

Affordable Housing & Sustainable Communities (AHSC) Program

BACKGROUND INFORMATION

The Strategic Growth Council's Affordable Housing and Sustainable Communities Program funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduces greenhouse gas ("GHG") emissions. These projects facilitate the reduction of the emissions of GHGs by improving mobility options and increasing infill development, which decrease vehicle miles traveled and associated greenhouse gas and other emissions, and by reducing land conversion, which would result in emissions of greenhouse gases. ⁱ

Projects are also to support related and coordinated public policy objectives, including:

1. Reducing air pollution
2. Improving conditions in disadvantaged communities
3. Supporting or improving public health
4. Improving connectivity and accessibility to jobs, housing and services
5. Increasing options for mobility, including active transportation
6. Increasing transit ridership
7. Preserving and developing affordable housing for lower income households
8. Protecting agricultural lands to support infill developmentⁱⁱ

ELIGIBLE USES

Statutorily-eligible projects for funding pursuant to the AHSC program include the following:

- Affordable Housing. Intermodal, affordable housing projects that support infill and compact development.
- Transit. Transit capital projects and programs supporting transit ridership.
- Active Transportation. Active transportation capital projects that qualify under the Active Transportation Program, including pedestrian and bicycle facilities and supportive infrastructure, including connectivity to transit stations.
- Non-infrastructure-related Active Transportation Projects. Non-infrastructure-related active transportation projects that qualify under the Active Transportation Program, including activities that encourage active transportation goals conducted in conjunction with infrastructure improvement projects.
- Transit-oriented Development Projects. Transit-oriented development projects, including affordable housing and infrastructure at or near transit stations or connecting those developments to transit stations.
- Complete Streets Capital Projects. Capital projects that implement local complete streets programs.
- Other GHG and Criteria Air Pollutant Reduction projects or programs. Other projects or programs designed to reduce greenhouse gas emissions and other criteria air pollutants by reducing automobile trips and vehicle miles traveled within a community.

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- Strategic Agricultural Easements on urban/rural fringe. Acquisition of easements or other approaches or tools that protect agricultural lands that are under pressure of being converted to nonagricultural uses, particularly those adjacent to areas most at risk of urban or suburban sprawl or those of special environmental significance.
- Sustainable Communities Strategy (SCS) Implementation Plans. Planning to support implementation of an SCS, including implementation of local plans supporting greenhouse gas emissions reduction efforts and promoting infill and compact development.ⁱⁱⁱ

PROJECT THRESHOLDS

By statute, projects must:

1. Demonstrate how the project will reduce GHG emissions, subject to methodology and reporting requirements established by California Environmental Protection Agency (CalEPA)/Air Resources Board (ARB);
2. Demonstrate consistency with the state planning priorities pursuant to Government Code 65041.1;
3. Implement a Sustainable Communities Strategy (SCS) or other regional plan to reduce GHGs.^{iv}

CO-BENEFITS

Project scoring criteria shall support co-benefits beyond the reduction of GHG emissions, which includes maximizing economic, environmental, and public health benefits, improving air quality, reduce the following: energy consumption, criteria pollutants, water consumption, greenfield land consumption, commute times, and public fiscal costs; support economic growth, workforce development, civic partnerships, and stakeholder engagement; and protect or improve public health.^v

PROGRAM EXPENDITURE REQUIREMENTS

Fiscal Year	Total Program Amount	
2015-16 and beyond (continuous appropriation)	20% of annual proceeds of the Greenhouse Gas Reduction Fund.	<ul style="list-style-type: none"> • 50% of funds for affordable housing, including preserving and developing affordable housing for lower income households. • 50% of funds to disadvantaged communities as identified by the California Environmental Protection Agency (CalEPA).^{vi}

Approximately \$120 million in local assistance funding will be available in fiscal year 2014/2015.

PROGRAM GUIDELINES

The SGC shall, in coordination with its member agencies and departments, develop program guidelines and selection criteria for implementation of the AHSC program.

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Guidelines Development Process

- Draft guidelines shall be published on the SGC website (www.sgc.ca.gov) at least 30 days prior to public meetings where comments are to be accepted on the Draft Guidelines.
- The guideline development process will involve outreach to the public and stakeholders for eligible projects, including but not limited to local governments, regional agencies, civic and other organizations. This shall include coordination with metropolitan planning organizations and other regional agencies to identify and recommend projects within their respective jurisdictions reflecting the goals and objectives of the AHSC Program.
- The SGC shall conduct public workshops for development of the guidelines, including at least one in northern California and at least one in southern California, and other areas of the State as appropriate for involving disadvantaged and other target populations.^{vii}

AHSC PROGRAM COORDINATION

- **Programmatic and Administrative Expertise to Develop Guidelines and Implement Program.** The SGC shall leverage programmatic and administrative expertise of relevant state agencies and departments in implementing the AHSC Program.^{viii} The California Department of Housing and Community Development (HCD), the California Natural Resources Agency (CNRA), and the California Department of Conservation (DOC) are supporting the SGC to develop guidelines and implement the AHSC program.
- **Coordination with CalEPA and ARB.** The AHSC program guidelines shall incorporate CalEPA's disadvantaged communities related threshold program eligibility criteria and State Air Resources Board (ARB) requirements for compliance with the state agency reporting provisions relating to expenditure records and demonstrating greenhouse gas reduction objectives.
- **Coordination with Existing Programs.** A project eligible for funding pursuant to the program shall be encouraged to promote the objectives of Section 75210, and economic growth, reduce public fiscal costs, support civic partnerships and stakeholder engagement, and integrate and leverage existing housing, transportation, and land use programs and resources.^{ix}

ⁱ Sec. 1(a)(6)(A)&(7)(D), SB 862, Chapter 36, Stats. 2014

ⁱⁱ PRC 75210

ⁱⁱⁱ PRC Sec. 75212

^{iv} PRC Sec. 75211

^v PRC 75213-14

^{vi} H&S Sec. 39719(b)(1)(C)

^{vii} PRC Secs. 75215-75216

^{viii} PRC Sec. 75216

^{ix} PRC Sec. 75213