

Draft Green Means Go Guidelines

ATTACHMENT C:
SUMMARY OF COMMENTS RECEIVED



FUNDING PROGRAM



Draft Guidelines Comments

SACOG released the draft Green Means Go program guidelines on April 28th, 2022 through a general email blast to Green Means Go stakeholders, targeted communication with jurisdictions, builders, and housing advocates, through the staff item for the Land Use and Natural Resources Committee and that committee's list serve, and by updating the Green Means Go and SACOG websites and notification listings. SACOG also held a series of workshops to solicit feedback on the guidelines including a webinar and one-on-one sessions for local jurisdictions, a separate workshop for builders, developers, housing groups and interested stakeholders, and a multi-part working group consisting of community-based organizations (CBOs). Program staff also included the draft guidelines in the SACOG board's April packet.

Comments on the draft guidelines were due on May 20, 2022.

SACOG received multiple comments through these various outreach efforts. This document describes the comments received, and what steps staff made to incorporate the received comments into the revised guidelines. Generally, comments fell into three categories:

- Eligibility
- Program objectives and evaluation criteria
- Overarching/general comments

The following describes each of the comments in turn.

The attachment concludes by providing the formal comment letters SACOG received on the draft guidelines. The process defines formal comment letter as those signed and on agency letterhead. All other comments (verbal, through the body of an email, etc.) are covered through the summary description.

Eligibility (sponsors and uses)

- SACOG heard from several jurisdictions who requested transportation infrastructure be included as an eligible use.
 - Project staff appreciates this comment (which has also been raised in conversations at the state level). However, the final guidelines maintain the eligibility requirement to be for non-transportation infrastructure. Part of this reasoning stems from the focus of the statewide REAP 2.0 guidelines (which has non-transportation infrastructure as a preferred use) while the year-long outreach in the buildup to Green Means Go also emphasized the need for funding for non-transportation infrastructure to meet what is often an intractable barrier (with fewer funding sources, while there are recurring revenue sources for transportation infrastructure).
- A local jurisdiction suggested the program consider Brownfield remediation as a qualifying use.
 - Brownfield remediation is not covered in the overarching state REAP 2 guidelines. As such, the Green Means Go guidelines maintain the eligibility to the non-transportation infrastructure listed (water, sewer, stormwater, electricity and broadband).
- A participant on the CBO group recommended the program's tracking requirement extend beyond the grant award period to ensure the institutional changes referenced in the application are being carried out.
 - Program staff added this change into the revised guidelines.
- Participants on the CBO group recommended adding a commitment to community-based partnerships as part of the program's threshold (eligibility) requirements, such as through a required letter of support. Another idea put forward was to require a Memorandum of Understanding (MOU) between the sponsor and a community group. The CBO working group asked for more clarity on how city/county applicants could work meaningfully with community organizations. Participants in the housing/developer workshop advocated for more detailed education, outreach and partnerships to help inform a more comprehensive understanding of infill development.
 - Program staff added a letter of support from a community-based partner as a new requirement under the eligibility section.
 - Staff also reworked the engagement section in the evaluation criteria based on these comments.
- A local jurisdiction requested that the Early Activation Category (category A) be more specific on eligible uses.
 - Staff made the corresponding edits to the revised guidelines.
- A local jurisdiction suggested the program consider a proportional allocation of funding to jurisdictions based on their Regional Housing Needs Allocation, noting that REAP 1 used this approach in allocating that funding.
 - Staff appreciates the comment, but the revised guidelines do not change the staff recommendation of competitively allocating the Green Means Go funding (including the REAP 2 funding associated with Green Means Go). The statewide REAP guidelines emphasize the goal of funding transformative projects, which staff feels is best met through the current program framework.
- A participant on the CBO group suggested staff consider a maximum funding cap in Category C (capital projects).

- Program staff did not add a funding cap for Category C. Instead, the guidelines call attention to the funding levels by category. Sponsors can also use the pre-application consultation to discuss project elements (including cost).
- A local jurisdiction suggested staff change the funding cap for Category B from \$500,000 to \$650,000, citing examples of costs for different planning activities (i.e., that a \$500,000 cap could not cover the costs of an integrated planning activity).
 - Program staff made this suggested change in the revised guidelines.
- A participant on the CBO group thought that broadband, while an essential part of infrastructure, usually was not the barrier for new infill housing. Instead, the comment suggested broadband should be a complementary strategy in the leverage criteria.
 - Staff kept broadband as an eligible use, given that it is an allowable use in the broader funds. But staff agrees that broadband projects in the evaluation criteria section need to demonstrate how they are overcoming a key barrier that limits infill housing (which may be a harder argument to make than the other types of infrastructure projects). Sponsors can use pre-application consultation to ask for input on project competitiveness.

Program objectives and evaluation criteria

- A participant in the CBO working group suggested the draft guidelines did not give sufficient clarity on how the working groups would assess projects for competitiveness, and that applicants may not understand how their projects would be evaluated.
 - Program staff revised the draft guidelines for clarity, but also discussed through the workshops how the separate and forthcoming evaluation guidance document's purpose is to give the information about evaluation metrics and guidance. Staff committed to reconvening the working group to review the evaluation guidance document.
- A participant in the housing/developer working group recommended that the program objective to reduce vehicle miles travelled include an explicit reference to transit.
 - Program staff appreciates the comment. The final guidelines however did not change the program objective (i.e., it still reads as 'reducing vehicle miles travelled'). However, the narrative describing the objective lists transit as a strategy and the forthcoming evaluation criteria guidance will give further detail of how projects support this objective, including by serving areas with productive transit service.
- Several participants in the housing/developer working group recommended that housing affordability be more clearly mentioned as a program objective and a prioritized evaluation criteria. Many participants on the CBO working group also had similar comments, recommending that housing affordability be better emphasized throughout the guidelines both as an overarching objective and as an evaluation criteria/prioritized use. The standalone comment letters staff received also recommended a stronger focus on affordable housing or housing affordability.
 - Program staff reworked the draft guidelines to include a stronger emphasis on housing affordability. This includes updating two program objectives ('increase infill housing' updated to 'accelerate infill residential development that increases housing affordability' and adding 'affirmatively further fair housing' to the inclusive communities outcome) per the recommendation of the working group, and revising the evaluation criteria section for each objective accordingly. Staff also added a reference to economic recovery to the first objective, which is an objective of the broader funds.
 - Staff reworked the weighted evaluation criteria. The revised objective of accelerating infill housing that improves affordability and economic recovery is weighted the most of the five objectives (at 30 points). The revised guidelines weight the objectives of reducing VMT, fostering inclusive communities, and leveraging partnerships at 20 points each. Staff received a comment that reducing VMT, while important, could be considered at a lower weight in the revision. In reviewing the changes, staff elected to keep the weight for reducing VMT the same, in that it is a primary objective of both Green Means Go and the REAP 2.0 funds. Next, a participant suggested that the objective of fostering inclusive communities could be weighted higher. Staff elected to keep the objective at the same weight, so that the housing affordability objective would have the highest weight (housing affordability was the focus of most comments) and given that community engagement criteria crosscuts multiple objectives (housing affordability, leverage/community partnerships, and the foster inclusive communities objective). Staff lowered the weight of the deliverability/cost effectiveness objective,

given the comments discussed below. Finally, staff reworked the evaluation range (from 50 points to 100 points) to better highlight the changes to the evaluation weighting.

- In a related comment, a participant in the housing/developer workshop recommended the guidelines, in addition to prioritizing infill housing development and responding to conditions in underserved communities, need to better describe how the program facilitates housing element compliance and progress in meeting housing element goals.
 - In the revised guidelines, each project will be evaluated on sites made available through the Housing Elements inventory (as part of the infill objective) as well as the supporting local policy environment (leverage criteria), while eligible uses within the planning track can be used for efforts that support housing element compliance. Further, sponsors can use the leverage criteria to point to how an award would build off/advance existing efforts that meet the same goals (such as REAP 1 grants focused on housing element compliance).
- Program staff received a comment from a participant in the housing/developer engagement that the program should prioritize projects that include deeply affordable housing in Disadvantaged and Environmental Justice communities, noting these areas suffer from a combination of economic, health, and environmental burdens, while the region struggles to compete for state funding in these areas.
 - The revised guidelines reworked both the infill housing (to stress housing affordability) and the inclusive communities (to stress affirmatively furthering fair housing) objectives and evaluation criteria. Staff feels the revised guidelines prioritize housing affordability and the need for place-based strategies to serve underserved communities. However, AFFH also argues that affordable housing in high opportunity areas is a needed strategy to break the cycle of concentrated poverty, and the guidelines preserve the ability for projects to meet either ‘pole’ of AFFH (community revitalizing projects in underserved areas and/or affordable projects in high resource areas).
- Program staff received a comment from a participant on the housing/developer group that the program should only award funding to projects that have long-term deed-restricted affordability requirements of greater than 50 years, such as those required by the state’s Tax Credit Allocation Committee for new affordable housing developments.
 - The guidelines focus is on housing affordability, but preserve flexibility in strategies to accomplish the goal. As such, the revised guidelines do not limit eligibility only to those applications with long-term deed-restricted affordability requirements, but such a strategy can be used to demonstrate the program’s objective of housing affordability.
- Program staff received a comment from a participant on the housing/developer group recommending that market rate and mixed income housing projects not be discouraged or disadvantaged in the application process. The comment noted that market rate housing is as vital to achieving the goals of Green Means Go, has many hurdles to overcome, but does not have the same access to resources that may be available to assist affordable housing projects.
 - The guideline focus is on housing affordability, which can be met by multiple strategies, such as increased supply, design approaches, or subsidized housing. Staff does not feel that market and mixed income projects are discouraged or disadvantaged. However, these projects need to show how they are contributing to housing affordability beyond an increase in supply.

- Several participants on the CBO group noted that cost effectiveness, while an important criteria, has been misused in the past in other grant programs, and has been a barrier for good projects moving forward. In response, a participant suggested that the criteria include a focus on life-cycle costs.
 - Program staff reworked the cost effectiveness section of the deliverability criteria to include life cycle costs. However, SACOG will need to work to build out life-cycle cost-effectiveness criteria in the application material. This work is underway but not yet complete, so there is a risk that there will not be a clear way to measure life-cycle costs in the application.
 - As mentioned above, the revised guidelines lowered the evaluation weighting of this criteria relative to the other four.
- Many participants on the CBO group had suggestions for how to better describe the criteria of the ‘inclusive communities’ objective, and what strategies would meet these outcomes, including how the program will respond to conditions in disadvantaged and historically underserved communities. Suggestions included adding an explicit reference to environmental justice communities (and mandating the application describe what mitigation strategies are in place), a complementary focus on rehabilitating existing affordable housing, removing strategies centered solely on housing supply, reiterating a focus on anti-displacement, improving communication and education, and including minimum standards for development. Further, the group recommended the guidelines discussion on community engagement include reference to when the engagement occurred (as to not rely on engagement that was years or even decades old).
 - Program staff added these suggestions into the draft guidelines.
- In a related comment, participants in the CBO group asked the application include metrics such as the number of community members engaged, the number of affordable housing units, the number of families at risk for displacement, etc.
 - Program staff is working on the evaluation criteria and guidance document as a separate document to the guidelines. Staff committed to reconvening the working group once a draft of the detailed guidance documented is completed.
- Participants on the CBO group also gave examples to consider adding in the Leverage criteria, including carbon capture efforts or traffic calming (including rerouting of heavy-duty vehicles)
 - Program staff added these suggestions into the draft guidelines.
- A participant on the CBO group noted that there are opportunities for projects that don’t displace individuals, such as infill in abandoned buildings or vacant parcels.
 - Staff feels the guidelines cover this comment (i.e., the guidelines ask for strategies that improve housing affordability and are cognizant of local context, but don’t prescribe what strategy would work best for each community).
- A participant on the housing/developer workshop suggested that there could be some potential conflict between the goals of investing in underserved communities and an objective of Affirmatively Furthering Fair Housing (AFFH) to open high resource communities to a broader range of incomes.
 - The draft guidelines described the different strategies to be used in a high resource area compared to an underserved community. Staff reworked the Inclusive Communities section somewhat to better emphasize the distinction.

- A participant on the housing/developer workshop recommended that the deliverability/readiness criteria should emphasize projects that are entitled (or with an application pending), or at least evidence of discussions with a builder to show strong interest in executing a project.
 - The revised guidelines do not require a project be entitled (or have a pending application) but include an expanded discussion on project readiness. The guidelines preserve flexibility in how the sponsor can demonstrate readiness.
- A participant on the housing/developer workshop suggested that the corridor's zoning be considered as part of the assessment.
 - Staff clarified that the Leverage and Infill criteria both asked for this information (i.e., no substantive changes made in the revised version, as the guidelines already included the suggestion).

General comments

- A participant on the CBO group was concerned about the level of effort to apply to the program, recommending the application balance requirements with a recognition of resource limitations, and ensuring there is technical support for jurisdictions that may not have the resources.
 - Staff appreciates the comment. SACOG has worked throughout its other funding programs on streamlining efforts which we have employed in Green Means Go. Staff recognizes the tradeoff between application requirements and the effort to apply to the program. While it's likely not possible to ever find the perfect balance between the two, staff continues to consider both the need for a robust application and the goal of limiting the level of effort in pursuing a grant. However, there are requirements on Green Means Go from the overseeing state partners which will be included in the application.
- Participants on the CBO group suggested staff conduct a Green Zone review on how the zone is aligned with other designations such as Opportunity Zones, housing elements sites inventory, environmental justice element mapping, etc. Multiple participants across the various outreach efforts suggested SACOG use the land zoned for housing (particularly for low income) in a jurisdiction's Housing Element as part of the evaluation criteria.
 - Staff is developing an interactive mapping layer that overlays all these various designations and will include in the evaluation guidance document. Staff committed to reconvening the working group with a draft of the evaluation guidance document.
 - Staff is creating a region-wide mapping layer for Housing Element sites, and has added this as part of the evaluation criteria in the first objective.
- A participant on the CBO group recommended revising the section on pre-application consultation to note that jurisdictions can approach SACOG for a consult even if the jurisdiction doesn't yet have an idea for Green Means Go (in other words, having a tangible project for Green Means Go is not a prerequisite for the consultation, that instead, the conversation can also talk through how to form a project).
 - Program staff added this element to the revised guidelines.
- Various participants recommended the Community Development Block Grants and Infill Infrastructure Grants programs as resources.
 - Staff appreciates the suggestion, and has looked to the two programs, in particular, for metrics used to support the shared objectives.
- A participant on the housing/developer workshop recommended staff work to improve the flexibility of the funding source to allow for reimbursable work or a cost sharing approach.
 - The uses of the funds are set by the REAP 2.0 guidelines (including the federal rule on the draft REAP framework). As such, Green Means Go must align with the approaches laid out in the broader guidelines.
- A participant on the housing/developer workshop asked for the ability to revise Green Zones
 - Staff confirmed that the process allows for revisions to Green Zones, including adding new zones (i.e. no changes made to the guidelines in response to this comment, as the guidelines already included a section on Green Zone revisions).
- Participants across the various working groups and outreach efforts recommended staff think of ways to communicate the differences more easily between the program categories.

- Program staff created a new standalone infographic that describes the three categories, and gives a user a flowchart to help identify the best suited category.
- Participants across the various working groups and outreach efforts gave minor language and organizational suggestions for clarity.
 - Program staff appreciate these comments and worked them into the revised guidelines (minor language or reorganization changes were not tracked in track change).



May 20, 2022

Garett Ballard-Rosa, Senior Planner
Sacramento Area Council of Governments
1415 L Street, #300
Sacramento, CA 95814

Re: "Green Means Go" Program Guidelines Comments

Dear Mr. Ballard-Rosa:

Mutual Housing California supports the modification of SACOG's Green Means Go program guidelines to prioritize housing affordability. This program's critical investment in Sacramento will help facilitate the construction of new infrastructure required by new development, and it is in the best interest of our region that the new developments that benefit from this program prioritize our most vulnerable residents.

This can be accomplished by the creation of a scoring category that awards points only to projects associated with housing that will have long-term deed-restricted affordability requirements of greater than 50 years, such as those required by the state's Tax Credit Allocation Committee for new affordable housing developments.

Presently, Mutual Housing California is on the development of the 150-unit San Juan Motel affordable housing project located just south of the southwest corner of Fruitridge Road and Stockton Boulevard. The project also will include studio, one-, two-, and three-bedroom units, and will be affordable to families earning between 30% and 60% of Sacramento County's Area Median Income. Additionally, 39 of the units will be reserved for formerly homeless households. It is Mutual Housing's intent to obtain development entitlements in Fall 2022, all financing commitments in Spring 2023, and commence construction in Fall 2023.

A project like this is only possible with significant public investment in required public infrastructure. We encourage SACOG to prioritize these public investments for the development of affordable housing in our region.

Sincerely,

Roberto Jimenez, CEO
Mutual Housing California

May 20, 2022

Garett Ballard-Rosa, Senior Analyst
Sacramento Area Council of Governments
1415 L Street, Suite 300
Sacramento, CA 95814

RE: Green Means Go Guidelines

Dear Mr. Ballard-Rosa,

Thank you very much for the opportunity to comment on the Green Means Go (GMG) guidelines and for you and staff's efforts to convene affordable housing stakeholders to gather feedback. We really appreciated the information sharing, deep listening, and the opportunity to provide feedback to ensure the program is as effective as possible.

As you know, we provided direct detailed feedback on the guidelines through your google drive link. It was particularly helpful to be able to provide direct comments on the document itself. We also really appreciated your thoughtful consideration of our feedback. In addition to those specific comments, we also wanted to share some general observations and recommendations that we believe are especially important for your Board to consider.

Most importantly, it is critical that the program explicitly and intentionally prioritize the development of **affordable** infill housing. We continue to be disappointed and concerned that the identified program objectives do not even mention affordable housing. Given the continuing and historic affordable housing crisis in the state and in this region in particular, SACOG must act to bring needed resources that will facilitate the development of new affordable infill housing. There remains insufficient funding in our region to support new affordable housing development, and the GMG program could help address this deficiency by incentivizing local governments to approve affordable housing development. The program guidelines should specifically require achievement of affordability goals and provide priority to local applicants that increase their affordable housing objectives.

Affordable infill housing is also especially supportive of climate and transportation goals because low-income individuals and families are high propensity transit riders. In addition, promoting infill and infill housing development without consideration of affordability can have serious gentrification and displacement impacts.

We also note the State REAP 2.0 goals for the program (which is funding a significant portion of the GMG program) specifically includes the following goals:

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Retired

Holly Wunder-Stiles
Mutual Housing
California

Nur Kausar
At Large

(A) Invest in housing, planning, and housing-supportive infrastructure across the entire state in a manner that reduces VMT, *increases housing affordability*, and advances equity, consistent with all of the following:

1. Advancing the state planning priorities.
2. Affirmatively furthering fair housing.
3. Facilitating housing element compliance and progress for the sixth cycle Regional Housing Needs Assessment; and,
4. Advancing and implementing the region's SCS.

(B) Immediately responding to the pandemic and the long-term disproportionate conditions compounded by the pandemic, *particularly in disadvantaged and historically underserved communities*. However, the guidelines do not prioritize affordable infill housing development, address how the program will facilitate housing element compliance or progress in meeting housing element goals, nor specifically address how the program will respond to conditions in disadvantaged and historically underserved communities. These deficiencies should be addressed in the next draft of the guidelines.

We also think it is critically important for SACOG to meaningfully link the GMG zones to other critical placed based initiatives including housing element site inventories, Affirmatively Furthering Fair Housing plans, and potential consideration of linkages to local environmental justice element mapping. Linkages to housing element site inventories and Affirmatively Furthering Fair Housing will support achievement of State goals.

Thank you again for your consideration of our direct comments on the GMG guidelines and for the issues raised in this letter. We look forward to our continuing partnership with SACOG in advancing affordable housing and equity goals in this region. Please do not hesitate to contact us if you have any questions about our comments.

Sincerely,

A handwritten signature in black ink, appearing to be 'Kendra Lewis', with a stylized, flowing script.

Kendra Lewis, Executive Director
Sacramento Housing Alliance

A handwritten signature in black ink, appearing to be 'Cathy Creswell', with a cursive script.

Cathy Creswell, Board President
Sacramento Housing Alliance