

September 10, 2014

Ken Alex
Chair, California Strategic Growth Council
1400 Tenth Street
Sacramento, CA 95814

RE: Principles for Affordable Housing and Sustainable Communities Guidelines

Dear Chair Alex,

As members of the Transportation Coalition for Livable Communities (TCLC), we thank you for the opportunity to comment in advance of the release of the draft guidelines for the Affordable Housing and Sustainable Communities (AHSC) program. It is a groundbreaking opportunity for transformative change. California finally has funds—albeit limited—to reduce greenhouse gas emissions through reduced car travel and direct benefit to disadvantaged communities. This program should encourage homegrown projects that will implement the sustainable communities strategies created under SB 375.

We applaud the tremendous effort that the Strategic Growth Council (SGC) has put into designing the AHSC guidelines to date. These guidelines should clearly answer the following fundamental questions to assure the success of the program:

- *What projects will have the most transformative change?*
- *And, how should the funding process be designed to encourage those projects?*

We respectfully recommend six overarching design principles below that we hope the Council will achieve in designing a program. We also look forward to the opportunity to comment in more detail as draft guidelines are published.

- ***Support Both Affordable Housing and other Sustainable Community Projects that Reduce GHGs.*** The AHSC guidelines should equally encourage (and competitively select among) the full variety of projects allowable in the legislative language. Eligible projects should include affordable housing near existing low carbon transportation options; low carbon transportation projects—like active transportation, complete street networks for pedestrians and bicyclists, transit infrastructure, and last mile mobility solutions; projects that integrate both housing and transportation, and other innovative projects we may not yet have conceived of that can demonstrate creative approaches to reducing emissions. With recognition that what the best project will look like differs greatly across the state and in each community, the scoring process should allow for fair competition between the full variety of projects.
- ***Track the Performance Structure of SB 375.*** The legislation that set the framework for this program is SB 375. In essence, SB 375 set a GHG reduction target for each region and let the region determine how to meet the target. It did not mandate or prescribe a particular solution. The Guidelines should follow this example. Identify criteria and allow local projects to identify solutions. Projects should be screened and selected for their performance, not because they meet a familiar formula for development.
- ***Project Selection Should Aim for Broad Geographic Reach.*** If the state is going to meet the executive order goal to reduce emissions 80% below 1990 levels by 2050, new housing, mobility, and accessibility solutions must be incubated and encouraged in every neighborhood and community. The impact of this investment must be noticeable throughout the state. To the extent possible, we urge you to aim for broad geographic distribution of project funds, providing all communities with opportunities to achieve their sustainability goals.
- ***Require a “Race to the Top.”*** The process should encourage applicants to “race to the top” with the most robust emissions reductions and co-benefits. With a well-designed competitive framework, communities across California—not only those that are awarded funds—will benefit from focusing on how to achieve sustainable communities. Naturally, the process will reward projects that are innovative and best achieve greenhouse gas emissions reductions and co-benefits whether that be through efficient, integration of various sectors; focused catalytic projects; or sector-specific, network-wide change.
- ***Coordinate with Regions to Identify and Recommend Projects.*** Flexible guidelines will likely result in an abundance of applications. The state should coordinate with their regional partners to identify qualified projects. Each region is most knowledgeable

to recommend local strategies and projects to successfully implement their sustainable communities strategies. SGC should leverage this expertise.

- ***Incorporate Co-Benefits Consistent with GHG Reduction Goal.*** The selection process should prioritize GHG reductions. Within that context, the guidelines should also incorporate a strong focus on projects that maximize health, air quality and other co-benefits after assuring that greenhouse gas reduction. Given California's severe air quality and health challenges, it is important to ensure that investments achieve multiple benefits whenever possible. Guidelines that enhance transit networks, encourage walking and biking, and reduce air pollution will at once increase physical activity, reduce chronic illness and help California achieve federal air quality targets – in addition to reducing greenhouse gas emissions.

We are grateful for your leadership and look forward to working closely with you to seize on the opportunity presented by this program to accelerate the implementation of the best elements of sustainable communities strategies across California.

Sincerely,

TCLC members



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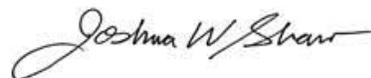
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