



January 19, 2024

SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
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The Honorable Toni G. Atkins
Senate President Pro Tempore
State Capitol, Room 205
Sacramento, CA 95814

The Honorable Robert Rivas
Speaker California State Assembly
P.O. Box 942849
Sacramento, CA 94249-0029

REGIONAL COUNCIL OFFICERS

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Transportation Commission

The Honorable Nancy Skinner
Chair, Senate Committee on
Budget and Fiscal Review
State Capitol, Room 5094
Sacramento, CA 95814

The Honorable Jesse Gabriel
Chair, Assembly Committee on
Budget
P.O. Box 942849
Sacramento, CA 94249-0046

RE: Protect Dedicated Regional Early Action Planning Grants (REAP2.0), Active Transportation Program (ATP), and Infill Infrastructure Grants (IIG) Program Funding

Dear President Pro Tempore Atkins, Speaker Rivas, and Budget Chairs Skinner and Gabriel:

On behalf of the Southern California Association of Governments (SCAG), I urge the Legislature to protect investments made to the Regional Early Action Planning Grants (REAP 2.0), Active Transportation Program (ATP), and the Infill Infrastructure Grants (IIG) programs as you deliberate on the FY 2024-25 State Budget.

SCAG encompasses six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura), 191 cities, six county transportation commissions, 16 tribal governments, and five air quality districts in an area covering more than 38,000 square miles. Established as an association of local governments and agencies that voluntarily convenes as a forum to address regional issues, we have long recognized the need for regional engagement on policies such as housing and transportation to reduce conflicts and competition for resources between public agencies within our region. We work together to meet challenges that extend beyond local jurisdictional boundaries.

As you set your priorities for the FY 2024-25 state budget and begin negotiations following the release of the Governor’s January budget proposal, SCAG urges you to maintain your strong support for

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investments in transportation infrastructure and housing programs as enacted in previous budgets. While we recognize the incredible budget challenge the Legislature now faces, transportation and housing programs must be protected if we are to meet our ambitious housing and climate goals. Given SCAG, and other metropolitan planning organization's (MPO) demonstrated ability to efficiently leverage state and federal funding through our position as regional collaborators and conveners, MPOs are a crucial part of the solutions to meeting our state's climate, housing, and transportation needs.

The following investments are critical to the work SCAG has conducted to deliver a safer, faster, cleaner, and more equitable transportation future while increasing housing supply.

1. Regional Early Action Planning Grants (REAP 2.0) – Protect Existing Funding Levels

REAP 2.0 is a \$600 million program intended to accelerate progress toward California's housing and climate goals through strengthened partnerships between regional, local, county, and tribal governments. REAP 2.0 is the only program specifically and exclusively designed to implement the region's Sustainable Communities Strategies (SCS) required by SB 375 (2008). For this reason, regions were empowered to develop programs that accelerate infill housing, support efforts for Affirmatively Furthering Fair Housing (AFFH) and reduce vehicle miles traveled (VMT).

In his January budget, the Governor proposes a \$300 million reversion of REAP 2.0. This proposal would be devastating to SCAG and our member cities, counties, partner transportation agencies, and tribal governments. In July 2023, SCAG's full REAP 2.0 application was approved by HCD, formally committing \$246 million to SCAG. Since that time, SCAG has sub-allocated \$192 million primarily through competitive programs to more than 100 transformative, local projects in the SCAG region that implement the Regional Housing Needs Allocation (RHNA) plan and the greenhouse gas (GHG) reducing strategies contained within Connect SoCal, the Regional Transportation Plan/ Sustainable Communities Strategy (RTP/SCS) for the Southern California region. Thousands of hours and upwards of \$15 million have already been expended by SCAG and its partners to deeply engage with communities, develop competitive proposals, and initiate projects to meet aggressive implementation timelines.

Innovative projects awarded through the REAP 2.0 program support as many as 10,000 new housing units on surplus LA Metro transit lands, more than 1,150 affordable housing units in the Coachella Valley, a low-to-zero-interest loan program to expedite accessory dwelling units in Orange County, infrastructure improvements to support nearly 5,000 newly-zoned housing units in Rialto, and a long-term loan program to promote hundreds of infill homes in Ventura County, among others. A list of projects funded has been included for your reference.

These projects play a critical role in increasing housing supply in the near term while also piloting innovative solutions that can be scaled across the region. With more than a

million housing sites identified through tireless work on housing elements, REAP 2.0 was designed to remove the systemic barriers for developers to build units where needed and planned. Reducing or delaying funding will compromise the program's integrity and have severe, negative impacts on cities and counties across Southern California and the entire state. We ask that you reject the Governor's proposal to halve REAP 2.0 and protect this crucial program.

2. Active Transportation Program (ATP) - Protect Funding Levels Established in FY 2024

The ATP was created in 2013 to encourage walking and biking because increased use of active modes of transportation is a key strategy in meeting the state's environmental, economic, and equity goals. Specifically, funding from the ATP may be used to develop bike and pedestrian infrastructure, increase safety and mobility for non-motorized users, build safe routes to schools, or develop active transportation plans. Through the first six funding cycles, the SCAG region has received funding for 722 projects totaling \$1.4 billion.

ATP is also a crucial funding source to implement the infrastructure needed to achieve California's roadway safety goals. The State of California is working toward a goal of "Toward Zero Deaths." The state's goal is to reduce the number and rate of fatalities by three percent per year and to reduce the number and rate of severe injuries by 1.5 percent per year, reaching the ultimate vision of eliminating roadway fatalities and serious injuries by 2050. Vehicle speed is one of the most significant factors influencing the severity of a collision between a person driving and a person walking or bicycling. Given that nearly all infrastructure projects funded through ATP are safety countermeasures and strategies effective at reducing vehicular speeds and increasing the visibility of vulnerable roadway users, this program is vital to meeting the state's Toward Zero Death goal.

While the ATP has successfully funded projects across the state, the program is incredibly oversubscribed and cannot meet the state's needs. In the most recent funding cycle, Cycle 6, the SCAG region received 147 applications, totaling \$853 million in ATP requests, for just \$93 million in available funds for the Southern California regional portion of the ATP. Despite its need and demand, the Governor's January budget proposes to reduce the ATP by \$200 million. We urge the Legislature to protect the commitments made to ATP, including the protection of all ATP funds in Cycle 7, which is expected to open in March of this year.

3. Infill Infrastructure Grants (IIG) Program - Protect Funding Levels Established in FY 2024

The IIG is an important public-private partnership that provides funding for essential infrastructure that supports infill housing development in climate-friendly, transit-accessible locations. Since its creation, the program has been an important funding source to revitalize the infrastructure within already highly urbanized areas to handle more

intensive development, including higher-density affordable and mixed-income housing. Developers and local governments partner apply for grant funding for the development or rehabilitation of parks or open space, water, sewer, or other utility service improvements, transit linkages, transit shelters, traffic mitigation features, sidewalks, and streetscape improvements or other infrastructure needs that facilitate infill housing.

In his January budget, the Governor proposes a \$200 million reversion to the General Fund from this program.

The IIG provides cities and counties with funding for the infrastructure needed to achieve their RHNA goals. This grant program prioritizes infill housing projects while focusing growth near transit, which is crucial for implementing the land-use strategies in Connect SoCal and necessary to achieve our GHG reduction targets. Therefore, we urge the Legislature to protect the commitments made to the IIG program.

Thank you for considering SCAG's perspective on the REAP 2.0, ATP, and IIG programs. SCAG looks forward to achieving our shared goals together and working constructively with the legislature and the Newsom Administration throughout the budget process. Please contact Mr. Kevin Gilhooley, Legislative Affairs Manager, at (213) 236-1878 with any questions about this letter.

Sincerely,



Kome Ajise
Executive Director

County	Program	Project	Awarded Budget
Imperial	CTC Program	Calexico Intermodal Transportation Center	\$1,000,000
Imperial	RUSH	City of Calipatria Delta Street Pump Station (Capital)	\$1,500,000
Imperial	SRP 2	Regional Housing Element Implementation Assistance Program	\$274,133
Los Angeles	Call 4	Mixed Use Development for Underutilized Commercial Zones	\$427,350
Los Angeles	CTC Program	Developing Neighborhood Mobility Hub Pilot Projects in Disadvantaged Communities in the South Bay	\$404,250
Los Angeles	CTC Program	Countywide Signal Priority Cloud Based Solution	\$4,004,028
Los Angeles	CTC Program	Connecting Communities with Stress Free Connections	\$5,250,000
Los Angeles	CTC Program	First Last Mile Revolution: Transforming Metro Connections to Housing	\$1,050,000
Los Angeles	CTC Program	Traffic Reduction Study	\$1,000,000
Los Angeles	CTC Program	Enhanced GoSGV E-Bike Share Program	\$2,625,469
Los Angeles	CTC Program	North Hollywood Transit Center	\$15,000,000
Los Angeles	CTC Program	Mobility Wallets Pilot 2.0: Challenge and Low Income Pilot	\$4,023,750
Los Angeles	CTC Program	Urban Wilderness Access Feasibility Plan	\$372,000
Los Angeles	CTC Program	Metro Bike Share In-Fill Expansion	\$7,550,000
Los Angeles	HIPP	Scaling up Housing Development on City-Owned Land	\$2,900,000
Los Angeles	HIPP	Inclusionary Housing Program	\$250,000
Los Angeles	HIPP	City of San Fernando (Zoning Code and San Fernando Corridors Specific Plan Update) Housing Infill	\$791,818
Los Angeles	HIPP	Fox Hills Specific Plan	\$505,000
Los Angeles	HIPP	Missing Middle Housing Program	\$57,000
Los Angeles	NOFA	Environmental Remediation Housing Acceleration Fund	\$5,000,000
Los Angeles	NOFA	LACAHSA Strategic Plan and Program Design	\$660,000
Los Angeles	NOFA	Gateway Cities Affordable Housing Trust Predevelopment Loan Program	\$5,000,000
Los Angeles	NOFA	Catalytic Development Fund	\$5,000,000
Los Angeles	NOFA	Housing On Merit's (HOM) Affordable Housing Catalyst Fund	\$700,000
Los Angeles	NOFA	Feasibility Study for Community Land Trust Creation within the City of West Hollywood	\$150,000
Los Angeles	NOFA	San Gabriel Valley Regional Housing Trust Revolving Loan Fund	\$5,000,000

County	Program	Project	Awarded Budget
Los Angeles	NOFA	Montebello Transformative Corridors Project	\$190,000
Los Angeles	RUSH	One San Pedro Redevelopment Infrastructure (Capital)	\$4,000,000
Los Angeles	RUSH	Project Powerhouse - Supporting Affordable Housing Development in the City of Los Angeles (Capital)	\$3,682,203
Los Angeles	RUSH	New Downtown Residential Infrastructure Study and Plans (Planning)	\$800,000
Los Angeles	RUSH	Torrance Housing Corridor Utility Infrastructure Study (Planning)	\$100,000
Los Angeles	SRP 2	Housing Element Implementation	\$1,911,870
Los Angeles	SRP 2	Fair Share Growth Strategy	\$2,374,000
Los Angeles	SRP 2	Community Plan (Land Use) Updates	\$1,910,000
Los Angeles	SRP 2	Design for Housing and Mobility	\$940,000
Los Angeles	SRP 2	Regional Sewer Model	\$1,466,000
Los Angeles	SRP 2	Transit Oriented Development Zones Plan Update & Environmental Analysis	\$268,476
Los Angeles	SRP 2	Gateway Cities Affordable Housing Trust Management	\$385,000
Los Angeles	SRP 2	COG Technical Assistance Team (Gateway Cities Council of Governments)	\$813,619
Los Angeles	SRP 2	City of San Fernando (Zoning Code and San Fernando Corridors Specific Plan Update)	\$313,182
Los Angeles	SRP 2	City of Santa Clarita (Development of Objective Design and Development Standards)	\$250,000
Los Angeles	SRP 2	Housing Incubator	\$1,474,700
Los Angeles	SRP 2	South Bay Regional Housing Trust	\$251,475
Los Angeles	SRP 2	Commercial Redevelopment into Housing: Extension and Expansion	\$343,281
Los Angeles	SRP 2	WSCCOG Regional Housing Trust Implementation Plan	\$198,213
Los Angeles	SRP 2	Housing Element Implementation On-Call Technical Assistance	\$132,142
Orange	Call 4	Transformative Engagement for Zoning Code Update	\$469,700
Orange	Call 4	EIR - Downtown Specific Plan Update	\$200,000
Orange	CTC Program	Fullerton Park and Ride Transit Oriented Development Site Design Concepts	\$500,000
Orange	CTC Program	Active Transportation Outreach and Engagement Support	\$400,000
Orange	CTC Program	Orange County Cyclic Counts 2024-2025	\$400,000
Orange	CTC Program	Bikeways Connectivity Study	\$500,000
Orange	CTC Program	First Street Multimodal Boulevard Design	\$4,300,000
Orange	CTC Program	Orange County Mobility Hubs Pilot Concept of Operations	\$300,000
Orange	CTC Program	McFadden Avenue Transit Signal Priority Pilot	\$3,690,000
Orange	CTC Program	Reconnecting Communities Through Complete Streets	\$550,000
Orange	CTC Program	Harbor Boulevard Cloud-Based Transit Signal Priority Stage 1	\$400,000
Orange	CTC Program	Next Safe Travels Education Program (STEP) 2.0	\$1,250,000

County	Program	Project	Awarded Budget
Orange	CTC Program	Harbor Boulevard Cloud-Based Transit Signal Priority Stage 2	\$1,000,000
Orange	NOFA	Orange County Affordable Housing Trust Affordable ADU Loan Program	\$4,000,000
Orange	SRP 2	OCS Bench and Housing-related Technical Assistance	\$1,325,000
Orange	SRP 2	Technology Tools to support AFFH, VMT reduction, and Infill Development	\$1,415,000
Orange	SRP 2	Missing Middle Pre-Reviewed Plans	\$210,000
Riverside	CTC Program	Coachella Rail Station Feasibility Study and Integrated Land Use and Transit Network	\$2,005,000
Riverside	CTC Program	RCTC Core Capacity Innovative Transit Study	\$3,000,000
Riverside	CTC Program	Vehicle Miles Traveled Study	\$2,005,000
Riverside	CTC Program	RTA (Riverside Transit Authority) GoMicro Microtransit Pilot Program Extension	\$2,378,635
Riverside	CTC Program	CV Link Community Connectors Analysis	\$1,700,000
Riverside	HIPP	Missing Middle Prototype Plans for Infill Housing Sites	\$500,000
Riverside	NOFA	Murrieta Housing Authority Revolving Loan Program	\$4,100,000
Riverside	NOFA	We Lift: the Coachella Valley Housing Catalyst Fund	\$5,000,000
Riverside	NOFA	Downtown Infill Tax Incentive Financing Program for Housing Supportive Infrastructure	\$200,000
Riverside	RUSH	Cabazon infrastructure Plan (Planning)	\$997,500
Riverside	RUSH	Downtown and Palm Dr. Corridor Infill Development Sewer Area Study (Planning)	\$500,000
Riverside	RUSH	Flood Control Infrastructure for Housing Need (Capital)	\$8,000,000
Riverside	RUSH	Stormwater Drainage Project (Capital)	\$6,108,797
Riverside	SRP 2	Promoting Affordable Housing in High Opportunity Areas Across Riverside County	\$670,603
Riverside	SRP 2	Jurisdictional Technical Assistance	\$2,298,951
Riverside	SRP 2	Pedley Town Center Plan - Implementation	\$478,894
San Bernardino	CTC Program	San Bernardino County VMT Mitigation Bank	\$3,045,000
San Bernardino	CTC Program	Countywide Multi-Modal Complete Streets Program	\$6,519,868
San Bernardino	HIPP	SBCTA/SBCSS and Other Public Land-to-Residential Project--Inventory, Analysis & Toolkit for Workforce and Teacher Housing	\$720,000
San Bernardino	HIPP	Catalytic Housing Initiative for Downtown Rialto	\$193,875
San Bernardino	NOFA	San Bernardino Regional Housing Trust	\$5,000,000
San Bernardino	RUSH	Water Supply Well City 3A for Regional Housing Project (Capital)	\$2,500,000
San Bernardino	RUSH	City of Upland Affordable Housing Utilities Planning (Planning)	\$303,500

County	Program	Project	Awarded Budget
San Bernardino	RUSH	Bloomington Swer Extension (Capital)	\$6,508,000
San Bernardino	SRP 2	Accelerating Housing Element Implementation	\$2,298,951
Ventura	Call 4	Ventura County Farmworkers Housing Study and Action Plan	\$499,991
Ventura	CTC Program	Countywide Paratransit Integration Study	\$300,000
Ventura	CTC Program	Countywide Transit Stops Inventory & Accessibility Assessment / Capital Improvements Grant Program	\$1,500,000
Ventura	CTC Program	Community Traffic Calming & Pedestrian and Bicycle Safety Program	\$300,000
Ventura	CTC Program	Santa Paula Branch Line Active Transportation - Master Plan Update and Valiate Connections to Serve New Housing and Reduce VMT	\$1,677,000
Ventura	HIPP	Unlocking Land for Housing	\$756,500
Ventura	HIPP	City of Moorpark - Downtown Specific Plan	\$250,000
Ventura	HIPP	Transit Oriented Development (TOD)/High Quality Transit Corridor (HQTC) Program	\$1,075,807
Ventura	NOFA	Ventura County Housing Trust Fund Revolving Long-Term Loan Program for Infill Affordable Housing Developments Project	\$5,000,000
Ventura	SRP 2	AFFH Technical Assistance	\$370,127
Ventura	SRP 2	Continuation of OCCOG-VCOG ADU Program	\$45,000