

EXECUTIVE DIRECTOR'S MONTHLY REPORT

MARCH 2014

Call for Nominations: SCAG Sustainability Awards

SCAG has a long and proud tradition of recognizing projects from member cities and agencies that demonstrate excellence in integrated land use, transportation and environmental planning. That tradition continues this year – with one change – the name of the awards program. Beginning this year, the recognition program formerly known as the Compass Blueprint Awards has been expanded to incorporate the new Board approved grant program encouraging voluntary sustainability projects. The updated awards program will be known as the "SCAG Sustainability Awards." SCAG's commitment to acknowledging and honoring the great planning and development work occurring throughout the region remains unchanged. However, the new name better conveys the overall goals and benefits outlined in SCAG's landmark 2012 – 2035 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) that the entire region had a role in developing and is now working to implement through outstanding planning projects. Please encourage your local jurisdictions to submit their best planning projects for consideration. The SCAG Sustainability Awards represent the highest achievement in planning by local jurisdictions and agencies in the region, offer a prestigious platform to showcase some of the best planning work occurring in the country and will be presented as part of SCAG's Regional Conference & General Assembly, May 1 – 2. For more information and to download the nomination packet, please visit www.scag.ca.gov. The application deadline is 2:00 p.m., Friday, March 21. If you have questions, please contact Christopher Tzeng at tzeng@scag.ca.gov or 213-236-1913. Thank you for helping us spread the word about this exciting recognition opportunity for cities and member agencies.

California Energy Commission (CEC) Grant Applications

As reported last month, SCAG has submitted an application for CEC Program Opportunity Notice (PON) 13-603 which provides funding for regional planning agencies to conduct studies of alternative fuel sources. SCAG applied for funding to further the critical planning work staff has performed related to infrastructure for electric fuel. Additionally, SCAG assisted regional partners in submitting for separate CEC PON 13-606 grant applications, due in early February, which would subsidize installation of public and private electric vehicle charging stations. Applicants were required to communicate their applications to SCAG as the regional PEV Coordinating Council. SCAG wrote letters of support for over ten individual applicants – CA State Parks, South Coast AQMD, LA County, Riverside County, LA County Metro, the cities of Burbank, Los Angeles, Santa Clarita and Torrance, and Pepperdine University in Malibu. To further assist our stakeholders, in partnership with the Los Angeles Economic Development Corporation, (<http://laedc.org/policy-initiatives/strategic-advisory-committees/e-mobility-task-force/>), SCAG hosted two webinars – one last December and the other in January – to assist cities, counties, non-profits and private sector parties in applying for the CEC funding opportunity.

Southern California Consortium Wins CEC Grant to Develop Alternative Fuels and Advanced Vehicle Technology Center

I am very pleased to congratulate the consortium led by the Los Angeles County Economic Development Corporation on being awarded a CEC grant to establish the Southern California Center for Alternative Fuels and Advanced Vehicle Technology. The Center will consist of one virtual hub and two physical locations – one in San Diego, which will be managed by the California Center for Sustainable Energy and one in Los Angeles, which will be managed by the Los Angeles Cleantech Incubator at the La Kretz Innovation Campus in downtown Los Angeles. The Center will serve the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara and Ventura, and is intended to leverage local assets to ensure that Southern California is a leading developer, designer and producer of lower-emission technologies. Other noted partners receiving CEC funding include the UCLA Smart Grid Energy Research Center and the Luskin Center for Innovation, the Advanced Sustainability Institute, California State University, Los Angeles, and the Inland Empire Economic Partnership. The CEC contract is scheduled to begin in June. The project will also use \$1.6 million in matching funds from advanced transportation industry leaders. For more information about the Center, visit www.AdvancedTransportationCenter.org.

First Update to the AB 32 Scoping Plan

On February 10, the California Air Resources Board (ARB) released the proposed first update to the AB 32 Scoping Plan. The Update highlights California's success to date in reducing its greenhouse gas (GHG) emissions to meet the AB 32 2020 targets and establishes a framework for future reductions to achieve the State goals of 80 percent below 1990 levels by 2050 set by the

Governor's Executive Orders. The update identifies eight key sectors for ongoing action: Energy; Transportation, fuels, land use and infrastructure; Agriculture; Water; Waste management; Natural lands; Short-Lived Climate Pollutants; and Green Buildings. I note that the discussion related to the transportation, fuels, land use and infrastructure sector focuses mainly on fuels and technology, including an extensive discussion on planning for sustainable freight movement. In regard to MPO RTP/SCS GHG reduction targets, it references a technical review to be performed in 2014 to inform the need for and timing of any revisions. Also of note is the proposal for a midterm statewide GHG reduction target between 2020 and 2050. The 2013 Scoping Plan Update and information on commenting and next steps can be accessed at: <http://www.arb.ca.gov/cc/scopingplan/scopingplan.htm>. A presentation on the draft Scoping Plan Update by ARB staff is scheduled for the April Energy and Environment Committee meeting. I will continue to report on the Scoping Plan Update as it moves through the planning process for consideration by the ARB later this year.

One-on-One Meetings with Local Jurisdictions for the 2016 – 2040 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

A critical component to the success of the 2016 RTP/SCS will be the participation of all 197 local government partners within the SCAG Region. To this end, a significant amount of SCAG staff resources are being expended to ensure all local governments are fully informed of the planning process and have clear and adequate opportunities to provide input, thereby emphasizing a bottom-up process and enabling regional collaboration. SCAG staff is currently coordinating with each subregion to arrange individual meetings with local jurisdictions to answer questions on the Bottom-Up Local Input Process and to solicit input on the base data that will feed into the 2016 RTP/SCS. Specific datasets to be reviewed include SCAG's draft socioeconomic projections and local geographic data. In the months of December, January, and February, SCAG staff met with 43% of the region's 197 local jurisdictions. An additional 27% of jurisdictions are currently scheduled for the month of March. Meetings with the remaining 30% of jurisdictions are being arranged with the help of our subregional partners and by SCAG staff. Second meetings will be available, as requested, during the months of April and May. We look forward to continued collaboration with all SCAG local jurisdictions and stakeholders to ensure the success of the bottom-up input and review process for the development of 2016 RTP/SCS. For more information, please contact Frank Wen at (213) 236-1854 or at wen@scag.ca.gov.

SCAG GIS Services Program for Member Jurisdictions

SCAG staff has concluded its latest round of GIS trainings throughout the SCAG region, utilizing nine different venues (Alhambra, Camarillo, El Centro, Indio, Los Angeles, Palmdale, Riverside, San Dimas and Victorville) for a total of 21 classroom-style training sessions. These GIS trainings bring the total number of individuals trained to nearly 700 since the program's inception. We are pleased that SCAG's GIS Services Program is being so well received by member agencies. For example, the Mayor and City Council of the City of Indio responded quite positively to a report in February by the city's executive staff on SCAG's assistance and the city's progress in building its GIS capabilities. SCAG continues to offer additional opportunities to member jurisdictions, including data development, coordination and technology assistance. For information on SCAG's GIS Services Program, see <http://gisdata.scag.ca.gov/Pages/Home.aspx> or contact Javier Aguilar at (213) 236-1845 or aguilar@scag.ca.gov.

U.S. Environmental Protection Agency (EPA) Action Update

Tier 3 Motor Vehicle Emission and Fuel Standards

In response to a May 2010 Presidential directive, US EPA is finalizing a proposed rule ("Tier 3") to reduce air pollution from passenger cars, light-duty trucks, medium-duty passenger vehicles and some heavy-duty vehicles. As previously reported to the Regional Council, SCAG staff submitted a comment letter in July 2013 in support of the proposed Tier 3 standards and encouraging harmonization with related California standards. On March 3, the US EPA Administrator signed a final rule that adopts the Tier 3 program largely as proposed. The final rule has been submitted to the Federal Register's Office for publication and will become effective 60 days after publication. Tier 3 sets new vehicle emissions standards for model years 2017 – 2025 and lowers the sulfur content of gasoline, which will make emission control systems more effective for both existing and new vehicles. The final rule is widely supported by auto manufacturers because it creates one standard throughout the country by harmonizing federal and state vehicle emissions and fuel requirements. According to EPA, once fully in place, the standards will help avoid up to 2,000 premature deaths per year and 50,000 cases of respiratory ailments in children and are estimated to yield up to \$13 in health benefits for every dollar spent to meet the standards. Because California's LEV III regulations (adopted August 2012) meet the federal Tier 3 standards, these emission standards will be accounted for in the upcoming 2016 Regional Transportation Plan/Sustainable Communities Strategy. More information on the Tier 3 standards can be found at <http://www.epa.gov/otaq/tier3.htm>.

Federal Phase 2 Fuel Efficiency (CAFE) and Greenhouse Gas (GHG) Standards

Following through on a State of the Union pledge to address the economy and climate change using his executive authority, on February 18, President Obama directed the US Environmental Protection Agency (EPA) and the National Highway Traffic Safety Administration (NHTSA) to develop and issue the next phase of CAFE and GHG standards by March 2016 for medium- and heavy-duty vehicles beyond model year 2018. The Phase 2 standards would follow similar requirements the two agencies issued for model year 2014 through 2018 (Phase 1 standards) in 2011. Under this timeline, the agencies are expected to issue a Notice of Proposed Rulemaking by March 2015. The California Air Resources Board (ARB) supports the federal effort and has pledged to work closely with the US EPA and the NHTSA during development of the Phase 2 standards. This joint California-federal effort will assist California's GHG reduction efforts and help industry and consumers by instituting one national standard. Staff will work with US EPA and ARB staff on the proposed rulemaking and I will keep you apprised of any potential implications for the SCAG region. More information on the Phase 2 standards can be found at <http://www.nhtsa.gov/fuel-economy>.

High Speed Rail Draft 2014 Business Plan

On February 7, the High Speed Rail Authority released the Draft 2014 Business Plan for a 60-day public review and comment period. The Authority intends to adopt the Final 2014 Business Plan at its April 10 Board meeting and submit it to the California Legislature by May 1. The Draft Plan proposes no significant changes from the previous 2012 Plan. The Plan does provide updated ridership modeling and cost estimates that incorporate a quantitative risk analysis and reflect recommendations from the U.S. Department of Transportation, U.S. Government Accountability Office, the Legislative Peer Review Group and others. The Draft Plan no longer assumes future federal funding and instead sees committed, long-term Cap-and-Trade funding as necessary to leverage both public and private financing and therefore potentially finance the completion of the Initial Operating Section (IOS). The Authority will present an overview of the Draft 2014 Business Plan at the next Transportation Committee (TC) meeting on April 3. Staff is reviewing the Draft and will present draft comments to the TC on April 3 for approval to submit to the Authority.

Strategic Growth Council Grant (SCG) Application Status Update

Per direction given by the Regional Council at the February 6 meeting, SCAG staff submitted a Grant Proposal on February 26 to the SGC. The SCAG Proposal includes six sustainability projects focusing on implementing key strategies in the 2012 RTP/SCS. These strategies are intended to promote infill, encourage alternative transportation modes, and promote energy efficiency and other measures for sustainability. In addition, upon request, SCAG also prepared 27 letters of support for grant applications from local jurisdictions, County Transportation Commissions, and subregions to implement the 2012 RTP/SCS. Copies of the support letters are included in the Board packet. SGC has scheduled to make the grant award decisions at its meeting on June 3.

California Active Transportation Program

On February 3, the California Transportation Commission (CTC) delivered its draft Active Transportation Program (ATP) Guidelines to the Joint Legislative Budget Committee. The Guidelines are expected to be approved on March 20 at the CTC meeting. Despite urging from Southern California transportation agencies, the revised Guidelines do not allow for the immediate programming of shovel-ready projects and instead carry over federal FY 2013-14 Transportation Alternative Program (TAP) funds to FY 2015. The revised CTC Guidelines specify a schedule and grant process entitled the "2014 Active Transportation Program." It should be noted that currently there are no federal funds authorized beyond FY 14. The 2014 ATP will award three years of federal and state funding (FYs 2014-16), approximately \$360 million statewide, to projects that are selected through a competitive call for projects that will be released by Caltrans on March 21. Sixty-percent of the funds awarded will be directed to projects selected by Caltrans, the remaining 40% will be awarded to projects selected by MPOs. After numerous meetings and workshops, SCAG has reached an agreement with the county transportation commissions, Caltrans and the CTC on a process for recommending funding awards for our region's share of the 2014 ATP. The recommended process proposes a single Call for Projects for both the state and regional program that will be issued by Caltrans in March, as noted above. Applications not awarded funding by Caltrans will be returned to SCAG and the county transportation commissions for inclusion in the region's recommended program of projects. This information has been widely disseminated to our stakeholders, including as a subject at SCAG's March 4 Toolbox Tuesday program. Additional details on the region's proposed project selection process will be submitted to the Regional Council for approval in April, and then submitted to Caltrans by May 21 for consideration and approval by the CTC during their June 25 meeting.