterFix Project – Support

EXECUTIVE DIRECTOR’S APPROVAL: [Signature]

RECOMMENDED ACTION FOR EAC AND RC: Support

RECOMMENDED ACTION FOR EEC: Receive and File

EXECUTIVE SUMMARY:
The California WaterFix project proposes construction of three new water intakes located farther away from endangered species habitats. Tunnels located below ground would carry diverted water by gravity under the Delta to pumping facilities south of the estuary. Water would be lifted into canals that flow several hundred miles through the state (as far south as San Diego). The estimated cost of the project is approximately $16.7 billion and is scheduled to take up to 18 years to complete following approval.

A representative from the Southern California Water Committee provided a presentation to the Energy and Environment Committee (EEC) at its October 5, 2017 meeting. During the public comment period of the October 5, 2017 Regional Council meeting, Governor Jerry Brown provided remarks and answered questions regarding the California WaterFix project and subsequently asked for the agency’s support for the project. Staff is recommending that SCAG support the California WaterFix project as it aligns with the agency’s Board-adopted legislative priorities, which includes support for administrative and legislative action to improve the state’s water supply and infrastructure.

STRATEGIC PLAN:
This item supports SCAG’s Strategic Plan: Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; and Goal 2: Obtain Regional Transportation infrastructure Funding and Promote Legislative Solutions for Regional Planning Priorities.

BACKGROUND:
The California Natural Resources Agency has been working with state and federal agencies since 2006 on a plan to secure California’s water supplies and improve the Sacramento-San Joaquin Delta’s (Delta) ecosystem. In 2015, Governor Jerry Brown announced a major change for the project formerly known as the Bay Delta Conservation Plan. A number of changes were made to the original concept in response to input received from various stakeholders during the planning, preliminary design, and environmental review processes. The lead state and federal agencies shifted their focus from a habitat conservation plan...
to permitting, design, and construction of a Delta conveyance facility (California WaterFix) while the majority of ecosystem restoration work would occur under a separate program (California EcoRestore). California WaterFix maintains the co-equal goals of increasing statewide water supply reliability and, in coordination with California EcoRestore, facilitating increased habitat restoration in the Delta. The proposed design maximizes the use of public lands, reducing the disruption, time, and cost of acquiring private property, easements, and rights of way.

Major features of California WaterFix include three new intakes on the east bank of the Sacramento River in the northern Delta, three 13.5-mile long tunnels connecting these intakes to a new, 30-acre intermediate forebay, and two 30-mile long tunnels carrying water from this forebay to a new pumping plant connected to an expanded and modified Clifton Court Forebay. From there, water would move into the existing State Water Project and Central Valley Project pumping plants located in the south Delta. The total maximum north Delta diversion intake capacity would be 9,000 cubic feet per second.

Construction of California WaterFix is anticipated to take up to 18 years to complete following approval, and would be managed under contract with the Department of Water Resources (DWR) through a proposed Delta Conveyance Design and Construction Joint Powers Authority (Construction JPA). This approach was successfully used in the mid-1990s when DWR contracted with the Central Coast Water Authority to design and construct a portion of the California Aqueduct’s Coastal Branch. In coordination with DWR, the Construction JPA would design and construct the project facilities with the goal of ensuring that they are delivered on time, on budget and in accordance with approved specifications. The Construction JPA would sunset upon the completion and commissioning of California WaterFix, which would be turned over to DWR.

Modernizing and improving California’s water system is essential to ensure reliable delivery of the state’s water supplies. Approximately 30 percent of the water used in Southern California homes and businesses comes from Northern California watersheds and flows through the Delta. But the Delta’s ecosystem and 1,100 miles of levees are increasingly vulnerable to earthquakes, flooding, saltwater intrusion, climate change, and environmental degradation.

The cost to construct California WaterFix is estimated to be $16.7 billion, and annual operations and maintenance costs are estimated at $64.4 million (2017 dollars), which was determined through a rigorous analysis by industry professionals. The estimated costs include nearly $900 million for environmental mitigation. These mitigation costs would be in addition to any future state or federal expenditure made pursuant to California EcoRestore.

On October 10, 2017, the Metropolitan Water District of Southern California (MWD) board approved the district’s 26 percent share of financing (approximately $4.3 billion) of the California WaterFix project. Along with MWD, the boards of Zone 7 Water Agency, Mojave Water Agency, San Gorgonio Pass Water Agency, Desert Water Agency, San Bernardino Municipal Water District, Crestline-Lake Arrowhead Water Agency, and Kern County Water Agency have also voted to support the California WaterFix project.

ATTACHMENT:
California WaterFix: A Modern Infrastructure Upgrade
CALIFORNIA WATERFIX: A MODERN INFRASTRUCTURE UPGRADE

that creates more reliable water supplies and addresses existing native fisheries effects

It has been clear to water experts and biologists over the past decade that the status quo in the Delta is unacceptable. The water infrastructure in the Delta is outdated and operations can be harmful to fish. The fragile levees and ecosystem are vulnerable to earthquakes, severe storms, saltwater intrusion and further environmental degradation. WaterFix protects water supply from natural disasters, helps the state prepare for the effects of climate change, and reduces stressors on native fish.

The water delivered through the Delta is a critical piece of the state’s overall water supply security. Sierra snowmelt and stormwater from northern California help meet water needs in southern California, the Bay Area, and the Central Valley. Together with California WaterFix, locally driven water conservation, groundwater, recycling and storage projects create a smarter, more sustainable water system for the 21st century.

California WaterFix is a prudent, realistic, and science-driven water delivery system that will help protect our economy, public health and safety, and California’s native fisheries.

- New details about how the project will be operated are described in the final Biological Opinions issued by the U.S. Fish and Wildlife Service and the National Marine Fisheries Service.
- The total cost of the project is estimated at $15.74 billion ($14.9 for tunnel design and construction, and $0.8 for mitigation).
- The initial operating criteria would result in a total yield south of the Delta, for the SWP and CVP, of approximately 4.9 million acre-feet, averaged over time.
- The project allows more wet year water to be captured and helps address natural flow patterns in the south Delta, while protecting fish and water quality.

WATERFIX BENEFITS

- Water security for 25 million people and thousands of businesses
- Irrigation for more than 3 million acres of farmland
- Reduces entrainment and addresses natural flow patterns for native fisheries
- 4.9 million acre-feet of water on average annually
- More than 136,000 full-time equivalent jobs created
- 3 new water intakes that screen out fish and are located in the north part of the Delta. They would enable the SWP and CVP to operate the south Delta and north Delta facilities in a coordinated fashion that is more protective of native fisheries. The total capacity of the new intakes is 9,000 cubic-feet per second.
- 2 new gravity-fed tunnels, up to 150’ below ground, each 40’ in diameter, to link the new intakes to the existing system in the south part of the Delta.

WaterFix protects water supply from natural disasters, helps the state prepare for the effects of climate change, and reduces stressors on native fish.
NEXT STEPS

Issuance of the California WaterFix Notice of Determination by DWR completes DWR’s compliance with the California Environmental Quality Act and clears a major milestone in planning the project. Several regulatory and permitting actions, as well as funding-related decisions still need to be completed before construction can begin. Initial Requests for Qualifications seeking prospective contractors will be publicized later this year.

COST AND PARTICIPATION DECISIONS

1. PUBLIC WATER AGENCY WORKSHOPS
   Public water agencies contemplating participation in California WaterFix will have public workshops for their boards of directors to discuss cost, financing, infrastructure, operations and project delivery throughout the summer of 2017.

2. PUBLIC WATER AGENCY INVESTMENT
   Public water agencies may decide in fall 2017 whether to invest in the pre-construction phase of the project.

3. PROJECT DELIVERY
   Also in fall 2017, participating public water agencies will decide whether to participate in a project delivery Joint Powers Authority to design and construct WaterFix, consistent with state law.

REGULATORY PROCESSES AND PERMITS

<table>
<thead>
<tr>
<th>Process</th>
<th>Status</th>
</tr>
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<tbody>
<tr>
<td>1. ENDANGERED SPECIES ACT (ESA) SECTION 7 CONSULTATION</td>
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<tr>
<td>2. CALIFORNIA ENVIRONMENTAL QUALITY ACT / CEQA</td>
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<td>3. CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE (CDFW) 2081(B) PERMIT</td>
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<td>4. CDFW LAKE AND STREAMBED ALTERATION AGREEMENT, SECTION 1602</td>
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<td>5. SECTION 401 OF THE CLEAN WATER ACT – WATER QUALITY CERTIFICATION</td>
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<td>6. U.S. ARMY CORPS OF ENGINEERS (USACE) SECTION 404 PERMIT</td>
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<td>7. NATIONAL HISTORIC PRESERVATION ACT (NHPA) SECTION 106 COMPLIANCE</td>
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<td>10. DESIGN &amp; ENGINEERING</td>
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<td>11. USACE SECTION 408 PERMIT</td>
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Complete ✔ | In Process 🔫
DATE: November 2, 2017

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

FROM: Hasan Ikhrata, Executive Director, (213) 236-1944, ikhrata@scag.ca.gov

SUBJECT: Status Update on Implementation of 2016 South Coast Air Quality Management Plan (AQMP)

EXECUTIVE DIRECTOR’S APPROVAL:

RECOMMENDED ACTION:
Receive and File

EXECUTIVE SUMMARY:
Since the July 6, 2017 Receive & File staff report to RC/CEHD/EEC/TC, the South Coast Air Quality Management District (SCAQMD) staff has been continuing implementation of the 2016 South Coast AQMP by holding two sets of meetings of the Facility-Based Mobile Source Measure Working Groups and the first meeting of the 2016 AQMP Funding Working Group respectively. This staff report presents highlights of the working group meetings.

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

BACKGROUND:
Meetings of Facility-Based Mobile Source Measures (FBMSM) Working Groups

The Final 2016 South Coast Air Quality Management Plan (AQMP) includes five facility-based mobile source measures seeking emission reductions from new development and redevelopment projects, marine ports, railyards, warehouses, and commercial airports. The SCAQMD Governing Board and the ARB Board also have given additional directions to their respective staff regarding commercial airports and large freight facilities at their respective adoptions of the 2016 AQMP.

To implement the 2016 AQMP and the Boards’ directions, the SCAQMD staff held an introductory working group meeting on May 8, 2017 laying out and seeking stakeholder input on a working group process. Based on the feedback received, the SCAQMD staff formed five FBMSM working groups, one for each of the five measures, with joint meetings on common topics. Subsequently, the SCAQMD staff held the first meetings of the five working groups in late May and early June 2017 presenting a similar proposed FBMSM development framework. As part of the meetings, roundtable discussions were held to seek stakeholder input on potential refinements to the framework.
As a follow-up to the first individual working group meetings, a joint second meeting was held on July 27, 2017 to focus on a common critical topic: How can emission reductions from the facility-based mobile source measures be taken credit for the State Implementation Plan (SIP) purposes especially if such measures are voluntary or incentives based? Based on various U.S. Environmental Protection Agency (EPA) guidance documents, a measure needs to pass the following EPA’s four integrity elements test to be SIP creditable:

- Permanent (e.g., reductions must continue through attainment dates)
- Enforceable (e.g., EPA has the ability to apply penalties and secure corrective action)
- Quantifiable (e.g., reductions must be calculated by reliable and replicable means)
- Surplus (e.g., emission reduction must not otherwise be required or assumed by an adopted SIP measure)

At the meeting, SCAQMD staff provided examples of potentially SIP creditable measures by each of the five categories and how these measures demonstrate the four integrity elements. SCAQMD staff also presented an update on the FBMSM Framework based on comments received as well as a new website dedicated to the facility-based mobile source measures.

On October 4, 2017, a third individual working group meeting was held for each of the five FBMSB Working Groups except the marine ports. At these meetings, SCAQMD staff described the respective assumptions and results of the base year and future baseline emissions inventory in the 2016 AQMP. SCAQMD staff presented some potential emission reduction opportunities and sought stakeholder input on additional potential emission reduction opportunities by the respective major sources of emissions. Additional needed information on emissions inventory also have been identified for the respective major sources of emissions.

As next steps, SCAQMD staff will work with stakeholders to obtain the needed detailed emissions information, identify specific voluntary emission reduction commitments, continue to evaluate emissions inventory, evaluate climate action plans, and develop voluntary and regulatory concepts. A progress report on the FBMSM Working Group process is scheduled to be present to the SCAQMD’s Mobile Source Committee in March 2018. For additional information, visit http://www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan/facility-based-mobile-source-measures.

Under a separate effort and in response to the ARB Board Direction, ARB staff has held two public workshops and four community meetings to discuss and seek stakeholder input on concepts for minimizing community health impacts from large freight facilities including seaports, railyards, and warehouses/distribution centers. The two workshops, one in Los Angeles on August 29 and the other in Sacramento on September 6, followed the same format and presented the same presentational materials. The four community meetings were held in September and each included multiple breakout sessions where participants gathered in small groups to discuss their views and raise questions with ARB staff. Two of the community meetings were held in the SCAG region: one in City of Long Beach while the other in City of Fontana. ARB staff is scheduled to present concepts to the ARB Board in March 2018. For additional information, visit https://www.arb.ca.gov/gmp/sfti/freightfacility.htm.
First Meeting of 2016 AQMP Funding Working Group

As part of the 2016 AQMP development process, a Draft Financial Incentives Funding Action Plan has been prepared to help identify new revenue sources that the SCAQMD could pursue for incentive funding programs to help accelerate the turnover of existing vehicles and equipment to zero and near-zero emission technologies and help the region meet federal air quality standards. At its March 2017 meeting, the SCAQMD Governing Board approved the schedule of activities included in the Draft Funding Action Plan. The Draft Action Plan can be downloaded from http://www.aqmd.gov/docs/default-source/clean-air-plans/air-quality-management-plans/2016-air-quality-management-plan/draftfinancialincentivefunddec2016.pdf?sfvrsn=6.

On August 18, 2017, the SCAQMD staff kicked off the first 2016 AQMP Funding Working Group meeting. At the meeting, SCAQMD staff discussed the mission, goals, and membership of the Funding Working Group, presented the 2016 AQMP funding needs and the Draft Financial Incentives Funding Action Plan. The SCAQMD staff also provided an update on state and federal actions. Finally, the SCAQMD staff held discussion to seek stakeholder suggestions for outreach and initial funding ideas and strategies. For additional information, visit http://www.aqmd.gov/home/about/groups-committees/aqmp-advisory-group/2016-aqmp-funding-working-group.

SCAG Staff Participation

Several SCAG staff from the relevant subject areas have participated in these working group meetings, reviewed meeting materials, and provided input within their respective areas. SCAG staff will continue to actively participate in and closely monitor the working group process and will report back to the Regional Council and Policy Committee(s) as appropriate.

FISCAL IMPACT:
Work associated with this item is included in the current FY17-18 Overall Work Program (025.SCG0164.01: Air Quality Planning and Conformity).

ATTACHMENT:
None
DATE: November 2, 2017

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

FROM: Ma’Ayn Johnson, Housing & Land Use Planner, 213-236-1975, johnson@scag.ca.gov

SUBJECT: Notice of Funding Availability (NOFA): Infill Infrastructure Grant (IIG)

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:
For Information Only - No Action Required.

EXECUTIVE SUMMARY:
The California Department of Housing and Community Development (HCD) has announced a NOFA of $50 million statewide for its Infill Infrastructure Grant program. The purpose of the program is to provide grants for Capital Improvement Projects in support of Qualifying Infill Projects. Applications must be received by HCD no later than January 16, 2018. Awards will be announced in June 2018.

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

BACKGROUND:
On October 2, 2017, HCD announced a NOFA of $50 million statewide for its Infill Infrastructure Grant program (IIG). Funding for the IIG program was provided by Proposition 1C, which was approved by California voters in 2006. Funds offered by IIG are available as grant funds for Capital Improvement Projects in support of Qualifying Infill Projects. The minimum project award under the program is $500,000 for urban areas and $250,000 for rural areas, while the maximum award is $5 million. Non- or for-profit developers are eligible to apply and can apply jointly with a local jurisdiction or public housing authority. However, public agencies are ineligible to apply as sole applicants.

Applications must be received by HCD no later than January 16, 2018. Awards for the program will be announced in June 2018. Additional materials and information can be found at: http://www.hcd.ca.gov/grants-funding/active-funding/iigp.shtml.
FISCAL IMPACT:
Work associated with this item is included in the Fiscal Year 2017-2018 Overall Work Program (080.SCG00153.04: Regional Assessment).

ATTACHMENT:
IIG Program NOFA Announcement, October 2, 2017
MEMORANDUM FOR: POTENTIAL APPLICANTS

FROM: Lisa Bates, Deputy Director
Division of Financial Assistance

SUBJECT: NOTICE OF FUNDING AVAILABILITY (NOFA) INFILL INFRASTRUCTURE GRANT (IIG) PROGRAM

The Department of Housing and Community Development (Department) is pleased to announce the availability of approximately $50 million in funding for the Infill Infrastructure Grant (IIG) Program. The purpose of the IIG Program is to provide grants for Capital Improvement Projects (CIP), in support of Qualifying Infill Projects (QIP). Funding for this NOFA and Program requirements are provided under the Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C) pursuant to Sections 53545(b), 53545.12 and 53545.13 of Chapter 2 of Part 12 of Division 31 of the Health and Safety Code. Additional funds may be added to the NOFA up to a maximum of $50.8 million.

A complete original application, and electronic copies on CD or flash drive with all applicable information must be received by the Department no later than 5:00 p.m. Pacific Standard Time on January 16, 2018 (Tuesday) delivered by a mail carrier service such as U.S. Postal Service, UPS, FedEx, or other carrier services that provide date stamp postmarked verification to the address below:

INFILL INFRASTRUCTURE GRANT (IIG) PROGRAM
Department of Housing and Community Development
Division of Financial Assistance, NOFA Section
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833

Personal deliveries will not be accepted. No late applications, incomplete applications, facsimiles, walk-ins or application revisions will be accepted.

The IIG Program application forms, guidelines, and related Program information is available at http://www.hcd.ca.gov/grants-funding/active-funding/iigp.shtml. To receive information on workshops and other updates, please subscribe to the Department’s IIG mailing list. Questions may be directed to the IIG Program at (916) 263-2771 or DFAInfill@hcd.ca.gov.
DATE: November 2, 2017

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

FROM: Jason Greenspan, AICP, Manager of Sustainability; greenspan@scag.ca.gov, (213) 236-1859

SUBJECT: SB 1 Sustainable Communities Planning Grant Program – Formula Funds

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:
Receive and File – No Action Required

EXECUTIVE SUMMARY:
On September 14, 2017, the California Department of Transportation (Caltrans) released its FY 17-18 Final SB 1 Grant Guide for Sustainable Communities Planning Grants. The Grant Guide specifies a total of $25 million in formula funds available to California’s Metropolitan Planning Organizations (MPOs). As an MPO, SCAG is eligible to receive $5,170,390 in formula funds, and is required to provide a match valued at $669,879. The purpose of grant funds is to support local and regional multimodal transportation and land use planning projects that further SCAG’s Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS), contribute to the State’s greenhouse gas (GHG) reduction targets, and also assist in achieving the Caltrans mission. As required by Caltrans, SCAG submitted application forms on October 20, 2017, serving as a draft amendment to the 2017-18 Overall Work Program (OWP) in order to secure access to the formula grant. Once Caltrans indicates concurrence with the draft OWP amendment, SCAG staff will seek Regional Council approval of the amendment.

STRATEGIC PLAN:
This item supports SCAG Regional Goal 1) Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies, c) Provide practical solutions for moving new ideas forward

BACKGROUND:
As a Metropolitan Planning Organization (MPO), SCAG is eligible to receive $5,170,390 in formula grant funds from Caltrans’ FY 17-18 Sustainable Communities Planning Grants program. SCAG is required to provide a match valued at $669,879. The purpose of grant funds is to support local and regional multimodal transportation and land use planning projects that further SCAG’s RTP/SCS, contribute to the State’s greenhouse gas (GHG) reduction targets, and also assist in achieving the Caltrans mission. As
required by Caltrans, SCAG submitted application forms on October 20, 2017, serving as a draft amendment to the 2017-18 Overall Work Program (OWP) in order to secure access to the formula grant.

As reported in October, SCAG staff worked to refine project descriptions and ensure that application materials were submitted to Caltrans by the October 20th deadline. Prioritized projects will directly benefit our member jurisdictions and support development and implementation of our SCS. The majority of FY17-18 funds made available through Caltrans will support SCAG’s Sustainability Planning Grant (SPG) program. SCAG staff organized projects into three principal categories (see attachment):

1. **Planning Grant Program** - The SPG is SCAG’s proven, recognized and effective framework for deploying essential planning resources throughout the SCAG region. It will continue to be a critical tool in achieving SB 375 targets and other State goals aimed at reducing GHG emissions. The three main grant categories - Integrated Land Use; Active Transportation; and Green Region Initiative – offer jurisdictions the wherewithal to develop and update local plans that support State priorities, reduce vehicle miles travelled (VMT), and advance the region’s SCS.

2. **Future Communities Initiative** - The Future Communities Initiative, guided by the Open Data/Big Data- Smart and Connected SCAG Region Committee, includes early action items aimed at harnessing the power of new technologies, big data, open data as well as enhanced analytics to promote innovation in regional and local planning and reduce transportation demand. Tools and resources provided through the initiative will enable more informed regional and local policymaking, increase the efficiency of public service delivery, and ensure the financial sustainability of future cities. The Future Communities Initiative will play a key role in reducing VMT and GHG emissions by modernizing regional land-use and transportation planning tools and providing local agencies with planning resources to pilot new technologies to reduce travel demand.

3. **SCS Development** - SCAG staff initiated implementation of the 2016 RTP/SCS immediately after its adoption, and has since launched research, planning and studies in preparation for the 2020 SCS. Much of SCAG’s proposed research and planning is focused on reducing single occupancy vehicle trips and transportation related GHG through advancing mode shift; transportation demand management; operational efficiency; system accessibility; and integration of future transportation, employment and land use.

Once Caltrans indicates concurrence with projects associated with the foregoing categories included in the draft OWP amendment, SCAG staff will seek Regional Council approval of the amendment. Work may begin as early as January 2018, and all reimbursable work must be completed by the end of February 2020. It is expected that availability of additional formula funds will be announced by Caltrans in early 2018 for incorporation into the FY 2018-19 budget. Future SB 1 formula based funding for SCAG and other MPOs will be dependent on the development of an SCS in the next planning cycle that continues to demonstrate meeting the SB 375 per capita GHG reduction targets established by the California Air Resources Board.
FISCAL IMPACT:
When approved by Caltrans, the formula grant of $5,170,390 and the local match of $669,879 will be included in the FY 2017-18 Overall Work Program.

ATTACHMENT:
Draft SCAG SB1 Planning Project List
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DRAFT SCAG SB1 PLANNING PROJECTS

PLANNING GRANT PROGRAM
The Sustainability Planning Grant (SPG) Program is a proven, recognized and effective framework for deploying essential planning resources throughout the SCAG region. It will continue to be a critical tool in achieving SB 375 targets and other State goals aimed at reducing GHG emissions. The three main grant categories – Integrated Land Use; Active Transportation; and Green Region Initiative – offer jurisdictions the wherewithal to develop and update local plans that support State priorities, reduce vehicle miles travelled (VMT), and advance the region's Sustainable Communities Strategy (SCS).

FUTURE COMMUNITIES INITIATIVE
The Future Communities Initiative, guided by of the Open Data/Big Data- Smart and Connected SCAG Region Committee, includes early action items aimed at harnessing the power of new technologies, big data, open data as well as enhanced analytics to promote innovation in regional and local planning and reduce transportation demand. Tools and resources provided through the initiative will enable more informed regional and local policymaking, increase the efficiency of public service delivery, and ensure the financial sustainability of future cities. The Future Communities Initiative will play a key role in reducing VMT and GHG emissions by modernizing regional land-use and transportation planning tools and providing local agencies with planning resources to pilot new technologies to reduce travel demand.

Projects
Regional Data Platform: The foundation for a regional clearinghouse of public sector demographic, land-use, transportation, and public opinion data will be established. This will support regional and local planning for implementation of the SCS by (1) enhancing SCAG’s existing data system capability to meet local needs for data-driven decision-making, government transparency, collaborative regional and community planning; (2) expanding SCAG’s data infrastructure system, enhancing regional data standardization, performing best practices for improvements on data updates; and (3) improving system management, maintenance, and security in order to fully implement and facilitate the region’s needs of open data, big data, and new technology utilization for data sharing and data visualization in innovative planning. This will result in an integrated data platform that supports the update of local general plans—including interactive dashboards that help local jurisdictions make decisions according to sustainability metrics included in SCAG’s SCS.

Future Communities Grants, Phase 1: The Future Communities Partnership Grant Program is a proposed collaboration between SCAG and the Mobile Source Air Pollution Reduction Review Committee (MSRC) to support city and county agencies in implementing innovative pilot projects that reduce VMT from local travel and municipal operations through new technologies and enhanced data analytics. In Phase 1, SCAG will conduct research and analysis to identify new and innovative pilot concepts for reducing VMT, as well as identify more traditional Transportation Demand Management (TDM) strategies that may yield a greater return on investment. The findings from the research will be used to develop program guidelines for a call for projects, which will be issued in FY 2018/2019. In Phase 2, up to $2 million in MSRC funds will be awarded to implement pilots.

Future Communities Study:
To inform the 2020 SCS, SCAG will conduct analyses and engage industry experts and stakeholders to better understand emerging trends and opportunities to reduce commute trips through artificial intelligence.

*Subject to Caltrans approval
intelligence, virtualization and other technological, social, or organizational changes that make remote work opportunities at home or at co-working sites more attractive. The study will include a literature review, analysis of regional commute information, focus groups or surveys to better understand the degree to which technology, social, demographic, and organizational change, and policy contribute to employee productivity and the successful adoption of telework and related programs. The findings will inform TDM assumptions and strategies in the 2020 SCS.

SUSTAINABLE COMMUNITIES STRATEGY (SCS) DEVELOPMENT
SCAG staff initiated implementation of the 2016 RTP/SCS immediately after its adoption, and has since launched research, planning and studies in preparation for the 2020 SCS. Much of SCAG’s research and planning is focused on reducing single occupancy vehicle trips and transportation related GHG through:

- advancing mode shift;
- transportation demand management;
- operational efficiency;
- system accessibility; and
- integration of future transportation, employment and land use.

Projects
SCS Scenario Development and Outreach: This project will support the development of the 2020 SCS by enabling a more robust and stakeholder driven regional scenario development approach. Coordination with existing community based organizations will allow SCAG to engage new audiences with more meaningful engagement during SCS development. The use of a digital platform for a scenario development tool will allow SCAG to reach a broad range of audiences and also capture direct feedback that can be incorporated into SCS scenarios.

Mobility Innovations & Incentives - Revealed Preference Demonstration Study: A revealed preference demonstration experiment will be designed and executed integrating mobility choices and incentives to better understand the effectiveness of different TDM policies. This experiment will involve recruiting volunteers within various travel areas and using technology to assess the effectiveness of different TDM policies and mobility services. Before-and-after volunteer assessments will be conducted.

Mobility Innovations & Incentives - Equity Analysis: SCAG will expand on existing mobility innovation efforts to develop a methodology to determine equity impacts of proposed mobility innovations and incentives strategies. Households of varying income levels and Disadvantaged Community stakeholders will be engaged to develop a consensus driven equity program.

Joint Passenger & Freight Rail Forecast: An integrated passenger and freight rail forecast will be developed that considers existing physical and operational constraints, use agreements, and planned capacity improvements. An advisory committee will include the region’s ports, county transportation commissions, Metrolink, freights, Caltrans and other stakeholders. Planned and potential future capital improvements will be identified for inclusion in the 2020 SCS.

Housing Monitoring for SCS Development: Guidelines will be developed for reviewing updated local jurisdiction input for use as the basis for Regional Housing Needs Assessment (RHNA) allocations. The guidelines, which will consider updated demographic, economic, and land use data collected, will focus on integrating these data sets with the development of the 2020 SCS.

*Subject to Caltrans approval
# 2018 Regular Meeting Schedule of the Regional Council and Policy Committees

(Approved by the Regional Council 9-7-17)

All regular meetings are scheduled on the 1st Thursday of each month.

**Location:** SCAG Headquarters Office, Wilshire Grand Center 900 Wilshire Boulevard, 17th Floor, Los Angeles, CA 90017

<table>
<thead>
<tr>
<th>Executive/Administration Committee (EAC)</th>
<th>Community, Economic and Human Development Committee (CEHD)</th>
<th>Energy and Environment Committee (EEC)</th>
<th>Transportation Committee (TC)</th>
<th>Regional Council (RC)</th>
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<td>February 1, 2018</td>
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<td>March 1, 2018</td>
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<td>April 5, 2018</td>
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<tr>
<td>May 3 - 4, 2018</td>
<td>SCAG 2018 Regional Conference and General Assembly</td>
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<td>Renaissance Resort and Spa, 44400 Indian Wells Lane, Indian Wells, CA 92210</td>
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<td>June 7, 2018</td>
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<td>July 5, 2018</td>
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<td>August 2, 2018 (DARK)</td>
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<td>September 6, 2018</td>
<td>[Note: League of CA Cities Annual Conference, Long Beach, CA; Sep. 9 – 12]</td>
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<td>October 4, 2018</td>
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<td>November 1, 2018</td>
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<td>December 6, 2018</td>
<td>[Note: SCAG 9th Annual Economic Summit, in lieu of the regularly scheduled meetings]</td>
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DATE: November 2, 2017

TO: Energy and Environment Committee (EEC)

FROM: Rongsheng Luo, Program Manager, (213) 236-1994, luo@scag.ca.gov

SUBJECT: Update on Federal Clean Air Action Sanctions Clocks in South Coast

EXECUTIVE DIRECTOR'S APPROVAL: [Signature]

RECOMMENDED ACTION: Receive & File.

EXECUTIVE SUMMARY:
On October 10, 2017, the U.S. Environmental Protection Agency (EPA) published in the Federal Register an interim final rule to defer the imposition of federal Clean Air Act sanctions in the South Coast Air Basin. This staff report is an information update on the EPA action as well as other recent federal, state, and regional actions to address federal sanctions clocks in the South Coast Air Basin.

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

BACKGROUND:
The federal Clean Air Act (CAA) requires that a state implementation plan (SIP) be developed and implemented in a nonattainment area to attain the applicable national ambient air quality standard (NAAQS). Any SIP related deficiency will trigger federal sanctions clocks and, if not corrected in a timely way, may result in offset and highway sanctions. The offset sanctions require higher emissions offset for new or modified major stationary sources such as power plants or refineries; while the highway sanctions prohibits federal funds for many highway projects within the sanctioned area.

On April 14, 2016, EPA published a final action to partially approve and partially disapprove SIP revisions submitted by the California Air Resources Board (ARB) to address CAA planning requirements for the 2006 24-hour fine particulate (PM$_{2.5}$) NAAQS in the South Coast nonattainment area [2012 South Coast Air Quality Management Plan(AQMP)/PM$_{2.5}$ SIP]. As part of that action, EPA disapproved two elements of the 2012 AQMP/PM$_{2.5}$ SIP because they did not fully meet the requirements under three different CAA sections. Effective on May 16, 2016, this disapproval triggered a sanctions clock for imposition of offset sanctions 18 months after May 16, 2016, and highway sanctions 6 months later, pursuant to CAA and EPA regulations. Therefore, offset sanctions will apply on November 16, 2017, and highway sanctions will apply on May 16, 2018, unless EPA determines that the deficiencies forming the bases for the disapprovals have been corrected.

On March 17, 2017, ARB submitted to EPA the amendments to the South Coast Air Quality Management District’s (SCAQMD) Regional Clean Air Incentives Market (RECLAIM) program, which applies to all major stationary sources of air pollutants emissions in the South Coast. Additionally, on May 22, 2017,
ARB submitted to EPA the SCAQMD’s public draft version of the CAA required supplemental analysis for the 2006 24-Hour PM$_{2.5}$ Standards (2017 Supplement). Subsequently, EPA fully approved the revised RECLAIM rules on September 14, 2017 and the 2017 Supplement on September 20, 2017.

On October 10, 2017, EPA proposed to approve the previously disapproved two elements in the 2012 AQMP/PM$_{2.5}$ SIP based on its final approvals of the revised RECLAIM rules and the 2017 Supplement, because EPA believes these SIP submissions correct the deficiencies identified in its April 14, 2016 partial disapproval action.

Based on the proposed approval, EPA also took an interim final rulemaking action on October 10, 2017, effective immediately, to defer the imposition of the offset sanctions and highway sanctions triggered by its April 14, 2016 partial disapproval.

EPA is providing the public with an opportunity to comment on the deferral of sanctions. If comments are submitted that change EPA’s assessment, EPA would take subsequent final action to reimpose sanctions. If no comments are submitted that change EPA’s assessment, EPA will take final action to fully approve the 2012 AQMP/PM$_{2.5}$ SIP, and all sanctions and sanction clocks related to the May 16, 2016 disapproval action will be permanently terminated on the effective date of the final approval.

SCAG staff has been closely monitoring the sanctions clocks and urging EPA, ARB, and SCAQMD staff to take appropriate and prompt actions to resolve the issues underlying the sanctions clocks. Note that there are other running CAA sanctions clocks in the SCAG region due to failure to submit the CAA required SIPs by the statutory deadlines. However, the subject SIPs either have been or will be submitted to EPA soon; as a result, the running sanctions clocks are anticipated to be turned off long before the sanctions imposition deadlines. Nonetheless, SCAG staff will continue closely monitoring the running sanctions clocks and the effort by EPA, ARB, and the subject local air districts to address the underlying issues, and report back to EEC as appropriate.

**FISCAL IMPACT:**
Work associated with this item is included in the current FY17-18 Overall Work Program (025.SCG0164.01: Air Quality Planning and Conformity).

**ATTACHMENT:**
None
DATE: November 2, 2017

TO: Energy and Environment Committee (EEC)

FROM: Jason Greenspan, Manager, Sustainability Department, greenspan@scag.ca.gov, (213) 236-1859

SUBJECT: Adapting to a Changing Climate

EXECUTIVE DIRECTOR’S APPROVAL: [Signature]

RECOMMENDED ACTION: For Information Only – No Action Required

EXECUTIVE SUMMARY:
Dr. Alex Hall, Director of the UCLA Center for Climate Science, will brief the committee on the implications of a changing climate for Southern California, relying on recent studies of regional climate change in Southern California.

STRATEGIC PLAN:
This item supports SCAG Regional Goal 1) Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies, c) Provide practical solutions for moving new ideas forward

BACKGROUND:
Dr. Hall will discuss the implications of a changing climate for Southern California, relying on recent studies of regional climate change in the Southern California region undertaken by his research group at UCLA. He will focus on changes in average temperature, extreme heat, wildfire, water resources, and sea level rise. Dr. Hall’s research indicates that for all these phenomena -- adaptation to significant changes by mid-century will be necessary. Dr. Hall is a Professor in the Department of Atmospheric and Oceanic Sciences at the University of California – Los Angeles (UCLA) and he is also the Director of the UCLA Center for Climate Science. His research is widely used by local agencies and governments throughout the SCAG region.

FISCAL IMPACT:
No Fiscal Impact. This is not a SCAG funded project.

ATTACHMENT:
PowerPoint Presentation: What Climate Change Means for Southern California?
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What Climate Change Means for Southern California

Alex Hall
Professor, UCLA Dept. of Atmospheric and Oceanic Sciences
Director, UCLA IoES Center for Climate Science
November 2, 2017
Average August Temperature Rises

At least 70% of Business-As-Usual warming is inevitable

Sun et al. 2015
More Very Hot Days (>95°F) Per Year

Sun et al. 2015

Area Burned by Wildfire Increases

Jin et al. 2015
What About Water Resources?
Studying Sierra Nevada snowpack changes

Historical Snow Water Equivalent

SWE at April 1
1981–2000

Sun et al. 2017 (in prep.)
Loss of Snow

Change in SWE, April 1, 2081–2100
BUSINESS AS USUAL

Adaptation Is Necessary
Snow at April 1

Sun et al. 2017 (in prep.)
Earlier Shift in Runoff Timing

Schwartz et al. 2017a (in rev.)
Increase in Extremely Wet Years

Change in frequency of events similar to the 2016-2017 water year
(A 100% increase is a doubling.)

Sea Level Rise – Flooding in Venice/MDR

Slide courtesy of Patrick Barnard, USGS
Sea Level Rise – Flooding in Port of LA/Long Beach

SLR of 1 m could increase retreat rates by ~60% over historical rates.
Average August temperature

- **Business As Usual (RCP8.5)**
- **Mitigation (RCP2.6)**

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<tr>
<th>Period</th>
<th>Business As Usual</th>
<th>Mitigation</th>
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<tr>
<td>2081–2100</td>
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Earlier Shift in Runoff Timing

Schwartz et al. 2017a (in rev.)

Loss of Snow at April 1: Sierra Totals

Sun et al. 2017 (in prep.)
DATE: November 2, 2017

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

FROM: Hasan Ikhrata, Executive Director, (213) 236-1944, ikhrata@scag.ca.gov

SUBJECT: ARB Final Staff Recommendations on SB 375 Regional GHG Target for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (2020 RTP/SCS) and Beyond

EXECUTIVE DIRECTOR’S APPROVAL:

RECOMMENDED ACTION FOR EAC AND RC:
Authorize the Executive Director to continue working with California Air Resources Board (ARB) to establish a 2035 per capita greenhouse gas (GHG) reduction target at the extremely ambitious 19% for the 2020 Regional Transportation Plan/Sustainable Communities Strategy.

RECOMMENDED ACTION FOR EEC:
Information only

RECOMMENDED ACTION FOR CEHD AND TC:
Receive and File

EXECUTIVE SUMMARY:
SB 375 authorized ARB to establish regional GHG targets beginning in 2010 for the regional SCS to achieve. ARB is required to update the targets at least once every eight years, so the first update is due 2018. At their April 6, 2017 meeting, the SCAG Regional Council approved submittal to ARB of a recommended 18% GHG per capita reduction target in 2035 (with conditions) for the region. Though the 18% target was the same as the 2016 RTP/SCS achievement, it will be ambitious due to the rebound effects moving forward as addressed further below. On May 1, 201, the state’s four largest MPOs (SCAG, MTC, SACOG and SANDAG) also jointly recommended an 18% GHG reduction target to ARB. This recommendation would apply to the 2020 RTP/SCS and subsequent cycles of the SCS. On October 13, 2017, ARB released its final staff report and recommendations with the 21% per capita GHG reduction target for 2035 for the SCAG region, same as its draft staff recommendation in June 2017. ARB Final Staff Report and Appendices may be accessed at ARB website below:
https://www.arb.ca.gov/cc/sb375/sb375.htm

Since the passage of SB 375, SCAG has committed to an ambitious and achievable per capita GHG reduction achievement, significantly exceeding the ARB targets in both the 2012 and 2016 RTP/SCS respectively. The ARB Staff Recommendation is based on a methodology that adds 3% to the
achievement of SCAG’s current plan (2016 RTP/SCS) of 18% per capita GHG reduction in 2035, but unlike SCAG’s Stress Test and Supplemental Submittals, does not take into account any of the new factors that would likely reduce our plan’s achievement.

*With the results from the SCAG Stress Test and Supplemental Submittals which adjusted the 2035 achievement to 16% based on updated planning assumptions and forecasts (and described further below), SCAG staff finds that a 19% per capita GHG reduction target for 2035 (i.e., adding 3% to the adjusted achievement of 16%) could be achievable pending major efforts ahead for developing the 2020 RTP/SCS. SCAG currently could not identify a pathway to close the gap between 19% and the ARB staff recommended 21% per capita GHG reduction in 2035.*

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

**BACKGROUND:**
Codified in 2009, California’s Sustainable Communities and Climate Protection Act, Senate Bill 375 (referred to as “SB 375”), calls for the integration of transportation, land use, and housing planning, and also establishes the reduction of greenhouse gas (GHG) emissions as part of the regional planning process. The last time that ARB established GHG emissions reduction targets per SB 375 was in 2010. ARB is currently close to finalizing the regional GHG reduction target updates for each MPO to form the basis of the next round of RTP/SCS plans, which for SCAG will be the 2020 RTP/SCS. The SB 375 Target Setting Process has been informed by a suite of concurrent planning activities and technical exercises, including: ARB SB 32 Scoping Plan Update, the ARB Mobile Source Strategy; and the MPO Stress Test.

SCAG has committed to an ambitious and achievable GHG reduction achievement since the passage of SB 375. For the 2012 RTP/SCS, it will achieve a 16% per capita GHG reduction in 2035, significantly exceeding the ARB target of 13%. For the 2016 RTP/SCS, it will achieve an 18% per capita GHG reduction in 2035, again significantly exceeding the ARB target of 13%. The ARB Staff Recommendation is based on a methodology that adds 3% to the achievement of SCAG’s current plan (2016 RTP/SCS) of 18% per capita GHG reduction in 2035, but unlike SCAG’s Stress Test and Supplemental Submittal, does not take into account any of the new factors that would likely reduce our plan’s achievement.

**SCAG Stress Test Results Show that 18% Target for 2035 is Ambitious and Achievable (April 2017)**

At the April 6, 2017 meeting, SCAG Regional Council approved submittal to ARB of a recommended 18% per capita GHG reduction target in 2035 for the region based on the results of the “Stress Test” conducted by SCAG staff. This recommendation would apply to the 2020 RTP/SCS and subsequent cycles of the SCS, and is conditioned upon a combination of actions or alternative equivalent measures (see [http://www.scag.ca.gov/committees/CommitteeDocLibrary/rc040617fullagn.pdf](http://www.scag.ca.gov/committees/CommitteeDocLibrary/rc040617fullagn.pdf) pages 3-9). SCAG recommendation has been included in the ARB Final Staff Report (Appendix B).
SCAG, along with the other three major MPOs in California, have collaborated and each conducted a technical “Stress Test” aimed to test GHG reduction strategies that would yield the most ambitious yet achievable GHG emission reductions. The technical analysis and off-model assessment of potential additional GHG emission reductions from strategies included in the Stress Test are the technical basis for SCAG’s 2035 target recommendations to ARB.

SCAG’s 2016-2040 RTP/SCS achieved an 18% per capita GHG reduction for 2035 based on future implementation, exceeding ARB’s target of 13%. The 2016 RTP/SCS represents an ambitious plan that pushes the envelope in all strategies while protecting economic growth, job creation, and accessibility. Since SCAG has already adopted very ambitious strategies in land use, mileage-based user fees, pricing, and transit investment in both the 2012 and 2016 RTP/SCS, staff focused the agency’s “Stress Test” and potential additional GHG emissions reductions in three strategy buckets: (a) active transportation, (b) zero emissions vehicles, and (c) mobility enhancement and innovations.

SCAG’s Stress Test showed that improved vehicle technology and fuel efficiency through 2035 will induce up to a 4 to 5 percentage point (4% - 5%) increase in per capita GHG in the SCAG region due to the decreased cost of driving (i.e., the “VMT rebound effect”), a point SCAG has consistently stated in all final documentation (e.g., staff reports and comment letters to ARB). It also showed that about 2 to 2.5 percentage points (2.0% - 2.5%) of per capita GHG emissions could be reduced further in 2035. The combined results will leave a 2-2.5 percentage point gap to reach the 18% level. Impacts from transit investments in Measure M passed by voters in Los Angeles County in November 2016 may contribute to reduce some of the gap.

Consensus Recommendation of the Four Largest MPOs of 18% Target for 2035 (May 2017)

Since the state’s four largest MPOs (SCAG, SACOG, SANDAG, and MTC) follow similar RTP/SCS development processes and address similar issues, these agencies have been closely coordinating with each other in conducting their respective Stress Tests and in developing each MPO’s SB 375 GHG target recommendations. The goal of this collaboration is to develop parallel, independent, but comparable Stress Test results and ranges of target recommendations based on consistent modeling and off-model analysis framework and assumptions. On May 1, 2017, the four MPOs provided their consensus recommendation to ARB for an 18% target for 2035.

SCAG Supplemental Submittal Shows an Updated 16% Estimate such that a 19% Target is Ambitious and Achievable (September 2017)

In addition to providing the Stress Test results to ARB in April 2017, in preparation for the 2020 RTP/SCS, SCAG staff has also reviewed and revised the planning assumptions and forecasts used in the 2016 RTP/SCS based on the latest empirical data, trends, and research. Based on the revised planning assumptions and forecasts, and the same strategies used in the 2016 RTP/SCS, the target achievement for 2035 would be decreased from 18% to 16% per capita GHG reduction (without including the rebound effects discussed above). Those additional analyses formed the SCAG Supplemental Submittal which was provided to ARB on September 20, 2017 and was included in the ARB Final Staff Report (Appendix B).
Specifically, SCAG staff has revised its estimates of the off-model portion for the 2016 RTP/SCS. The revised estimates include updated assumptions for enhanced mobility based on research literature, and a technical correction for Zero-emission Vehicles (ZEVs). Finally, growth projections for 2035 are updated based on the most current Expert Panel recommendations and local input. The updates of these components would result in a 16% per capita GHG reduction in 2035, continuing to significantly exceed the ARB target of 13% though slightly decreasing from the original 18% estimates in the 2016 RTP/SCS.

Finally, it should be noted that the updated 16% estimate is conservative as it does not include potential adverse impacts reflected from several recent trends further discussed below.

a. Growth in High Quality Transit Areas (HQTAs) fell short of what was anticipated in the 2016 RTP/SCS: Household growth in HQTAs was about 30% versus the 45% called by the RTP/SCS in recent years Source: SCAG


c. Millennials are all in their adulthood (aged between 20 and 38) and many are moving from urban areas to suburbs and exurbs as a result of housing unaffordability. Their next move and potential impacts on residential locations and transportation preferences could pose challenges to future trends in VMT. http://scag.ca.gov/calendar/Documents/demo27/DemoProgram2016.pdf http://scag.ca.gov/calendar/Documents/demo27/Demo27Panel01_Myers.pdf

d. Low unemployment rates relative to the same population levels will generate more commuting trips and higher VMT per capita based on similar level of population

With the adjusted baseline of 16% per capita GHG reduction for 2035, SCAG will strive to working with local jurisdictions, County Transportation Commissions and other partners and stakeholders for developing additional strategies for the 2020 RTP/SCS to be able to reach a 19% per capita GHG reduction target.

**ARB Staff Final Recommendations of 21% Target is too Ambitious to be Achievable (October 2017)**

On October 13, 2017, ARB released its Final Staff Report regarding the “Proposed Update to the SB 375 Greenhouse Gas Reduction Targets” including an 8% per capita reduction target for 2020 and 21% per capita reduction target in 2035 for the SCAG region. While 8% per capita reduction target for 2020 is the same as the achievement in the 2016-2040 RTP/SCS, the 21% per capita reduction target for 2035 is 3 percentage points higher than the SCAG recommendation of 18%. ARB’s final staff recommendations remain the same for SCAG and the three other major MPOs as in their June 2017 draft recommendations.

It should be noted that ARB’s Staff Recommendation is based on a methodology that adds 3% to SCAG last plan’s (2016 RTP/SCS) achievement of 18%, but does not take into account any of the new factors that would likely reduce our plan’s achievement. As such, unlike SCAG’s Stress Test and Supplemental Submittals, ARB has not conducted a comprehensive assessment of what would be achievable by SCAG.
After its recommended target increases for MPOs, the ARB Final Staff Report showed a 5 percentage point per capita GHG reduction gap to reach the state climate goal of 25% in 2035. These remaining GHG emission reductions are expected to be attributed to new State-initiated VMT reduction strategies that will be described in the Final 2030 Scoping Plan and may be adjusted or changed over time. The ARB Final Staff Report provided only a high-level description of the new State-initiated VMT reduction strategies including expanding incentives for infill development and regional conservation; improving performance measures for transportation project selection and design; expanding transit/active transportation investment; and developing pricing policies. SCAG is committed to working with ARB, other MPOs and other state agencies to develop additional strategies to close the gap to reach the statewide climate change goals.

Conclusion

With the results from the SCAG Stress Test and Supplemental Submittals described above, SCAG staff finds that a 19% per capita GHG reduction target for 2035 is ambitious and could be achievable. SCAG currently could not identify a pathway to close the gap between 19% and the ARB staff recommended 21% per capita GHG reduction in 2035. For these reasons, SCAG staff recommends that the Regional Council authorize Executive Director to continue working with ARB for a 19% per capita greenhouse gas (GHG) reduction target in 2035 for the region which is even higher than the ambitious 18% target that RC approved in April 2017.

Next Step

ARB Board Action

ARB Board is scheduled to consider the SB 375 Target Update at its November Board meeting with information below:

DATE: November 16, 2017 (may continue to November 17)
TIME: 9:00 a.m.
LOCATION: California Environmental Protection Agency
          Air Resources Board | Byron Sher Auditorium
          1001 I Street Sacramento, California 95814

Final environmental documents will be available at least ten days before November 16, 2017.

FISCAL IMPACT:
Work associated with this item is included in the Fiscal Year 17/18 Overall Work Program (17-080.SCG00153.04: Regional Assessment).