CONSENT ITEM

Date: September 8, 2021

Subject: Allocating \$400,000 from Affordable Housing and Sustainable Communities ("AHSC")

local assistance funds for workforce development and reporting technical assistance

Reporting Period: April 2021 - September 2021

Staff Lead: Saharnaz Mirzazad, Deputy Director of Community Investment and Planning

Recommended Action

Approve allocating \$400,000 from 2019/2020 Cap and Trade proceeds for local assistance to support AHSC grantee compliance with workforce development and reporting requirements under the California Climate Investments ("CCI") program.

Summary

In recent legislative sessions, there have been proposals to ensure high-quality jobs result from publicly funded projects. In response, the California Air Resources Board ("CARB") required all CCI projects to report on a variety of project metrics with an emphasis on jobs. These requirements were initially identified in general terms in the 2018 CCI Funding Guidelines for Administering Agencies. Details regarding what data would be required for "employment benefits" and "project outcomes" reporting was provided in late 2019. To comply with CARB's new requirements, both the AHSC Round 4 and 5 guidelines, adopted in October 2018 and October 2019 respectively, contain some general requirements regarding mandatory employment benefits reporting but detailed reporting requirements defined after guidelines were adopted. Due to lack of clarity during the application phase, SGC needs to provide technical assistant to grantees to fulfill CARB reporting requirements by commissioning a study on the ways in which parties involved in implementing AHSC Program can report on employment benefits without adding substantial development cost or disfranchising smaller subcontractors.

Staff will report back on the result of the study to determine the next steps for a streamlined process or tool that would support "employment benefit" reporting. In addition, this study will help identify alternatives for achieving high quality job that would consider regional labor market differences to support the grantees on delivering on the Program goals.

Background

AHSC is one of the State's primary affordable housing funding programs with over \$1.2 billion awarded between June 2018 and June 2020. As one of the primary sources of funding for affordable housing, AHSC strives to reduce regulatory and reporting burdens on developers



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while delivering on multiple objectives of the program. The Program encourages providing high quality jobs through preferential scoring in the application review process.

About the AHSC Program

The purpose of the AHSC Program is to reduce greenhouse gas (GHG) emissions through projects that implement land-use, housing, transportation, and agricultural land preservation practices to support infill and compact development, and that support related and coordinated public policy objectives

Council Recommendation

Should the Council agree with Staff's recommendation, the following motion language is suggested:

"I move that the Council approve allocating \$400,000 from 2019/2020 Cap and Trade proceeds for local assistance to support AHSC grantees to comply with workforce development and reporting requirements of the CCI Program."

