

DATE: March 23, 2015

TO: RMC Governing Board

FROM: Mark Stanley, Executive Officer

SUBJECT: Item 12: Consideration of a resolution supporting Senate Bill 760 (Mendoza) regarding the Disadvantaged Community Enhancement Act of 2015

RECOMMENDATION: That the RMC Board approve a resolution in support of SB 760 regarding the Disadvantaged Community Enhancement Act of 2015.

ANALYSIS: Existing law establishes the Strategic Growth Council consisting of specified members and requires the council to, among other things, develop and administer the Affordable Housing and Sustainable Communities Program to reduce greenhouse gas emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development and that support other related and coordinated public policy objectives. This bill would require the council to develop and implement the Disadvantaged Community Enhancement Program to Award grants to disadvantaged communities, as defined, to facilitate projects for community enhancement improvements that reduce greenhouse gas emissions in furtherance of the goals of the California Global Warming Solutions Act of 2006 and that provide to disadvantaged communities multiple environmental benefits. The bill would authorize the council, upon appropriation by the Legislature, to expend moneys in the fund to implement the program. Grants would be available for projects that create recreational space and serve to provide multiple environmental benefits to residents in disadvantaged communities.

The Disadvantaged Community Enhancement Act of 2015 is meant to provide additional funding opportunities to address infrastructure challenges in California's most disadvantaged communities and promote projects that provide for multi-benefits that address physical blight and deficiencies while addressing climate change.

RMC staff is working closely with Senator Tony Mendoza, specifically by providing some guiding language for this bill. Currently, projects will be identified within the Southern California area that might be eligible to apply for this type of program and funding. RMC staff will communicate with key stakeholders throughout the RMC territory to inform them of this potential new funding program and request feedback for this bill as it moves forward within the legislature. Specific types of projects that might qualify for funding include projects that address:

- Water quality improvement
- Groundwater, storage, recharge, or remediation
- Storm water capture
- Urban greening projects including urban forestry and landscaping
- Park development and land protection for passive or active recreation
- Hardscape conversions
- Non-motorized trail and other active transportation projects
- Heat island mitigation
- Planning of a sustainable community

The funding source associated with this program will come from cap and trade auction proceeds that have been deposited into the California Greenhouse Gas Reduction Fund (GGRF). The California Post Joint Auction Public Proceeds Report for the February 2015 Joint Auction Number #2 was recently made available and indicates that in the first quarter ending in February 2015 auction sales totalled \$629,519,451. Cap and trade proceed sales thus far total \$1,598,645,895.96. The full report of auction proceeds is available at <http://www.arb.ca.gov/auction>.

Current legislation exists which mandates that a certain percentage of these funds be set aside specifically for disadvantaged communities, totaling 25% statewide. It is uncertain exactly when these funds will be made available for this program, however staff will continue to monitor the legislation and provide input. This bill was introduced on February 27, 2015 where it was read for the first time. It is currently in the Senate awaiting assignment for a specific Committee.

See the attached Fact Sheet describing the program attached as Exhibit A.

FISCAL INFORMATION: Not applicable.

SENATE BILL**No. 760**

Introduced by Senator MendozaFebruary 27, 2015

An act to add Division 45 (commencing with Section 75500) to the Public Resources Code, relating to climate change.

LEGISLATIVE COUNSEL'S DIGEST

SB 760, as introduced, Mendoza. Disadvantaged Community Enhancement Act of 2015.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature.

Existing law establishes the Strategic Growth Council consisting of specified members and requires the council to, among other things, develop and administer the Affordable Housing and Sustainable Communities Program to reduce greenhouse gas emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development and that support other related and coordinated public policy objectives.

This bill would require the council to develop and implement the Disadvantaged Community Enhancement Program to award grants to disadvantaged communities, as defined, to facilitate projects for community enhancement improvements that reduce greenhouse gas

emissions in furtherance of the goals of the California Global Warming Solutions Act of 2006 and that provide to disadvantaged communities multiple environmental benefits. The bill would authorize the council, upon appropriation by the Legislature, to expend moneys in the fund to implement the program.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Division 45 (commencing with Section 75500)
2 is added to the Public Resources Code, to read:

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4 DIVISION 45. DISADVANTAGED COMMUNITY
5 ENHANCEMENT

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7 PART 1. GENERAL PROVISIONS AND DEFINITIONS

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9 75500. This division shall be known, and may be cited as, the
10 Disadvantaged Community Enhancement Act of 2015.

11 75501. It is the intent of the Legislature, in enacting this
12 division, to provide additional funding opportunities to address
13 infrastructure challenges in California’s most disadvantaged
14 communities and promote projects that provide for cobenefits that
15 address physical blight and decencies while addressing climate
16 change.

17 75502. For purposes of this division, the following terms mean
18 the following:

19 (a) “Council” means the Strategic Growth Council established
20 pursuant to Section 75121.

21 (b) “Disadvantaged community” means a community identified
22 as a disadvantaged community pursuant to Section 39711 of the
23 Health and Safety Code.

24 (c) “Program” means the Disadvantaged Community
25 Enhancement Program established pursuant to Section 75510.

1 PART 2. DISADVANTAGED COMMUNITY ENHANCEMENT
2 PROGRAM

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4 75510. The council shall develop and implement the
5 Disadvantaged Community Enhancement Program to award grants
6 to disadvantaged communities to facilitate projects for community
7 enhancement improvements that reduce greenhouse gas emissions
8 in furtherance of the goals of the California Global Warming
9 Solutions Act of 2006 (Division 25.5 (commencing with Section
10 38500) of the Health and Safety Code) and that provide to
11 disadvantaged communities multiple environmental benefits.

12 75511. Eligible community enhancement improvements
13 include, but are not limited to, any of the following:

- 14 (a) Water quality improvement.
- 15 (b) Groundwater, storage, recharge, or remediation.
- 16 (c) Storm water capture.
- 17 (d) Urban greening projects including urban forestry and
18 landscaping.
- 19 (e) Park development and land protection for passive or active
20 recreation.
- 21 (f) Hardscape conversions.
- 22 (g) Nonmotorized trail and other active transportation projects.
- 23 (h) Heat island mitigation.
- 24 (i) Planning of a sustainable community.

25 75512. The council shall award grants to applicants through a
26 competitive process. In prioritizing the award, the council shall
27 consider all of the following factors of the community benefiting
28 from the award:

- 29 (a) The poverty rate.
- 30 (b) The unemployment rate.
- 31 (c) The childhood obesity rate and incidents of asthma.
- 32 (d) The availability of greenspace and venues for physical
33 activity.
- 34 (e) The lack of nonmotorized infrastructure.
- 35 (f) The levels of air pollution.
- 36 (g) The drinking water quality.
- 37 (h) The groundwater quality, if applicable.

38 75513. (a) To receive a grant for a project pursuant to the
39 program, a disadvantaged community shall submit an application,

1 as prescribed by the council, that contains information regarding
2 the factors described in Section 75512.

3 (b) In addition to subdivision (a), the applicant shall also include
4 in the application the following information:

5 (1) A clear articulation on how the grant would be used to
6 address the factors described in Section 75512.

7 (2) The leveraging of other sources of funds to facilitate and
8 maximize the benefits from the proposed community enhancement
9 improvements.

10 (3) A demonstration on how the community enhancement
11 improvements would assist the state in meeting the greenhouse
12 gas emissions reduction goals established pursuant to the California
13 Global Warming Solutions Act of 2006 (Division 25.5
14 (commencing with Section 38500) of the Health and Safety Code.
15 75514. Awards made pursuant to this division shall not supplant
16 other sources of funding designed to benefit disadvantaged
17 communities.

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PART 3. FISCAL PROVISION

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21 75520. The council may, upon appropriation by the Legislature,
22 expend moneys from the Greenhouse Gas Reduction Fund
23 established pursuant to Section 16428.8 of the Government Code
24 to implement the program.

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RESOLUTION NO. 2015-10

RESOLUTION OF THE SAN GABRIEL AND LOWER LOS ANGELES RIVERS AND MOUNTAINS CONSERVANCY (RMC) SUPPORTING SENATE BILL 760 (MENDOZA)

WHEREAS, The legislature has found and declared that the San Gabriel River and its tributaries, the Lower Los Angeles River and its tributaries, and the San Gabriel Mountains, Puente Hills, and San Jose Hills constitute a unique and important open space, environmental, anthropological, cultural, scientific, educational, recreational, scenic, and wildlife resource that should be held in trust to be preserved and enhanced for the enjoyment of, and appreciation by, present and future generations; and

WHEREAS, The people of the State of California have enacted the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, which provides funds for the RMC grant program; and

WHEREAS, Senate Member Tony Mendoza has introduced Senate Bill 760 regarding the Disadvantaged Community Enhancement Act of 2015; and

WHEREAS, this action is exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA); and NOW

Therefore be it resolved that the RMC hereby:

1. FINDS that this action is consistent with the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy Act and is necessary to carry out the purposes and objectives of Division 22.8 of the Public Resources Code.
2. FINDS that the legislation is consistent with the mission and goals of the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy.
3. FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.
4. SUPPORTS the staff report dated March 23, 2015 indicating support of SB 760 (Mendoza).

~ End of Resolution ~

Motion _____ Second: _____

Ayes: _____ Nays: _____ Abstentions: _____

Resolution 2015-10

Passed and Adopted by the Board of the
SAN GABRIEL AND LOWER LOS ANGELES RIVERS AND MOUNTAINS
CONSERVANCY on March 23, 2015

Frank Colonna, Chair

ATTEST:

Terry Fujimoto
Deputy Attorney General