



## Board Report

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### AD HOC SUSTAINABILITY COMMITTEE NOVEMBER 16, 2016

#### **SUBJECT: AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES (AHSC) IMPLEMENTATION OF STRATEGY AND POLICY FRAMEWORK**

#### **ACTION: RECEIVE UPDATE ON AHSC IMPLEMENTATION STRATEGY AND POLICY FRAMEWORK**

#### **RECOMMENDATION**

RECEIVE AND FILE update on **Affordable Housing and Sustainable Communities Implementation of Strategy and Policy Framework.**

#### **ISSUE**

On January 28, 2016, the Metro Board of Directors adopted a Strategy and Policy Framework for the AHSC program under cap-and-trade. This report provides an update and discussion in light of experience on the 2016 program cycle and application results.

#### **DISCUSSION**

The AHSC program is one of eleven programs in the larger cap-and-trade portfolio, and funds both affordable housing in areas served by transit along with various types of transportation infrastructure and amenities. The intent of the program is to reduce greenhouse gas emissions by increasing transit ridership and active transportation, as well as to foster collaboration across sectors and jurisdictions.

The Metro AHSC Strategy and Policy Framework is intended to improve the competitive standing of projects in Los Angeles County as well as to prompt project applications that reflect Metro's identified priorities around first-last mile connectivity, active transportation, and affordable housing. Metro has proceeded to implement that strategy through a series of activities including outreach to local agencies and subregional Council of Governments, creation of program material for the Metro website, and hands-on work on project applications.

Full applications were due to the California Strategic Growth Council (SGC) on June 20, 2016. At that time, Metro participated in 2 applications that, if successful, would fund additional bike-share stations as part of the downtown Los Angeles bike-share pilot. As previously reported, one additional application was not successful in the first round "concept" phase earlier in the spring. In addition, Metro worked with jurisdictions (including cities of Los Angeles, El Monte, Inglewood, Hawthorne and Los Angeles County) to coordinate the inclusion of on-street transportation infrastructure and first-last

mile improvements as part of several applications.

On October 11, 2016, SGC announced the successful grantees for 2016. Two projects with Metro-specific components were successful. The projects will add two bike share stations to Metro's downtown Los Angeles bike share pilot area. The combined total for the bike share stations is \$320,000. Statewide, 25 total awards were made for a total of \$289.4 million. Seven awards were made in the SCAG region for a total of \$76.6 million.

Through two years of the program's existence, staff suggests that a refining of Metro's role and goals for the program is appropriate. The 2015 program cycle proved exceptionally difficult in terms of meaningful transportation investment being included in successful applications. The second year of the program was an improvement in this regard, with higher value projects included in applications and successfully funded in some cases. Nevertheless, the program remains a challenge for the transportation sector and for public sector agencies seeking to partner with housing developers on project applications.

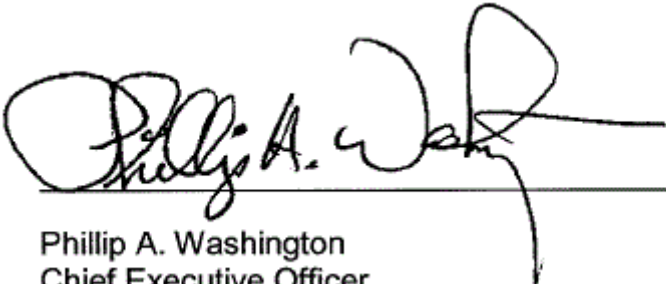
Metro staff will continue to gather information from other program participants and debrief with the SGC. Pending those discussions, we anticipate further consideration by the committee and Board about adjustments to the AHSC Policy and Strategy Framework. This could include removing the requirement for a local resolution, which may not provide substantial competitive boost while at the same time creating an additional barrier to entry for local jurisdictions. We may further wish to refine Metro's role so that it is focused on capacity building, coordination, support and information sharing, with less focus on individual project applications. At this time, pending discussion and input from the committee, we anticipate an action item to adjust the policy at the next Ad Hoc Sustainability Committee meeting.

### **NEXT STEPS**

Staff will continue to update the committee regarding progress on the AHSC program.

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