



## San Joaquin Valley Regional Planning Agencies' Directors' Committee

**Meeting Agenda**  
**Thursday, March 4, 2021**  
**Time: 10:00 a.m.**

**THIS IS A ZOOM CONFERENCE MEETING**

Meeting ID: 882 8431 7720

Passcode: 127952

<https://us02web.zoom.us/j/88284317720?pwd=aTE2OWxneTNvQ2M2MWQ4ajlVVGZnUT09>

Phone only: 1 (669) 900 9128

### APPROVAL OF MINUTES

Enclosure

- |  |            |                                     |
|--|------------|-------------------------------------|
| 1. February 4, 2021 Directors' Meeting | Terri King | <input checked="" type="checkbox"/> |
|--|------------|-------------------------------------|

### DISCUSSION/ACTION ITEMS:

- |  |              |                                     |
|--|--------------|-------------------------------------|
| 2. MPO Activity During Coronavirus   | Terri King   |                                     |
| 3. Draft Climate Action Plan for Transportation Infrastructure (CAPTI)<br><i>Presentation and Update by Darwin Moosavi (California State Transportation Agency), Egon Terplan (Governor's Office), and Tony Dang (Caltrans)</i>  |              | <input checked="" type="checkbox"/> |
| 4. RTP/Sustainable Communities Strategies/Air Quality<br><i>Update and Discussion</i>  | Ryan Niblock |                                     |
| 5. California Transportation Funding<br><i>Program and Project Funding Updates:</i> <ul style="list-style-type: none"><li>▪ <i>Trade Corridor Enhancement Program (SJCOG &amp; MCAG)</i></li><li>▪ <i>Solutions for Congested Corridors Program (Fresno COG)</i></li><li>▪ <i>State Transportation Improvement Program</i></li></ul> | Terri King   |                                     |

Kings County  
Association of  
Governments  
Terri King - Chair

Kern  
Council of  
Governments  
Ahron Hakimi - Vice Chair

Tulare County  
Association of  
Governments  
Ted Smalley

Madera County  
Transportation  
Commission  
Patricia Taylor

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(559) 314-6015 (Fax)



Stanislaus  
Council of  
Governments  
Rosa Park

Merced County  
Association of  
Governments  
Stacie Guzman

San Joaquin  
Council of  
Governments  
Diane Nguyen

Fresno  
Council of  
Governments  
Tony Boren

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339 W. D. St. Suite B  
Lemoore, CA 93245

- |   |                                 |                                     |
|---|---------------------------------|-------------------------------------|
| 6. SJV REAP Committee for Housing<br><i>a. Receive Update</i><br><i>b. Introduction of Comprehensive Housing Report consultant team</i><br><i>c. Consider approval of Valleywide consultant bench contracting</i> | Robert Phipps<br>Michael Sigala | <input checked="" type="checkbox"/> |
| 7. Valley Voice Sacramento 2021<br><i>Discuss March 3<sup>rd</sup> Meetings and Upcoming March 10<sup>th</sup> Meetings</i>   | Michael Sigala                  |                                     |
| 8. I-5 Freight ZERO Pilot Study<br><i>Receive Update</i>  | Ahron Hakimi                    |                                     |

#### **INFORMATIONAL ITEMS**

*The following items are for informational purposes and require no action or vote.*

- |   |                             |
|---|-----------------------------|
| 9. Caltrans Directors' Report                         | Diana Gomez/Dennis Agar     |
| 10. California High Speed Rail                        | Garth Fernandez/Toni Tinoco |
| 11. San Joaquin JPA for Passenger Rail                | Dan Leavitt                 |
| 12. Valley GO (MioCar) and Valley Flex (Vamos & VoGo) | Michael Sigala              |
| 13. California Partnership for the San Joaquin Valley | Eduardo Gonzalez            |

#### **OTHER ITEMS**

14. Director Items
15. Public Presentations for Items Not on Agenda.  
*This portion of the meeting is reserved for persons wishing to address the Committee on items within its jurisdiction but NOT on this agenda. Unscheduled comments may be limited to three minutes. The public may comment on listed agenda items as they are considered.*

#### **ADJOURN MEETING**

***Directors Only Closed Session***

**Next Directors' Meeting: Thursday, April 1, 2021**

**Americans with Disabilities Act (ADA) Accommodations** The meeting room and restrooms are ADA accessible. Representatives or individuals with disabilities should contact the SJV Regional Planning Agencies at (559) 266-6222, at least three days in advance, to request auxiliary aids and/or translation services necessary to participate in the meeting. *At this time, all meetings will be conducted via Zoom until further notice.*



## Meeting Minutes

Thursday, February 4, 2021

ITEM 1

Time: 10:00 a.m.

Meeting Location:

ZOOM CONFERENCE CALL MEETING

Directors	MPOs
Terri King	Kings County Association of Governments
Ahron Hakimi	Kern Council of Governments
Patricia Taylor	Madera County Transportation Commission
Rosa Park	Stanislaus Council of Governments
Tony Boren	Fresno Council of Governments
Stacie Guzman	Merced County Association of Governments
Ted Smalley	Tulare County Association of Governments
Diane Nguyen	San Joaquin Council of Governments

*Please see Appendix A for a list of other attendees*

### APPROVAL OF MINUTES

#### 1. January 7, 2021 Directors' Meeting

Terri King

There was a motion to approve the January 7, 2021 Directors' Committee Minutes.

First Motion: Ahron Hakimi  
Second Motion: Diane Nguyen  
Motion Carried

Kings County  
Association of  
Governments  
Terri King - Chair

Kern  
Council of  
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Ahron Hakimi - Vice Chair

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## DISCUSSION/ACTION ITEMS:

### 2. MPO Activity During Coronavirus

T. King

Madam Chair Terri King guided discussions about coronavirus measures and activities among MPOs. Terri King reported no changes for KCAG at this time. Stacie Guzman (MCAG) reported one of their two operations that are on the outbreak list was removed because the positivity case rate is improving. There were no other updates provided.

### 3. RTP/Sustainable Communities Strategies/Air Quality

R. Niblock

Ryan Niblock reported Kings and Merced are on track for 2018 RTP/SCS approval. Tashia Clemans, of FHWA, is moving to the Office of Infrastructure Asset Management Unit. Steve Cliff, of California Air Resources Board, is moving to NHTSA National Highway Traffic Safety Administration. All completed documents passing conformity are out for public review for the 2021 FTIP. CMAC documentation was circulated to staff to accompany the 2021 FTIP and includes updated methodology. Five of eight MPO's continue to struggle with conformity with EMFAC 2017. A few options were recommended to help with this issue: 1) issue latest planning assumptions update to the IAC group by middle of this year utilizing EMFAC 2014, 2) combine Valley budget or emission trading among Valley MPOs, or 3) apply TCMs or off model strategies in the conformity analysis. Ahron Hakimi had some questions regarding conformity, modeling and the options. Ryan will be preparing a letter from the Directors regarding utilization of Option 1.

### 4. California Transportation Funding

T. King

#### *Program and Project Funding Updates:*

- **Trade Corridor Enhancement Program (SJCOG & MCAG)**  
There was no update provided.
- **Solutions for Congested Corridors Program (Fresno COG)**  
There was no update provided.
- **State Transportation Improvement Program**

Terri King noted Local Transportation fund estimate are due by February 1<sup>st</sup>. There was discussions about the increase in gas sales tax revenue for this past year. The Wayfare decision seems to be the major impact in the increase in revenue. Gus Khouri noted a \$1.5 billion short fall cumulative through the end of fiscal year 2024-2025. However, the STIP increases because of the CPI adjustment per SB1. Ahron inquired about the 60/40 split of the \$900 million legislation passed in December and asked if the state would use that to augment the STIP. Further discussion ensued. Diane Nguyen spoke of the rail projects funded in Stockton. The ATP recommendation for awards will be out on Monday, Kristine Kai noted.

### 5. Valleywide Caltrans Sustainable Transportation Planning Grants

T. Boren / K. Cai

Tony Boren noted they are submitting a Strategic Partnership Planning Grant application for the Inland Port Study and the deadline is on the 12<sup>th</sup>. A letter of support was sent out to the Valley COGs. The grant will fund Phase 3, and an RFP was done for Phase 2. California Forward noted that the Regional Accelerator program might be a good fit for this study. Local MPOs will be need to come up with their share of financial contributions for FY 2021-2022. Kristine Kai gave a brief update on The Household Travel Survey. They will be pursuing \$500k from HCD and \$600k from a Caltrans Grant. Fresno COG has prepared the grant application, they will send out a draft to staff for review, and a letter of support. Kristine reviewed a spreadsheet of various cost scenarios with the group. Kristine asked for approval for the following items; 1) Fresno COG to submit application for San Joaquin Valley Travel Survey 2) to use \$500k of REAP regional funds with the expectation of technical assistance and training could absorbed through the REAP regional program 3) Cost share scenario number 1. Ahron asked about the use of local REAP funds. The letters of support are due by Feb 11<sup>th</sup>.

There was a motion to approve the first two proposed items and support the funding distribution of the third item that allows to each MPO to choose how to fill the funding gap.

First Motion: Ted Smalley  
Second Motion: Stacie Guzman  
Motion Carried

**6. SJV REAP Committee for Housing**

R. Phipps/M. Sigala

Robert Phipps noted Fresno COG approved the two contracts for the Comprehensive Valleywide Housing report. They are still negotiating with Raimi Associates. They will be looking for multiple consultants for Technical Assistance including the Household Travel Survey. There is a REAP workshop on Tuesday, February 23<sup>rd</sup>. All invoices from each of the seven COGs for the initial regional shares have been received. A draft third application was filed with HCD for the final round of funding. Elizabeth Hann suggested asking HCD to use unused LEAP funding for workshops.

**7. Valley Voice Sacramento 2021**

M. Sigala

Michael Sigala noted a follow-up meeting with the Regional Policy Council on February 26<sup>th</sup>. They are continuing to move forward with the four targeted platform concepts. Gus Khouri has set the virtual Valley Voice Sacramento trip dates for March 3<sup>rd</sup> and 10<sup>th</sup>. Appointment meetings with Senator Egman, Assembly member Gray, Assembly member Villapadua and Chad Edison have been secured. Senator Caballero is confirming and we are waiting to hear back from Senator Hurtado and Assembly member Salas' office today. Gus will put together an itinerary to share with the electeds. Gus will work with Michael to schedule a date for pre-briefing. Gus is reaching out to Senator Borgeous and Senator Fong and Senator Patterson.

**8. I-5 Freight ZERO Pilot Study**

A. Hakimi

Linda Urata noted UC Davis will provide a report to today or tomorrow. Once received they will send out to the group.

**INFORMATIONAL ITEMS**

**9. Caltrans Directors' Report**

D. Gomez/D. Agar

Diana Gomez, District 6 Director, noted offices are now open to the public, however they are consolidating space and moving into one office. They are working on replacing office phones with cell phones. Furloughs will end at the end of June. Diana discussed Project Off Ramp. The Sustainable Planning grant is due February 12<sup>th</sup>. Last week there was a CTC safety project workshop. Marlon Regisford, District 10 Deputy Director, reported Caltrans active transportation plan will be released to the public for review, this should be completed by June. State Highway System Management Plan is available to the MPOs and local RTPAs for review and deadline for comments is February 26<sup>th</sup>. The Active Transportation Plan awardee list will be out shortly.

**10. California High Speed Rail**

G. Fernandez

There was no update provided at this time.

**11. San Joaquin JPA for Passenger Rail**

D. Leavitt

Michael Sigala noted the High-Speed Rail 2021 Draft Business Plan will be released February 9<sup>th</sup> and San Joaquin JPA 2021 Draft Business plan will be released this month. Dan Leavitt is taking to the JPA Board their business plan at their March 26<sup>th</sup> board meeting.

**12. Valley GO (MioCar) and Valley Flex (Vamos & VoGo)**

M. Sigala

Michael Sigala noted expansion of MioCar into Stockton due to the STEP grant award.

**13. California Partnership for the San Joaquin Valley**

S. Gonzales

Shelby Gonzales noted the next board meeting is scheduled on March 12.

**OTHER ITEMS****14. Director Items**

Terry King discussed upcoming presentations and discussions. There was a request from Egon to meet to meet one on one with the directors. There seems to be a consensus from all the directors of a virtual retreat to discuss items within the next month. The 99 Summit is on February 19. Michael will coordinate dates for the virtual retreat.

**15. Public Presentations for Items not on Agenda****Meeting Adjourned at Approximately 12:11 P.M.**

## Appendix A – Additional Meeting Participants

<b>In Attendance:</b>	
<b>Individual(s)</b>	<b>Organization(s)</b>
Ben Kimball	Tulare County Association of Governments
Elisabeth Hahn	Stanislaus Council of Governments
Michael Sigala	Valleywide Coordinator, Sigala Inc
Ryan Niblock	San Joaquin Council of Governments
Michael Navarro	Caltrans District 6
Matt Fell	Merced County Association of Governments
Kristine Cai	Fresno Council of Governments
Jeff Findley	Madera County Transportation Commission
Dylan Stone	Madera County Transportation Commission
Bill Higgins	California Council of Governments
Robert Phipps	Fresno Council of Governments
Rob Ball	Kern Council of Governments
Brenda Veenendaal	Fresno Council of Governments
Trai Herr	Fresno Council of Governments
Diana Gomez	Caltrans District 6
Nabeelah Abi-Rached	Caltrans
Meg Prince	Fresno Council of Governments
Tom Jordan	San Joaquin Valley Air Pollution Control District
Steven Ingoldsby	Tulare County Association of Governments
Roberto Brady	Tulare County Association of Governments
Shelby Gonzales	California Partnership for the San Joaquin Valley
Marlon Regisford	Caltrans District 10
Braden Duran	Fresno Council of Governments
Becky Napier	Kern Council of Governments
Gus Khouri	Khouri Consulting
Grace Magsayo	Caltrans
Steve Dial	San Joaquin Council of Governments
Linda Urata	Kern Council of Governments

# Draft Climate Action Plan for Transportation Infrastructure (CAPTI)

Stakeholder Conversations | February 2021



# Why CAPTI?

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# Governor's Executive Order N-19-19

Leverage state transportation spending to help meet state climate goals

- Align planning and programming with objectives of California Climate Change Scoping Plan
- Reduce VMT by directing investments in a way that support infill development, especially housing near jobs
- Reduce congestion through innovative strategies that encourage people to shift from cars to other modes of travel
- Fund infrastructure that encourages transit use, walking, and biking
- Mitigate for any increases in transportation costs incurred on lower income Californians

**California State Agencies play a role in either scoping, recommending, or selecting projects in over \$5 Billion of transportation infrastructure funding annually:**

- Active Transportation Program (ATP)
- Interregional Transportation Improvement Program (ITIP)
- Local Partnerships Program (LPP)
- Solutions for Congested Corridors (SCCP)
- State Highway Operations & Protection Program (SHOPP)
- Trade Corridor Enhancement Program (TCEP)
- Transit & Intercity Rail Capital Program (TIRCP)



# Governor's Executive Order N-79-20

- EO focused on meeting our ZEV goals
- Highlights the need for expanding clean transportation options, as outlined in EO N-19-19 work.

# Process

## SPRING - SUMMER 2020

- Stakeholder briefings/meetings (April-July)  
– over 200 stakeholder groups engaged
- Stakeholder Survey – 79 respondents
- Received 14 formal comment letters
- Over 200 action item ideas submitted for interagency working group consideration

## Spring 2021

Final CAPTI Plan Released

## Winter 2021

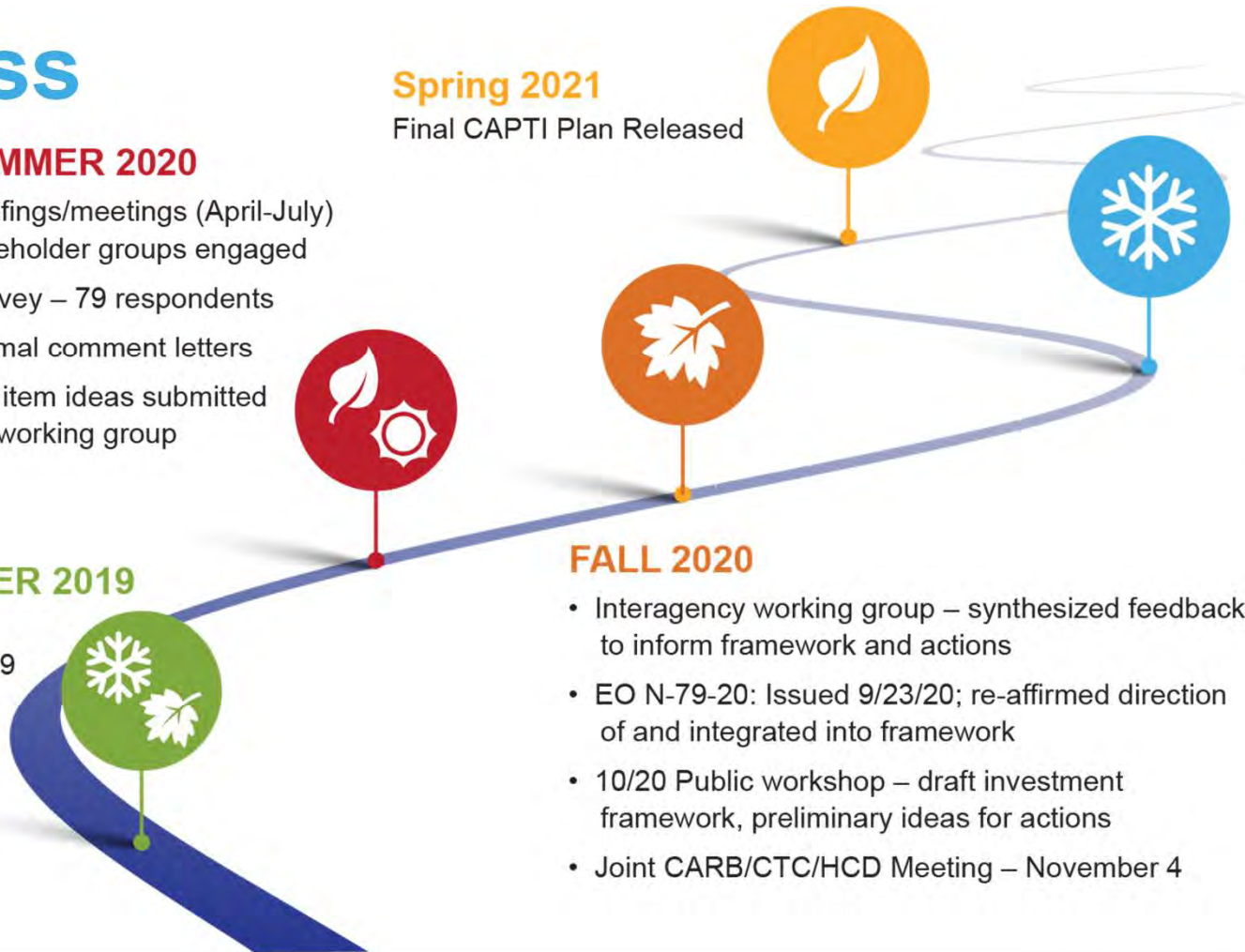
- Release Draft CAPTI Plan
- Public comment period
- Public workshop on final draft plan

## FALL - WINTER 2019

- EO N-19-19:  
Issued 9/20/2019

## FALL 2020

- Interagency working group – synthesized feedback to inform framework and actions
- EO N-79-20: Issued 9/23/20; re-affirmed direction of and integrated into framework
- 10/20 Public workshop – draft investment framework, preliminary ideas for actions
- Joint CARB/CTC/HCD Meeting – November 4



# CAPTI Draft Plan

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# CAPTI is...

- A **holistic framework and statement of intent** for aligning State infrastructure investments with State climate, health, and social equity goals **built on the foundation of the “fix-it first” approach** established in SB 1
- A **suite of proposed changes** to State transportation planning, project scoping and programming, and mitigation activities **to align with the CAPTI framework**
- A **living document** that enables the CAPTI to adapt, pivot and modify approaches as needed
- A structure to **monitor and evaluate progress** of transportation infrastructure implementation to align with State climate, health and equity goals

# CAPTI Approach

- Maintain and build upon existing **“Fix-It-First”** approach
- **Ensure all areas of the state can benefit** from any changes to alignment of funds
- Set a framework that can **balance local contexts and needs** with standardized approaches



# CAPTI Investment Framework



**Building towards an integrated, statewide rail and transit network**



**Investing in networks of safe and accessible bicycle and pedestrian infrastructure**



**Including investments in light, medium, and heavy-duty zero-emission-vehicle (ZEV) infrastructure**

# CAPTI Investment Framework



**Reducing public health harms and maximize benefits to disproportionately impacted disadvantaged communities**



**Making safety improvements to reduce fatalities and severe injuries**



**Assessing physical climate risk**



**Promoting projects that do not increase passenger vehicle travel**



**Promoting compact infill development**



**Developing a zero-emission freight transportation system**



**Protecting natural and working lands**

# Seven CAPTI Strategy Areas

1. Cultivate and Accelerate Sustainable Transportation Innovation by Leading with State Investments
2. Support a Robust Economic Recovery by Revitalizing Transit, Supporting ZEV Deployment, and Expanding Active Transportation Investments
3. Elevate Community Voices in How We Plan and Fund Transportation Projects
4. Advance State Transportation Leadership on Climate and Equity through Improved Planning & Project Partnerships
5. Support Climate Resilience through Transportation System Improvements and Protections for Natural and Working Lands
6. Support Local and Regional Innovation to Advance Sustainable Mobility
7. Strengthen Transportation-Land Use Connections

## **S1. Cultivate and Accelerate Sustainable Transportation Innovation by Leading with State Investments**

	<b>Action</b>
<b>S1.1</b>	<b>Prioritize SCCP Projects to Enable Travelers to Opt Out of Congestion</b>
<b>S1.2</b>	<b>Promote Innovative Sustainable Transportation Solutions in SCCP by Requiring Multimodal Corridor Plans</b>
<b>S1.3</b>	<b>Fast Track New CAPTI-Aligned Projects in Early Planning Phases by Adding Them to the ITIP</b>
<b>S1.4</b>	<b>Mainstream Zero-Emission Vehicle Infrastructure Investments within TCEP</b>

## **S2. Support a Robust Economic Recovery by Revitalizing Transit, Supporting ZEV Deployment, and Expanding Active Transportation Investments**

	<b>Action</b>
<b>S2.1</b>	<b>Implement the California Integrated Travel Program (Cal-ITP)</b>
<b>S2.2</b>	<b>Identify A Long-Term Strategic Funding Pathway Across All Funding Opportunities to Realize the State Rail Plan</b>
<b>S2.3</b>	<b>Accelerate TIRCP Cycles to Support Transit Recovery with deployment of ZEV Transit/Rail Fleets and Transit/Rail Network Improvements</b>
<b>S2.4</b>	<b>Increase Funding to Active Transportation Program (ATP)</b>

## **S3. Elevate Community Voices in How We Plan and Fund Transportation Projects**

	<b>Action</b>
<b>S3.1</b>	<b>Establish Transportation Equity and Environmental Justice Advisory Committee(s)</b>
<b>S3.2</b>	<b>Strengthen and Expand Coordinated, Targeted Technical Assistance on State Transportation Funding Programs</b>
<b>S3.3</b>	<b>Lift Up and Mainstream Community Engagement Best Practices</b>
<b>S3.4</b>	<b>Develop and Utilize Equity Index to Assist in Evaluation or Prioritization of Caltrans Projects</b>

## **S4. Advance State Transportation Leadership on Climate and Equity through Improved Planning & Project Partnerships**

	<b>Action</b>
<b>S4.1</b>	<b>Develop and Implement the California Strategic Investment Strategy (CSIS) to Align Caltrans Project Nominations in with the CAPTI Investment Framework</b>
<b>S4.2</b>	<b>Align Interregional Transportation Strategic Plan 2021 (ITSP) with CAPTI Investment Framework</b>
<b>S4.3</b>	<b>Update the 2023 State Highway System Management Plan (SHSMP) and Asset Management Targets to Meaningfully Advance CAPTI Investment Framework</b>
<b>S4.4</b>	<b>Re-focus Caltrans Corridor Planning Efforts to Prioritize Sustainable Multimodal Investments in Key Corridors of Statewide and Regional Significance</b>
<b>S4.5</b>	<b>Develop and Implement Caltrans Climate Action Plan (CCAP)</b>
<b>S4.6</b>	<b>Incorporate Zero-Emission Freight Infrastructure Needs in California Freight Mobility Plan (CFMP)</b>

## **S5. Support Climate Resilience through Transportation System Improvements and Protections for Natural and Working Lands**

	<b>Action</b>
<b>S5.1</b>	<b>Develop Climate Risk Assessment Planning and Implementation Guidance</b>
<b>S5.2</b>	<b>Update SHOPP and SB 1 Competitive Program Guidelines to Incentivize Climate Adaptation and Climate Risk Assessments/Strategies</b>
<b>S5.3</b>	<b>Explore Incentivizing Land Conservation through Transportation Programs</b>

## **S6. Support Local and Regional Innovation to Advance Sustainable Mobility**

	<b>Action</b>
<b>S6.1</b>	<b>Explore New Mechanisms to Mitigate Increases in Vehicle Miles Travelled (VMT) from Transportation Projects</b>
<b>S6.2</b>	<b>Convene an Equitable Roadway Pricing Working Group to Identify Implementation Pathways for Local and Regional Efforts</b>
<b>S6.3</b>	<b>Develop Interagency Framework for Project Evaluation Around Advancing Sustainable Communities</b>

## S7. Strengthen Transportation-Land Use Connections

	Action
S7.1	Leverage Transportation Investments to Incentivize Infill Housing Production
S7.2	Create a Working Group to Explore Potential Action to Address Direct and Indirect Displacement in Transportation Programs
S7.3	Explore a “Highways to Boulevards” Conversion Pilot Program

# Discussion

# CAPTI Next Steps

- Full Draft Plan Release & Start of Public Comment Period: 03/10/21
- Public Workshop: 03/18/21
- CTC Meeting Presentation on Draft Plan: 03/24/21
- CTC-CARB-HCD Joint Meeting Presentation on Draft Plan: 04/08/21
- Public Comment Period Closes: 04/16/21
- Final CAPTI Release: June 2021
- Submittal of Plan to Governor and Legislature by July 15, 2021

## CAPTI Guiding Principles

Within the “fix-it-first” approach and through existing funding frameworks, State of California transportation infrastructure investments should be deployed to do the following, where feasible:

Per EO N-79-20, invest to create new clean transportation options in urban, suburban, and rural settings for all Californians as well as for goods movement by:

- **Building toward an integrated, statewide rail and transit network**, centered around the existing California State Rail Plan that leverages the California Integrated Travel Project to provide seamless, affordable, multimodal travel options in all context, including suburban and rural settings, to all users.
- **Investing in networks of safe and accessible bicycle and pedestrian infrastructure**, particularly by closing gaps on portions of the State Highway System that intersect local active transportation and transit networks or serve as small town or rural main streets, with a focus on investments in low-income and disadvantaged communities throughout the state.
- **Including investments in light, medium, and heavy-duty zero-emission vehicle (ZEV) infrastructure** as part of larger transportation projects. Support the innovation in and development of the ZEV market and help ensure ZEVs are accessible to all, particularly to those in more rural or remote communities.

Additionally, per EO N-19-19, invest in ways that encourage further adoption and use of these clean modes of transportation mentioned above by:

- **Strengthening our commitment to social and racial equity by reducing public health and economic harms and maximizing community benefits** to disproportionately impacted disadvantaged communities, low-income communities, tribal communities, and Black, Indigenous, and People of Color (BIPOC) communities, in urbanized and rural regions, and involve these communities early in decision-making. Investments should also avoid placing new or exacerbating existing burdens on these communities, even if unintentional.
- **Making safety improvements to reduce fatalities and severe injuries of all users towards zero** on our roadways, railways and transit systems by focusing on context-appropriate speeds, prioritizing vulnerable user safety to support mode shift, designing roadways to accommodate for potential human error and injury tolerances, and ultimately implementing a safe systems approach.
- **Assessing physical climate risk** as standard practice for transportation infrastructure projects to enable informed decision-making, especially in communities that are most vulnerable to climate-related health and safety risks.
- **Promoting projects that do not increase passenger vehicle travel**, particularly in congested urbanized settings where other mobility options can be provided and where projects are shown to induce significant auto travel. These projects should generally aim to reduce VMT and not induce significant VMT growth. When addressing congestion, consider alternatives to highway capacity expansion, such as providing multimodal options in the corridor, employing pricing strategies, and using technology to optimize operations.

- **Promoting compact infill development while protecting residents and businesses from displacement** by funding transportation projects that support housing for low-income residents near job centers, provide walkable communities, and address affordability to reduce the housing-transportation cost burden and auto trips.
- **Developing a zero-emission freight transportation system** that avoids and mitigates environmental justice impacts, reduces criteria and toxic air pollutants, improves freight's economic competitiveness and efficiency, and integrates multimodal design and planning into infrastructure development on freight corridors.
- **Protecting natural and working lands** from conversion to more intensified uses and enhance biodiversity by supporting local and regional conservation planning that focuses development where it already exists and align transportation investments with conservation priorities to reduce transportation's impact on the natural environment.

## CAPTl Implementation Strategies & Actions Matrix

*Note: All actions related to the CTC are recommendations that would be introduced into the appropriate CTC program guidelines development process for consideration.*

<b>S1. Cultivate and Accelerate Sustainable Transportation Innovation by Leading with State Investments</b>  These actions are intended to find opportunities where the State can begin to clearly signal its commitment to funding innovative, sustainable transportation projects, while being mindful of commitments to projects that are well underway.		
	<b>Action</b>	<b>Description</b>
S1.1	<b>Prioritize Solutions for Congested Corridors Program (SCCP) Projects to Enable Travelers to Opt Out of Congestion</b>	<ul style="list-style-type: none"><li>• SCCP priorities and criteria will be updated to focus on projects that reduce vehicle miles traveled (VMT), such as investments in transit, rail, active transportation, or highway solutions that improve transit travel times and reliability.</li></ul>
S1.2	<b>Promote Innovative Sustainable Transportation Solutions in SCCP by Requiring Multimodal Corridor Plans</b>	<ul style="list-style-type: none"><li>• Pursue requirement that all projects be a part of a multimodal corridor plan consistent with the CTC's Comprehensive Multimodal Corridor Plan Guidelines.</li></ul>
S1.3	<b>Fast Track New CAPTI-Aligned Projects in Early Planning Phases by Adding Them to The Interregional Transportation Improvement Program (ITIP)</b>	<ul style="list-style-type: none"><li>• New ITIP projects that are in alignment with the ITSP and CAPTI will be added with a portion of future funding capacity.</li><li>• This will be done in collaboration with local and regional partners and be in addition to continued funding for existing ITIP projects and commitments.</li></ul>
S1.4	<b>Mainstream Zero-Emission Vehicle Infrastructure Investments within TCEP</b>	<ul style="list-style-type: none"><li>• Prioritize projects that improve the movement of freight and reduce emissions by creating or improving zero emissions infrastructure either within the project itself or within the larger trade corridor.</li></ul>

**S2. Support a Robust Economic Recovery by Revitalizing Transit, Supporting ZEV Deployment, and Expanding Active Transportation Investments**

Following the devastating impact of the COVID-19 pandemic on transit, these actions seek to enable transit's recovery and revitalize the transit system, including the deployment of ZEV transit fleets, which will ultimately be critical to our success in combatting the climate crisis. These actions also intend to expand State investments in active transportation infrastructure, the demand for which has significantly increased in many communities throughout California during the pandemic.

	Action	Description
S2.1	Implement the California Integrated Travel Program (Cal-ITP)	<ul style="list-style-type: none"><li>• Update TIRCP Guidelines to support transit providers with implementation of contactless payment and coordination of services via Cal-ITP.</li><li>• Explore other avenues for incentivizing Cal-ITP adoption, potentially through incentive programs under CARB jurisdiction.</li></ul>
S2.2	Identify A Long-Term Strategic Funding Pathway Across All Funding Opportunities to Realize the State Rail Plan	<ul style="list-style-type: none"><li>• Lead a process to create a strategic investment plan for rail and transit projects statewide for major state funding programs as well as future federal funding opportunities.</li></ul>
S2.3	Accelerate TIRCP Cycles to Support Transit Recovery with Deployment of ZEV Transit/Rail Fleets and Transit/Rail Network Improvements	<ul style="list-style-type: none"><li>• Create a new Clean Fleet and Facilities Network Improvement project category in the TIRCP to provide additional support and funding to transit agencies needing to replace their aging vehicle fleets with ZEVs.</li><li>• Through this project category, also with agencies to improve network efficiency and integration.</li></ul>
S2.4	Increase Funding to Active Transportation Program (ATP)	<ul style="list-style-type: none"><li>• Explore the potential for additional funding for the Active Transportation Program from various sources, including federal funding.</li></ul>

**S3. Elevate Community Voices in How We Plan and Fund Transportation Projects**

This strategy aims to create more transparent transportation planning processes, while also coordinating across state agencies to develop standards and practices for meaningful engagement and provision of technical assistance resources to those most impacted by projects, including disadvantaged communities, low-income communities, tribal communities, and Black, Indigenous, and Communities of Color (BIPOC).

	Action	Description
S3.1	Establish Transportation Equity and Environmental Justice Advisory Committee(s)	<ul style="list-style-type: none"><li>• Create advisory committee(s) focused on transportation equity and environmental justice issues stemming from transportation planning and programming.</li><li>• The goal is to develop committee(s) that would provide input into transportation planning and programming to relevant state transportation decision-making bodies, such as CalSTA, the CTC, and Caltrans.</li></ul>
S3.2	Strengthen and Expand Coordinated, Targeted Technical Assistance on State Transportation Funding Programs	<ul style="list-style-type: none"><li>• Caltrans will expand its technical assistance efforts to help state and local agencies improve their capabilities and develop the partnerships needed to better engage CBO's in public outreach efforts.</li><li>• CTC will provide ongoing technical assistance to applicants on requirements for funding programs, as well as explore structures for ad hoc in-house TA for program applicants.</li></ul>
S3.3	Lift Up and Mainstream Community Engagement Best Practices	<ul style="list-style-type: none"><li>• Caltrans will develop tools and partnerships to elevate its efforts to conduct meaningful community engagement.</li><li>• CTC will host workshops to identify best practices for meaningful community engagement for inclusion in program guidelines.</li></ul>
S3.4	Develop and Utilize Equity Index to Assist in Evaluation or Prioritization of Caltrans Projects	<ul style="list-style-type: none"><li>• Identify metrics and indicators to account for equity-based outcomes for inclusion in the Index tool</li></ul>

<b>S4. Advance State Transportation Leadership on Climate and Equity through Improved Planning &amp; Project Partnerships</b>		
These actions outline Caltrans' commitment to change the types of projects it will fund, nominate, and sponsor, as well as how it analyzes project benefits and impacts. This fundamental shift will advance critical climate considerations in transportation, while also working towards eliminating inequities in the transportation system. These actions intend to align the department's planning efforts with the CAPTI Investment Framework, while lifting up regions in the state with fewer resources.		
	<b>Action</b>	<b>Description</b>
<b>S4.1</b>	<b>Develop and Implement the California Strategic Investment Strategy (CSIS) to Align Caltrans Project Nominations in with the CAPTI Investment Framework</b>	<ul style="list-style-type: none"><li>Caltrans will develop and implement a new, data- and performance-driven approach in the CSIS to align project nominations with the CAPTI Investment Framework.</li></ul>
<b>S4.2</b>	<b>Align Interregional Transportation Strategic Plan 2021 (ITSP) with CAPTI Investment Framework</b>	<ul style="list-style-type: none"><li>The 2021 ITSP will be updated to integrate CAPTI and the Administration's Regions Rise Together effort.</li></ul>
<b>S4.3</b>	<b>Update the 2023 State Highway System Management Plan (SHSMP) and to Meaningfully Advance CAPTI Investment Framework</b>	<ul style="list-style-type: none"><li>The 2023 SHSMP will be updated to integrate and advance the guiding principles of the CAPTI Investment Framework, ultimately aimed at informing the SHOPP.</li><li>The update will include the following approaches or considerations: active transportation, climate resiliency, nature-based solutions, greenhouse gas emission reduction, and climate smart decision-making.</li></ul>
<b>S4.4</b>	<b>Re-focus Caltrans Corridor Planning Efforts to Prioritize Sustainable Multimodal Investments in Key Corridors of Statewide and Regional Significance</b>	<ul style="list-style-type: none"><li>Prioritize sustainable multimodal investments and solutions in the corridor planning process; concentrating corridor planning efforts on those of statewide and regional significance</li><li>Supporting the development of innovative safety solutions based on the safe systems approach that advance sustainable transportation modes, particularly for rural communities.</li></ul>
<b>S4.5</b>	<b>Develop and Implement Caltrans Climate Action Plan (CCAP)</b>	<ul style="list-style-type: none"><li>Develop and implement a departmental Climate Action Plan (CCAP) aligned with CAPTI to establish baseline and reduction targets for GHG emissions and VMT</li></ul>
<b>S4.6</b>	<b>Incorporate Zero-Emission Freight Infrastructure Needs in California Freight Mobility Plan (CFMP)</b>	<ul style="list-style-type: none"><li>Update the CFMP and project list to incorporate zero-emission freight infrastructure needs</li></ul>

**S5. Support Climate Resilience through Transportation System Improvements and Protections for Natural and Working Lands**

Impacts from climate change have the potential to restrict or impede travel in the state and have huge monetary implications for the state's fix-it-first approach. This strategy's actions will incorporate climate risk assessment as a standard practice in the transportation project development process in order to proactively work toward creating a more resilient transportation system.

	Action	Description
S5.1	<b>Develop Climate Risk Assessment Planning and Implementation Guidance</b>	<ul style="list-style-type: none"><li>• The Governor's Office of Planning &amp; Research (OPR) will update the Climate Risk Assessment Guidance.</li><li>• Caltrans will collaborate with OPR to incorporate the updated guidance into Caltrans planning and project delivery processes.</li></ul>
S5.2	<b>Update SHOPP and SB 1 Competitive Program Guidelines to Incentivize Climate Adaptation and Climate Risk Assessments/Strategies</b>	<ul style="list-style-type: none"><li>• Following the completion of the OPR/Caltrans Climate Risk Assessment Planning and Implementation Guidance, CalSTA and CTC will evaluate the guidance and pursue inclusion in SHOPP, TIRCP, and SB 1 Competitive Program Guidelines.</li></ul>
S5.3	<b>Explore Incentivizing Land Conservation through Transportation Programs</b>	<ul style="list-style-type: none"><li>• The CTC will evaluate the Interagency Natural and Working Lands Climate Smart Strategy for discussion in the public guideline's development process and for potential inclusion in the next scheduled updates to the Regional Transportation Plan and SB 1 Competitive Program guidelines.</li></ul>

**S6.1 Support Local and Regional Innovation to Advance Sustainable Mobility**

To address the various challenges and barriers to the implementation of Sustainable Community Strategies, this strategy identifies key actions to support the implementation of regional and local planning efforts that align with the framework, with a focus on finding a pathway to implementation for roadway pricing efforts and SB 743 VMT mitigation.

	Action	Description
S6.1	Explore New Mechanisms to Mitigate Increases in Vehicle Miles Travelled (VMT) from Transportation Projects	<ul style="list-style-type: none"><li>• CalSTA and Caltrans will work with local and regional transportation agencies to develop new mechanisms—such as mitigation banks—for viable VMT mitigation options for highway capacity projects, particularly with equity and land conservation in mind.</li><li>• Caltrans will evaluate different models for GHG/VMT mitigation, such as exploring the potential expansion of the Advanced Mitigation Program.</li></ul>
S6.2	Convene an Equitable Roadway Pricing Working Group to Identify Implementation Pathways for Local and Regional Efforts	<ul style="list-style-type: none"><li>• Convene a working group consisting of other state agencies as well as local and regional partners to identify and provide recommendations for equitable roadway pricing implementation pathways for strategies identified in regional RTP/SCSs that reduce VMT and promote multimodal transportation options.</li></ul>
S6.3	Develop Interagency Framework for Project Evaluation Around Advancing Sustainable Communities Strategies	<ul style="list-style-type: none"><li>• Develop a framework to assess transportation projects and determine if they advance the SCS, align with the objectives of the CARB Climate Change Scoping Plan, and advance equity.</li></ul>

<b>S7. Strengthen Transportation-Land Use Connections</b>  In order to simultaneously address California's housing crisis while reducing VMT, these actions seek to ensure that transportation programming dollars help incentivize smart housing and conservation policies and decisions, while also supporting the creation of infill development.		
	<b>Action</b>	<b>Description</b>
<b>S7.1</b>	<b>Leverage Transportation Investments to Incentivize Infill Housing Production</b>	<ul style="list-style-type: none"><li>• Explore and identify opportunities in transportation funding programs to incentivize pro-infill housing policies, expanding upon recent successes of programs such as AHSC.</li></ul>
<b>S7.2</b>	<b>Create a Working Group to Explore Potential Action to Address Direct and Indirect Displacement in Transportation Programs</b>	<ul style="list-style-type: none"><li>• This interagency working group will explore potential statutory changes to enable transportation programs to incentivize anti-displacement strategies within their funding frameworks.</li></ul>
<b>S7.3</b>	<b>Explore a “Highways to Boulevards” Conversion Pilot Program</b>	<ul style="list-style-type: none"><li>• Explore pathways for the creation of a new pilot program that intends to address community barriers and divisions made by transportation projects that have amplified racial inequalities by replacing underutilized sections of the state highway system with boulevards that unlock new land for housing development and revitalization.</li><li>• Build off existing planning work at local and regional levels to identify key projects under development that could benefit from additional resources.</li></ul>

## Upcoming Freight Funding Opportunities

Good Afternoon,

The Caltrans Office of Freight Planning would like to make our California Freight Advisory Committee members and affiliates aware of the following upcoming grant opportunities:



### [U.S. Department of Transportation Announces FY 2021 Round of the Infrastructure for Rebuilding America \(INFRA\) Grant Program](#)

The U.S. Department of Transportation (USDOT) is seeking applicants for the FY 2021 round of the Infrastructure for Rebuilding America (INFRA) discretionary grant program to fund transportation projects of national and regional significance that are in line with the Biden Administration's principles for national infrastructure projects that result in good-paying jobs, improve safety, apply transformative technology, and explicitly address climate change and racial equity. The funding available for this year's grants totals approximately \$889 million. [Click here to learn more.](#)



# FEMA

### [Fiscal Year \(FY\) 2021 Port Security Grant Program \(PSGP\)](#)

The Fiscal Year (FY) 2021 Port Security Grant Program (PSGP) is one of four grant programs that constitute DHS/FEMA's focus on transportation infrastructure security activities. These grant

programs are part of a comprehensive set of measures authorized by Congress and implemented by the Administration to help strengthen the Nation's critical infrastructure against risks associated with potential terrorist attacks. The PSGP provides funds to state, local, and private sector maritime partners to support increased port-wide risk management and protect critical surface transportation infrastructure from acts of terrorism, major disasters, and other emergencies. Among the five basic homeland security missions noted in the DHS Quadrennial Homeland Security Review, PSGP supports the goal to Strengthen National Preparedness and Resilience. The 2018-2022 FEMA Strategic Plan creates a shared vision for the field of emergency management and sets an ambitious, yet achievable, path forward to unify and further professionalize emergency management across the country. PSGP supports the goal of Readyng the Nation for Catastrophic Disasters. We invite all of our stakeholders and partners to also adopt these priorities and join us in building a more prepared and resilient Nation. [Click here to learn more.](#)



### **Transportation Demonstration Program**

The Consolidated Appropriations Act, 2021 (Pub. L. 116-260, December 27, 2020) ("FY 2021 Appropriations Act") appropriated \$100 million to expand intermodal and multimodal freight and cargo transportation infrastructure, including airport development under chapter 471 of title 49, United States Code. The Transportation Demonstration Program is listed under Assistance Listing 20.936. See Section C of the program NOFO for a description of the limited eligibility under this program. [Click here to learn more.](#)



DATE: March 4, 2021

TO: San Joaquin Valley Regional Planning Agencies' Directors' Committee

FROM: Michael Sigala and Robert Phipps

SUBJECT: REAP Valleywide Activities Consultant Bench

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As you are aware, there is approximately \$5.475 million available in REAP funding for “valleywide” housing activities. Approximately \$1 million of this amount to date has been allocated to the Comprehensive Housing Report and the San Joaquin Valley Household Travel Survey.

The Comprehensive Housing Report is now under contract and underway. The report will identify activities and recommendations for implementation. In the interim, we would like to begin additional valleywide activities pursuant to our funding agreement with the State Housing and Community Development Department. The following list of valleywide activities was approved by the REAP Technical Assistance Committee (MPO staff) and identified as areas of need in a jurisdictional survey held on February 23, 2021 during the Valley REAP webinar.

- Provide technical assistance to cities, counties, regional planning agencies, and non-profit developers to facilitate housing planning and production.
- Provide jurisdictions with technical assistance, planning, temporary staffing, or consultant needs associated with updating local planning and zoning documents, Housing Elements, expediting application processing, state financing applications, and other actions to accelerate additional housing production.
- Provide jurisdictions with technical assistance for infrastructure planning to include sewers, water systems, transit, roads, or other public facilities necessary to support new housing and new residents.
- Assist cities and counties in implementing Pro Housing Policies from HCD (State of California Housing and Community Development) including favorable zoning, decreasing production timeframes, reducing production costs, and financial mechanisms.

- Provide technical assistance for Affirmatively Furthering Fair Housing.
- Provide technical assistance to establish regional or countywide housing trust funds for affordable housing.
- Develop standard cottage, accessory dwelling unit, single and multi-family infill plans that meet building and Title 24 codes and can be utilized across the region.
- Develop template programs for implementation such as development fee impact reduction programs, linkage fee programs, and others.
- Perform feasibility studies to determine the most efficient locations to site housing.
- Provide technical assistance related to Housing Element data sets to jurisdictions.
- Furthering the GIS housing and data model to be initiated in the Comprehensive Housing Report with the intent to assist cities in available sites identification.
- Develop education and outreach strategies to inform local agencies of the need and benefits of taking early action related to the sixth cycle regional housing needs allocation.
- Other related activities.

From our REAP Request for Qualifications, we have a short-list of consultants potentially available for these additional work efforts. Below are the short-listed firms we would like to request proposals from for the aforementioned activities.

AECOM  
 Cascadia  
 EPS  
 Estolano  
 HDR Calthorpe  
 Mintier Harnish  
 Precision Engineering  
 Quad Knopf  
 Raimi and Associates

We anticipate contracting with up to seven consulting firms with contract amounts ranging from \$50,000 to \$250,000.

Staff will coordinate with each MPO to determine an implementation strategy best suited for the needs of each sub-region.

**Request Action:** *Discuss and provide direction to staff. Staff is recommending approval of up to \$1,500,000 in contracting authority for these various Valleywide activities.*

# Housing in the San Joaquin/Central Valley

In this report we use the name Central Valley to refer to a region covering eight counties in the San Joaquin Valley portion of the state's Central Valley. The San Joaquin/Central Valley (SJCVC) is one of California's richest agricultural regions. For analytical purposes, the region is divided into eight metropolitan statistical areas (MSAs), roughly analogous to the eight counties, ranging in population size from

- the smaller Hanford-Corcoran (Kings County) and Madera County MSAs with less than 160,000 residents each;
- to the mid-range Merced County, Visalia-Porterville (Tulare County) and Modesto (Stanislaus County) MSAs with population numbers between 200,000 and 600,000;
- to the high-range Stockton (San Joaquin County), Bakersfield (Kern County), and Fresno County MSAs with population numbers between 700,000 and close to one million.

In all, the Central Valley region is home to 4.2 million residents, slightly smaller than the Inland Empire, but larger than both Orange County and San Diego County. If it were a state in a ranking of US states by population, the SJCVC region would place just after 27th ranked Oregon, which has 4.3 million residents.



The SJCV's agricultural prowess is well known across the world, but the region also has strength in other industry sectors such as energy production and manufacturing. It is also the tourist gateway to the western slopes of the Sierra Nevada, and is home to Yosemite, Sequoia, and Kings Canyon national parks. In the northwest corner of the Valley, San Joaquin and Stanislaus counties are adjacent to the heavily populated Oakland/East Bay and San Jose portions of the Bay Area and have seen its population growth spill over into their communities. To the south, the linkages between Kern County and the Southern California megalopolis continue to increase.

The Central Valley is among the more affordable regions in the California. Its median home sales price is approximately the same as the national median at just over \$300,000. Still, because incomes tend to be low relative to home prices, affordability is well below that of the nation. Similarly, the number of households with rent burdens is somewhat higher than the average for the nation, especially for residents employed in agriculture, which tends to be a low-wage industry sector.

## Affordability in the Central Valley

### Jobs and Population Growth

Over the last ten years, population in the SJCV region has increased at an annual rate of 1%, marginally faster than the state's 0.7% pace. Over the same period, the region's nonfarm job base grew by 1.8% annually, slightly behind the state's 2.2% average growth rate over that period.

Farming has an outsized presence in the region, which is well known as a food basket for the state and the nation. While the agriculture sector accounts for just 2.4% jobs statewide, its share is 13.5% in the SJCV region, with the agriculture job shares in Madera and Tulare counties surpassing 20%. Nonfarm employment is distributed across the region's goods and services producing sectors, frequently with strong ties to agriculture.

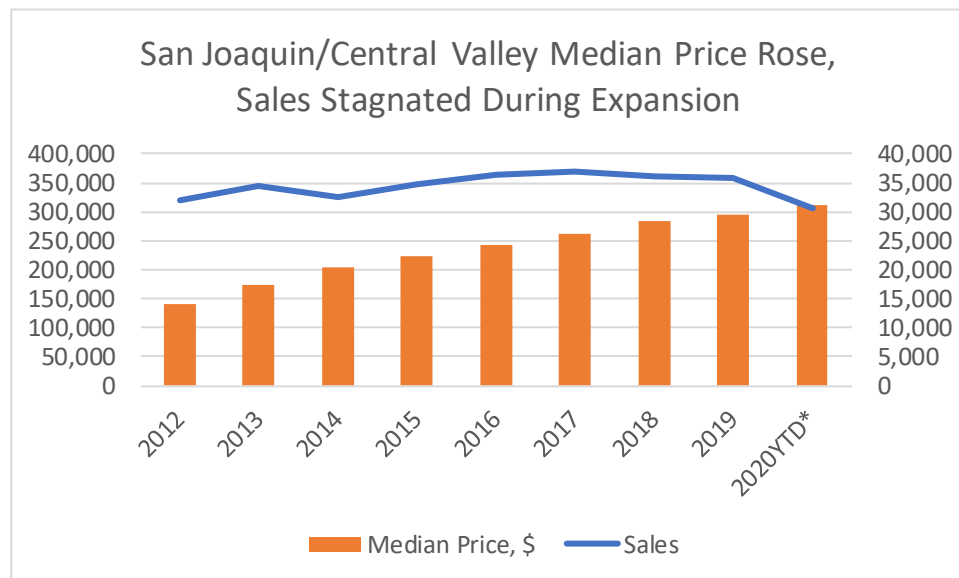
Because of the region's heavy reliance on agriculture, unemployment rates tend to be high (frequently in the teens) and volatile (due to seasonal variations in workflow). Prior to the pandemic shutdown, the average unemployment rate for the SJCV region was approximately 8% in February 2020, roughly double the statewide rate and more than double the US rate of 3.5%.

### Housing Costs

Over the course of the most recent economic expansion, the median home sales price in the Central Valley more than doubled from \$140,000 in 2012 to \$over \$300,000 in the first half of 2020. Price gains have been fueled in part by the region's population growth,

which has steadily outpaced that of the state for most of the past two decades. At the same time, limited new home construction contributed upward pressure on prices, along with a low supply of existing homes consistently averaging under 3.5 months over 2019.

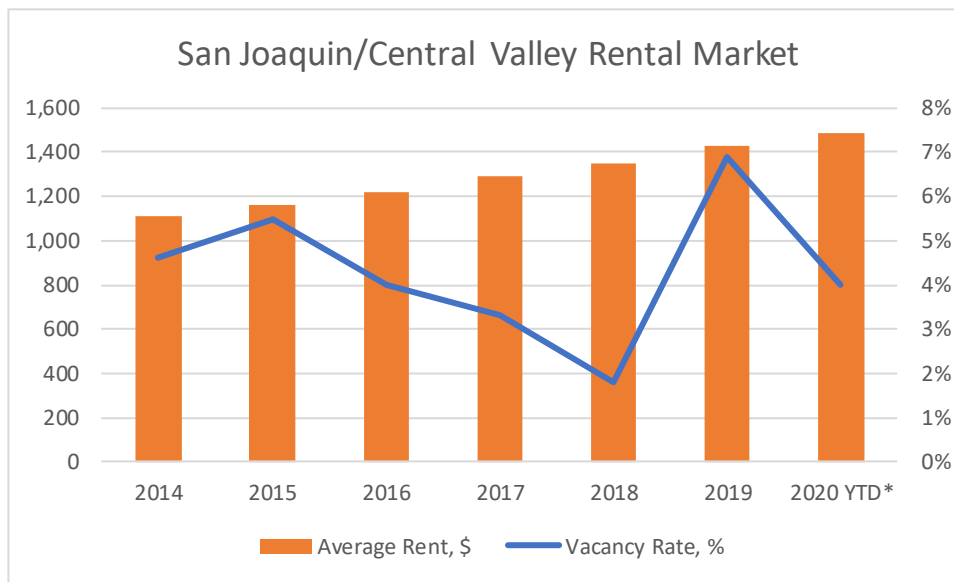
Home sales in the eight-county SJCV region generally increased between 2012 and 2017 before slowing from that point forward. In parallel with the rest of the state, home sales in the SJCV region never rebounded to pre-Great Recession levels during the record-long economic expansion that ended in early 2020. Through the first half of 2020, home sales fell behind the previous year by 14%, in part due to the COVID-19 pandemic shutdown during the early stages of the housing market's peak season.



\*2020 year-to-date (YTD) through June 2020, annualized

Source: Redfin

The average apartment rent in the SJCV region was \$1,490 per month during the first five months of 2020, up 4.2% from \$1,430 a year earlier, according to Zillow. The region's vacancy rate was 4.0% in the first part of 2020, down from 6.9% in 2019. At 44%, the share of renter households in the region is higher than the Inland Empire's 37% and Imperial County's 33%.



\*2020 year-to-date (YTD): Rent through May 2020, Vacancy rate through Q1-2020

Source: Zillow, Census Bureau

Relative to California overall and particularly to its coastal regions, real estate is considerably more affordable in the Central Valley. The share of households that can afford the median priced home was 50% in 2019, down from over 70% just a few years earlier. That affordability share is considerably higher than in the state's 31%, the Bay Area's 28% and the Los Angeles Metro Area's 33% but is somewhat below the national figure of 55%. A home-buying household would need an annual income of approximately \$60,000 to afford the SJCVC region's median priced home in the fourth quarter of 2019, about half of the statewide minimum income requirement. With a median household income of \$53,800 in 2018, this is one of the few regions of the state where a typical household can afford to buy a typical home.<sup>1</sup>

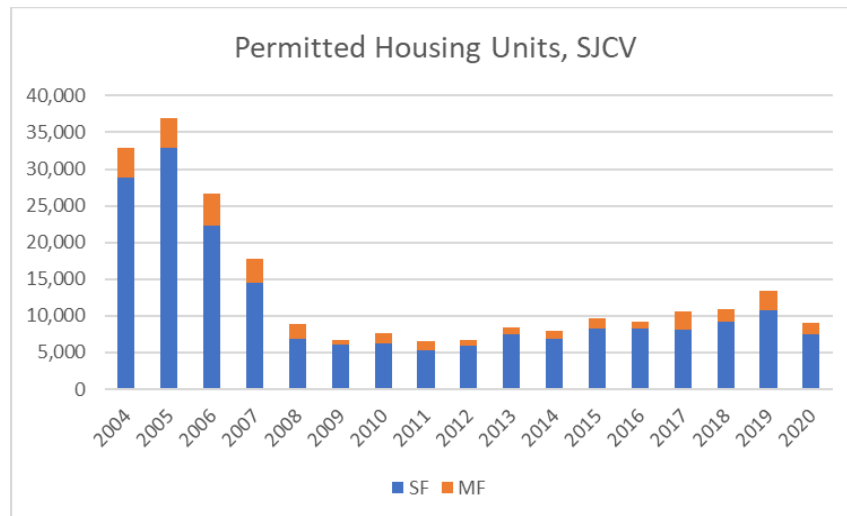
The affordability situation for renters in the region is not that different from other parts of the state. According to American Community Survey data, 55% of Central Valley renters spent at least 30% of their income on rent in 2018, matching the share figure for state, and somewhat lower than the Inland Empire's 59% and San Diego County's 57%.

## Permitting and Construction

In parallel with the experience of the state and the nation, residential construction activity in the Central Valley during the years following the Great Recession reached only a fraction of its pre-recession levels. At a pre-recession high point in 2005, there were

<sup>1</sup> Median household income figures for 2018 were obtained from the American Community Survey. The minimum required income to afford a home in the region was obtained from the California Association of Realtors Housing Affordability Index.

37,000 permitted units. Annual permits reached a low of 6,500 in 2011 and then gradually doubled to 13,500 in 2019, but it never approached the levels seen in the earlier years of the new millennium. Through the first half of 2020, there were 9,000 annualized permits, a decrease of one-third from 2019, as uncertainty about the economy and the housing market had a chilling effect on the region.



Source: US Census Bureau

## Housing Stock and Demographics

Given the vastness of the region, it should be no surprise that the Central Valley housing stock is dominated by single-family homes. Of the region's 1.33 million housing units in 2020, 1.06 million or 80% are single-family homes.

The mix of construction over the past 10 years was heavily tilted toward single-family construction, with single-family homes accounting for 84% of all units built between 2010 and 2019. Still, with a significant share of renters in many of the region's counties, there continues to be demand for multi-family units as well.

In terms of demographics, the SJCV region is 43% Hispanic or Latino and 42% White with the smaller shares identifying as Black/African American, Asian American, or Other. At 55.6%, the homeownership share in the region is slightly higher than that of the state (55%), based on the 2018 American Community Survey. About half of the region's homeowners are White, while half of the renters are Latino. One-fifth of residents hold a bachelor's degree or higher compared with 39% statewide. As expected, homeowners tend to remain in their homes longer, on average, than renters.

## San Joaquin Central Valley Demographic Characteristics, 2018

<b>Household Tenure</b>	<b>Own</b>	<b>Rent</b>	<b>Total</b>
Number	721,474	575,195	1,296,669
Percentage	55.6	44.4	100.0

<b>Age of Householder</b>	<b>Own</b>	<b>Rent</b>	<b>Total</b>
34 years and under	11.3	32.4	20.7
35 to 44 years	16.8	23.7	19.9
45 to 54 years	19.3	17.6	18.5
55 to 64 years	22.5	13.3	18.4
65 to 74 years	17.6	7.6	13.1
75 to 84 years	8.9	3.4	6.5
85 years and over	3.6	2.0	2.9
Total	100.0	100.0	100.0

<b>Educational Attainment</b>	<b>Own</b>	<b>Rent</b>	<b>Total</b>
Less than high school graduate	16.0	27.0	20.9
High school graduate (includes equivalency)	22.3	26.8	24.3
Some college or associate's degree	35.8	33.2	34.6
Bachelor's degree or higher	25.9	13.0	20.2
Total	100.0	100.0	100.0

<b>Race/Ethnicity</b>	<b>Own</b>	<b>Rent</b>	<b>Total</b>
White	50.1	31.9	42.0
Hispanic or Latino	37.0	51.2	43.3
Black/African American	2.9	7.3	4.9
Asian American	7.7	6.6	7.2
Other	2.3	3.0	2.6
Total	100.0	100.0	100.0

<b>Year Moved Into Residence</b>	<b>Own</b>	<b>Rent</b>	<b>Total</b>
Moved in 1989 or earlier	15.8	1.8	9.6
Moved in 1990 to 1999	16.2	3.1	10.4
Moved in 2000 to 2009	27.8	13.3	21.4
Moved in 2010 to 2014	19.1	27.5	22.8
Moved in 2015 to 2016	12.3	24.6	17.8
Moved in 2017 or later	8.9	29.7	18.1
Total	100.0	100.0	100.0

Source: Census Bureau

## Commute Times

Average commute times<sup>2</sup> in the SJCV region remained virtually unchanged during the first half of the decade, but rose in recent years as the effects of the economic expansion following the Great Recession spread throughout the region:

2010	2015	2018
24.3 minutes	24.9 minutes	26.0 minutes

In a large region characterized mainly by expanses of agricultural land and modestly sized cities with dispersed settlement patterns, the private vehicle is the dominant means of transportation. An overwhelming majority of commuters (92%) use a private vehicle, with public transportation and other modes accounting for the balance of travel.



<sup>2</sup> Commute times were obtained from the American Community Survey, 5-Year Sample.

# Spotlight on the Eastern Sierra

Situated between the Central Valley and Northern California are the five counties of Calaveras, Tuolumne, Mariposa, Mono, and Inyo. Home to the eastern edges of the Sierra Nevada mountain range, these counties are known for their rugged beauty and plentiful opportunities for outdoor recreation. These counties face barriers to affordability similar to the Northern California region, including an economic reliance on tourism leading to a surge in short-term vacation rentals. These counties are also less densely populated than other regions of the state with large expanses of undeveloped rural land; new housing development must take into account the expense of connecting existing infrastructure such as water and sewer systems, which can make projects economically unfeasible. Additionally, the unique physical attributes of these counties such as wetlands and the presence of endangered species restrict and increase overall development costs. The table below highlights some key data points for these counties.

Variable	Calaveras	Tuolumne	Mariposa	Mono	Inyo
Population (2019)	45,905	54,478	17,203	14, 444	18,039
Median household income (2019)	\$63,158	\$60,108	\$48,820	\$62,260	\$57,316
Median home price (2019)	\$319,500	\$289,200	\$275,700	\$312,500	\$269, 100
Median Gross Rent (2019)	\$1,339	\$1,009	\$929	\$1206	\$919
% Persons in Poverty (2019)	12.1%	11.3%	15.1%	10.1%	11.7%
Primary Economic drivers (2018)	Health Care & Social Assistance, Construction, and Retail Trade	Health Care & Social Assistance, Retail Trade, and Public Administration	Accommodation & Food Services, Retail Trade, and Public Administration	Accommodation & Food Services, Arts, Entertainment, & Recreation, and Retail Trade	Health Care & Social Assistance, Retail Trade, and Accommodation & Food Services

Source: Census Bureau

# Barriers to Affordability

While the Central Valley is perceived to be an affordable place to live, low wages and high rent burdens among many of its households pose challenges that are similar to those in higher-cost coastal counties. Housing shortfalls in the Central Valley overall are substantial, as is the affordable housing gap. Despite lower home and rental prices in the Central Valley than in other regions of California, the building cost of a given unit is still relatively high and the average family income remains low relative to the cost of housing. Low wages and high costs have caused a specific subset of affordability, attainment, and equity issues, including extreme rent burdening. In some parts of Fresno, for example, up to 73% of a renter's monthly income goes to housing. Further, the undocumented population residing in the region does not qualify for federal assistance, and fear of deportation prevents undocumented individuals and families from receiving available housing assistance and other social services. The low-wage and high-cost combination forces families into doubling and tripling up into single-family units, creating a variety of health and wellness challenges. COVID-19 has further exacerbated this reality and displacement has been common before and during the pandemic.

Capital flow to finance housing development is desperately needed. The overall funding gap leaves nonprofit housing developers doing the work with the high burden of place-based development projects that often compete with each other to attract investment. State and federal housing program metrics that favor transit-oriented districts and high-density areas often leave the region excluded from these funding streams due to its low transit ridership and low population density.

For the region as a whole, additions to the housing stock have generally kept up with population growth but they have not matched job growth. The dynamic jobs-to-housing ratio is one way to gauge the extent to which housing has or has not kept up with job growth. Over the period from 2010 to 2015, the dynamic jobs-to-housing ratio was 6.5-to-1, meaning that 6.5 jobs were created for every housing unit added. During the second half of the decade, the ratio fell to 2-to-1.

Income growth in the SJVC region also hasn't kept up with the rise in housing prices. Median household income rose 24% from a low of \$44,900 in 2012 to \$55,800 in 2018. But the median price of a home nearly doubled over that period from \$140,000 to \$271,000, and as of 2020 it is within reach of \$300,000. Thus, affordability has decreased steadily from 74% in 2010 to 50% in 2020. Viewed from a different perspective, while the median price of a home in the region was nearly the same as the US median of \$300,000, the region's median household income was 10% shy of the national median (\$61,900). These observations suggest that there is need for additional housing production to serve the region's growing population.

In the same vein, the rental market ostensibly seems fine with an average rent for the region of \$1,490, which is well below the national average of \$1,660. However, based on data for Fresno (the only region for which data are available), the vacancy rate has averaged 4% or less in four of the last five years, a threshold below which markets are generally viewed as being tight.

As documented in the Legislative Analyst's Office (LAO) report entitled "California's High Housing Costs: Causes and Consequences," there are a number of impediments to more housing across the state, including high development costs relative to sale price or rent per unit, high costs of labor and materials, and relatively high government fees compared to elsewhere in the nation. As in other parts of the state, the structure of state and local taxation creates a disincentive to build housing in the SJCV region's cities while creating incentives to favor nonresidential land uses such as retail and other revenue-generating activities. Jurisdictions tend to receive a relatively small share of property taxes, meaning that housing generates relatively low revenues relative to the costs of residents in terms of services such as public safety and sanitation. This contrasts with retail and other land uses that generate taxable sales and other taxes but impose relatively low costs on the jurisdiction.

## A Note on COVID-19: The Regional Response

The pandemic shutdown hit the Central Valley as hard as other parts of California. Employment decreased from a February 2020 peak of 1.35 million to an April 2020 low of 1.18 million, a decline nearly 170,000 jobs. The unemployment rate, which is typically high because of the large share of agriculture in the region, rose from 8.5% in February to 17.9% in April, retreating somewhat to 15.8% by June. As of June 2020, the region had lost 9% of its nonfarm jobs relative to the pre-pandemic shutdown level in February. Recovery in the months and years ahead will depend critically on containing the virus.

Record low mortgage rates will undoubtedly help home sales, but 2020 sales are expected to fall significantly short of the previous year's pace. Still, the median price of a home was on track to increase in 2020, approaching \$300,000, after rising by an average of 11% in each of the last seven years. Construction through the first half of 2020 stood at 9,000 annualized permits, a decrease of one-third from 2019, as uncertainty about the economy and the housing market had a chilling effect on the region.

The COVID-19 pandemic presents a unique challenge to the SJCV region, given that its economy is inherently more cyclical and volatile than regional economies in other parts of the state. The median home sales price has held up well, but the region may be particularly susceptible to delinquencies going forward as the regional economy reacts to larger events. As pandemic relief measures such as expanded unemployment benefits, mortgage forbearance, and rent/eviction moratoriums expire, the regional economy could be affected adversely.

# Major Ongoing Initiatives Related to Housing Affordability

Given the economic composition of the Central Valley, including its heavy reliance on agriculture and its upstream/downstream industries such as food processing and manufacturing, the share of low-income households across the region is large. Two notable organizations working to advance affordable housing in the region have grown from roots in long-standing efforts to house farmworkers.

- Founded in 1965 on a core model of mutual self-help homebuilding and serving the eight-county SJCV region, Self-Help Enterprises is a community development organization with the threefold mission of building affordable homes that are energy and resource efficient, empowering people to become leaders in their communities, and promoting healthy homes and communities. Its programs include build-your-own-home and repair-your-home assistance, homeownership education and down payment assistance, afterschool and adult education programs supporting rental housing communities, clean water and sanitary system assistance for rural community development, sustainable energy solutions, and other professional and emergency services. To date, Self-Help Enterprises has helped more than 6,200 families build their own homes, has rehabilitated more than 6,300 unsafe homes, has developed more than 1,300 affordable rental housing units, and has provided safe water and sanitary infrastructure services to more than 160 small communities.
- Visionary Home Builders of California is a Stockton-based nonprofit housing development corporation with a mission “to create and advocate for healthy, vibrant, safe communities through the development of affordable housing and educational opportunities” for low- and moderate-income to families, seniors, and individuals. Its vision began in 1983 with a small group of farmworkers who came together to work for the improvement of the living environment for farmworkers residing in public housing. Today the organization is a multi-cultural agency that has built affordable housing communities to serve a broad range of tenants in the Stockton and Oakdale areas. It has constructed more than 700 single-family homes and more than 1,400 units of rental housing. To support the communities it serves, Visionary Home Builders provides homebuyer education, rental counseling, and financial capability/education services through its Homeownership and Rental Center and its VHB Real Estate division.

# Proposed Actions and Recommendations

## 1. CREATE A STATE-SUPPORTED CENTRAL VALLEY REGIONAL HOUSING TRUST THAT IS LOCALLY COORDINATED AND INCLUDES NONPROFIT, COUNTY, AND LOCAL MUNICIPALITY COLLABORATION

Stretched housing nonprofits in the region are left with little to no capacity for inter-organizational and regional coordination and planning. State and local support of a regional housing trust could ensure calculated and regional affordable housing strategy generation that goes beyond one-off, place-based initiatives. A regional housing trust would also help coordinate applications and guidelines based on particular needs. This trust could also incorporate technical assistance and social services for tenants, including legal services. This model also empowers local municipalities and regions to utilize their political will and resources to address widespread issues collectively and at a regional scale. At the local level, this can include inclusionary housing ordinances and other proactive housing policies. This effort would, critically, also organize around two key issues: a regional strategy for homelessness, especially post rent moratorium, and a regional strategy to address displacement (Bay Area transplants to the northern San Joaquin Valley).

**RESPONSIBLE ENTITY:** Collaborative effort between the state, local municipalities, and Central Valley counties

**LEVEL OF IMPACT:** High

**TIMELINE OF IMPACT:** Short term

## 2. GENERATE CENTRAL VALLEY-SPECIFIC OPPORTUNITIES FOR DEVELOPERS TO BUILD MARKET RATE HOUSING AT MUCH HIGHER LEVELS, INCREASING CAPACITY IN THE DELIVERY SYSTEM

On average, residents of the Central Valley have household incomes significantly lower than those of their Bay Area neighbors. But housing production costs in the Central Valley are similar to the costs in other higher-wage regions, which places a burden on developers to invest in areas and communities that do not have the same return on investment as other wealthier regions. Incentives to developers to front-load or subsidize initial development costs, including increasing subsidy sources that do not require a monthly debt service, will encourage the development of housing and especially affordable housing in the Central Valley.

**RESPONSIBLE ENTITY:** State of California

**LEVEL OF IMPACT:** Medium to High

**TIMELINE OF IMPACT:** Short term

### **3. REFORMULATE STATE HOUSING PROGRAM DENSITY AND TRANSIT LEGISLATION METRICS TO REFLECT THE REALITIES OF CENTRAL VALLEY COUNTIES WHERE POPULATION AND RIDERSHIP DENSITIES ARE LOWER THAN IN COASTAL COUNTIES, YET AFFORDABLE HOUSING NEED IS GREAT**

Density requirements, transit benefits, and other “high opportunity area” focused metrics do not generally reflect the needs and geographic makeup of the Central Valley. Due to the disproportionate emphasis on these factors, the Central Valley does not qualify for the vast majority of grants and subsidies available through the state government. Programs that require GHG reduction to qualify are unattainable for the Central Valley as well.

**RESPONSIBLE ENTITY:** State of California

**LEVEL OF IMPACT:** Very High

**TIMELINE OF IMPACT:** Medium to long term

### **4. GENERATE EQUITABLE CODE ENFORCEMENT REPORTING STANDARDS AND TENANT LEGAL SERVICES**

Protecting renters’ safety should include pathways for reporting code issues and violations in a safe way that ensures prevention of evictions or retaliatory taxes, fines, or fees. Fear of deportation is another reason for underreporting of code violations or issues. Ensuring the safety of tenants and safe, fair, and timely engagement by landlords should be expected.

**RESPONSIBLE ENTITY:** State of California, developers, and property managers

**LEVEL OF IMPACT:** Medium to High

**TIMELINE OF IMPACT:** Short term

### **5. MAINTAIN AND ESTABLISH STATE MONIES TO PRESERVE EXISTING AGING AND AT-RISK HOUSING STOCK, INCLUDING MOBILE HOMES**

Keeping current housing stock safe and preserved for residents is just as important as the creation of new housing. More attention to maintenance of existing housing is needed both to extend the lifetime of the housing and to ensure the best quality of life for current and future tenants. Strategies could include dedication of funds to affordable housing maintenance or expansion of the allowable usage of dollars allocated to affordable housing to enable them to be used for these purposes.

**RESPONSIBLE ENTITY:** State of California, local developers, corporate developers

**LEVEL OF IMPACT:** Medium

**TIMELINE OF IMPACT:** Short to medium term

## **6. ORIENT STATE FUNDS TO FACILITATE THE INFRASTRUCTURE NEEDED FOR HOUSING GENERATION, INCLUDING THE DEVELOPMENT OF WATER AND SEWAGE SYSTEMS AND ROADS**

Central Valley housing development can also require infrastructure development, especially in more rural areas. State and federal funds could be reoriented to accommodate fundamental service needs, including development of sewer, water, road, electricity, and broadband infrastructure. Added development costs for these types of service infrastructure are another strain on local developers and can prevent housing projects from being built.

**RESPONSIBLE ENTITY:** State of California

**LEVEL OF IMPACT:** Medium

**TIMELINE OF IMPACT:** Medium term

## **7. GIVE HOUSING PURCHASING PRIORITY TO LOCAL NONPROFITS THAT HAVE VESTED INTERESTS IN MAINTAINING AFFORDABLE HOUSING STOCK FOR THOSE MOST IN NEED**

Giving purchasing priority to nonprofits will better ensure consistent engagement and long-term community investment that comes from on-the-ground nonprofit partnership. Attraction of more nonprofit developer capital to meet the affordable housing needs of the region will increase long-term sustainability of these housing units and ensure less underutilized space.

**RESPONSIBLE ENTITY:** State of California, federal government

**LEVEL OF IMPACT:** Medium

**TIMELINE OF IMPACT:** Short term

## **8. PROVIDE ACCESS TO CAPITAL FOR AFFORDABLE HOUSING WITH FUNDING STREAMS THAT ALLOW DEVELOPERS TO PRODUCE MULTI-FAMILY UNITS**

Access to capital is crucial for the generation of housing at the rate needed in the Central Valley and especially for housing development that goes beyond place-based initiatives. Due to high intensity land use through larger numbers of units per acre, the building of multi-family units is a particularly significant way to increase the housing supply.

**RESPONSIBLE ENTITY:** Local municipalities, developers

**LEVEL OF IMPACT:** High

**TIMELINE OF IMPACT:** Short term

## **9. IDENTIFY AND ESTABLISH PATHWAYS TO HOMEOWNERSHIP**

Housing providers in the Central Valley often engage in educational work by providing housing-related coaching and advising for low-income residents. To truly create generational wealth, especially within communities of color, there is a need for even stronger investment in encouraging, subsidizing, and protecting pathways to homeownership.

**RESPONSIBLE ENTITY:** State and federal governments

**LEVEL OF IMPACT:** High

**TIMELINE OF IMPACT:** Short to medium term

## **10. EXPLORE WAYS TO REDUCE BUILDING COSTS IN THE CENTRAL VALLEY**

Reducing building costs will narrow the gap created by housing costs that are high relative to the low incomes in the region. Methods to address this situation could include creating construction impact fee relief for developers as well as exploring ways to increase the number of units per acre (especially for rental units) which, in turn, will require strategies to achieve both changes in zoning regulations and greater receptivity to density on the part of the region's communities and residents.

**RESPONSIBLE ENTITY:** Local municipalities, counties, developers

**LEVEL OF IMPACT:** High

**TIMELINE OF IMPACT:** Short term

## **11. IDENTIFY EMERGENCY FUNDING SOURCES FOR HOUSING FOR FARM WORKERS, WHO ARE ESPECIALLY VULNERABLE TO HOUSING DISPLACEMENT AND IMPACTED CONDITIONS (OVERCROWDING) DUE TO COVID-19**

The Central Valley is home to a significant population of migrant farm workers. Due to their low wages and the significant rent burden on these residents, many families are forced to use doubling and tripling up into single-family units as techniques to enable them to afford rent. The region needs to place a focus on further scaling and increasing affordable housing for farm workers.

**RESPONSIBLE ENTITY:** State of California, local municipalities, counties

**LEVEL OF IMPACT:** High

**TIMELINE OF IMPACT:** Short term