

October 30, 2014

Affordable Housing and Sustainable Communities Program  
AHSC@SGC.CA.GOV

Re: Draft AHSC Guidelines

Dear Council Members,

The Alliance of Regional Collaboratives for Climate Adaptation (ARCCA) applauds the state's ongoing effort to craft a comprehensive program for meeting AB32 goals through coordinated housing and transportation policies, and is enthusiastic about the potential for Cap and Trade Revenues to advance these objectives. We are grateful for the opportunity to support the state's efforts by providing additional comments on the draft AHSC guidelines in the spirit of refining this important research agenda for the benefit of all California.

California's Alliance of Regional Collaboratives for Climate Adaptation (ARCCA) was formed in early 2012 out of the urgent need to prepare California's urban centers for the emerging impacts of climate change, including extreme storm events, wildfire, heat waves, droughts, and sea level rise. ARCCA brings together four regional multi-stakeholder collaborations - The Bay Area Climate & Energy Resilience Project, The Los Angeles Regional Collaborative for Climate Action and Sustainability, the Capital Region Climate Readiness Collaborative, and The San Diego Regional Climate Collaborative. The Governor's Office of Planning and Research serves as an ex-officio member, and the Local Government Commission acts as Adaptation Coordinator and Fiscal Sponsor for ARCCA. These regional groups include a wide range of public, private, nonprofit, and academic institutions and are coordinating and supporting local climate partners in projects to enhance public health, protect natural systems, build economies, and improve the quality of life in all communities.

First we want to make it clear that we recognize the limitations placed on the Strategic Growth Council with regards to allowable uses for the Affordable Housing and Sustainable Communities (AHSC) program funding. We emphasize that our comments are focused on refinements to the guidelines not changes that would push them to the boundaries of allowable activities. Second, we recognize there are many additional specific technical topics related to the guidelines that are being commented on by many parties including a number of our stakeholders and collaborative members.

Given the importance placed on adaptation by the state through their recently released Safeguarding California, the state research plan, and the draft environmental goals and policies report we feel it is critical to address the absence of this important topic in the AHSC draft guidelines.

It is telling that the word "adaptation" does not appear in the draft guidelines; "adapt" appears in 1 place; "resilience" is referred to in 1 place, "resiliency" not at all. "Safeguarding" or safeguard "are not referred to at all. Although these are semantic observations, they are indicative of a serious gap in the program design. As we look forward to the uncertain future California faces, one thing has been made clear through numerous state and local analyses; achievement of long-term climate protection goals (both mitigation and adaptation) will require strategic investments in resilient projects.

Although co-benefits are discussed as important scoring criteria, the absence of a pointed discussion of adaptation in the context of co-benefits diverts attention away from critical resiliency opportunities that are clear co-benefits and/or have direct mitigation outcomes. While the scoring criteria currently awards points for measures that improve community greening and natural resource conservation, this does not go far enough and is limited in perspective to conservation and sustainability. As you know, scoring criteria for large grant programs like this set the agenda for what respondents do or do not include in their programs. This program (again within the context of allowable uses) through introduction of a discussion and scoring criteria could invite and encourage forward looking adaptation proposals that we feel are in the long-term interest of all Californians. However as currently designed it does the exact opposite, as the guidelines provide no framework or support for such proposals.

It is expected that the AHSC program will eventually fund both new and improved housing-, transportation-, transit-related infrastructure projects, as well as housing developments, green infrastructure, and other capital projects. Because these infrastructure projects are exceedingly long-term investments and are intended to benefit communities – especially the most vulnerable ones - for multiple decades, there is a particular need to make these projects resilient to the effects of climate change. Further, since the funding stream for this program will be a fixed percentage of all Cap and Trade revenues for the foreseeable future it is incumbent upon us to make sure the program design is as forward looking from the outset as possible. Such an approach is not only critical for the safety and well-being of the communities served by the AHSC program, but it would also be more efficient and cost-effective to build, from the outset, climate-resilient infrastructure and capital uses, rather than necessitating costly repairs and improvements down the road. Not making adaptation or resiliency an element of this program by default continues the trend of investing in areas (geographic or programmatic) that may be vulnerable in the future and therefore may not realize the intended long-term benefits.

A related point we would like to make that underscores the challenges ahead of us. While the focus of this program is highly laudable, the guidelines as currently designed are onerous and challenging for local governments. We question whether many eligible entities as defined in the guidelines have the capacity to organize and put forward a successful application. By designing a program structure that favors more narrowly defined sets of criteria around specific project types, are we not likely to further distance our selves from strategic investments in community-scale mitigation projects that are resilient to the effects of climate change for the long-term?

For all these reasons, we strongly urge the Council to consider:

- 1) Adding a much more robust discussion of adaptation and the importance to long-term mitigation outcomes, and
- 2) More clearly articulating (through the co-benefits scoring criteria principally) the ways we can make “win-win” investments that have clear and definitive mitigation outcomes but also strengthen our communities to the anticipated effects of climate change

We hope you find these comments and suggestions useful and supportive of your efforts. We welcome any questions you might have.

Sincerely,



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