

# Affordable Housing & Sustainable Communities Program in Gateway Cities

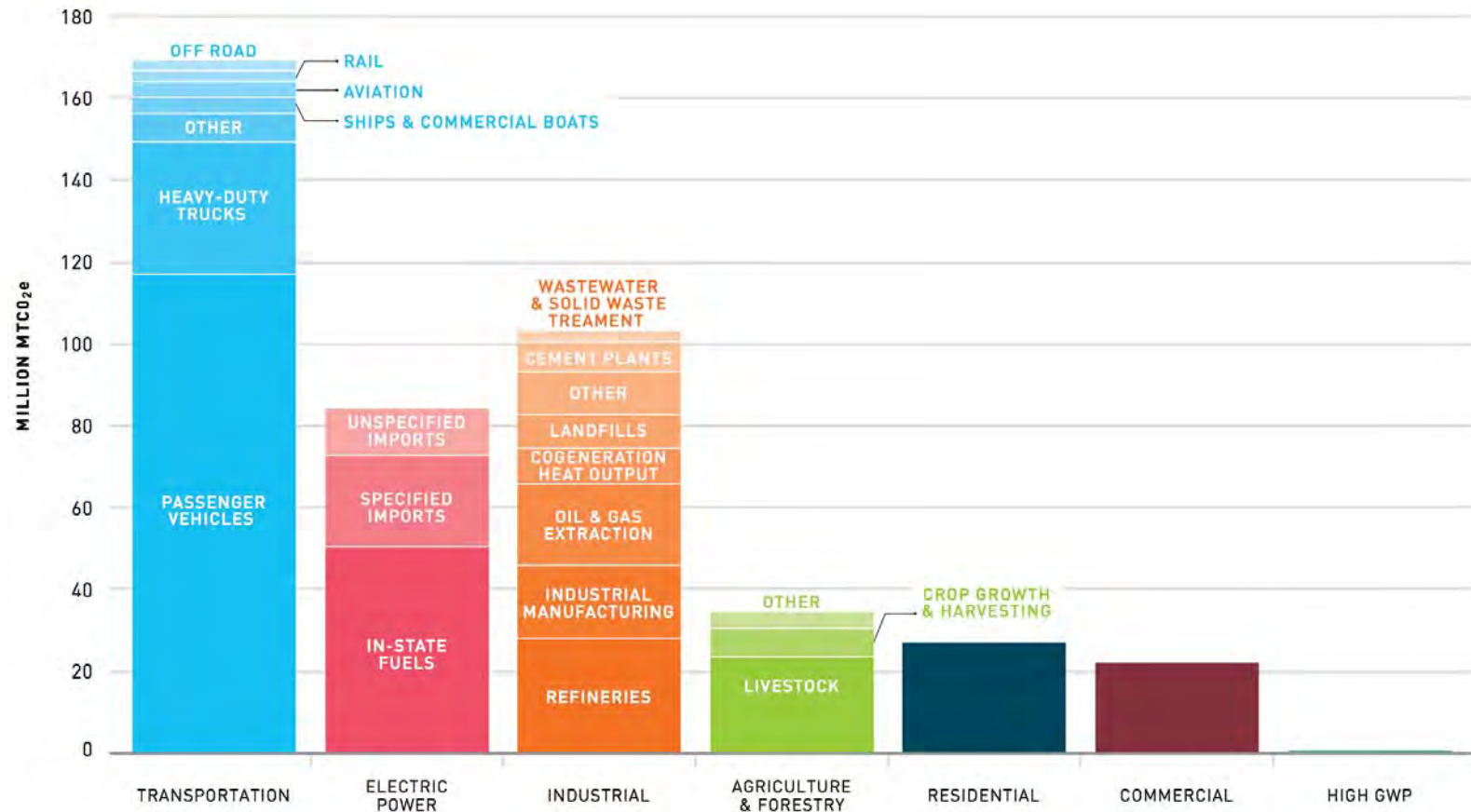
April 22<sup>nd</sup> 2019 | Paramount, CA



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**FIGURE 8. GREENHOUSE GAS EMISSIONS BY DETAILED SOURCE**  
**CALIFORNIA, 2015**



NEXT 10 CALIFORNIA GREEN INNOVATION INDEX. Data Source: California Air Resources Board, California Greenhouse Gas Inventory – by Sector and Activity. NEXT 10 / SF - CA - USA

# Culprit: Vehicle Miles Traveled

Why do we drive so much?

Lack of location efficient housing

Lack of quality low-carbon transportation options



# California Climate Investments: Statutory Requirements

1. Reduce GHG emissions

2. Direct investment toward the most disadvantaged communities in the State

3. Maximize economic, environmental, and public health benefits to the State



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## AHSC Program Goal

To fund projects that result in:

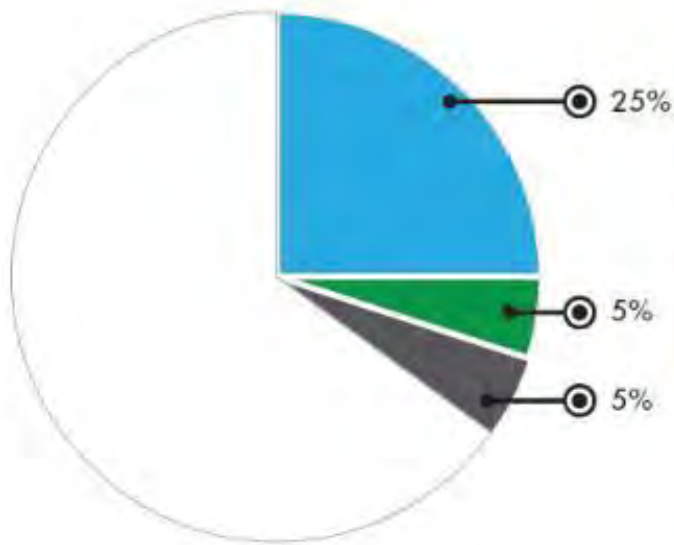
- the reduction of **greenhouse gas (GHG) emissions and vehicle miles traveled (VMT)** and
- **increased accessibility** of housing, employment centers and key destinations

through low-carbon transportation options such as walking, biking and transit.





# Disadvantaged Communities & Low-income Communities Investments

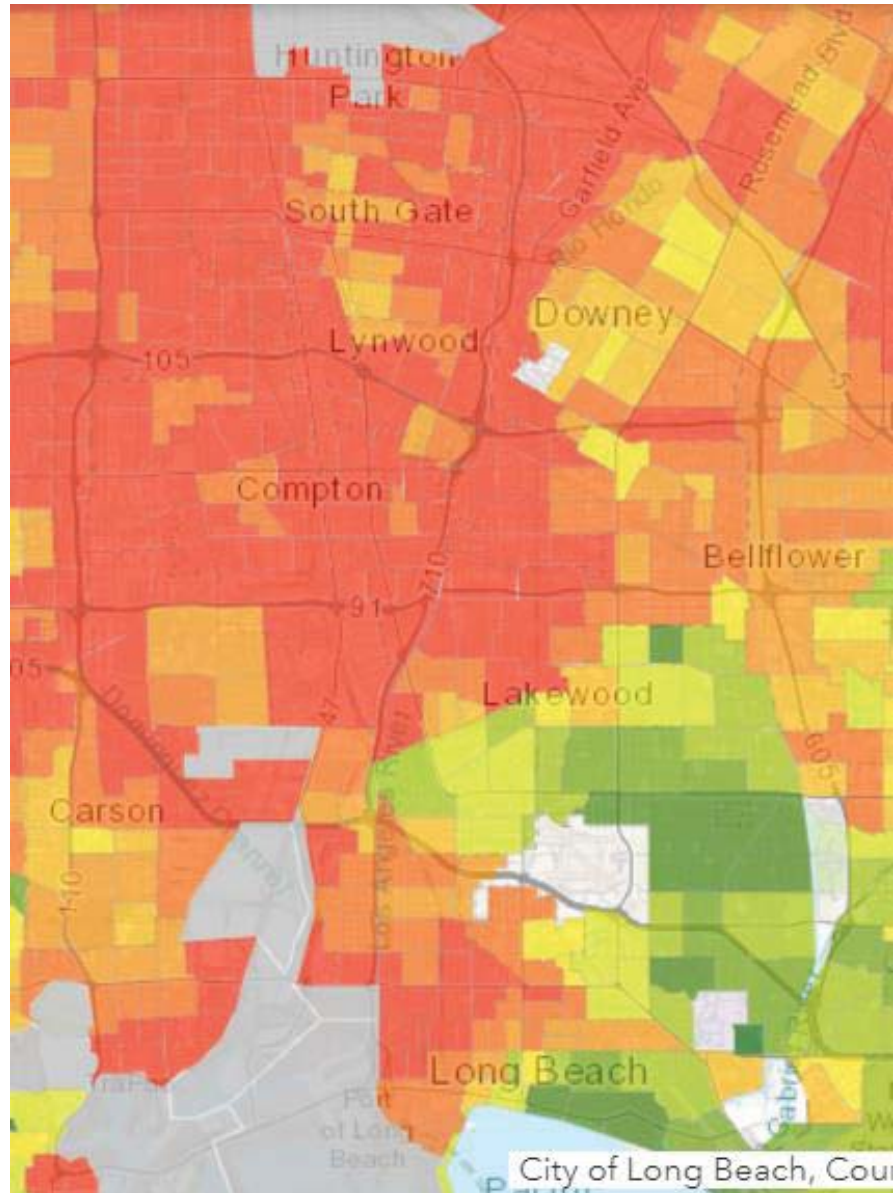


A minimum of 25 percent of the proceeds be invested in projects that are located within and benefiting individuals living in disadvantaged communities;

An additional minimum of 5 percent be invested in projects that are located within and benefiting individuals living in low-income communities or benefiting low-income households statewide; and

An additional minimum of 5 percent that are located within and benefiting individuals living in low-income communities, or benefiting low-income households, that are within a 1/2 mile of a disadvantaged community.

## Senate Bill 535 and Assembly Bill 1550 Implementation



# What does it fund?

## Eligible Capital Projects

1. Affordable Housing Development (loan)  
*Bricks and Mortar*
2. Housing-Related Infrastructure (grant)  
*Required as Condition of Approval*
3. Sustainable Transportation Infrastructure (grant)  
*Transit, Bike Lanes, Sidewalks*
4. Transportation-Related Amenities (grant)  
*Bike Parking, Repair Kiosks, Urban Greening, Bus Shelters*

## Eligible Programs (3 Year Grants)

1. Active Transportation Programs
2. Transit Ridership Programs
3. Criteria Air Pollutant Programs
4. Workforce Development Programs





# Who is Eligible to Apply?

Eligible Applicants		
Local Governments (City, County, City/County)	Local Transportation Agencies	Public Housing Authority
Transit Agency or Operator	Regional Transportation Planning Agency	Congestion Management Agency
Joint Powers Authority	School District	Facilities District
University or Community College District	Developer: Public, Private, or Nonprofit	Program Operator: Public, Private, or Nonprofit
Federally Recognized Native American Tribes		



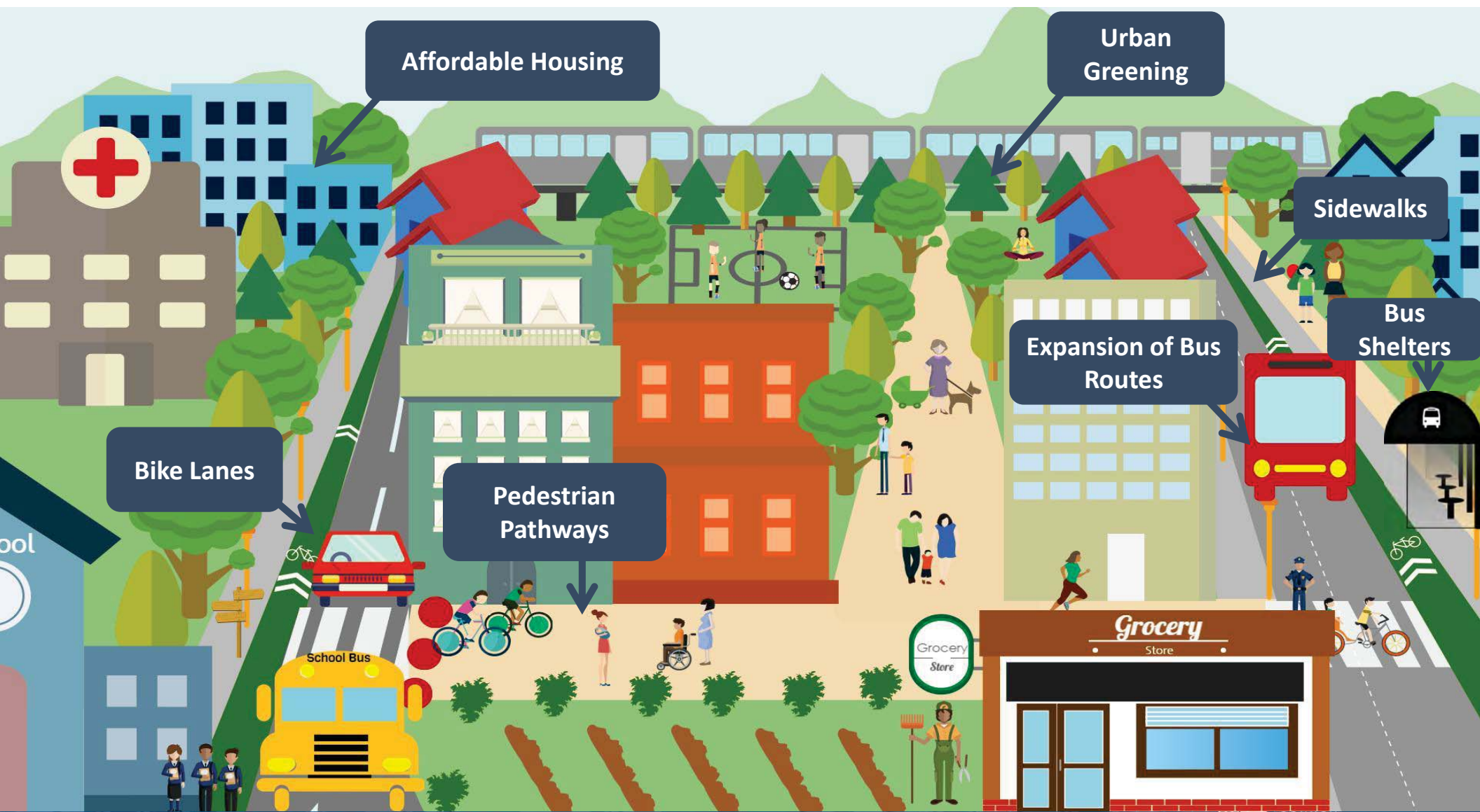
# Eligible Project Types

<b>TOD</b> Transit Oriented Development	<b>ICP</b> Integrated Connectivity Project	<b>RIPA</b> Rural Innovation Project Area
Required: ✓ Affordable Housing	Required: ✓ Sustainable Transportation Infrastructure	Required: ✓ Sustainable Transportation Infrastructure
Required: At least 1 additional components: <input type="checkbox"/> Sustainable Transportation Infrastructure <input type="checkbox"/> Transportation Related Amenities <input type="checkbox"/> Programs	Required: At least one additional components from the following: <input type="checkbox"/> Affordable Housing <input type="checkbox"/> Transportation Related Amenities <input type="checkbox"/> Programs	Required: At least one additional components from the following: <input type="checkbox"/> Affordable Housing <input type="checkbox"/> Transportation Related Amenities <input type="checkbox"/> Programs
Required Minimum Density: 30 units/acre	Required Minimum Density: 20 units/acre	Required Minimum Density: 15 units/acre
35% of awards	35% of awards	10% of awards

# Funding

- Minimum Award: \$1 Million
- Maximum Award: \$20 Million
- Annual funding until 2030
  - Cap & Trade – 20% of proceeds
- Round 4 NOFA - \$400M





Affordable Housing

Urban Greening

Sidewalks

Bus Shelters

Expansion of Bus Routes

Pedestrian Pathways

Bike Lanes

School Bus

Grocery Store



# Florence Neighborhood Mobility TOD Project – County of Los Angeles

## Project Details

- 96-100% DAC
- 108 affordable housing units for 30-60% AMI
- 100% Affordable
- Density: 117 units/acre
- 54 units set aside for those at risk of homelessness; workforce development center
- Transportation Service: Bikeway and walkway improvements
- Creates a walking path in local park that enhances stormwater capture

AHD: \$7,027,908

STI: \$3,020,230

TRA: \$622,435

Program: \$127,495

**Total Award amount: \$10,798,068**





# Keeler Court/Southcrest AHSC

## ICP Project – City of San Diego



### Project Details

- 86-90% DAC
- 70 affordable housing units for 30-60% AMI
  - 10 efficiency units
  - 20 one-bedroom
  - 18 two-bedroom
  - 22 three-bedroom
  - 100% Affordable
- Transportation Service: Bus, walkway, bikeways
- Construction of new 6 mile bike facility
- Circulate San Diego—active transportation and transit access programming

AHD: \$7,188,481

STI: \$2,503,642

PGM: \$242,150

**Total Award amount: \$9,934,273**



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# Arrowhead Grove 2 & 3

## ICP Project – City of San Bernardino

### Project Details

- 91-95% DAC
- 147 affordable housing units for 30-60% AMI
  - 22 one-bedroom
  - 81 two-bedroom
  - 34 three-bedroom
  - 10 four-bedroom
- 80% Affordable
- Community center with social services
- Transportation Service: Bikeway and walkway
- Half-mile of safe and accessible walkways that will connect housing to local Elementary school
- AHD: \$17,422,714
- STI: \$1,865,264
- PGM: \$253,300
- **Total Award amount: \$20,000,000**



# AHSC Program Requirements & Scoring





# Threshold Overview

- Key Project Elements
  - Transit Station/Stop within ½ mile of AHD
  - Demonstrate VMT reduction



# Threshold Overview

## Readiness Requirements

- CEQA/NEPA for Affordable Housing Developments
- Discretionary Land Use Approvals
- Demonstration of Site Control
- Developer Experience
- No active or Pending Litigation
- Housing Element Compliance
- Committed Funding Threshold





# Threshold Overview

## Program Goals

- Sustainable Communities Strategy Implementation
- Agricultural Land Preservation
- Urban Greening Components
- Transit Passes for Residents
- “Smoke Free” Buildings
- Adequate Lighting for Public Spaces
- Affordability Threshold

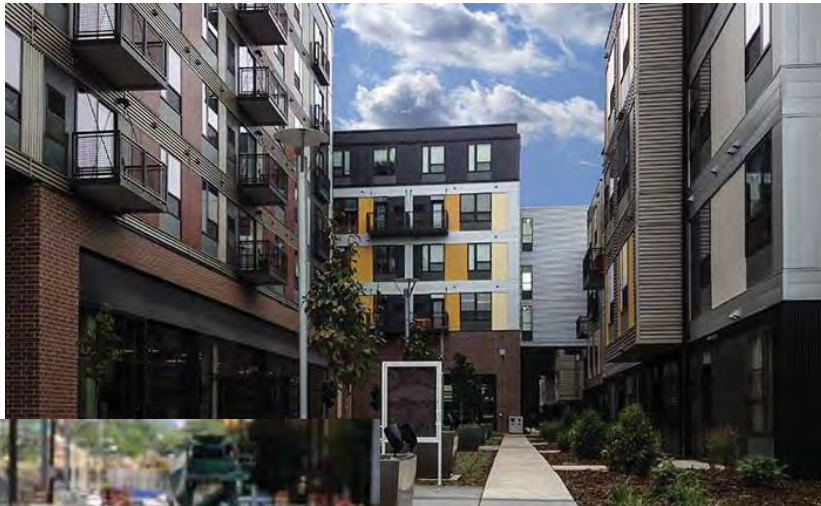


# Transit Pass Threshold

- Requirements:
  - At least **one** pass per **restricted unit** for at least **three years**
  - Pass should be able to cover commute entirely
    - Minimum of 40 commute rides per month
  - Can be unlimited free pass, discounted pass, or reloadable transit card
  - For discounted passes, at least 50% paid for by grant
    - Rewarded in QM for larger subsidy



## Developer Experience – AHD / HRI



Applicant or co-applicant must provide evidence the completion of two projects in the last 10 years, similar in scope and size



# Enforceable Funding

The **Project** must demonstrate a level of committed funding at time of application that is 0.90 or greater calculated by the following equation:

$$\frac{\text{AHSC funds requested} + \text{Enforceable Funding Commitments (EFCs)} - \text{Deferred Costs}}{\text{Total Development Cost} - \text{Deferred Costs}}$$

# AHSC Scoring Criteria

AHSC Scoring Elements and Criteria	
Criteria	Points
<b>GHG Quantification Methodology Scoring</b>	
GHG Efficiency	15
GHG Total	15
<b>Quantitative Policy Scoring</b>	
Active Transportation Improvements	10
Green Buildings and Renewable Energy	8
Housing and Transportation Collaboration	10
Location Efficiency and Access to Destinations	6
Funds Leveraged	5
Anti-Displacement Strategies	5
Local Workforce Development and Hiring Practices	2
Housing Affordability Programs	2
Urban Greening	2
<b>Narrative-Based Policy Scoring</b>	
Collaboration & Planning	4
Community Benefit & Engagement	6
Community Climate Resiliency	3
Community Air Pollution Exposure Mitigation	2
<b>Total Scoring</b>	<b>100</b>



# GHG Quantification Methodology Scoring- 30 Points

GHG Quantification Methodology Scoring	
GHG Reduction: Cost Efficiency	15
GHG Reduction: Total GHGs Reduced	15

- GHG Calculator Tool
  - Housing (# of units, density)
  - Transportation (Bus or train service, walkway and bikeway improvements)
  - Solar Production
- Scored separately by Project Area Type
  - TOD
  - ICP
  - RIPA



# Quantitative Policy Scoring- 55 Points

Quantitative Policy Scoring	
Active Transportation Improvements	10
Green Buildings and Renewable Energy	8
Housing and Transportation Collaboration	10
Location Efficiency and Access to Destinations	6
Funds Leveraged	5
Anti-Displacement Strategies	5
Local Workforce Development and Hiring Practices	2
Housing Affordability	5
Programs	3
Urban Greening	2

- Easy to score, quantifiable items; “checklist” approach
- Intent is not for projects to receive 100%; this will not be achievable for most projects



# Housing and Transportation Collaboration - 10 Points



## STI Funds Request as percentage of Total AHSC Request (up to 6 points)

25%	6 points
15%	4 points
10%	2 points



TRA or Transit Stop Investments = 5% of Total AHSC request	2 points
Projects with funding from another GGRF program – directly benefitting project	1 point
Projects within environmentally cleared HSR Station Planning Area	1 point

# Location Efficiency and Access to Destinations - 5 Points

US EPA Walkability Index (up to 3 points)	
Most Walkable	3 points
Above Average Walkable	2 points
Below Average Walkable	1 point
Least Walkable	0 points



Services in the Project Area (up to 2 points)	
Grocery Store	.5 points
Medical Clinic	.5 points
Public School	.5 points
Licensed Child Care	.5 points



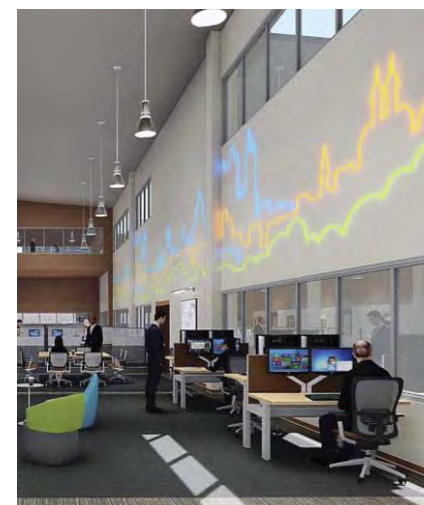
# Anti-Displacement Strategies - 5 Points

## Implementing Anti-Displacement Strategies or Locating Projects in Areas with Existing Anti-Displacement Policies

Prevent Displacement of Local Community Residents	up to 3 points
Prevent the Displacement of Locally Owned Businesses	up to 2 points

### Examples include:

- First right of return ordinance
- Inclusionary zoning ordinances
- Small business advocacy office
- Prioritization of M/WBE for public contracting



# Local Workforce Development and Hiring Practices - 2 Points

**Projects that implement at least one workforce development strategy:**

**Examples include;**

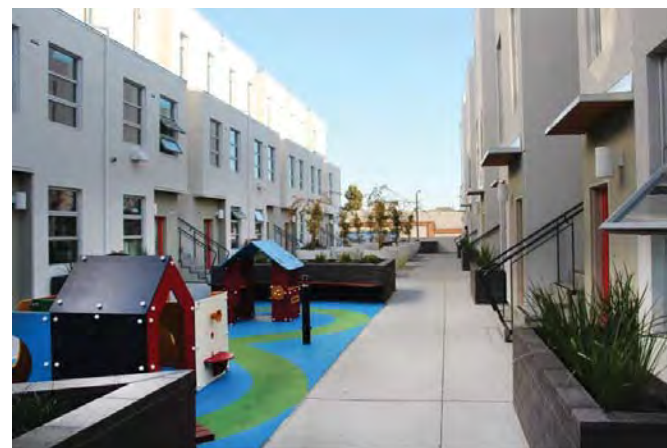
- Partnering with a community based workforce development and job training entity
- Partnerships with pre-apprentice program
- Partnerships with local Workforce Investment Board program serving disadvantaged communities



# Housing Affordability - 5 Points

Affordable Housing Developments are incentivized to provide a higher percentage of units for Extremely Low Income (ELI) households.

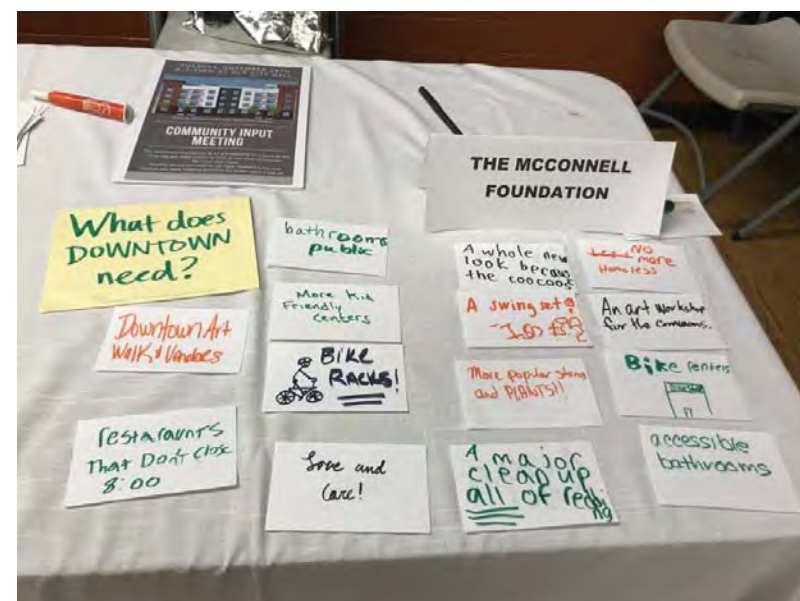
Percentage of Total Units Restricted to ELI Units	
>20%	5 points
16-20%	4 points
11-15%	3 points
5-10%	2 points



# Narrative-Based Policy Scoring- 15 Points

Narrative-Based Policy Scoring	
Collaboration & Planning	4
Community Benefit & Engagement	6
Community Climate Resiliency	3
Community Air Pollution Exposure Mitigation	2

- Open-ended narrative to allow for Applicants to showcase important aspects of Project





# AHSC Program Application Process & Timeline



# AHSC Application Process

**Figure 2: Tentative Schedule for AHSC Round 4**

<i>Quarterly Cap &amp; Trade Auction</i>	<i>August 2018</i>
<b>Listening Sessions on Lessons Learned in AHSC Round 3</b>	July 2018
<i>TCAC Applications Due</i>	<i>July 2018</i>
<b>Release of Round 4 Draft Program Guidelines</b>	August 2018
<b>Stakeholder Meetings/Comments on Draft Guidelines</b>	September 2018
<b>Release of Round 3 Application</b>	October 2018
<i>Quarterly Cap &amp; Trade Auction</i>	<i>November 2018</i>
<b>Application Due Date</b>	February 2019
<i>Quarterly Cap &amp; Trade Auction</i>	<i>February 2019</i>
<i>Quarterly Cap &amp; Trade Auction</i>	<i>May 2019</i>
<b>Awards Adoption</b>	June 2019



# AHSC Resources on SGC Website

- Program Guidelines
- Quantification Methodology
- Fact Sheets
- Frequently Asked Questions (FAQ)
- Past Award Information

<http://sgc.ca.gov/programs/ahsc/resources/>



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# Questions?

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