

California's Cap & Trade Programs: Regional Transportation Perspective

Overview

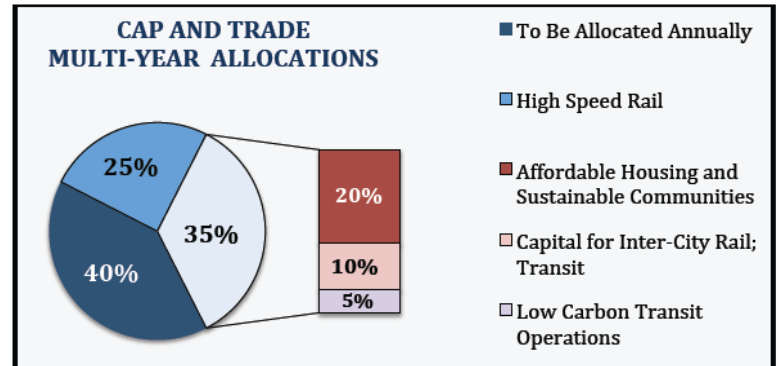
- Specific dollar amounts appropriated for FY 2014-15
- Transit, Housing/Sustainable Communities, and High-Speed Rail will receive a percentage of all Cap-and-Trade revenues each year (through 2020). Other programs will have to compete for the remaining 40% of funds each year.
- How much money cap and trade will raise is hard to predict. The Legislative Analyst's Office forecasts \$12 to \$45 billion in total through 2020. CALCOG conservatively assumes \$8.8 billion.

Funding

Current Year

FY 14-15 Appropriations	\$ in Millions
High Speed Rail	\$250
Clean Vehicle Program	\$200
Housing/Sustainable Comm.	\$130
Transit	\$50
Other Programs	\$242
TOTAL	\$872

Future Years



Revenue¹

FISCAL YEAR	2014/15	2015/16	2016/17	2018/19	2017/18	2019/20
Allowances ²	93.75	146.25	136.5	96	116.25	51
Minimum Price	\$11.34	\$11.91	\$12.50	\$13.78	\$13.13	\$14.47
Auction Revenues Total	\$1,063	\$1,741	\$1,707	\$1,323	\$1,526	\$738
AHSC	\$213	\$348	\$341	\$265	\$305	\$148
Transit Capital	\$106	\$174	\$171	\$132	\$153	\$74
Transit Ops.	\$53	\$87	\$85	\$66	\$76	\$37
"Sustainable" Sub-Total	\$372	\$609	\$597	\$463	\$534	\$258

Programs

Low Carbon Transit Operations Program

- Local transit operators (or RTPA for population-based funds) submits projects to Caltrans for approval and verification of GHG reduction. State Controller allocates funds.
- 50% must benefit disadvantaged communities
- Project eligibility:
 - Transit capital and operating expenses that enhance transit service and reduce GHG emissions
 - Support new or expanded bus or rail services, or expanded intermodal facilities and equipment, fueling and maintenance for those facilities

¹ Assumptions by CALCOG. All figures in millions, except allowance price

² Assumes only 75% of allowances sold

Affordable Housing & Sustainable Communities Program

- Strategic Growth Council proposes that Department of Housing and Community Development (for affordable housing and sustainable communities) and Natural Resources Agency (for ag land preservation) administer
- 50% must benefit disadvantaged communities
- 50% for affordable housing
- State will coordinate with regional agencies to recommend projects
- Project eligibility:
 - Affordable housing that supports infill and compact development
 - Transit capital and programs “supporting transit ridership”
 - Active transportation projects (infrastructure & non---infrastructure)
 - TOD projects
 - Capital projects that implement complete streets
 - Projects that reduce GHG emissions by reducing auto trips and VMT
 - Acquisition of easements or other approaches to protect agricultural lands under threat of development
 - Planning to support SCS implementation, including local plans
 - Must be in draft or adopted SCS
 - Subject to SGC guidelines

Transit & Inter-City Rail (and Bus) Capital Program

- California State Transportation Agency administers
- 25% must benefit disadvantaged communities
- Must achieve geographic equity
- State will coordinate with regional agencies to recommend projects
- Project eligibility:
 - Rail capital
 - Bus rapid transit and other bus investments to increase ridership and reduce GHGs
 - Service improvements to improve reliability & decrease travel times
 - Integrated ticketing and scheduling systems, shared-use corridors, related planning efforts and service integration initiatives
 - Must be consistent with SCS
 - Subject to SGC guidelines

What’s Next

- ARB defines how projects further AB 32 and contribute to reducing GHGs and the applicability of other non-GHG reduction objectives of AB 32
- CalEPA holds public hearings on how to identify disadvantaged communities
- ARB issues funding guidelines related to disadvantaged communities to administering agencies
- SGC coordinates programs among state agencies for consistency related to disadvantaged communities, GHG reporting, and transit priority projects
- SGC (and HCD and Natural Resources Agency) and ARB develop Affordable Housing & Sustainable Communities guidelines that are consistent with eligibility and policy in statute, hold two workshops, publish draft guidelines, consider input from stakeholders, and conduct outreach to disadvantaged communities
- CalSTA holds two workshops on guidelines for Transit and Inter-City-Rail Capital Program
- Caltrans develops guidelines for Low Carbon Transit Operations Program that describe methodologies that transit operators (and RTPAs) shall use to demonstrate that proposed expenditures meet statutory criteria