



**Housing, Land Use and Transportation Policy
Committee**
CSAC Annual Meeting
Wednesday, December 4, 2019 — 8:00 a.m. – 10:00 a.m.
Room Imperial A, Hilton San Francisco Union Square
San Francisco City and County, California

Supervisor Oscar Villegas, Yolo County, Chair
Supervisor Denise Carter, Colusa County, Vice Chair

- 8:00 a.m. I. **Welcome and Introductions**
Supervisor Oscar Villegas, Chair
Supervisor Denise Carter, Vice Chair
- 8:05 a.m. II. **2019 Year in Review and 2020 Housing, Land Use and
Transportation Policy Committee Work Plan – ACTION ITEM**
Chris Lee, Legislative Representative
Marina Espinoza, Legislative Analyst
Attachment One: 2019 Year in Review and 2020 Work Plan
- 8:20 a.m. III. **Introduction to the Governor’s Tribal Negotiations Advisor**
Anna M. Naimark, Tribal Negotiations Advisor
- 8:40 a.m. IV. **SB 1 Implementation and the Climate Change Executive Order**
Elissa Konove, Undersecretary, CA State Transportation Agency
Kiana Valentine, Executive Director, Transportation California
Attachment Two: Governor’s Executive Order N-19-19
- 9:05 a.m. V. **Balancing Affordability and Growth – What Should Housing
Reform Look like in Unincorporated Areas?**
Amy Bodek, Los Angeles County Planning Director
Suzanne Hague, Governor’s Office of Planning and Research
Peter Maurer, Calaveras County Planning Director
- 10:00 a.m. VI. **Closing Comments and Adjournment**
Supervisor Oscar Villegas, Chair
Supervisor Denise Carter, Vice Chair

LIST OF ATTACHMENTS

- Attachment 12019 Year in Review and 2020 Work
Plan Memo
- Attachment 1A.....Housing “Upzoning” Bills and CSAC
Positions Memo
- Attachment 1B.....Policy Principles for Housing Impact Fee
Legislation
- Attachment 1C.....CSAC Priorities for FAST Act
Reauthorization
- Attachment 2Climate Change Executive Order N-19-
19

Attachment 1
2019 Year in Review and 2020 Work Plan Memo



November 19, 2019

1100 K Street
Suite 101
Sacramento
California
95814

Telephone
916.327.7500

Facsimile
916.441.5507

To: Housing, Land Use, and Transportation Policy Committee

From: Chris Lee, Legislative Representative
Marina Espinoza, Legislative Analyst

Re: **2019 Year in Review and 2020 Work Plan – ACTION ITEM**

The Legislature and Administration continued to take a strong interest in housing and transportation policy in 2019, with major proposals to overhaul local land use regulations, fund affordable housing and supporting infrastructure, and to leverage state transportation funding as a means of supporting statewide housing goals. In this memo, please find a review of major highlights from 2019, as well as priorities for the work of the Housing, Land Use and Transportation Policy Committee in the second year of the 2019-2020 legislative session.

I. Protect County Land Use Authority While Promoting Housing Affordability

Housing policy was a major focus in the Legislature in 2019, with tenant protection legislation occupying a significant part of the legislative agenda. While CSAC did not have consensus to take positions on rent control, just-cause evictions, or anti-rent gouging laws, CSAC supported SB 329 (Mitchell), which will ensure that recipients of federal Housing Choice Vouchers, or similar state or local housing assistance, are able to apply for available rental units.

Through the 2019-20 budget process, the state expanded its enforcement options to ensure that local governments adopt compliant housing elements, while also allocating \$250 million for regional and local planning grants, \$500 million in one-time affordable housing tax credits, \$500 million for mixed-income affordable housing production, and \$500 million for a housing infrastructure grant program. CSAC was successful in securing language ensuring that infill infrastructure funding would be available in all community types—not just highly-urbanized neighborhoods—including creating of a \$90 million non-competitive set-aside for projects in rural communities.

CSAC offered amendments to address our opposition or concerns with major bills in 2019 that sought to overhaul local land use planning—the two key vehicles in this area, SB 50 (Wiener) and AB 1279 (Bloom) both stalled and became two-year bills. In 2020, there will likely be a renewed focus on passing major “zoning reform” legislation. CSAC’s advocacy on these measures will continue to be guided by the approach discussed with the committee at your June 3, 2019 special meeting.

CSAC will advocate for these priority amendments to the aforementioned bills in 2020. At a high level, the proposed amendments seek to make the bills consistent with CSAC’s policy of promoting locally-driven planning to implement broad state goals to

provide housing affordable at all income levels. In addition, CSAC has objected to provisions of both bills that would give the Administration discretion to impose state overrides of local zoning via the Department of Housing and Community Development and the Office of Planning and Research. Finally, the amendments seek funding to implement local plans where applicable under both bills. Additional details on the proposed amendments are included in the June 3 memorandum (Attachment 1A).

Finally, the Housing, Land Use and Transportation team will continue to look for opportunities to provide counties with tools to help expedite housing production. Efforts will include support financing tools in partnership in with the Government Finance and Administration Committee, and opportunities to streamline environmental review for affordable homes and shelters.

II. Protect Development Impact Fee Authority and Support Process Improvements

Several measures affecting local government authority to impose fees to offset the infrastructure costs of new residential development were considered by the Legislature in 2019. CSAC requested that major changes be removed or delayed until stakeholders can have a conversation about comprehensive reforms to the Mitigation Fee Act and related statutes and practices, including consideration of the report commissioned by the Department of Housing and Community Development (HCD). Given the complexity of the findings and policy options included in the HCD report, CSAC, supported through direct advocacy from county supervisors, was successful in requesting that major legislation to overhaul the Mitigation Fee Act, AB 1484 (Grayson), be held until 2020.

HCD's residential impact fee report includes recommendations focused on fee transparency, fee structure, fee design, and alternative funding options to improve local financing for infrastructure. CSAC has already identified elements of potential reforms that counties can support (Attachment 1B). In 2020, we will continue to work with the Legislature to support those reforms and oppose changes that impede local governments' ability to mitigate the impacts of new development on county infrastructure and services.

III. Protect State Transportation Funding and Streamline Project Delivery

This legislative session, CSAC strongly opposed efforts to link SB 1 transportation funding to housing production. In the January budget announcement, Governor Newsom proposed withholding transportation funding from local agencies in areas where housing production has not met planning targets. In February, Assembly Member McCarty introduced AB 1568, which would have withheld and diverted transportation funding from cities and counties under SB 1 if housing production within a jurisdiction did not meet the regional housing needs allocation at each income level. CSAC was successful in working with the Administration and other stakeholders to ensure that the final budget did not link SB 1 funding to housing production. CSAC also advocated against AB 1568, which was stopped from moving through the process after it was amended into a bill that would preclude local agencies from applying for state grants if they were found to be in violation of state housing law.

In 2020, CSAC will continue to focus on protecting transportation funding allocated to counties, while also streamlining project delivery and providing tools to maximize the value of county transportation investments. Specific priorities include the following:

- Working with Caltrans to implement CSAC-sponsored SB 137 (Dodd), which will streamline environmental review and expedite county bridge and safety projects through authorizing additional exchanges of federal and state transportation funds.
- Working with the Administration and Caltrans to implement the federal-state environmental reciprocity program that CSAC successfully advocated for in prior federal transportation reauthorization bills. When the US Department of Transportation issues a final rule on the program, CSAC will advocate for California to participate to help expedite projects where NEPA and CEQA review are required.
- Working with the Legislature and Administration to provide ongoing funding for technical assistance and training to allow local government agencies to use best practices in pavement engineering. These techniques can increase the useful life of improvements, as well as reducing both costs and greenhouse gas emissions.

IV. Advocating for a New Federal Transportation Bill

The Fixing America's Surface Transportation Act (FAST Act) expires on September 30, 2020. In 2019, CSAC staff worked with the County Engineers Association of California (CEAC) to develop draft priorities for federal transportation reauthorization. Final policies based on that draft were later approved by the CSAC Board of Directors after review by the Housing, Land Use and Transportation Policy Committee and the Executive Committee. The Senate Environment and Public Works Committee passed a bill in 2019, but a companion House measure has yet to be introduced and neither house has directly weighed in on how to fund a reauthorization bill.

In 2020, CSAC and our federal advocates will continue to educate the California congressional delegation and Administration on the importance of the county road system with respect to federal transportation policy. Consistent with CSAC's Board-adopted priorities for reauthorization (Attachment 1C), key priorities will include advocating for a fix to the federal Highway Trust Fund, with new federal revenues to provide for dedicated funding to local bridge projects, as well as a focus on safety.

While earlier efforts have stalled, should Congress and the Trump Administration continue to pursue an infrastructure funding package outside of the traditional surface transportation authorization legislation, CSAC, in partnership with NACo, will advocate for direct subventions for counties under any deal in order to address the significant infrastructure issues on local facilities of the federal-aid system.

V. Preparing for the Future of Transportation

Electric vehicle deployment continues to be a key part of the state's climate change efforts. In addition, automated and connected vehicles are being tested and deployed across the country. The implications of autonomous and other transportation related technology are far reaching and can be both beneficial and potentially disruptive to mobility, the economy and overall quality of life. As the fleet transitions away from gas-powered vehicles, there will also be significant impacts to transportation funding.

CSAC will convene a working group to develop a set of principles regarding the role of counties in the oversight and regulation of automated and connected vehicles in 2020. In addition, the automobile industry has expressed an interest in working with CSAC and local governments to facilitate the deployment of electric vehicle charging infrastructure. CSAC will work with advocates to determine if there is a mutually agreeable approach to expediting permitting of this infrastructure. Finally, CSAC will continue to monitor and engage in discussions about a long-term, sustainable replacement revenue stream to the gas tax.

VI. Land Use, Housing and Transportation Linkages

In 2019, CSAC staff continued to monitor and defend against efforts to erode local control over land use decisions in a variety of contexts. There appears to be dissatisfaction in the Administration and Legislature with many of the transportation, housing and land use decisions local agencies are making and the perceived impacts those decisions have on statewide climate goals. The Administration has announced plans to convene a working group to align transportation investments with housing and climate change goals, consistent with the Governor's recent Executive Order. Finally, the 2019-20 budget included a directive for a similar workgroup effort to overhaul the Regional Housing Needs Assessment process.

In 2020, it will continue to be important to get out in front of some of these conversations with proactive, positive information about the land use decisions counties are making that help meet our climate goals and are consistent with sustainable communities strategies and other local climate action plans. Moreover, CSAC and counties must have a place at the table with the aforementioned working groups seeking to make major changes to statewide housing, land use, and transportation policy.

VII. County Priorities in Renegotiated Gaming Compacts

The first new gaming compact negotiated entirely by Governor Newsom's Administration was signed by the Governor and the relevant Tribal Chairperson and successfully passed by the Legislature in 2019. Earlier in 2019, CSAC reached out to the new Administration to reiterate county policy priorities for tribal-state gaming compacts. These priorities, most notably the requirement for an enforceable mitigation agreement for the off-reservation impacts of the gaming facility on the affected local government, were included in the first Newsom Administration compact. While this new agreement may indicate a continuation of the general policy direction of the Brown Administration, there are still a significant number of tribes with expiring compacts from 1999 that will need to be renegotiated over the next year.

The Special Distribution Fund (SDF), which was the sole statewide mechanism for mitigation of local government gaming impacts under the 1999 compacts has not had sufficient funding for SDF grants to local governments since FY 2014-15. While SDF grants have been insufficient to mitigate all local impacts since the program's inception,

CSAC will continue to look for opportunities to fund the SDF or another mechanism to fund mitigation from pre-existing impacts, especially for counties where local casino mitigation agreements are not in place.

VIII. Federal Fee-to-Trust Reform

CSAC will continue to push for fee-to-trust reform at the federal level pursuant to adopted CSAC policy, as well as participate in the regulatory process on federal acknowledgement to ensure meaningful input and outreach to counties. CSAC will continue to oppose any fix to the *Carcieri* decision without comprehensive fee-to-trust reforms.

Attachments

- 1A: Committee Memorandum on Housing “Upzoning” Bills and CSAC Positions
- 1B: Policy Principles for Housing Impact Fee Legislation
- 1C: Priorities for Federal Surface Transportation Reauthorization

Attachment 1A
Committee Memorandum on Housing “Upzoning” Bills and CSAC Positions



June 3, 2019

To: Housing, Land Use and Transportation Policy Committee

From: Chris Lee, Legislative Representative
Marina Espinoza, Legislative Analyst

Re: **Status of Housing “Upzoning” Bills and CSAC Positions – SB 50 (Wiener) & AB 1279 (Bloom)**

1100 K Street
Suite 101
Sacramento
California
95814

Telephone
916.327.7500

Facsimile
916.441.5507

CSAC currently has an [“Oppose Unless Amended”](#) position on SB 50 (Wiener), which was substantially amended in late April to incorporate provisions of SB 4 (McGuire), and a [“Concerns”](#) position on AB 1279 (Bloom). SB 50 was made a two-year bill by the Senate Appropriations Committee and will not move until 2020. AB 1279 was passed by the full Assembly and sent to the Senate where it will presumably be referred to the Senate Housing Committee and the Senate Governance and Finance Committee.

CSAC’s position letters have objected to provisions of both bills that would give the Administration discretion to impose state overrides of local zoning via the Department of Housing and Community Development and the Office of Planning and Research. These overrides would apply in “jobs-rich” or “high opportunity” areas of local jurisdictions, but the criteria for both designations are not explicitly identified in bill language, giving the Administration significant discretion in terms of the applicability.

CSAC’s is also seeking amendments to make both bills more consistent with adopted CSAC policy to promote locally-driven land use planning that implements broad policy goals set by the state to provide housing affordable at all income levels. Finally, we are requesting funding to complete those local plans.

- [SB 50 \(Wiener\) – Summary of Major Provisions](#)

Housing Streamlining Provisions

- Authorizes streamlined approval of a “neighborhood multifamily project” (fourplexes) located on an “eligible parcel,” as defined in the bill.
- Limits the authority of a local agency to impose parking standards or requirements on a streamlined development.
- Allows local agencies to exempt a project from streamlined approval if the project will cause a specific adverse impact to public health and safety and there is no way to satisfactorily mitigate that impact.

Equitable Communities Incentive Provisions

- Requires jurisdictions to grant developers, upon request, an equitable communities incentive when a developer constructs a “job-rich” or “transit-rich” housing project.

- Requires that a residential development within a county with a population greater than 600,000 that is eligible for an equitable communities incentive receive, upon request, waivers from maximum controls on density and minimum parking requirements greater than 0.5 parking spots per unit.
 - Requires that a residential development also receive additional waivers if the residential development is located within a 1/2-mile or 1/4-mile radius of a major transit stop. For a residential development within a county with a population of 600,000 or less, the bill would instead require that the incentive provide waivers from:
 - Maximum controls on density, subject to certain limitations
 - Maximum height limitations less than or equal to one story, or 15 feet, above the highest allowable height for mixed use or residential use
 - Maximum floor area ratio requirements less than 0.6 times the number of stories in the proposed project
 - Minimum parking requirements
 - Delays implementation of these provisions in “potentially sensitive communities” until July 2020 and further delays implementation of these provisions in “sensitive communities” until January 2026. Allows local governments of these communities to develop alternative local plans that meet specified criteria.
- **Key Requested Amendments to SB 50 (Wiener)**
 - **Statutory definition of “jobs-rich” areas.** The bill should define these areas rather than providing discretion to the Department of Housing Community Development and the Office of Planning and Research. Definitions should not include unincorporated areas where intensified residential uses are inappropriate, including agriculturally zoned areas that allow limited residential uses.
 - **Baseline definition of “sensitive communities” and consistency with local environmental justice planning.** A consistent baseline definition of sensitive communities should be developed, which should be expanded to include environmental justice communities identified in a county general plan.
 - **Funding needed to support locally-driven plans in sensitive communities.** Many counties, especially urban counties, have significant numbers of potentially “sensitive” communities. It is unlikely that counties will be able to take advantage of SB 50’s provisions granting an alternative community-driven planning process within the bill’s timeframes without fiscal support from the state.
 - **Flexibility to achieve desired outcomes.** The alternative process for sensitive communities should not be overly prescriptive and should instead provide a flexible framework based on increasing residential development capacity and the availability of affordable housing near transit.

- **Interaction with Density Bonus.** Any waivers and concessions of development standards and density bonuses available pursuant to the bill should not undermine local density bonus ordinances and should be designed to maximize the production of affordable housing.
 - **Housing Element Adequate Sites.** Local governments should be able to consider the capacity of development offered by an SB 50 “equitable communities incentive” when creating their inventory of sites adequate to accommodate the jurisdiction’s share of the regional housing need.
 - **Definitions.** Further revisions to define major transit stop are required. Specifically, SB 50 should include a service standard for rail transit service.
 - **Consistency with Other Legislation.** To the greatest extent possible, we encourage the Legislature to be consistent with recently passed legislation and to avoid creating multiple types of remedies that apply in various scenarios.
- **[AB 1279 \(Bloom\) – Summary of Major Provisions](#)**
 - Requires HCD to designate “high-resource areas” in the state by January 2021 and every 5 years thereafter and authorizes a city or county to appeal the designation of high-resource area within that period.
 - Requires that specified housing development projects be a use by right, upon the request of a developer, in any high-resource area where allowable if those projects meet certain criteria, including affordability requirements.
 - In areas zoned exclusively for single-family use, fourplexes would be allowed by-right subject to the affordability criteria below. In certain commercially-zoned areas, larger multifamily projects would be allowed by-right.
 - Fourplexes and Multifamily with Ten or Fewer Units: Offer units for at rent or sale price affordable to households at or below 100% of area median income (AMI); or applicants pay local government a fee that is 10% of the difference between the actual initial sales price or initial rent and the sales price or rent that would be affordable to households with incomes at or below 100% of the AMI. Fee revenue must be used to construct/preserve housing affordable to households at or below 50% of the AMI.
 - Multifamily Projects with 10 to 40 Units: 10% units offered at rent or sale price affordable to low-income households and 5% affordable to very-low income households.
 - Multifamily Projects with 41 to 100 Units: 25% units offered at rent or sale price affordable to low-income households and 25% affordable to very-low income households.
 - Allows local agencies to appeal the designation of an area in their jurisdiction if locally-adopted plans are in place that would provide an equivalent number of affordable units in a substantially similar manner as the by-right provisions of AB 1279.

- **Key Requested Amendments to AB 1279 (Bloom)**
 - **Statutory definition of “high opportunity” areas.** The bill should define these areas rather than providing discretion to the Department of Housing Community Development. The definition should not include unincorporated areas where intensified residential uses are inappropriate, including agriculturally zoned areas that allow limited residential.
 - **Appeal Process Allowing Locally-Driven Plans.** The appeal process should be less prescriptive and instead require that qualifying local plans merely allow for a similar number of units at similar levels of affordability within the community subject to AB 1279.
 - **Definitions.** Further revisions to define various terms in the bill, including arterial road and central business district.

Attachment 1B
Policy Principles for Housing Impact Fee Legislation



1100 K Street
Suite 101
Sacramento
California
95814

Telephone
916.327.7500

Facsimile
916.441.5507

Policy Principles for Housing Impact Fee Legislation

Approved by the CSAC Board of Directors

September 5, 2019

- **Support Transparency.** Local agencies should continue to adopt housing development impact fees in a transparent, publicly-accountable manner consistent with existing law. Moreover, fee schedules should be readily available to development proponents. Counties should not, however, be required to serve as a clearinghouse for all other applicable development impact fees, including those imposed by other local districts.
- **Support Reasonable Certainty for Development Proponents.** Proponents of housing development projects should have a reasonable level of certainty that impact fees will not drastically change over the course of a project's approval process. The goal of certainty for developers must be balanced against reasonable changes in total fee charges due to changes in the scope of a project, the time elapsed between project approval and actual construction, and environmental analysis of the impacts of a project.
- **Oppose Arbitrary Caps or Fee Waivers.** Each local community has differing infrastructure and public facility needs due to geography, existing infrastructure, and community priorities. While the state has an interest in ensuring that housing is affordable for households at all income levels, it should not impose arbitrary limitations or waivers on impact fees without backfilling local costs to provide necessary infrastructure and facilities.
- **Oppose Unreasonably Burdensome Reporting Requirements.** Existing law already requires local transparency and reporting on impact fee programs. Any new reporting or disclosure requirements must be narrowly tailored and funding must be provided for implementation.
- **Support Reasonable Metrics for Calculation of Fees.** Local governments should be encouraged to review fee programs to ensure that they are calibrated to promote affordability by design. Where appropriate, fees should be designed so that they do not create impediments to smaller units that are often more affordable.
- **Support Options for Fee Deferral.** Local governments should be encouraged to provide opportunities for developers to defer housing development impact fees, ensuring that local agencies receive funding needed to address impacts while reducing construction financing costs for housing developers.
- **Support State Regulatory Changes to Reduce Fees.** State laws and regulations can increase pressure to impose impact fees through mandates that increase the costs of providing local services and infrastructure. State-led efforts to reduce local fees must also recognize the impacts of these requirements.

Attachment 1C
Priorities for Federal Surface Transportation Reauthorization



California State Association of Counties

CSAC PRIORITIES FOR FAST ACT REAUTHORIZATION

Approved by the CSAC Board of Directors September 5, 2019

FAST Act Reauthorization Priority: Increase Federal Revenues for Transportation Infrastructure

Without immediate bold action by Congress, the Highway Trust Fund will continue to face insolvency. Existing federal revenues continue to fall short of meeting the funding needs to bring our nation's surface transportation infrastructure into the next century. Our future economic prosperity, and our dedication to the health, safety, and welfare of the traveling public and all Americans, demands a significant reinvestment into the transportation network. **CSAC urges Congress to enhance revenues for investment in our national transportation infrastructure.**

The California State Association of Counties (CSAC) – the unified voice of California's 58 counties – believes that until the funding issue is addressed, we will not make significant progress in improving our critical transportation infrastructure. California has joined states around the country in taking action to address its transportation infrastructure funding needs. The landmark Road Repair and Accountability Act of 2017 provides over \$5 billion annually to fix local roads, state highways and bridges and invest in transit and active transportation. At the regional level, over 80% of California's residents live in a county where voters have approved a dedicated local transportation tax measure. Despite these significant investments, California still depends upon a strong federal partnership to meet our transportation infrastructure needs.

The demands on our infrastructure are relentless – Californians log 300 million vehicle miles traveled annually, more than the current system was ever intended for. Local agencies in California own over 12,000 bridges, of which 829 need to be replaced and 1,834 need rehabilitation. At the same time, federal sources of revenue are declining due to necessary improvements in fuel economy and electric vehicle technology. In order to address pressing environmental concerns ranging from air quality and climate change to impacts on our water resources and energy demands, the nation must continue its work to advance technological improvements in fuel economy, alternative vehicles such as zero emissions vehicles, and reduce the amount people must drive to access work, school, home, services, and recreation. These challenges will only exacerbate our current funding dilemma.

CSAC's policy supports a variety of new revenues sources, including exploring ways to reduce costs. Failing to address the severe funding issue within the next reauthorization effort will only negatively impact the condition of our system, our economy, our environment, and the overall quality of life for Americans. Increased revenue is our utmost priority for FAST Act reauthorization.

Once Congress addresses the funding issue, CSAC submits the following additional policy and programmatic priorities for consideration by Congress.

FAST Act Reauthorization Priority: Restore the Highway Bridge Program

- Provide dedicated revenue for on-system highway bridge projects, either by creating a set-aside similar to the off-system highway bridge set-aside or restoring the Highway Bridge Program as a core program.
- Increase dedicated funding for preventative maintenance on, and replacement of, bridges. This is a critical safety issue.

FAST Act Reauthorization Priority: Emergency Relief Projects

- Provide relief for local agencies impacted by disasters by extending the statutory limit for emergency relief projects under the Federal Highways Administration to six years with the possibility of additional one-year extensions for just cause.

FAST Act Reauthorization Priority: Focus on Safety

- Increase funding for safety infrastructure projects on the existing transportation system.
- Programs/projects must be aimed at reducing the greatest number of fatalities regardless of ownership of the system.
- Ensure the rural road system, where fatality rates are the highest, retains dedicated funding.
- Promote and increase funding for bicycle and pedestrian safety projects and programs.

Fast Act Reauthorization Priority: Fix-it-First

- Provide increased funding for maintenance and preservation of the existing system. Reinvesting in the system now prevents exponentially higher costs down the road.

FAST Act Reauthorization Priority: Streamlining Project Delivery & Environmental Review

- Support streamlining of federal regulations to facilitate more expeditious project delivery.
- Ensure that federal project oversight is commensurate to the amount of federal funding.
- Extend the at-risk project pre-agreement authority available for transit projects to highway projects for non-construction activities and for construction activities once environmental review is complete.

FAST Act Reauthorization Priority: Increase Flexibility to Meet State, Regional, and Local Needs

- Maximize the use and flexibility of federal funds by not requiring minimum federal matches.
- Eliminate the need to program multiple phases for small projects.
- Eliminate need for TIP programming for air quality neutral projects.

FAST Act Reauthorization Priority: Assistance for Data Collection

- Provide funding, training, tools, and uniform standards for the collection of roadway and traffic data specifically for the local and rural roadways, including assistance and funding for data collection required by federal performance management rules.
- Provide assistance for data collection, and determining and quantifying GHG emissions, and other important data for addressing climate change in long-range transportation plans.

FAST Act Reauthorization Priority: Improve Environmental Stewardship & Address Climate Change

- Provide financial incentives to States that adopt and set greenhouse gas (GHG) emissions reductions targets and programs to accomplish those targets.
- Provide incentives in current programs and/or provide new funding sources for climate change neutral or friendly transportation projects and programs.
- Provide financial incentives for rural sustainability.
- Provide financial support for regional and countywide planning processes that integrate transportation and land use planning to reduce GHG emissions.
- Provide funding for retrofitting equipment and for alternate fuel infrastructure.

FAST Act Reauthorization Priority: Maintain Funding for Federal Lands Access Program (FLAP)

- Maintain funding for the FLAP for projects that provide access to, are adjacent to, or are located within Federal Lands.

For more information regarding these priorities and principles, please contact:

Joe Krahn, Paragon Government Relations, (202) 898-1444

Chris Lee, California State Association of Counties, (916) 650-8180

Attachment 2
Climate Change Executive Order N-19-19

**EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA**

EXECUTIVE ORDER N-19-19

WHEREAS California is proof that a bold climate agenda is good for the economy, for workers, for health and for our future, as evidenced by our state having achieved record economic growth while reaching some of the strongest climate goals in the world; and

WHEREAS in the face of inaction on climate change from the federal government, California is a global leader in climate change mitigation efforts through bold climate goals and actions, as well as leadership in the US Climate Alliance and Under2 Coalition, using the state's power as the fifth largest economy in the world to drive positive action; and

WHEREAS California has ambitious and essential climate goals to transition to a healthier, more sustainable and more inclusive economy, including: reducing greenhouse gas emissions 40 percent below 1990 levels by 2030; providing 100 percent of the state's electricity from clean energy sources by 2045; reducing methane emissions and hydrofluorocarbon gases by 40 percent; and adding five million zero-emission vehicles to California's roads by 2030; and

WHEREAS California has made substantial, measurable progress on many of the goals enumerated above, but in recent years, direct tailpipe emission from cars, ships, diesel trains, airplanes, and other transportation sources have remained a stubborn driver of greenhouse gas emissions, totaling 40.1 percent of all greenhouse gas emissions statewide; and

WHEREAS the California Air Resources Board has a fifty-year history of leading the globe in addressing harmful pollution through innovative air pollution control standards, including the nation's first NOx emissions standards for motor vehicles; and

WHEREAS California's renewable energy targets have spurred innovation and private investment in new technologies with California leading the nation in clean technology patents and bringing in more than 50 percent of all clean energy investment in the nation; and

WHEREAS the state has made significant progress in lowering greenhouse gas emissions and mitigating climate risk in California's own state government operations and public schools; and

WHEREAS achieving California's climate goals will require concerted commitment and partnership by government, the private sector, and California residents.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, by virtue of the power and authority vested in me by the Constitution and the statutes of the State of California, do hereby issue the following Order to become effective immediately to require that every aspect of state government redouble its efforts to reduce greenhouse gas emissions and mitigate the impacts of climate change while building a sustainable, inclusive economy.

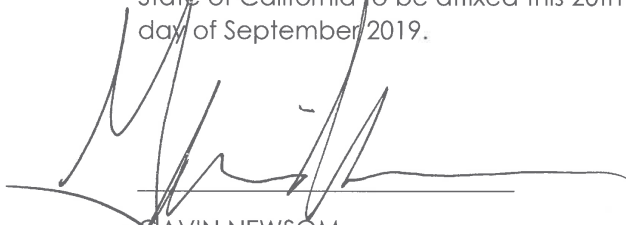
1. To leverage the state's \$700 billion investment portfolio to advance California's climate leadership, protect taxpayers, and support the creation of high-road jobs, the Department of Finance shall create a Climate Investment Framework.
 - a. The Framework shall include a proactive investment strategy for the state's pension funds that reflects the increased risks to the economy and physical environment due to climate change.
 - b. The Framework shall provide the timeline and criteria to shift investments to companies and industry sectors that have greater growth potential based on their focus of reducing carbon emissions and adapting to the impacts of climate change, including but not limited to investments in carbon-neutral, carbon-negative, climate resilient, and clean energy technologies.
 - c. The Framework shall align with the fiduciary responsibilities of the California Public Employees' Retirement System, California State Teachers' Retirement System and the University of California Retirement Program.
 - d. The Department of Finance shall consult with the Governor's Office of Planning and Research, and the California Department of Human Resources on the Framework.
2. The State Transportation Agency shall leverage the more than \$5 billion in annual state transportation spending for construction, operations, and maintenance to help reverse the trend of increased fuel consumption and reduce greenhouse gas emissions associated with the transportation sector. To accomplish this, the State Transportation Agency, in consultation with the Department of Finance, shall:
 - a. Align the state's climate goals with transportation spending on planning, programming and mitigation to achieve the objectives of the state's Climate Change Scoping Plan, where feasible,
 - b. Reduce vehicle miles traveled by strategically directing discretionary transportation investments in support of housing production near available jobs and in accordance with the state's smart growth principles, as defined in Government Code section 65041.1, and taking public health into account,

- c. Reduce congestion through innovative strategies designed to encourage people to shift from cars to other modes of transportation,
 - d. Fund transportation options that contribute to the overall health of Californians and reduce greenhouse gas emissions, such as transit, walking, biking and other active modes, and
 - e. Mitigate increases in transportation costs for lower income Californians.
3. The Department of General Services shall leverage its management and ownership of the state's 19 million square feet in managed buildings, 51,000 vehicles and other physical assets and goods to minimize state government's carbon footprint. To accomplish this, the Department of General Services shall:
 - a. Maximize reduction of greenhouse gas emissions, including harmful diesel emissions, from the state fleet,
 - b. Develop and implement sustainable purchasing policies across state agencies that prioritize the purchase of environmentally preferable goods such as more sustainable food and recycled materials, consistent with state climate policies,
 - c. Reduce greenhouse gas emissions and mitigate climate risk from the state's owned and future-leased buildings,
 - d. Manage energy demand to maximize benefits to the grid, and
 - e. Promote zero-emission vehicle purchasing in state and local government fleets.
4. To accelerate progress towards California's goal of five million zero emissions vehicles sales by 2030, the California Air Resources Board shall:
 - a. Develop new criteria for clean vehicle incentive programs to encourage manufacturers to produce clean, affordable cars,
 - b. Propose new strategies to increase demand in the primary and secondary markets for zero emissions vehicles, and
 - c. Consider strengthening existing or adopting new regulations to achieve the necessary greenhouse gas reductions from within the transportation sector.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order shall be filed with the Office of the Secretary of State and that widespread publicity and notice shall be given to this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its departments, agencies, or other entities, its officers or employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 20th day of September 2019.

A handwritten signature in black ink, appearing to read 'Gavin Newsom', is written over a horizontal line.

GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State