Agency:

California Strategic Growth Council (SGC)

Action:

Request for Information.

Summary:

California Strategic Growth Council (SGC) brings together State agencies and departments within Business, Consumer Services and Housing, Transportation, Natural Resources, Health and Human Services, Food and Agriculture, and Environmental Protection with the Governor's Office of Planning and Research to coordinate activities that support sustainable communities emphasizing strong economies, social equity, and environmental stewardship.

SGC's Resolution on Housing, Climate, and Equity ("Council Priority 3" or "Priority 3") creates a framework for elevating and coordinating the growing number of goals, policies, and programs designed to address the state's entwined housing, climate, and equity crises. Leveraging the Council's position as a public interagency body, Priority 3 aims to build awareness of and access to opportunities across the state, as well as to identify additional strategies to meet the State's housing, climate, and equity goals in a coordinated manner, through a combination of public engagement, technical assistance, and coordination across traditional silos of policy and planning. In turn, Priority 3 will help to reduce greenhouse gas emissions and enhance community resilience while advancing equity and expanding the number of Californians that share in the state's economic and environmental wealth.

Dates:

Responses must be received by March 31, 2023, to be assured of consideration.

Submissions:

Please submit comments via this form.

Comments received may be posted on https://sgc.ca.gov/ without change, including any business or personal information provided. Comments received, including attachments and other supporting materials, will be part of the public record and subject to public disclosure. Do not enclose any information considered confidential or inappropriate for public disclosure.

For further information contact:

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Supplementary information:

Purpose:

This Request for Information (RFI) offers the public the opportunity to provide information on ways to influence the way California builds and connects communities through **strategic growth**, defined as an inclusive, coordinated, interagency approach to development and conservation that helps protect our health and natural environment and make our neighborhoods and communities more resilient, culturally and economically vibrant, and socially diverse, for the benefit of all Californians. Strategic growth holds great potential to advance climate objectives while addressing poverty, lack of affordable housing, and historical neighborhood underinvestment.

Over the last decade, significant budgetary and legislative actions have been taken to advance topics related to housing, climate, equity, and, more broadly, strategic growth. The primary purpose of this RFI is to identify solutions, education opportunities, and targeted efforts the State can take to leverage and align existing legislative and budget actions with the explicit outcome of making these investments and policy solutions more accessible and usable for local, regional and community implementers. In addition, the RFI seeks to identify additional strategies the State should consider in order to meet current and projected needs at the nexus of housing, climate and equity.

Through this RFI, SGC seeks to identify the following:

1. Non-budgetary and non-legislative strategies and actions to implement existing recommendations including, but not limited to, the Draft 2022 Progress Report on California's Sustainable Communities and Climate Protection Act ([SB 150 Report](#)),), the 2022 Scoping Plan [Appendix E Sustainable and Equitable Communities](#), the California Transportation Assessment Report ([AB 285 Report](#)), the Climate Action Plan for Transportation Infrastructure ([CAPTI](#)), and the Statewide Housing Plan ([SHP](#));
2. Additional non-budgetary and non-legislative tools and strategies to meet the State's housing, climate, and equity goals in a coordinated way and at the scale and pace necessary to close existing gaps and meet the urgency of current and projected needs;
3. Tools and strategies to meet the State's housing, climate, and equity goals that might require legislative and budget action;
4. Strategies and actions for removing barriers to achieving the State's housing, climate and equity goals through technical assistance and capacity building, continued development of data tools, partnerships with California Native American tribes and local and regional government agencies, and elevating effective strategies and best practices; and
5. Strategies and actions for improving coordination between State, local, federal, and Tribal partners and sharing information on new and existing efforts.

To assist with responding to RFI questions, a brief but non-exhaustive list of agency programs within the key areas of substantive focus is included in Appendix A.

Background:

The California Budget for 2021-22 and 2022-23 includes [$53.9 billion in new climate investments](#), including $14.8 billion in transportation infrastructure, $11.2 billion in incentives for housing production, and $400 million dedicated to enhanced wildfire resilience across California's diverse landscapes. Under

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the Statewide Housing Plan, California must plan for more than 2.5 million homes over the next eight-year cycle, and no less than one million of those homes must meet the needs of lower-income households. Over the last six years, sweeping legislation has produced a range of data-informed, innovative strategies to streamline and incentivize various types of housing development, expand the supply of affordable homes, and reduce and prevent homelessness.

The current groundswell of State action on housing, climate change, and equity presents a unique opportunity to support the needs of all Californians. In December 2022, SGC passed Council Priority 3, a resolution calling for a coordinated approach to support strategic growth. The resolution aims to make it easier for all Californians to afford homes in places with good access to jobs, services, open space, and education; provide a variety of transportation options that reduce the need to drive; and preserve and ensure access to natural and working lands. Having developed a general framework for Council Priority 3, SGC Staff is now developing a two-year action plan that will operationalize the goals of the Priority. Information gathered through this RFI will help inform the continued development of that action plan.

How to comment:

This RFI is only for information and planning purposes and should not be construed as an obligation on the part of the SGC. We ask respondents to address the Key Questions listed below. Respondents do not need to address every question and should focus on those where they have views or relevant expertise. Please clearly indicate which questions are addressed in the response. Respondents may provide detailed responses and examples. All comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Respondents should only submit information that they wish to make publicly available.

Key questions:

1. Please describe examples of best practices and lessons learned from strategic growth projects that have resulted in housing, climate, and equity benefits. How could these projects have been more impactful or cost-effective to implement?

2. Please describe any additional non-budgetary and non-legislative tools and strategies that may help meet the State's housing, climate, and equity goals in a coordinated way and at the scale and pace necessary to meet the urgency of current and projected needs. Where possible, please detail specific benefits and beneficiaries of any tools and strategies discussed.

3. How can SGC and member agencies collaborate on providing technical assistance, opportunities for peer-to-peer learning, and other non-financial resources to support the preservation and development of climate-friendly housing, and infrastructure and community investments that support climate-friendly housing? Discuss considerations for how climate-friendly housing strategies may apply in a variety of contexts, including historically underserved communities, communities disproportionately impacted by climate change and racial segregation, and higher resource infill areas that have traditionally resisted affordable and multifamily housing.

4. Please describe additional strategies and actions for removing barriers to achieving the State's housing, climate, and equity goals. Strategies and actions may include but are not limited to capacity building, continued development of data tools, streamlining or aligning requirements for programs with cross-sectoral benefits (e.g., housing decarbonization, infrastructure, etc.), and elevating effective strategies and best practices.

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5. Please describe specific strategies and actions for improving coordination between State, local, federal, and Tribal partners regarding housing, climate, and equity. How can further alignment and coordination between agencies result in more substantial outcomes regarding housing production, housing access, reduced greenhouse gas emissions, shared economic prosperity, community health and resilience, and the protection and conservation of natural and working lands?

6. What data should the State consider collecting to better understand and report progress toward the State's housing, climate, and equity goals? How can SGC and member agencies incentivize or structure data collection and reporting to promote increased private sector and philanthropic investment in climate-friendly development?

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Appendix A

List of related agency programs

Program	Agencies / Departments	Overview
Transformative Climate Communities Program (TCC)	SGC	Funds development and infrastructure projects that achieve significant environmental, health, and economic benefits in California's most disadvantaged communities
Infill Infrastructure Grant program (IIG)	HCD	The objective of the IIG program is to promote infill housing development by providing financial assistance for Capital Improvement Projects that are an integral part of, or necessary to facilitate the development of affordable and mixed income housing.
Active Transportation Program (ATP)	Caltrans	Consolidates existing federal and state transportation programs into a single program with a focus on making California a national leader in active transportation.
Regional Early Action Planning Grants Program (REAP)	HCD, OPR, SGC, CARB	Seeks to accelerate infill housing development, reduce Vehicle Miles Traveled (VMT), increase housing supply at all affordability levels, affirmatively further fair housing, and facilitate the implementation of adopted regional and local plans to achieve these goals.
Affordable Housing and Sustainable Communities Program (AHSC)	SGC, HCD	Builds healthier communities and protects the environment by increasing the supply of affordable places to live near jobs, stores, transit, and other daily needs.
Sustainable Lands and Agricultural Conservation (SALC)	SGC, DOC	Fights climate change by protecting our productive farmlands and encouraging compact transit-oriented communities.
Transit and Intercity Rail Capital Program (TIRCP)	CalSTA	Funds transformative capital improvements that will modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion.
Low Carbon Transit Operations Program (LCTOP)	Caltrans	Provides operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, prioritizing serving disadvantaged communities.

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Key questions:

1. Please describe examples of best practices and lessons learned from strategic growth projects that have resulted in housing, climate, and equity benefits. How could these projects have been more impactful or cost-effective to implement?

While the development of strategic growth projects in the greater six-county Sacramento region is critical to our future and the implementation of our regional Sustainable Communities Strategy, in practice they have been the exception rather than the rule. Our region's 'Green Means Go' program was established in 2019 in order to draw attention and support for the acceleration of strategic growth projects – which in our region we define as new housing developments that are in infill areas, that are typically attached products, that have essential services nearby, and where residents don't need to drive as much or as far. We have many lessons learned from this program to date which we are eager to share with our state partners and regional peers across California. Highlights include: (1) getting local government buy in and commitments early, in our case through the local adoption of 'Green Zones' that are areas targeted for infill development where residents drive less; (2) the critical importance of REAP 1 and REAP 2 funds to be able to support local planning for housing in general and infill development in particular; and (3) the significance of state funding and support for upgrading water, sewer and utility infrastructure in order to allow housing and development projects in Green Zones to be financially feasible for both for-profit and non-profit developers. These projects could have been more impactful if state grant programs were easier to apply and qualify for, if as a regional planning agency we had access to non-transportation funding programs to invest in water, sewer, and utility upgrades, if we and our member jurisdictions had a head start in undertaking deeper community engagement processes in developing equitable investment plans for these Green Zones.

2. Please describe any additional non-budgetary and non-legislative tools and strategies that may help meet the State's housing, climate, and equity goals in a coordinated way and at the scale and pace necessary to meet the urgency of current and projected needs. Where possible, please detail specific benefits and beneficiaries of any tools and strategies discussed.

We strongly believe – based on the experience with our Green Means Go program and two decades of work implementing our 2004 regional Blueprint – that if we want to tackle the state's housing, climate and equity crises at the appropriate scale and pace, then the solutions must involve funding and state policy change. To be clear, there is definitely a role for non-budgetary and non-legislative tools and strategies. Some of the best opportunities include: (1) continued development of the state's tools to evaluate equity benefits from infrastructure and transportation project investments; (2) economic tools to determine the financial feasibility of infill housing; and (3) financial tools to help local communities and regions assess the true public, life-cycle costs of greenfield development vs. infill development.

We also recommend that state agencies working in this field intentionally hire some staff with local government experience. This would facilitate true transformative partnership and collaboration with regional and local agencies.

3. How can SGC and member agencies collaborate on providing technical assistance, opportunities for peer-to-peer learning, and other non-financial resources to support the preservation and development of climate-friendly housing, and infrastructure and community investments that support climate-friendly housing**?** Discuss considerations for how climate-friendly housing strategies may apply in a variety of contexts, including historically underserved communities, communities disproportionately impacted by climate change and racial segregation, and higher resource infill areas that have traditionally resisted affordable and multifamily housing.

We did not have time for due diligence on this question, but we will gladly make our staff available to discuss more detailed recommendations on this topic at a later date.

4. Please describe additional strategies and actions for removing barriers to achieving the State's housing, climate, and equity goals. Strategies and actions may include but are not limited to capacity building, continued development of data tools, streamlining or aligning requirements for programs with cross-sectoral benefits (e.g., housing decarbonization, infrastructure, etc.), and elevating effective strategies and best practices.

We believe that one of the most impactful things that SGC and its partner agencies at the state level can do is to revisit, revise and simplify existing state grant programs that are intended to invest in projects that advance climate, equity and housing goals but have the net effect of leaving smaller, less-resourced communities behind while rewarding higher-resourced communities and projects that may have occurred regardless of the grant award. The following three strategies would be most impactful.

(1) Simplify programs and applications: many of our smaller local government agencies have expressed the IIG and AHSC guidelines are onerous, tedious, and take a lot of effort to read through. The guidelines are dozens of pages with lots of definitions, terms, and legal requirements that jurisdictions may or may not be able to meet. For small jurisdictions, that is a lot of time to spend for projects that may not even be eligible. And legal costs to review everything are high for local agencies. One way to reduce to application burden would be to provide guaranteed technical application assistance to small jurisdictions to reduce their cost to apply and increase their likelihood of award.

(2) Shift the focus of grant funding to be more impactful: Housing often follows public investment signals, while the existing IIG programs rely on affordable housing applicants to lead infrastructure planning on a project-by-project basis. Limiting the program to projects that are shovel ready helps to finance development that will likely happen regardless of the grant, but does not strategically catalyze new development in infrastructure deficient corridors that the state and regions are counting on redevelopment in to meet climate targets. The program requires an affordable housing developer wanting to pursue a high-risk project in an area that needs significant infrastructure improvements. Such developers require grants or subsidies to close financing gaps, and they need to show certainty to funders, including that adequate infrastructure is already in place. Similar to REAP 2.0 which funds

SACOG's Green Means Go program, we have specifically encouraged HCD to restructure the program to allow cities and counties to proactively pursue infrastructure improvements that will ready an infill site/corridor for future investment, without a shovel ready project. Specifically, this would allow applicants to pursue IIG funds in a district before there is a proposed/entitled project in the pipeline.

(3) Make timelines more flexible: the window when projects are eligible for the IIG and AHSC grant programs is very narrow. Projects have to be shovel ready, but they cannot start construction. That window in the development of a project is very narrow and the NOFA would have to be released just at the right time. Most projects cannot afford to wait in the program. We recommend revising the IIG and AHSC programs to fund infrastructure improvements at any point in a district lifecycle – before housing developments are being proposed all the way through preconstruction.

5. Please describe specific strategies and actions for improving coordination between State, local, federal, and Tribal partners regarding housing, climate, and equity. How can further alignment and coordination between agencies result in more substantial outcomes regarding housing production, housing access, reduced greenhouse gas emissions, shared economic prosperity, community health and resilience, and the protection and conservation of natural and working lands?

Our specific recommendations include: (1) more deeply engage a diversity of local government partners – along with their respective MPOs and COGs – across the states so they better understand what state agencies are trying to accomplish with their housing, equity and climate goals, and so that state agencies better understand the unique challenges that local governments face; (2) develop an assessment of how various state agencies could be more aligned in supporting regional agencies and local governments in our pursuit of housing, climate and equity goals and in the implementation of our Sustainable Communities Strategies. There are significant state policies and long-standing practice that currently creates conflicting signals among state agencies that create both confusion and frustration at the regional and local level (we can provide specific examples upon request); and (3) empower MPOs by devolving portions of specific state funding programs while holding us accountable to achieve the results and outcomes desired. While it would require statutory change, devolving a portion of programs like IIG, AHSC and related programs would allow us to 'right size' the programs to the unique needs of our regions, empower and fund lower-resourced communities that often unable to participate in state programs.

6. What data should the State consider collecting to better understand and report progress toward the State's housing, climate, and equity goals? How can SGC and member agencies incentivize or structure data collection and reporting to promote increased private sector and philanthropic investment in climate-friendly development?

Any data collection efforts should be closely tied to a clear definition of the state's housing, climate and equity goals and how the state is defining progress and success. Our recommendations for consideration include: (1) mapping – in partnership with MPOs and COGs – the specific areas of the state where residents drive less (areas where vehicle miles traveled is lower than average) in order to develop a clear statewide strategy for areas where new housing can contribute to the state's climate goals; (2) mapping key state-funded planning projects and infrastructure investments that meet the state's housing, climate and equity goals and inventorying related local policy changes; (3) inventorying where state-

funded community engagement and community planning processes have occurred with strong equity components and engagement of community-based organizations.

7. Add any other through weblinks

SACOG's Green Means Go Program: https://www.sacog.org/greenmeansgo

What we've funded in Green Means Go with state funding: https://www.sacog.org/reap-2-green-means-go

SACOG's Commercial Corridors Task Force and Resulting Toolkit: https://www.sacog.org/commercial-corridors

Highlights from SACOG's Rural Main Streets Program: https://www.sacog.org/news/tactical-high-impact-improvements-small-town-main-street