Board of Directors

Meeting Date: August 17, 2023

Agenda Item No. 18



Next Steps for Green Means Go

Receive and File

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Attachments: No Referring Committee: Land Use & Natural Resources

1. Issue:

Green Means Go, SACOG's new pilot program, aims to remove barriers and accelerate infill development in locally adopted Green Zones. Earlier in the year, the SACOG board approved the final awards in the inaugural \$34.5 million Green Means Go funding round. Staff briefed the Land Use & Natural Resources committee on what comes next for Green Means Go, given that the initial one-time funding has been assigned.

2. Recommendation:

None; this is for information only. The Land Use and Natural Resource Committee heard this item.

3. Background/Analysis:

Green Means Go is a multi-year pilot program created by SACOG to accelerate infill development through infrastructure investments, technical assistance, and policy support. A collective effort by the six-county region in support of Green Means Go resulted in SACOG receiving over \$34 million in one-time state funding. The SACOG board directed this funding to the Green Means Go round to support planning and infrastructure projects that lower the costs and risk of infill development. Earlier in the year, the SACOG board approved the last set of funding awards in the inaugural Green Means Go funding round, for planning and capital projects in locally-adopted Green Zones.

4. Discussion/Analysis:

Unlike the regional transportation funding round, which draws on recurring revenues, the inaugural Green Means Go funding round allocated one-time (i.e., non-recurring) revenue sources. While funding has been a cornerstone in developing Green Means Go, the program has also moved forward with complementary activities such as a set of <u>technical assistance services</u> in partnership with the Urban Land Institute. In the August meeting of the SACOG Land Use and Natural Resource Committee, Green Means Go staff provided an update of activities planned for the next phase of Green Means Go, as we aim to transition the program from a pilot effort to a key aspect of Blueprint implementation. These activities, described in turn, focus on:

- Exploring the potential for new funding
- Better utilizing existing available tools
- Supporting Green Zone-specific strategies
- Building out partnerships, especially around non-transportation infrastructure

Documenting lessons learned through the first cycle of Green Means Go

New funding

SACOG's external affairs team continues to explore ways to both bring new revenues to the Green Means Go program and position Green Means Go projects for competitive state and federal funding. The state's current fiscal environment likely makes it more difficult in the near-term to secure a second round for Green Means Go from state revenues/programs. However, numerous new federal programs are, or will soon be, making substantial funding available; these programs aim to fund outcomes that seem to align strongly with the objectives of Green Means Go. Staff continues to work with our federal lobbyist on which federal programs could be the best fit for Green Means Go.

While there are multiple funding programs being released that align at a top level with Green Means Go, several challenges remain. Primarily, many funding programs are focused on a single topic (e.g., planning, transportation infrastructure, individual backbone utilities such as sewer or water) or have limited eligibility. The siloed nature of these programs may make it more difficult for Green Means Go, which seeks to address the interdisciplinary barriers that limit infill development. Further, each individual Green Zone throughout the region faces a unique set of challenges, which makes it more difficult to package together in a single-use program.

Available tools

While securing new funding for Green Means Go projects remains a priority, staff is expanding its look of how the region can better use existing resources, both through existing funding programs as well as implementation mechanisms and policy support. For the existing (mainly state) funding that is targeted towards supporting infill development, staff continues to work closely with our state agency partners in communicating the unique needs of the Sacramento region, and the challenges of infill in an inland region such as ours. SACOG Green Means Go staff is also working to coordinate with local agencies on what may be the most promising state programs, given our familiarity of the objectives/criteria of the various state agencies that administer this funding.

Next, staff aims to build out our technical knowledge of financing techniques such as Enhanced Infrastructure Financing Districts or Community Revitalization Investment Authorities that use tax increment financing for redevelopment activities including infrastructure. While neither is a replacement for the old redevelopment authorities, each allows activities that support Green Means Go objectives. However, early feedback from users suggests the revenues generated by these new financing tools may not be sufficient in many of the region's Green Zones, so that other resources need to be secured. Staff is exploring what these other resources/strategies could be.

Individual Green Zone strategies

SACOG's Green Means Go program has garnered substantial interest across the broader state. SACOG will continue to communicate the region-wide needs of the program, but also sees value in working more closely with local partners on more targeted strategies and activities. Namely, through the first cycle of Green Means Go staff has worked with local jurisdictions and partners on a set of individual Green Zone projects that each has its unique set of challenges. Staff wants to build off this momentum by continuing to support Green Zone-

specific strategies. In other words, staff will work in this next phase of Green Means Go both on the regional aspect of the program, but also how that work can inform/be a resource for targeted Green Zone activities.

Partnerships

The board's adoption of nearly \$35 million in Green Means Go funding drew on several years of outreach activities as SACOG built out the new Green Means Go program. Through this, SACOG coordinated not only with local jurisdictions but increasingly with housing advocates, developers and, most recently, with community-based organizations. As part of the first phase of Green Means Go SACOG also held a miniconvening that brought together jurisdictions and infrastructure providers (such as utilities and sewer/water districts) around the costs associated with infill development. While a valuable first step, staff came away from this convening with the takeaway that more needed to be done especially around partnerships with special districts, as these often are the agencies that would build and maintain the needed infrastructure investments in infill communities. The fourth bucket of Green Means Go's next phase of work continues this focus on partnerships.

Lessons learned

SACOG will convene a workshop in the summer of 2024 that summarizes the program's trajectory over the last two years, from pilot concept to funding awards and implementation activities. The workshop aims to compile lessons learned to date, not only for use in our region, but also by documenting what we have learned here and how that can inform activities around the state. This workshop is a deliverable in one of the grants we have used to develop Green Means Go.

5. Fiscal Impact/Grant Information:

SACOG has drawn on two separate grants, one from the REAP 2.0 program and another from the Strategic Growth Council, to implement the Green Means Go program.