



**VENTURA COUNCIL
OF GOVERNMENTS**

AGENDA

Thursday, November 13, 2008

5:00 p.m.

City of Camarillo

Council Chambers

601 Carmen Drive, Camarillo, California 93010

1. **CALL TO ORDER**

2. **FLAG SALUTE**

3. **ROLL CALL**

4. **PUBLIC COMMENT**

At this time, members of the public may comment on any item not appearing on the agenda upon completion of a speaker card. Individual Board Members may briefly respond to Public Comments or ask questions for clarification.

5. **BOARD MEMBER COMMENTS**

6. **APPROVAL OF THE FINAL AGENDA**

7. **CONSENT CALENDAR**

A. **Minutes** - Adopt minutes of July 10, 2008 meeting.

B. **Workplan Update** – Receive and file update.

MEMBERS

City of Camarillo
Jan McDonald, Member
Charlotte Craven, *Alternate*

City of Oxnard
Thomas Holden, Member
Tim Flynn, *Alternate*

City of Simi Valley
Paul Miller, Member
Barbra Williamson, *Alternate*

City of Fillmore
Steve Conaway, Member
Cecilia Cuevas, *Alternate*

City of Port Hueneme
Maricela Morales, Member
Toni Young, *Alternate*

City of Thousand Oaks
Tom Glancy, Member
Jaqui Irwin, *Alternate*

City of Moorpark
Patrick Hunter, Member
Keith Millhouse, *Alternate*

City of San Buenaventura
Carl Morehouse, Member
Brian Brennan, *Alternate*

County of Ventura
Linda Parks, Member
John Flynn, *Alternate*

City of Ojai
Sue Horgan, Member
Joe De Vito, *Alternate*

City of Santa Paula
Gabino Aguirre, Member
John Procter, *Alternate*

8. **ORDER OF BUSINESS**

- A. **Update on SB 375**: Receive report and provide direction to staff as appropriate.
- B. **Update on VCOG/Ventura County Civic Alliance (VCCA) “Compact for a Sustainable Ventura County” Project**: Receive oral status report.

9. **AGENCY REPORTS**

- A. Southern California Association of Governments
- B. Ventura County Transportation Commission
- C. League of California Cities
- D. Other Agencies

10. **INTERIM EXECUTIVE DIRECTOR REPORT**

11. **REQUEST FOR FUTURE AGENDA ITEMS**

Any Board Member may propose items for placement on a future agenda. Members may discuss whether or not the item should be agendaized and the description of the agenda item.

12. **ADJOURNMENT TO JANUARY 8, 2009**

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the City of Santa Paula City Manager's Office and are available for public inspection. If you have any questions regarding any agenda item, contact the Interim Executive Director at (805) 933-4200.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Interim Executive Director. Notification 48 hours before the meeting will allow VCOG to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35, 102-35.104 ADA Title II).



**VENTURA COUNCIL
OF GOVERNMENTS**

***Draft* MINUTES**

Thursday, July 10, 2008

5:00 p.m.

City of Camarillo

Council Chambers

601 Carmen Drive, Camarillo, California 93010

1. **CALL TO ORDER:** Chair Holden called the meeting to order at 5:03 p.m.

2. **FLAG SALUTE:** Chair Holden led the Pledge of Allegiance.

3. **ROLL CALL:**

Member Jan McDonald	City of Camarillo
Member Patrick Hunter	City of Moorpark
Member Tom Holden	City of Oxnard
Member Maricela Morales	City of Port Hueneme
Member Carl Morehouse	City of Ventura
Member Gabino Aguirre	City of Santa Paula
Member Tom Glancy	City of Thousand Oaks

Absent: Member Cities: Fillmore; Ojai; Simi Valley and County of Ventura

4. **PUBLIC COMMENT:** Eileen Tracy, Oxnard spoke regarding prisoner re-entry.

5. **BOARD MEMBER COMMENTS:** Member Morales commented that under the Consent Calendar, related to the Legislative Committee, she wanted to share that if in fact there was to be a presentation later this year regarding the Solar and Clean Energy Act of 2008, it stated that there would be a presentation by SCE and if scheduled, she would like VCOG to also have someone there to present on the "pro" side, so that both sides are represented. Near her community, the chair of the Central Coast support for that proposal is a Councilmember in the City of Santa Barbara. She wanted that individual to be invited to share information.

Mr. Bobkiewicz responded that this issue was discussed at the Administrative Committee meeting last month and the decision was made to put the item on in September, so with the concurrence of the Board, he would meet with Councilmember Morales to find out the contact to have that individual present as well as the representatives from Edison.

Chair Holden thanked those involved in the Annual Meeting and commented that it was a nice evening.

Member Glancy apologized for almost being tardy as there was an airplane down near Santa Rosa Road and the freeway.

Member Hunter spoke, and indicated that the Board was in receipt of a letter from Assemblymember Audra Strickland, directed to Clark Kelso, Receiver. Although dated July 7, it was scheduled to be delivered to the Receiver on Tuesday, and asked that the Board take the matter up as an urgency item, as well as take this item first. A number of boardmembers had to leave early, which would enable the Board to talk about this earlier.

Member Hunter moved that this was an urgency item based on the fact that the letter was scheduled to be delivered to the Receiver on Tuesday, which would be before VCOG's next regularly scheduled meeting, the latter part of summer.

Member Morehouse seconded, and it was approved unanimously by voice vote.

Member Hunter requested that the item be added to the Agenda and if it was the Board's pleasure, that this item could be taken as the first piece of business.

Item approved unanimously by voice vote.

6. **APPROVAL OF THE FINAL AGENDA**: Approved unanimously by voice vote.

7. **CONSENT CALENDAR**

A. **Discussion of the Letter to the Assembly**: Member Hunter commented that in a letter dated July 7, 2008, signed by Assemblymember Audra Strickland to Clark Kelso, California Prison Healthcare Receivership Corporation. It was signed by a number of elected officials in Ventura County. It discussed the negative impacts of the possible conversion of the Ventura Youth Correctional Facility, which was in receivership and the Assemblymember had taken a position against the project, as had a number of elected officials throughout the County of Ventura. Member Hunter indicated that he thought it was the Board's pleasure to consider the time, preliminarily to discuss possible opposition to the project based on what little knowledge that they had thus far. That opinion could always be changed in the future, would not foreclose on VCOG's changing an opinion, but thought it would be in the best interest of their respective communities to take the position in opposition of the possible conversion.

Member Morales inquired as to those electeds that were listed but had not signed were presumed in support of the letter. Chair Hunter responded in the positive. He also believed that there were to be more names added to the list. He believed that the signature page was a work in progress and indicated that

was why one would find more than one representative for one jurisdiction and perhaps one representative from another. There was a scramble to get signatures, and to get the letter hand-delivered to the Receiver by Tuesday of the next week.

Member McDonald commented that the City of Camarillo was sending their own letter that she was taking. Camarillo would be the closest city with the greatest impact from the proposed project. She urged all to get involved by getting on the list of those agencies opposed. She thought it was important to keep it agendized until a decision had been made. She also urged the Executive Director to work with the City Managers' group to develop a strategy to inform everyone and to oppose. She added that a huge impact would be to the local healthcare system, with 1500-1800 beds within the prison system—more beds than every hospital in Ventura County, combined. 5,000 employees to consider adding to the traffic and visitors, etc.

Member Morales inquired as to the timeline in which a decision would be made.

Member McDonald replied that it was being pushed very quickly with two EIRs already ordered. The guess would be that the EIR would be out by the end of the year. The project would be a total teardown.

Member Morehouse added that his Council had not had a discussion on this matter, but had constituents discuss their concerns with him and he moved that VCOG forward the letter as requested and that it be placed on the agenda for the next month.

Chair Holden asked for clarification as to how VCOG would sign onto the letter and Member Hunter responded that it could be done either by having the Executive Director contact Ms. Strickland's office the next morning to see if VCOG's membership could get on the signature page; or, draft an independent letter signed by the Chair to be forwarded independently.

Chair Holden asked if the Mayor (VCOG members) already signed on the letter did so as individuals or the cities they represent. Member Hunter responded that on behalf of his city, their Council was not ready to take up the matter until August 20, so it was not on behalf of the Council.

Chair Holden stated that there was a motion (Morehouse) and a second (Morales) to get on the letter as VCOG as discussed or to craft a separate letter that would be signed with the listing of the cities and members.

This item was approved unanimously by voice vote.

- B. Minutes:** Motion to adopt Minutes of the May 8, 2008 meeting by Member Glancy and seconded by Member Morales.

- C. **Workplan Update:** Receive and file. Member McDonald moved to approve; Member Glancy seconded.

8. **ORDER OF BUSINESS**

- A. **Presentation on Implementation of AB 32—Global Warming Solutions Act of 2006 and SCAG Regional Comprehensive Plan:** Mr. Bobkiewicz introduced Jacob Lieb, a program manager from the Southern California Association of Governments (SCAG), who had copies of the SCAG’s Regional Comprehensive Plan and offered them up as references.

Mr. Lieb discussed meeting the Global Warming Act’s long-term goal of an 80% reduction in emissions by 2050 would require basically the elimination of carbon-based technologies and combustion engines from California’s economy and way of life. Further, he stated that the act is as profound, if not more profound than the California Environmental Quality Act, the 1970 law that established the state’s system of environmental review by local governments for every sizable development project. It would affect how we do business, and will do so in some profound ways that a number of communities have not recognized as yet.

The act requires a reduction of 169 million metric tons of emissions, or a drop of close to 30%, from the projected output in 2020. Planes, trains and automobiles are responsible for more greenhouse gas emissions than any other sources, so that the bulk of the reduction will come through stricter state standards for vehicle emissions. New regulations on power plants and other industrial uses will be the next-biggest chunk. Farther down the list, at just over 1% of the total reduction, are measures taken by local governments. Still, cities and counties would have to start taking greenhouse gases into account when planning new commercial and residential developments, just as they must already consider things like water quality.

Member Morehouse commented that we are going to have to think about ways to get people out of their cars to get from point A to point B.

Member Aguirre commented on the movement of goods and people around the County. In Santa Paula the jobs housing balance is very out of kilter. It sends workers out of Santa Paula to various communities throughout the County and that puts people in their cars, moving out. It would be logical to develop more of an economic infrastructure in those areas where the workers are located. The issue also has to do with a lack of transportation, and we are being called on to face this great challenge that we have regionally and globally, and he opined that we have to do not only what our fair share is but to be innovative and move beyond that because ultimately our fair share is not going to get us there—that limits us to the kind of thinking and policies that we need to develop and he called up VCOG and SCAG to be planning agencies. The problem is much larger than any community by itself, can solve or address.

Member Morales commented that she wanted to comment further on some of Member Morehouse's comments, that more and more we are coming up against the wall of land use and the fiscalization of land use—that cities feel pushed to develop for the purpose of increasing property and sales tax. 50% of city general funds come from property and sales tax. In our (Port Hueneme's) situation, only 17% is coming from property and sales tax and they have little option, yet is part of the region and jobs rich community and contribute to the region in that way. She agreed that in looking at the AB32 issue we also need to look at how land use is driven and look at issues of revenue sharing, that we may not be able to even grapple with that, but given the seriousness of AB32 and how tied into land use it is, that we can't address one without the other.

Mr. Lieb added a comment that AB32 was a broad piece of legislation that enables the State Board to do whatever is necessary to achieve this target, and as such, is a huge revenue generator for the state. The Board (ARB) is able to impose carbon emission fees and they are able to auction the original emissions rights under cap and trade. There is a lot of money out there and he felt that ideally how it all works was to develop a policy at the regional level that when aggregated, leads to emission reduction. At the local level, you are able to incorporate some of those policies into your own activities, so on one hand you are relieved from any scrutiny on project by project decisions, and on the other hand you are also given money to make those things happen and he felt that ideally that was how it works.

Chair Holden added that regarding the transportation issue and the fiscal responsibilities of the cities, the retail does connect to the equation, but more importantly, the connection between providing jobs and residences in any future development. It would be extremely important in the future in that this County is disjointed when it comes to the amount of cars we put on the freeways in order for people to get to their jobs and back home again. Oxnard is fortunate in that it will be creating a job creating development at the same time as a residential development and tying those together in a short distance, and further commented how important that will be.

Chair Holden added that the pleasure of the Board was to continue a dialogue regarding AB32 and the coordination regionally and deferred to Mr. Bobkiewicz of how that might be accomplished.

Mr. Bobkiewicz responded that this item would come back on the November agenda.

- B. 2-1-1 Ventura County:** Erik Sternad, Executive Director, Interface Children and Family Services provided Powerpoint presentation as well as a hand out and offered data as part of the 2-1-1 Call Center, and finally, a funding proposal at the end for the Board's consideration.

Several boardmembers commented that they were looking toward the County to participate to increase its contribution, but agreed that cities do need to participate to support this very worthwhile resource.

Chair Holden asked Mr. Bobkiewicz that there was potential for the cities to participate but it was dependent on whether or not the County wants to initiate the process by stepping up to fill the gap and then looking toward the cities.

- C. **First Responder / Code Blue / Do Not Resuscitate Issue:** Member Morehouse introduced Dr. Hornstein, his personal physician, who was leading a group in the County on the topic of resuscitation and the orders not always making it out to the responders. He indicated that there was a coordinated effort with the physicians throughout the County to try to do something for those who have given directives not to be resuscitated to have a more expedient way of the first responders having access to that information.

Dr. Hornstein provided a case study of an end of life story and introduced the POLST Program—Physician Orders for Life Sustaining Treatments. It is a one page form that was introduced in Oregon in the mid-1990's through an interdisciplinary task force throughout the state and over a period of about four years, came out with a one-page form called the POLST document. It has a distinctive bright pink color, card stock. 95% of all patients in nursing homes now have a POLST form.

POLST has been moved on to California and he looked for support in Ventura County implementing the project. It is well on the way to do that and within the next several months, a POLST-type of form would be rolled out to all 7 hospitals in Ventura County. He mentioned a local initiative AB 3000 which he encouraged VCOG to support.

Member Glancy asked if the POLST form follows the patient, and Dr. Hornstein confirmed.

Barry Fisher, Administrator for Emergency Medical Services Agency for the County of Ventura, spoke, identifying his employer as the regulatory agency for the county. He added that from the minute you pick up 9-1-1 until the patient is delivered at the hospital, is what his agency oversees. He applauded Dr. Hornstein's efforts and advised that they (agency) currently had a statewide form for "Do Not Resuscitate", which has been in place for several years and added that there are issues such as Dr. Hornstein mentioned, such as the form not making it from the skilled nursing facility to the hospital, etc. Paramedics may arrive in the middle of the night, medical records can't be located, etc. As an agency, it was the first time he had heard of the local initiative (AB 3000), and offered his support and assistance with this initiative.

- D. **AB 793 (Strickland) Affordable Housing Tax Assessments:** Chair Holden asked Mr. Bobkiewicz if due to the hour, this item could be moved to the Legislative Committee to be acted on and Member Hunter concurred.

9. **AGENCY REPORTS:**

- A. **League of California Cities:** Dave Mullinax was grateful for the allowance to present earlier as he was under a time constraint. He spoke about the problems associated with the State's budget and a constant flow of rumors. The League was concerned that the State has taken over 5 months of the monthly Highway User Tax payments to get them over their cash flow crisis of earlier this year. Talk of implementation of Prop 1A borrowing takings as far as property tax. The Democrats did not want to do that as it would appear to be accounting gimmickry, would have to be paid back within 3 years with interest, and would really not solve the structural type of problems, etc. The Republicans all signed a "No New Taxes" pledge earlier in the year. Since it is an election year, they do not want to raise taxes, even if it would close tax loopholes. They would much rather go back to their districts and say that they didn't raise taxes, rather they borrowed all of our money—or a billion dollars or so of local tax monies.

Mr. Mullinax indicated that he had sent out a Legislative Alert from Chris McKenzie which addressed the fact that they had already borrowed money earlier this year, to make sure that the membership communicated more with letters, phone calls locally or in Sacramento about the challenges faced locally and to borrow this money is not doing the job that should be done as far as fixing their structural deficit problems. The budget problem would not be going away soon and earlier that day, at the Conference Committee, the Democrats laid out \$8 billion in tax increases proposals and the Republicans indicated they had a list of tax cuts but had not as yet laid them out. A line had been drawn in the sand, very polarized in Sacramento. We need to take a pragmatic, balanced approach and not to count balancing their budgets on our backs.

He would be happy to help with any outreach efforts and indicated further that he would be doing that in all three counties and statewide over the next several weeks and months.

He briefly discussed AB 32; AB 375 and AB 303.

- B. **Ventura County Transportation Commission:** None.

- C. **Other Agencies:** None.

10. **INTERIM EXECUTIVE DIRECTOR REPORT:** None.

11. **REQUEST FOR FUTURE AGENDA ITEMS:** Member Morales commented that during the week, the California Secretary of Food and Ag, of which Oxnard was the host as the location for the listening session in Ventura County, as part of a statewide California Agricultural vision that he and the Board are putting together—the first ever for sustainable agriculture for California by the year 2030. As part of VCOG's sustainability workplan, she recommended that the board have a presentation

sometime in the near future of this program as part of a Foodshed Management Plans, given the interface with Los Angeles and they're being a huge consumer base there for our agriculture. She provided a flier with contact information where comments were being accepted.

12. **ADJOURNMENT:** 7:00 p.m. The next meeting to be held at 5:00 p.m., September 11, 2008 at Camarillo City Council Chambers.



**VENTURA COUNCIL
OF GOVERNMENTS**

MEMORANDUM

TO: Board of Directors
FROM: Wally Bobkiewicz, Interim Executive Director
SUBJECT: **Update on Implementation of 2008 Workplan**
DATE: November 13, 2008

Recommendation: It is recommended that the Board of Directors receive and file this update on implementation of the 2008 Workplan.

Discussion: The following is an overview of the status of the implementation of the 2008 Workplan.

1. AB 939 Task Force: There are no issues pending on this subject.
2. Regional Housing Needs Assessment: There are no issues pending on this subject.
3. Future Governance Models: There are no issues pending on this subject.
4. Legislative Agenda: The Legislative Committee met last month and minutes of their meeting are attached.
5. Informal Gatherings of Ventura County Officials: The Board held its annual meeting dinner in Oxnard on June 26, 2008.
6. Emergency Preparedness: There is no status report from the Board's subcommittee on this subject at this time.
7. Homeless Services: There are no issues pending on this subject.
8. Graffiti Abatement: Staff is working on a model graffiti abatement ordinance.
9. Sustainability: There is a report on the implementation of SB 375 on the agenda of this meeting.

**Ventura Council Organization of Governments
Legislative Committee
Thursday, October 23, 2008
Meeting Notes**

1. **CARB Conference Call Sessions:** Information distributed about the League of Cities Conference call on California Air Resources Board's Proposed Regional Scoping Plan. Cities urged to read the plan and call in with questions.
2. **California Redevelopment Agency (CRA) Legislative Briefing- October 22, Burbank City Hall**

a. **AB 1389 Law Suit (See Attached from CRA)**

CRA announced its intent to file a suit against the Governor and State of California on November 15 against AB1389. AB 1389 is the implementation bill to shift \$350 million in RDA funding. (For City of Thousand Oaks- shift is estimated at \$1.3 million.) This shift is a full take-away with no payback. The basis of CRA's claim is that when Proposition 1A was developed, the Governor refrained from placing protections on redevelopment agency funding because the Governor felt it was already protected by the constitution. CRA is asking cities to participate as plaintiffs and to submit impacts their agencies will suffer based on the shift.

b. **Chaptered Redevelopment Bills**

SB 360- Vetoed by Governor. This bill is similar to the fix provided in AB 1389, which would require the county auditor, on behalf of a redevelopment agency, to calculate and make these payments and would specify that in doing so, the county auditor is acting in the interest of the respective redevelopment agency and affected taxing entities and is performing a ministerial function. Redevelopment Agency would also be required to provide reports on each taxing entity.

AB 2594- Vetoed by Governor. Assistance in Foreclosures through Redevelopment Agency to provide assistance to residents with subprime or nontraditional mortgages on homes, or make loans to those homeowners; and/ or purchase, or assist lenders or nonprofit or for-profit developers in purchasing, homes within its jurisdiction that have been foreclosed and are vacant and sell those homes, without regard to income.

SB 375- Signed by Governor. Greenhouse gas reduction bill will mandate regional planning efforts on housing and transportation in

reducing greenhouse gas emissions to 1990 levels. CRA supports bill and feels that in-fill housing is a great part of reduction efforts.

AB 31- Signed by Governor. This is the implementation bill for Prop 84 which would allow the state to sell \$5.4 billion in general obligation bonds for safe drinking water, water quality, and water supply; flood control; natural resource protection; and park improvements. AB 31 would modify the granting criteria to expand grant funds beyond remediation of toxic and hazardous wastes and authorize \$400,000,000 in bond funds available to the Department of Parks and Recreation for competitive grants for local and regional parks.

c. H.R. 3221

House Resolution bill to bail out Fannie Mae and Freddie Mac by issuing tax exempt bonds of 11 Billion for cities and counties dealing with foreclosures. Grant funds can be used to keep families in their home. A total of 1.2 Billion would be passed through to State Department of Housing and Community Development (HCD) to administer. HCD is still developing guidelines.

3. Update of Bills VCOG took positions or monitored during Legislative Year

- AB 642 -Allows cities to use design-build contracting for building construction projects as well as wastewater facilities, solid waste management facilities, or water recycling facilities for more efficient, cost-effective public works projects.- **Signed by Governor.**
- SB 375- requires the California Air Resources Board to provide regional targets by September 2010 for reducing greenhouse gas emissions. The state will use its \$5 billion pot of transportation money to encourage regions to account for compact development in the planning process. - **Signed by Governor. SCAG to present information about this bill on November 11 VCOG meeting.**
- AB 2270- Allows cities and water agencies to restrict usage of specific types of water softeners only if the State Water Resources Control Board or the regional water quality control board made a finding that control of residential salinity will contribute to the achievement of water quality objectives in the region.- **Vetoed by Governor.**
- AB 793- would exclude from the meaning of purchase price, for purposes of the rebuttable presumption that the purchase price of real property is the fair market value of the property, the amount stated in a trust deed, recorded in conjunction with an affordable housing unit

purchased by its occupant, for which that occupant is the trustor and a nonprofit or governmental agency selling authority is the beneficiary, both have contracted that a periodic payment of principal and interest will not be required for at least 30 years , and a governmental restriction requiring the property to remain an affordable housing unit for at least 30 years has been recorded against the affordable housing unit.- **Died in Appropriations Committee**

- SB 1507- would prohibit the commission from authorizing the construction or expansion of, and the department from constructing or expanding, an above-ground state highway within 1/4 mile of a school boundary, with exceptions for certain operational or safety improvements, high-occupancy vehicle lanes, highway segments in tunnels, and projects determined to have a positive air quality impact- **Died in Transportation Committee.**

4. Upcoming Conferences/Meetings:

- a. National League of Cities November 10-16- Orlando World Resort Center
- b. LCC Legislative Briefing- November 20- Fairmont Hotel Newport Beach

5. Update on Regional Issues:

a. Stormwater Permit

The Regional Water Quality Control Board will conduct a Stormwater Permit hearing in Ventura City Hall in December 11. A Water Permit Workshop will be held in early February 2009 in Ventura County and finally the permit Public Hearing May 2009.

6. Announcements: None

7. Adjourn: to December 18, 2008 Meeting.

AB 1389 State Budget, Chapter 751

Statutes of 2008 Provisions

Affecting Redevelopment Agencies

AB 1389, State Budget, ERAF Shift

By May 10, 2009, redevelopment agencies must make contributions to their county Educational Revenue Augmentation Funds ("ERAF") totaling \$350 million. Individual agency payments are listed on CRA's website, www.calredevelop.org.

One-half of each agency's contribution is based on the agency's percentage share of the total statewide gross tax increment revenues. The other half of each agency's contribution is based on the agency's percentage share of total statewide tax increment revenue net of pass-through payments to other taxing entities. The required ERAF payment is subordinate to any existing bonded indebtedness. As with prior payments to ERAF, an agency can use any funds available to it for the ERAF payment.

An agency may borrow up to one-half of the current year's allocation to its Low- and Moderate-Income Housing Fund if doing so does not impair any existing contracts and a finding is made that no other funds are available for the payment. Any such loan must be repaid within ten years. Money held in the agency's Fund on July 1, 2008, cannot be used to make the ERAF payment.

If the agency determines that it will be unable to make the full ERAF payment, it may enter into an agreement with the legislative body (city council or board of supervisors) by February 15, 2009 to fund the difference between the total ERAF payment and the amount the agency will be able to make. In addition, if the city or county initially agrees to fund the shortfall, but fails to transmit the payment by May 10, 2009, the county auditor will deduct that amount from the city's or county's allocation of property taxes and make the payment to ERAF. As was the case for the 2004-05 and 2005-06 ERAF payments, there is a provision for financing the ERAF payment through a pooled bond issue with a joint powers authority (California Communities).

By March 1, 2009, and annually until the ERAF is fully paid, the legislative body of each city and county must report to their county auditor how the agency intends to fund the ERAF payment or that the legislative body intends to remit the payment instead of the agency.

If the agency is going to pay less than the total ERAF amount, then it and the legislative body must hold a public hearing and adopt a resolution making findings that the agency has insufficient funds to make the full ERAF payment.

If a redevelopment agency, or its host government, cannot or does not make its full payment by the May 10, 2009, deadline, it is subject to what we refer to as the "death penalty" until those payments are made. This applies to agencies that cannot make payments because of existing indebtedness or other legal obligations, as well. The prohibitions are not lifted until the county auditor certifies to the California Director of Finance that the full required ERAF payment has been made by the agency or on the agency's behalf. Specifically, the restrictions are:

- The agency cannot adopt new redevelopment plans or amend plans to add new territory.
- The agency cannot issue bonds.

- The agency cannot encumber funds or expend money derived from any source except to pay previously issued bonds or other financial obligations, make contractual (though not statutory, i.e., AB 1290) pass-through payments, and expend an amount on administration not exceeding 75% of the average monthly amount spent for that purpose in the preceding fiscal year.

Unlike previous bills requiring ERAF payments, there is no provision allowing for time extensions of redevelopment plans. Tax increment used to make the ERAF payment does not count against the agency's dollar limit on the receipt of tax increment.

AB 1389 Redevelopment Pass-Through Payments

The urgency legislation implementing the State budget also imposes an immediate requirement on redevelopment agencies to prepare and file a detailed report regarding its statutory pass-through payments to taxing entities for the last five years. The legislation also gives county auditors and the State Controller significantly greater authority by imposing severe penalties if either does not concur with an agency's report or if an agency has outstanding pass-through payments to local schools.

AB 1389 requires that a specific report be filed with county auditors and taxing entities by October 1, 2008, which must include every new plan or amendment adding territory adopted after January 1, 1994. It must contain information such as gross tax increments, any deferred pass-through payments, any outstanding payment obligations and any overpayments made.

The statutory pass-through payments are triggered in project areas adopted prior to January 1, 1994 by certain amendments, such as an amendment to eliminate the time limit on incurrence of debt, or an amendment to increase the cap on receipt of tax increment revenue. Although the language in the new legislation is somewhat ambiguous, CRA recommends that redevelopment agencies report on all project areas that make statutory pass-through payments, regardless of whether the project areas were adopted before or after January 1, 1994. This recommended approach will be consistent with the expectations of the county auditors and the State Controller.

If the county auditor does not concur with an agency's report, the agency has 15 days to submit a revised report or submit a statement identifying the disputed issue(s) requiring resolution. If the county auditor and agency can resolve the dispute on their own, the agency can amend the report and the county auditor can issue a finding of concurrence. However, there is no provision on what happens if the parties cannot resolve the dispute on their own. Moreover, if the State Controller finds significant errors in the report, the State Controller can revoke an auditor's finding of concurrence.

The agency must file another report on October 1, 2009 and annually thereafter until the county auditor notifies the agency that all outstanding payment obligations have been satisfied.

All redevelopment agencies listed on the Controller's report as either (i) not having received a finding of concurrence on all of its projects, or (ii) having an outstanding pass-through payment obligation to one or more local educational agencies also suffer the "death penalty" as follows:

- The agency cannot adopt new redevelopment plans or amend plans to add new territory.
- The agency cannot issue bonds.
- The agency cannot encumber funds or expend money derived from any source except to pay previously issued bonds or other financial obligations, make contractual (though not statutory, i.e., AB 1290) pass-through payments, and expend an amount on administration not exceeding 75% of the average monthly amount spent for that purpose in the preceding fiscal year.



**VENTURA COUNCIL
OF GOVERNMENTS**

970 Ventura Street
Santa Paula, CA 93060

NOVEMBER 13, 2008

TO: VCOG MEMBERS

FROM: DEBRA A. VARNADO, ASSISTANT EXECUTIVE DIRECTOR

RE: UPDATE ON SB 375

RECOMMENDATION

Review, comment, and provide direction to staff.

DISCUSSION

This memorandum provides an update and overview of SB 375 (Steinberg) *Transportation planning: travel demand models: sustainable communities strategy: environmental review*. It provides an overview of the law's general requirements (page 2-4); a draft flow chart depicting the SCS/APS development process (Attachment A); an implementation schedule (Attachment B); Follow-up Legislation (page 5); and Preliminary Issues (page 7).

Background on SB 375

AB 32 (Global Warming Solutions Act of 2006) requires the State of California to reduce greenhouse gases (GHG) to 1990 levels no later than year 2020. SB 375, which was signed by Governor Schwarzenegger on September 30, 2008, implements AB 32. To reach the 2020 goal, SB 375 intends to reduce GHGs and vehicle miles of travel (VMT) from autos and light duty trucks by integrating transportation and land use planning through a revised Regional Transportation Plan (RTP) development process.

The bill also aims to integrate the RHNA into the RTP by synchronizing the schedules of the two processes¹ and by requiring that the local government housing elements be consistent with a Sustainable Communities Strategy (SCS). SB 375 also aims to use CEQA Streamlining as an incentive to encourage residential, mixed-use, and transportation priority projects that help reduce GHG emissions.

As the MPO for the region, SCAG will be implementing SB 375 in consultation with the subregions, CTCs, the air quality districts and other stakeholders. The bill also calls for the conduct of a significant amount of outreach to the public and elected officials through workshops, informational meetings, and hearings.

¹ Corrections to the bill are necessary to ensure that the next SCAG Housing Element cycle begins in 2016 rather than 2012.

OVERVIEW OF SB 375 REQUIREMENTS² (DRAFT)

Sections A – G below outline the general requirements of SB 375.

A. General Guidelines and Framework for SB 375 Implementation (Draft)

SCAG must collaborate with the subregions, the CTCs, and other stakeholders to implement SB 375. As such, the Agency has scheduled workshops in each of the counties for Planning Directors, City Managers, and air quality management districts staff. The workshop in Ventura County will be held on November 20 as a part of the City - County Planning Association.³ A region-wide workshop is scheduled for December 9 from 10 am – 12 noon at SCAG. SCAG already has conducted informational workshops for Subregional Coordinators (10/23) and the Regional Council (11/6). Workshops for the CTCs will also be conducted. SCAG expects to develop guidelines and a framework for implementation between October 2008 – January 31, 2009.

B. Regional Targets Advisory Committee, Factors and Methodologies (Draft)

SCAG must work with the subregions and ARB to establish a greenhouse gas (GHG) emission reduction target for the region. (SB 375 also allows ARB or SCAG to develop the target and to submit it to the ARB for approval). Various factors that would influence the target development include population, current share of emissions, transit capacity, funding availability, in-fill and land capacity, etc. ARB will be establishing a Regional Targets Advisory Committee (RTAC) with representatives from the MPOs, subregions, CTCs, the League of Cities, CSAC, developers, and air quality communities, to advise the ARB on factors and methodologies to be considered in the development of targets. The Committee will be established by January 31, 2009 and will make its report to CARB by September 30, 2009.

C. Methodology for Integration GHG Emissions and VMT Reductions into Regional Plans (Draft)

SB 375 requires the region to develop a methodology to determine the levels of GHG emissions associated with its plans. ARB must approve the methodology. SCAG staff has begun preliminary discussions with ARB on a methodology, and intends to work with sub-regions and CTCs to submit the proposed methodology. SCAG will address methodology in its Guidelines and Framework for subregions and at future workshops. SCAG also indicates that it will strive to ensure that the methodology has built-in flexibility to allow for improvements in methods and tools while the process is underway. The Agency staff also says the region, in consultation with the subregions, should take advantage of the opportunity to recommend a target to ARB. Emissions reduction targets must be developed by September 30, 2010. Targets will be updated every 8 years.

² This memo is based on the best available information, analyses, and discussions to-date regarding SB 375 Implementation. Major sources include the League of Cities Technical Overview, and draft memo, diagrams, and discussions from SCAG workshops and policy meetings. These are all works-in-progress.

³ At the November 20 meeting, SCAG staff will be initiating the development of the Ventura County Forecast for the 2012 RTP.

D. Strategy Development To Reduce GHG Emissions and VMT: SCS, APS (Draft)

In the SCAG region, the subregions will have the “authority/opportunity” to produce, in collaboration with the CTCs, a Sustainable Communities Strategy (SCS) and/or the Alternative Planning Strategy (APS), within a framework developed by SCAG and the subregions. This provision of the law is unique to the SCAG region.

SCAG must submit this SCS to ARB as a part of the RTP. ARB is vested with the authority to accept or reject the SCS. The SCS will document the region’s compliance with the GHG emission reduction target, but if it does not achieve the reduction target, SCAG must submit an APS, which is separate from the RTP. The APS will explain what kept the region from meeting the target through the SCS, and it will contain additional land use measures, transportation infrastructure or other strategies that would allow the region to meet the target.

It is notable that regardless of which entity(ies) develops the SCS, the region is not required to achieve the GHG emissions reduction targets. The possibility of not meeting the targets and concern over potential consequences, however, has generated much discussion at SCAG. These issues will play out and may be resolved over the 4-year process for developing the RTP. In the interim, SCAG staff is encouraging the region/subregions to meet the targets. They will design a bottom up process working with the subregions, the CTCs, and other key stakeholders with the intent of achieving the target through the SCS. Part of their rationale is that “SB 375 sets up as a quasi-competitive process among regions of the State, with the tacit promise that future financial incentives will be linked to performance.”

Subregional Framework. The framework will cover regional planning and policy considerations, including the development of sub-regional targets,⁴ and practical considerations of integrating subregional planning into the RTP. SCAG staff will discuss issues with the subregions before they propose the subregional framework and guidelines. The goal is to reflect mutual interests. As a beginning discussion piece, SCAG has prepared a draft flow chart depicting options for developing the SCS/APS development. (See Attachment A).

E. Public Participation and Outreach (Draft)

SCAG Staff says that, “In all, SB 375 could require SCAG to conduct an additional 31 workshops, hearings and informational meetings.” Outreach would be to elected officials and the public to get input on the draft SCS and/or APS, and the RTAC Committee report (i.e., the GHG emissions reduction targets). SCAG will also have to provide a way for members of the public to make one single request to receive notices, information and updates.

F. RHNA Provisions (Draft)

SB 375 changes the regional transportation planning and RHNA process so that conflicting deadlines no longer cause a “disconnect” between regional housing and transportation policies. The timeline for the RHNA, and subsequent Housing Element processes will be based on the RTP schedule, in effect extending the Housing Element cycle to eight years (to be performed with every other RTP). SCAG would allocate the RHNA numbers at approximately the same time that the 2012 RTP is adopted. As the legislation currently stands, in the SCAG region,

⁴ SB 375 is silent on the issue of subregional targets.

housing elements would be due 18 months later. This submission deadline is an error that will be cleaned up in subsequent legislation.

Other RHNA-related provisions of the legislation include:

- The RTP's SCS must accommodate⁵/be consistent with⁶ the RHNA numbers. SCAG and the subregions would decide what consistency means.
- There are consequences for not submitting the housing element on time. If it is not submitted on time, jurisdictions still will have to complete their zoning requirements or be subject to sanctions.
- Within a specified period, jurisdictions will have to rezone sites to accommodate that portion of the RHNA not accommodated in their housing element inventory.
- Local agencies will have to develop timelines and schedules as to when specific actions will have "beneficial impacts" within the planning period.
- Under certain circumstances, a local government faces potential sanctions for failing to meet zoning timelines.
- "Extension of the 'by right' provisions related to affordable housing."⁷

G. CEQA Exemptions and Streamlining (Draft)

SB 375 provides for two types of streamlining of the CEQA review process--one for housing and mixed-use projects, the other for so-called Transit Priority Projects (TPP). Housing, mixed-use developments and TPPs must be consistent with the SCS (or APS), must meet specific definitions and criteria, and are thereby exempt from certain requirements of CEQA. For example, a residential or mixed-use project that is consistent with a SCS/APS does not have to address growth inducing impacts; or impacts from cars and light-duty trucks (on global warming or the regional transportation network), if the project includes mitigation measures required by an applicable prior environmental document. Among the requirements for having TPP status is the project must be located within one-half mile of a major transit stop or high quality transit corridor included in a RTP. Under SB 375, a TPP will have three different types of streamlining.

SCAG says it will work with the CTCs "to identify criteria that meet the definition for Transit Priority Projects, and is requesting that sub-regions do the same in sub-regional strategies." SCAG also indicates that "it must assess the degree to which these new provisions in CEQA are likely to be used in the region." The Agency's staff plans to talk with the building industry and environmental professionals and is currently working with Steinberg and other stakeholders on "clarifying expanded CEQA streamlining in subsequent legislation." SCAG indicates that CEQA provisions should be expanded to include "broader applicability for development projects, and provisions for new transportation projects included in the region's greenhouse gas reduction strategies."

⁵ Technical Overview of SB 375 (v.1.1) League of Cities, Bill Higgins

⁶ SCAG SB 375 Workshop Materials, November 2008

⁷ Ibid.

FOLLOW-UP LEGISLATION (Draft)

SCAG intends to try to get several issues addressed in subsequent legislation including:

- 1) RHNA/RTP synching – so that the next SCAG RHNA is not due until 2016.
- 2) Protection of transportation projects financed by voter approved sales tax – to address Ventura County upcoming sales tax measure.
- 3) Programmatic CEQA Exemptions of Transportation Projects to make it unnecessary to do a project level GHG analysis for transportation projects in an RTP that includes an SCS that reaches the GHG target, and for which there is a programmatic environmental analysis for GHG.

SCAG FLOW CHART DEPICTING SCS/APS DEVELOPMENT PROCESS (DRAFT)

See Attachment A.

IMPLEMENTATION SCHEDULE (DRAFT)

SCAG Draft timeline, Attachment B.

PRELIMINARY ISSUES (DRAFT)

The following issues have been raised in regard to SB 375 Implementation, either at SCAG workshops, Subregional Coordinator Group meetings, at Policy and Regional Council meetings, and/or among VCOG staff. Issues are not ranked ordered and the list is not all-inclusive. Issues are expected to be resolved and/or more fully developed in coming weeks.

SB 375 MPLEMENTATON - PRELIMINARY ISSUES (DRAFT)
<i>Funding</i>
Where is funding to implement SB 375? What is the status of AB 732?
There is a tacit promise that future financial incentives will be linked to performance. What is the likelihood that the promise will materialize?
<i>Guidelines and Framework</i>
Subregions and other stakeholders need a step-by-step approach to SB 375 implementation, including schedules/timelines, issues, processes, milestones, participants, etc.
The “bottoms-up” planning process needs to be defined, to minimize the impact and legal exposure of local agencies.
<i>SCS/APS</i>
What happens if all, none or a few of the SCAG subregions agree to develop the SCS for their subregion? .
Delegation of the SCS to the subregions appears to have many of the unresolved issues as the RHNA delegation. Is it feasible and/or does it make sense to move ahead on developing the SCS with unresolved issues and unknowns...without adequate direction from the legislation or the state? Some stakeholders think that the local governments should move forward despite the unanswered questions and limitations in guidance provided under the legislation. There is no consensus.
What are the components of an SCS—what does an SCS look like in terms of transportation, the RHNA, land use, and other elements?
What are the ramifications/repercussions if the SCS does not achieve emissions reduction targets?
<i>Methodology and Emissions Reduction Targets</i>
The development of regional targets is problematic in a number of ways. Is it feasible and desirable to try to develop subregional GHG emissions reduction targets?
How will issues be resolved if some subregions achieve targets, others don't, or do not assume the delegation authority?

SB 375 IMPLEMENTATION - PRELIMINARY ISSUES (DRAFT)

What happens if ARB rejects the SCS?

The SCAG region should have representation on the RTAC.

If subregions accept delegation of the SCS/APS, SCAG will need to include time for training in using the methodology.

Should SCAG and the subregions develop the GHG reduction target for the region in lieu of ARB?

Other than preparing an APS, what are the ramifications/repercussions if the SCS does not achieve the emissions reduction target?

How will the region achieve GHG reductions through the region's transportation investment strategy?

RHNA

How will the RHNA be integrated into the RTP? What does RHNA consistency with the SCS mean?

Delegation of the SCS to the subregions may have some of the same issues as the RHNA delegation. Many RHNA issues are unresolved. Is it feasible/wise to move ahead on an SCS with so many unknowns? Without adequate direction from the legislation?

How will SB 375 implementation change the RHNA process?

How will recommendations of the RHNA reform task force affect or be integrated, if at all, into the implementation of SB 375?

Legislative Correction/Clean-up

SB 375 inadvertently timed the next Housing Element deadline to occur within 18 months of the completion of the 2012 RTP. This error needs to be corrected to 2016.

Clarifications needed regarding expanded CEQA streamlining -

Programmatic CEQA exemptions of Transportation Projects

Protection of transportation projects financed by voter approved sales tax – to address Ventura County upcoming sales tax measure.

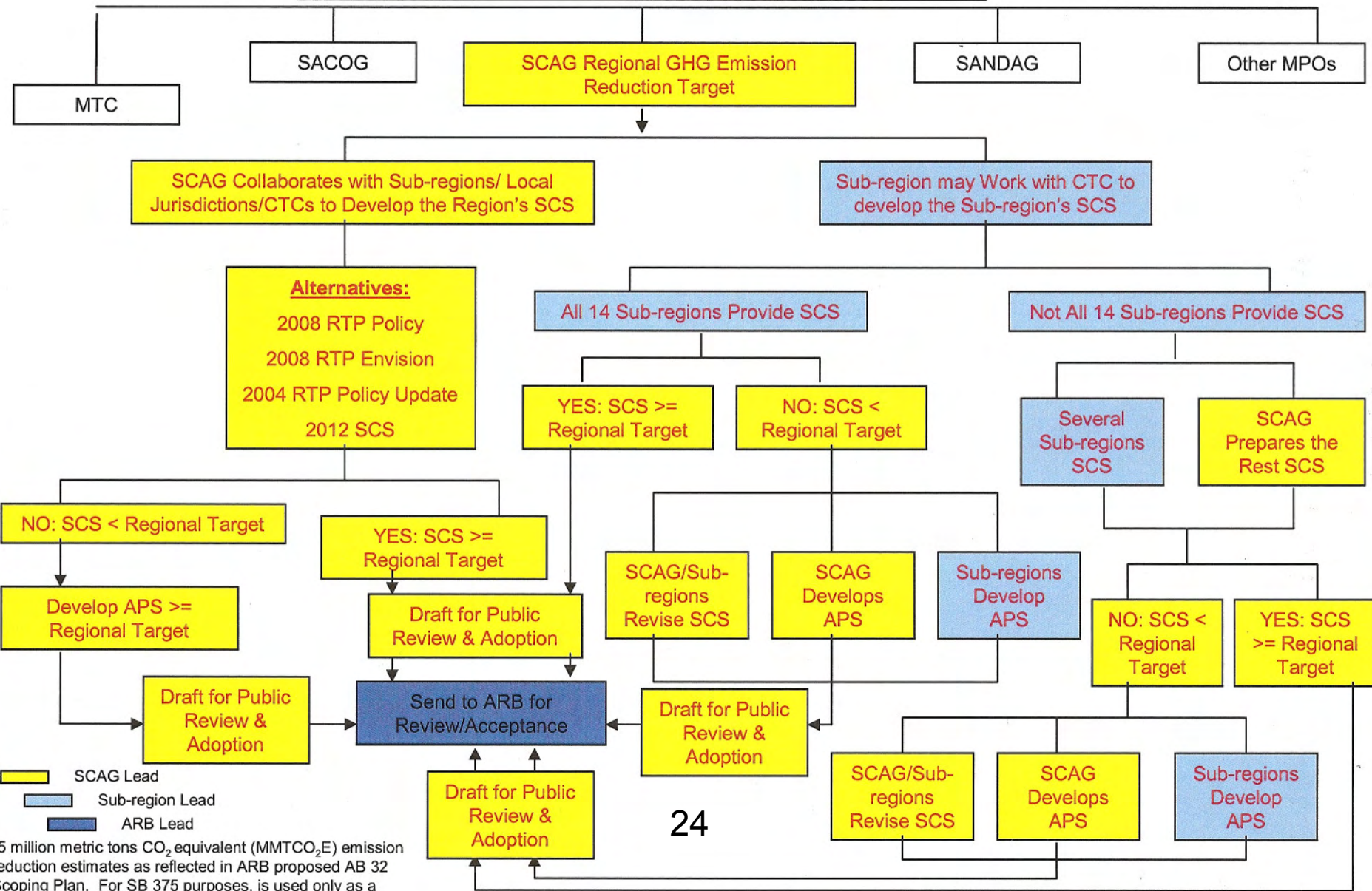
Compact Phase 2

The Compact Phase 2 is scheduled to be finished in the January - February 2010 timeframe. The final GHG emissions reduction target will be available on September 30, 2010. The SCS/APS will be developed between Oct. 2010 - Sept. 2011. Given these dates, the Compact Phase 2 will not have access to the actual emissions VMT reduction targets until after Phase 2 is completed.

Options of SCS/APS Development Process Flow Chart

DRAFT

ARB Proposed Statewide GHG Emission Reduction Estimates, AB 32 Proposed Scoping Plan = 5MMTCO₂E*



SCAG Lead
 Sub-region Lead
 ARB Lead

*5 million metric tons CO₂ equivalent (MMTCO₂E) emission reduction estimates as reflected in ARB proposed AB 32 Scoping Plan. For SB 375 purposes, is used only as a preliminary estimate.

SB 375 Major Milestones and Timeline for the 2012 RTP, SCS, APS, & RHNA		
Major Milestones	9/30/2008	SB 375 was signed into law by governor
	10/2008 - 1/31/2009	SCAG shall develop overall Guidelines to ensure coordination, resolve conflicts, make sure that the overall plan complies with applicable legal requirements, and adopt the plan for the region
	Jan 2009	Adopt/Amend Public Participation Plan
	1/31/2009*	ARB Board Appoints Regional Target Advisory Committee (RTAC)
	9/30/2009*	RTAC transmits Report to ARB with factors and methodologies for setting targets
	Oct 2009	MPO shall hold at least one public workshop to discuss the report on factors and methodologies
	Oct 2009 - June 2010	Workshops lead to recommend regional GHG emission reduction target (Optional)
	Before 6/30/2010*	MPO recommends a regional target (Optional)
	6/30/2010*	ARB Issues Draft Regional Targets
	9/30/2010*	ARB Issues Final Regional Targets
	Oct 2010 - Sept 2011	Develop SCS/APS (RHNA, if applicable**) - Workshops lead to Draft SCS/APS (Minimum 16 across the region)
	Nov 2011	Release Draft RTP (SCS) & APS for comment/review min 55 days
	Jan 2012 – Apr 2012*	Min.3 Public Hearings & 6-12 informational meetings for elected officials
	April 2012	MPO adopts RTP (SCS) and APS (if necessary) concurrently (an APS does not have to be adopted with the RTP)
	June 2012*	ARB reviews/accepts SCS/APS (within 60 days)
	December 2012	Adopt RHNA**
	December 2013	Housing Elements due**

Note: SCS: Sustainable Community Strategy
 APS: Alternative Planning Strategy

*Denotes statutory timeline. All others are interpretive for logical implementation sequence.

**Based on current version of SB 375. Cleanup is anticipated to synch RHNA with 2016 RTP.

EXECUTIVE DIRECTOR'S MONTHLY REPORT

NOVEMBER 2008

As their service to SCAG is coming to an end, I would like to thank *Christine Barnes, Lou Bone, Yvonne Burke, Debbie Cook, Tim Jasper* and *Toni Young* for their leadership and dedication. On behalf of the staff, I can say it has been a pleasure working with all of you and your contributions have proved invaluable.

2009-2010 Budget

The finance staff has developed a number of budget scenarios for fiscal year 2009-10. We must accommodate two major issues in our budget development process. First, the level of funding we might receive from the Federal Highway Administration and the Federal Transit Administration will not be known until January. We have two funding scenarios, one at 75% of our 2009 fiscal year funding authorization and one scenario at 90% of our 2009 authorization.

Secondly, we are required to use certain new modeling capabilities for developing the 2012 Regional Transportation plan, which have not yet been developed. We must also continue the Goods Movement and Congestion Pricing initiatives that started this year.

Balancing the needs of our baseline of continuing work and the needs for meeting new requirements led us to develop two expenditure scenarios. One scenario includes only our baseline workload and another scenario includes new work scopes.

We have made great progress toward balancing the budget for the next few years. The reduction in payroll and consultant work that started this fiscal year will lead us to more financial stability. As you are aware, the current financial situation is difficult for everyone and we are no exception. As seen in the attached charts, the most likely scenario to get a balanced budget is to cut costs in both operations and consultants. We are doing that. I want to assure you and the staff that there will not be a reduction in staff.

SB 375 Implementation Workshops

On September 30, 2008, Governor Schwarzenegger signed Senate Bill 375 into law. SB 375 seeks to reduce greenhouse gas emissions through integrated transportation, land use and housing planning. To achieve this planning, SB 375 requires SCAG to create a Sustainable Communities Strategy (SCS) as part of the 2012 Regional Transportation Plan (RTP).

On October 23, 2008, SCAG hosted a workshop on SB 375 implementation options and issues as part of the Subregional Coordinators meeting. The session was attended by approximately 60 individuals, including most subregions and all County Transportation Commissions in the region. The session provided an opportunity to discuss the new law's requirements and ramification for the SCAG region. The workshop was scheduled to serve as a preview for the Regional Council's workshop on November 6th, which will reflect input and discussion brought forward by subregions and CTCs.

Staff is currently scheduling workshops in each of the counties during the month of November followed with a Regional Workshop in early December. The workshops are intended to provide our membership information on the law and to help develop a regional consensus on how best to implement these new planning requirements.

RHNA Schedule Options under SB 375

The draft of Senate Bill 375 prior to August 22, 2008 had indicated that the Housing Element update should proceed every 8 years, allowing SCAG region's next RHNA to occur along with the 2016 RTP. The August 22nd amendment, which finalized the RHNA schedule statewide, changed SCAG region's schedule to be inline with the 2012 RTP. In subsequent discussions, the author's staff assured SCAG staff that this change was a mistake and not substantive, and that it could be corrected through a

technical amendment. At a meeting on October 29th, convened by the author to discuss cleanup legislation, the Bill's proponents expressed that in fact the revised RHNA schedule (August 22 version) was consistent with the intent of the Bill and not an error.

At this point, options for SCAG region include implementing SB 375 and the RHNA schedule as is, or attempting to seek legislative action, which likely may not be accomplished in the form of a technical correction.

Compliance with SB 375 and its accompanying RHNA schedule as is would require SCAG region to adopt its RHNA in 2012. This option would improve the likelihood of securing funding for the RHNA process since it is now immediately intertwined with SB 375. Moreover, adopting a 2012 RHNA allocation provides the most lead-time to implement land use changes in the Sustainable Communities Strategy (SCS), such that the Greenhouse Gas Emission targets can be most likely reached by 2020. However, a large constraint of a 2012 RHNA is that with current identified funding sources, SCAG does not have adequate staffing or funding to support the burdensome process that requires immediate attention. In addition, a 2012 RHNA adoption would mean an allocation that excludes the 2010 Census data, which is scheduled for release in 2012. The exclusion of the 2010 Census raises the possibility of a RHNA allocation that is not synchronized with current data. Further, a 2012 RHNA would create an overlap with the current Housing Element planning cycle that extends to 2014, and result in an administrative and fiscal burden on local governments in the SCAG region since they would be required to conduct an accelerated update without this new census data. The release of new census data midstream in the RHNA process may indicate inconsistencies in any proposed allocation, and could make it more difficult to develop a consensus and bring the RHNA to a successful conclusion.

Conversely, adopting a 2016 RHNA instead of a 2012 RHNA, which would require additional legislation, would include the 2010 census and would produce a more current forecast. The later RHNA could also build on the 2012 SCS development experience and result in a better distribution for jurisdictions. Moreover, adopting the later RHNA would allow SCAG region more time to identify sources to fund the process. One limitation, however, to a 2016 RHNA adoption is that as a result of a postponed process, the implementation of the 2020 Greenhouse Gas Emission target through land use may be lessened. In addition, due to the last RHNA cycle's planning period ending year of 2014, a 2016 RHNA creates two years of unplanned housing needs and may require extensive evaluation and implementation to close this gap.

Earthquake Preparedness Events - The Great Southern California ShakeOut

On October 29, 2008, Dr. Lucy Jones of the U.S. Geological Survey visited SCAG staff to discuss the Great Southern California ShakeOut. The Great Southern California ShakeOut is a week of special events featuring the largest earthquake drill in United States history, organized to ensure Southern Californians are ready for big earthquakes. The ShakeOut drill will occur in houses, businesses, and public spaces throughout Southern California at 10:00 a.m. on November 13, 2008 when millions will drop to the ground, take cover under a table or desk, and hold on. The entire drill should take at least 60 seconds. As of October 27, 2008, there were already 4.65 million people registered to participate in the drill. SCAG encourages all of our local jurisdictions and partners to register at www.ShakeOut.org/register to pledge your agency's participation in this important preparedness event. Participants will receive information on how to prepare for the inevitable major earthquake in the region and what actions to take during and after the shaking.

Mobility 21 Summit

On October 20th, more than 400 government, business and civic leaders attended the 7th annual Mobility 21 Summit to discuss transportation solutions for Southern California. SCAG served as one of the presenting sponsors. U.S. Rep. Ken Calvert, California State Assemblymember Mike Feuer, and Los Angeles Mayor Antonio Villaraigosa addressed the gathering. Panelists included: U.S. Rep. Laura Richardson; State Senator and Transportation and Housing Committee Chair, Alan Lowenthal; and State Assemblymember and incoming Transportation Committee Chair, Mike Eng. SCAG Regional Council members Gary Ovitt, Lawrence Dale and Larry McLellan also attended. Key on the agenda were transportation financing and revenue sources, critical infrastructure needs, goods movement and the next five-year federal surface transportation legislation.



SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS

Forecast of Revenues and Expenditures Fiscal Years 2009-2012

Prepared by:
Office of the Chief Financial Officer

FY09 to FY12 Draft Budget Forecast (\$x000)

Scenario A (75% Baseline)

<u>REVENUES:</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
CPG Grant Funds	\$32,524	\$23,323	\$20,895	\$17,024
TDA	\$ 950	\$ 696	\$ 1,000	\$ 1,000
State SP&R	\$ 730	\$ 800	-	-
Blueprint	\$ 1,763	\$ 310	-	-
Other	<u>\$ 287</u>	<u>\$ 103</u>	<u>\$ 81</u>	<u>-</u>
Total	\$36,254	\$25,232	\$21,976	\$18,024
<u>EXPENDITURES:</u>				
Operating Costs	\$22,594	\$19,036	\$19,759	\$20,529
Program Costs	<u>\$13,660</u>	<u>\$ 8,110</u>	<u>\$ 5,046</u>	<u>2,594</u>
Total	\$36,254	\$27,146	\$24,805	\$23,123
Surplus (Deficit)	\$0	(\$1,914)	\$ (2,829)	\$(5,099)

FY09 to FY12 Draft Budget Forecast (\$x000)

Scenario B (75% new work)

<u>REVENUES:</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
CPG Grant Funds	\$32,524	\$23,323	\$18,559	\$17,024
TDA	\$ 950	\$ 1,000	\$ 1,000	\$ 1,000
State SP&R	\$ 730	\$ 800	-	-
Blueprint	\$ 1,763	\$ 310	-	-
Other	<u>\$ 287</u>	<u>\$ 103</u>	<u>\$ 81</u>	<u>-</u>
Total	\$36,254	\$25,536	\$19,640	\$18,024
<u>EXPENDITURES:</u>				
Operating Costs	\$22,594	\$19,036	\$19,729	\$20,499
Program Costs	<u>\$13,660</u>	<u>\$13,523</u>	<u>\$ 6,701</u>	<u>2,575</u>
Total	\$36,254	\$32,559	\$26,430	\$23,074
Surplus (Deficit)	\$0	(\$7,023)	\$ (6,790)	\$(5,050)

FY09 to FY12 Draft Budget Forecast

• Scenario A - Assumptions

• **REVENUES:**

- Unexpended CPG Grant Funds from FY08 budgeted in FY10
- Unexpended CPG Grant Funds from FY0 budgeted in FY11
- FY10 CPG Funds allocation equal 75% of FY09 allocation
- FY11 and FY12 CPG Funds allocation equal 75% of FY09 allocation
- Blueprint funding ends with FY09 allocation

• **EXPENDITURES:**

- Program costs based on level staffing plan of 108 FTE's and escalated at 5%
- No new Sub Regional funding allocated
- No new SCAG projects added
- Includes carryover and ongoing projects

• Scenario B - Assumptions

• **REVENUES:**

- Unexpended CPG Grant Funds from FY08 budgeted in FY10
- Unexpended CPG Grant Funds from FY09 budgeted in FY11
- FY10 CPG Funds allocation equal 75% of FY09 allocation
- FY11 and FY12 CPG Funds allocation equal 75% of FY09 allocation
- Blueprint funding ends with FY09 allocation

• **EXPENDITURES:**

- Program costs based on level staffing plan of 108 FTE's and escalated at 5%
- No new Sub Regional funding allocated
- Includes carryover and ongoing projects
- Includes new projects
- \$2 million in project reserve added

FY09 to FY12 Draft Budget Forecast (\$x000)

Scenario C (90% baseline)

<u>REVENUES:</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
CPG Grant Funds	\$32,524	\$26,753	\$24,300	\$20,428
TDA	\$ 950	\$ 696	\$ 1,000	\$ 1,000
State SP&R	\$ 730	\$ 800	-	-
Blueprint	\$ 1,763	\$ 310	-	-
Other	<u>\$ 287</u>	<u>\$ 103</u>	<u>\$ 81</u>	<u>-</u>
Total	\$36,254	\$28,662	\$25,381	\$21,428
<u>EXPENDITURES:</u>				
Operating Costs	\$22,594	\$19,036	\$19,729	\$20,499
Program Costs	<u>\$13,660</u>	<u>\$ 8,110</u>	<u>\$ 2,783</u>	<u>243</u>
Total	\$36,254	\$27,146	\$22,512	\$20,742
Surplus (Deficit)	\$0	\$1,516	\$ 2,869	\$ 686

FY09 to FY12 Draft Budget Forecast (\$x000)

Scenario D (90% new work)

<u>REVENUES:</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
CPG Grant Funds	\$32,524	\$26,753	\$21,964	\$20,428
TDA	\$ 950	\$ 1,000	\$ 1,000	\$ 1,000
State SP&R	\$ 730	\$ 800	-	-
Blueprint	\$ 1,763	\$ 310	-	-
Other	<u>\$ 287</u>	<u>\$ 103</u>	<u>\$ 81</u>	<u>-</u>
Total	\$36,254	\$28,966	\$23,045	\$21,428
<u>EXPENDITURES:</u>				
Operating Costs	\$22,594	\$19,036	\$19,729	\$20,499
Program Costs	<u>\$13,660</u>	<u>\$13,523</u>	<u>\$ 6,701</u>	<u>2,574</u>
Total	\$36,254	\$32,559	\$26,430	\$23,073
Surplus (Deficit)	\$0	(\$3,593)	\$ (3,385)	\$(1,645)

FY09 to FY12 Draft Budget Forecast

• Scenario C - Assumptions

• **REVENUES:**

- Unexpended CPG Grant Funds from FY08 budgeted in FY10
- Unexpended CPG Grant Funds from FY09 budgeted in FY11
- FY10 CPG Funds allocation equal 90% of FY09 allocation
- FY11 and FY12 CPG Funds allocation equal 90% of FY09 allocation
- Blueprint funding ends with FY09 allocation

• **EXPENDITURES:**

- Program costs based on level staffing plan of 108 FTE's and escalated at 5%
- No new Sub Regional funding allocated
- No new SCAG projects added
- Includes carryover and ongoing projects

• Scenario D - Assumptions

• **REVENUES:**

- Unexpended CPG Grant Funds from FY08 budgeted in FY10
- Unexpended CPG Grant Funds from FY09 budgeted in FY11
- FY11 and FY12 CPG Funds allocation equal 90% of FY09 allocation
- FY10 CPG Funds allocation equal 90% of FY09 allocation
- Blueprint funding ends with FY09 allocation

• **EXPENDITURES:**

- Program costs based on level staffing plan of 108 FTE's and escalated at 5%
- No new Sub Regional funding allocated
- Includes carryover and ongoing projects
- Includes new projects
- \$2 million in project reserve added