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SOUTHERN CALIFORNIA  
ASSOCIATION OF GOVERNMENTS  
900 Wilshire Blvd., Ste. 1700  
Los Angeles, CA 90017  
T: (213) 236-1800  
www.scag.ca.gov

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Community, Economic &  
Human Development  
Rex Richardson, Long Beach

Energy & Environment  
Carmen Ramirez, Oxnard

Transportation  
Curt Hagman, San Bernardino County

## REGULAR MEETING

# COMMUNITY, ECONOMIC & HUMAN DEVELOPMENT COMMITTEE

*Thursday, February 1, 2018*  
*10:00 a.m. – 12:00 p.m.*

**Please Note NEW Address**  
**SCAG MAIN OFFICE**  
**900 Wilshire Blvd., Ste. 1700**  
**Policy Room B**  
**Los Angeles, CA 90017**  
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If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Tess Rey-Chaput at (213) 236-1908 or via email at REY@scag.ca.gov. Agendas & Minutes for the Community, Economic & Human Development Committee are also available at: [www.scag.ca.gov/committees](http://www.scag.ca.gov/committees)

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Community, Economic and Human Development Committee  
Members – February 2018

Members

Representing

Chair*	1. Hon. Rex Richardson	<i>Long Beach</i>	District 29
Vice Chair*	2. Hon. Vartan Gharpetian	<i>Glendale</i>	District 42
	3. Hon. David Avila	<i>Yucaipa</i>	SBCTA
	4. Hon. Al Austin, II	<i>Long Beach</i>	GCCOG
	5. Hon. Stacy Berry	<i>Cypress</i>	OCCOG
	6. Hon. Wendy Bucknum	<i>Mission Viejo</i>	OCCOG
	7. Hon. Juan Carrillo	<i>Palmdale</i>	North L.A. County
	8. Hon. Jeffrey Cooper	<i>Culver City</i>	WSCCOG
	9. Hon. Steve De Ruse	<i>La Mirada</i>	GCCOG
	10. Hon. Rose Espinoza	<i>La Habra</i>	OCCOG
	11. Hon. Kerry Ferguson	<i>San Juan Capistrano</i>	OCCOG
*	12. Hon. Margaret E. Finlay	<i>Duarte</i>	District 35
	13. Hon. Debbie Franklin	<i>Banning</i>	WRCOG
	14. Hon. Julie Hackbarth-McIntyre	<i>Barstow</i>	SANBAG
	15. Hon. Christian Hernandez	<i>Cudahy</i>	GCCOG
	16. Hon. Bill Hodge	<i>Calexico</i>	ICTC
*	17. Hon. Peggy Huang	<i>Yorba Linda</i>	TCA
	18. Hon. Cecilia Hupp	<i>Brea</i>	OCCOG
*	19. Hon. Bill Jahn	<i>Big Bear Lake</i>	District 11
	20. Hon. Robert "Bob" Joe	<i>South Pasadena</i>	AVCJPA
*	21. Hon. Barbara Kogerman	<i>Laguna Hills</i>	District 13
*	22. Hon. Sabrina LeRoy	<i>San Manuel Band of Mission Indians</i>	Tribal Government Regional Planning Board
	23. Hon. Joe Lyons	<i>Claremont</i>	SGVCOG
*	24. Hon. Victor Manalo	<i>Artesia</i>	District 23
	25. Hon. Anni Marshall	<i>Avalon</i>	GCCOG
*	26. Hon. Michele Martinez	<i>Santa Ana</i>	District 16
	27. Hon. Joseph McKee	<i>Desert Hot Springs</i>	CVAG
	28. Hon. Bill Miranda	<i>Santa Clarita</i>	SFVCOG
*	29. Hon. James Mulvihill	<i>San Bernardino</i>	District 7



Community, Economic and Human Development Committee  
Members – February 2018

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**Members**

**Representing**

* 30. Hon. Steve Nagel	<i>Fountain Valley</i>	District 15
31. Hon. Edward Paget	<i>Needles</i>	SANBAG
* 32. Hon. Erik Peterson	<i>Huntington Beach</i>	District 64
* 33. Sup. V. Manuel Pérez		Riverside County
* 34. Hon. Jim Predmore	<i>Holtville</i>	ICTC
* 35. Hon. John Procter	<i>Santa Paula</i>	District 47
36. Hon. Paul Rodriguez	<i>Chino</i>	Member-at-Large
* 37. Hon. Sonny R. Santa Ines	<i>Bellflower</i>	District 24
* 38. Hon. Andrew Sarega	<i>La Mirada</i>	District 31
39. Hon. David Shapiro	<i>Calabasas</i>	LVMCOG
40. Hon. Becky Shevlin	<i>Monrovia</i>	SGVCOG
* 41. Hon. Tri Ta	<i>Westminster</i>	District 20
* 42. Hon. Donald P. Wagner	<i>Irvine</i>	District 14
43. Hon. Mark Waronek	<i>Lomita</i>	SBCCOG
44. Hon. Frank Zerunyan	<i>Rolling Hills Estates</i>	SBCCOG

\*Regional Council Member



## COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT (CEHD) COMMITTEE AGENDA

Southern California Association of Governments  
Wilshire Grand Center  
900 Wilshire Boulevard, Suite 1700  
Los Angeles, California 90017  
**Thursday, February 1, 2018**  
**10:00 a.m. to 12:00 p.m.**

***The Community, Economic and Human Development (CEHD) Committee may consider and act upon any of the items listed on the agenda regardless of whether they are listed as Information or Action Items.***

### **CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

*(The Honorable Rex Richardson, Chair)*

### **PUBLIC COMMENT PERIOD**

Members of the public desiring to speak on items on the agenda, or items not on the agenda, but within the purview of the Committee, must fill out and present a Public Comment Card to the committee staff prior to speaking. Comments will be limited to three (3) minutes per speaker. The Chair has the discretion to reduce the time limit based upon the number of speakers and may limit the total time for all public comments to twenty (20) minutes.

### **REVIEW AND PRIORITIZE AGENDA ITEMS**

#### **CONSENT CALENDAR**

#### **Page No.**

#### **Approval Item**

- |  |          |
|--|----------|
| 1. Minutes of the December 1, 2017 Meeting | <b>1</b> |
|--|----------|

#### **Receive and File**

- |  |           |
|--|-----------|
| 2. Governor's Office of Planning and Research (OPR) Proposed SB 743 Implementation Guidelines and Technical Advisory | <b>7</b>  |
| 3. Governor's Office of Planning and Research (OPR) Proposed Updates to the CEQA Guidelines                          | <b>11</b> |
| 4. Updated California Air Resources Board Pollution Mapping Tool   | <b>16</b> |
| 5. CEHD Committee Proposed Topic Outlook   | <b>18</b> |



<b><u>INFORMATION ITEMS</u></b>	<b><u>Time</u></b>	<b><u>Page No.</u></b>
6. Summary of the Department of Finance’s 2017 Population Growth Estimates for the SCAG Region <i>(Kevin Kane, SCAG Staff)</i>	<b>10 mins.</b>	<b>19</b>
7. Proposition 64: Local Regulation and Zoning Requirements and Updates for Commercial Cannabis Activity <i>(Michael Nguyen, Avalon Group, LLC)</i>	<b>30 mins.</b>	<b>23</b>
8. Update on SCAG’s Earthquake Preparedness Initiative <i>(John Bwarie of Dr. Lucy Jones Center for Science and Society)</i>	<b>20 mins.</b>	<b>37</b>

**CHAIR’S REPORT**

*(The Honorable Rex Richardson)*

**STAFF REPORT**

**FUTURE AGENDA ITEM/S**

**ANNOUNCEMENT/S**

**ADJOURNMENT**

***The next regular meeting of the CEHD Committee is scheduled for Thursday, March 1, 2018 at the Wilshire Grand Center, 900 Wilshire Boulevard, Suite 1700, Los Angeles, CA 90017.***

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Southern California Association of Governments  
900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017  
**CEHD Agenda Item No. 1**  
**February, 1, 2018**

COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT (CEHD) COMMITTEE  
MINUTES OF THE MEETING  
THURSDAY, DECEMBER 7, 2017

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE CEHD COMMITTEE. A DIGITAL RECORDING OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The CEHD Committee met at SCAG, 818 W. 7<sup>TH</sup> Street, 12<sup>TH</sup> Floor, Los Angeles, CA 90017. The meeting was called to order by Chair Rex Richardson. A quorum was present.

**Members Present:**

**Hon. Rex Richardson, Chair**

**Hon. Vartan Gharpetian, Vice Chair**

Hon. David Avila

Hon. Stacy Berry

Hon. Wendy Bucknum

Hon. Jeffrey Cooper

Hon. Steve De Ruse

Hon. Rose Espinoza

Hon. Margaret E. Finlay

Hon. Debbie Franklin

Hon. Christian Hernandez

Hon. Peggy Huang

Hon. Cecilia Hupp

Hon. Bill Jahn

Hon. Robert "Bob" Joe

Hon. Barbara Kogerman

Hon. Sabrina LeRoy

Hon. Joe Lyons

Hon. Victor Manalo

Hon. Michele Martinez

Hon. Joseph McKee

Hon. Bill Miranda

Hon. James Mulvihill

***Long Beach***

***Glendale***

*Yucaipa*

*Cypress*

*Mission Viejo*

*Culver City*

*La Mirada*

*La Habra*

*Duarte*

*Banning*

*Cudahy*

*Yorba Linda*

*Brea*

*Big Bear Lake*

*South Pasadena*

*Laguna Hills*

*San Manuel Band of Mission  
Indians*

*Claremont*

*Artesia*

*Santa Ana*

*Desert Hot Springs*

*Santa Clarita*

*San Bernardino*

**District 29**

**District 42**

SBCTA

OCCOG

OCCOG

WSCCOG

GCCOG

OCCOG

District 35

WRCOG

GCCOG

TCA

OCCOG

District 11

AVCJPA

District 13

Tribal Government Regional  
Planning Board

SGVCOG

District 23

District 16

CVAG

SFVCOG

District 7

Hon. Steve Nagel	<i>Fountain Valley</i>	District 15
Hon. Sonny R. Santa Ines	<i>Bellflower</i>	District 24
Hon. Tri Ta	<i>Westminster</i>	District 20
Hon. Mark Waronek	<i>Lomita</i>	SBCCOG
Hon. Frank Zerunyan	<i>Rolling Hills Estates</i>	SBCCOG

**Members Not Present**

Hon. Al Austin, II	<i>Long Beach</i>	GCCOG
Hon. Juan Carrillo	<i>Palmdale</i>	North L.A. County
Hon. Kerry Ferguson	<i>San Juan Capistrano</i>	OCCOG
Hon. Bill Hodge	<i>Calexico</i>	ICTC
Hon. Anni Marshall	<i>Avalon</i>	GCCOG
Hon. Julie Hackbarth-McIntyre	<i>Barstow</i>	SANBAG
Hon. Edward Paget	<i>Needles</i>	SANBAG
Sup. V. Manuel Pérez		Riverside County
Hon. Erik Peterson	<i>Huntington Beach</i>	District 64
Hon. Jim Predmore	<i>Holtville</i>	ICTC
Hon. John Procter	<i>Santa Paula</i>	District 47
Hon. Paul Rodriguez	<i>Chino</i>	Member-at-Large
Hon. Andrew Sarega	<i>La Mirada</i>	District 31
Hon. David Shapiro	<i>Calabasas</i>	LVMCOG
Hon. Becky Shevlin	<i>Monrovia</i>	SGVCOG
Hon. Donald P. Wagner	<i>Irvine</i>	District 14

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Chair Rex Richardson called the meeting to order at 10:00 a.m. and asked Councilmember Michele Martinez, District 16, City of Santa Ana, to lead the Pledge of Allegiance.

**WELCOME NEW MEMBERS**

Chair Richardson welcomed and introduced new CEHD member Councilmember Paul Rodriguez, representing City of Chino.

**PUBLIC COMMENT PERIOD**

There were no public comments.

**REVIEW AND PRIORITIZE AGENDA ITEM/S**

There was no reprioritization of the agenda.

**CONSENT CALENDAR**

**Approval Item**

1. Minutes of the CEHD Committee Meeting – November 2, 2017



## **Receive & File**

2. State of California 2017 Climate Change Scoping Plan
3. CEHD Committee Topic Outlook Calendar
4. 2018 Meeting Schedule of the Regional Council and Policy Committees

A MOTION was made (Jahn) to approve the Consent Calendar. Motion was SECONDED (Bucknum) and passed by the following votes:

**FOR:** Avila, Berry, Bucknum, Cooper, De Ruse, Finlay, Franklin, Gharpetian, Hupp, Jahn, Joe, Kogerman, Leroy, Manalo, Martinez, McKee, Miranda, Mulvihill, Richardson, Santa Ines, Ta, Zerunyan.

**AGAINST:** None (0).

**ABSTAIN:** Nagel (1).

## **INFORMATION ITEMS**

5. Update on the Bottom-Up Local Input and Envisioning Process for the Development of the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and Regional Housing Needs Assessment (RHNA)

Chair Richardson introduced the item and asked Kimberly Clark, SCAG staff, to provide background information.

Kimberly Clark, SCAG staff, explained phase two of the RTP/SCS efforts to collaborate for a sustainable future through one-on-one engagement with local jurisdiction. This phase commenced October 31, 2017 and will conclude June 2018. Once submitted, local jurisdictions will have time to review the data and provide feedback. Ms. Clark stated the collaboration includes the exchange of data that is hard to obtain and provided a status update on SCAG's efforts and also offered interns to help local jurisdictions with data entry or data refinement needs in an attempt to free up space for review.

Chair Richardson asked questions regarding the participation of the jurisdictions and how many jurisdictions end up submitting the data that is required. Ms. Clark responded participation varies depending on the item type but is roughly around 195 to 197 and that all jurisdictions submitted data on at least one of the items. Additionally, Chair Richardson asked if obtaining this information required any political leadership from regional councilmembers. Ms. Clark responded that political leadership was required for local jurisdictions where it was challenging to identify the appropriate contact person.

Discussion ensued and members inquired about how the greenhouse gas reduction is calculated with regards to the creation and recycling of vehicles; members inquired about the level of experience the interns sent to help local jurisdictions will have and if they will be provided with training; members asked about the level of sensitivity the state shows in response to local definitions of growth. Ms. Clark responded and highlighted the success of the internship program at SCAG and assured members interns are qualified to assist local jurisdictions because the program model is tiered off the GIS services program and she mentioned the partnership with CARB and how the methodologies are developed through this partnership.

## 6. General Plan Data/Map Tool for Local Jurisdictions: Pilot Program for City of Santa Ana

Chair Richardson introduced the item and asked Tom Vo, SCAG staff, to provide background information.

Tom Vo, SCAG staff, reported the data map tool for local jurisdictions featuring the pilot program of City of Santa Ana. He highlighted SCAG's efforts in updating outdated general plans with new regulation in accordance with Senate Bill 1000 and providing technical assistance to those cities. He also demonstrated a view of the interactive platform.

Chair Richardson asked a question regarding the application's availability timeline for both the City of Santa Ana and other cities. Mr. Vo stated SCAG staff are working alongside City of Santa Ana to develop and refine the tool and may be available sometime next year.

Councilmember Debbie Franklin, City of Banning, WRCOG, asked about the repercussions if a community does not include Senate Bill 1000 in their plan. Mr. Vo responded the current regulation mandates that communities with disadvantaged communities, defined by the CalEPA, must include EJ related goals and policy objectives in the general plan update.

Members inquired about how robust the tool is and how this tool can help identify and assist disadvantaged neighborhoods within a community to better assist them in a direct manner; members asked whether the Housing and Urban Development will use this tool rather than theirs once they can get down to the neighborhood level. Mr. Vo responded the tool is very robust and will include capabilities to identify disadvantaged neighborhoods and that this tool compiles all necessary data so the plans can be updated on one platform.

## 7. Education and Career Partnerships with Local Communities

Chair Richardson introduced the item and asked the speakers, Terry Carbone, Mark Taylor, and Randall Lewis to provide background information.

The speakers discussed opportunities that local jurisdictions and schools can work to establish partnerships to forge together around education and shared a video highlighting the Long Beach College Promise, its importance, and the importance of local government and city officials understanding and engagement in outreach opportunities for cities.

Councilmember Barbara Kogerman, City of Laguna Hills, District 13, asked what percentage is the 16,000 participants represented of the graduating class. The panel responded that about 78% of the graduating class of Long Beach Unified go to school during their first year and of those, 50% go to Long Beach City or Long Beach State. Additionally, she asked if the program is attracting employers or simply assume it is and if those students are finding affordable housing. Lastly, she asked if student's progress was being tracked. The panel responded that yes, the progress has been tracked since the onset of the program.

Councilmember Joe Lyons, City of Claremont, SGVCOG, asked a question regarding cost sharing and whether they are redirecting existing assets to focus on a single program and how much is offset by the partnerships. The panel responded that each institution absorbs the cost in their operating budget.

Councilmember Peggy Huang, City of Yorba Linda, TCA, asked about the graduation rate, whether the students are being fit with the right college for their needs, and the retention rate once the students need to pay for college on their own. The panel responded the goal is college preparedness regardless of the selected college and encouragement for the students to look at other colleges as well.

Councilmember Mark Waronek, City of Lomita, SBCCOG, asked if there is a program to support upcoming fields that foreshadow staffing needs. The panel responded that established internships and efforts will continue catering to these fields.

**CHAIR'S REPORT**

There was no report.

**STAFF REPORT**

There was no report.

**FUTURE AGENDA ITEM/S**

There were no future agenda items.

**ANNOUNCEMENT/S**

Retirement of SCAG Staff

Chair Richardson announced that Jane Embry will be retiring from SCAG and thanked her for her service and dedication.

Chair Richardson announced the next meeting of the Regional Council is scheduled for Thursday, February 1, 2018 at the Wilshire Grand Center, 900 Wilshire Boulevard, Los Angeles, California 90017.

**ADJOURNMENT**

There being no further business, Chair Richardson adjourned the CEHD Committee meeting at 12:00 p.m.

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE CEHD COMMITTEE]

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**Community, Economic & Human Development Committee Attendance Report**

2017

Member (including Ex-Officio) Last Name, First Name	Representing	X = County Represented						X = Attended				No Meeting	NM = New Member		EA = Excused Absence			
		IC	LA	OC	RC	SB	VC	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Austin, Al	GCCOG		X										X		X			
Avila, David	SBCTA					X											NM	X
Berry, Stacy	OCCOG			X				X	X	X	X		X	X		X	X	X
Bucknum, Wendy	OCCOG			X				X		X	X			X		X	X	X
Carrillo, Juan	North LA County		X														NM	
Cooper, Jeffrey	WSCCOG		X						X						X	X	X	X
De Ruse, Steve	GCCOG		X													NM		X
Espinoza, Rose	OCCOG			X				X	X				X		X		X	X
Ferguson, Kerry	OCCOG			X				X		X	X		X	X		X	X	
Finlay, Margaret*	Duarte (District 35)		X					X	X	X	X		X	X		X	X	X
Franklin, Debbie	WRCOG				X			X	X	X			X	X		X	X	X
Gharpetian, Vartan*	District 42		X					X	X	X	X		X	X		X		X
Hernandez, Christian	GCCOG		X													NM	X	X
Hodge, Bill	ICTC	X								X	X		X			X	X	X
Huang, Peggy	TCA			X												NM		X
Hupp, Cecila	OCCOG			X									X	X		X	X	X
Jahn, Bill*	SBCTA (District 11)					X		X	X	X	X		X	X		X	X	X
Joe, Robert	Arroyo Verdugo		X					X	X	X	X		X	X		X	X	X
Kogerman, Barbara*	District 13			X				X	X	X	X		X			X	X	X
Leroy, Sabrina*	Tribal Nations Rep.				X						X			X		X		X
Lyons, Joe	SGVCOG		X					X	X	X			X	X		X	X	X
Manalo, Victor*	District 23		X						X				X			X		X
Marshall, Ann	GCCOG		X												NM	X		
Martinez, Michele*	District 16			X							X		X			X	X	X
Hackbarth-McIntyre, Julie	SBCTA					X												
McKee, Joe	CVAG				X			X	X	X						X	X	X
Miranda, Bill	SFVCOG		X								X					X	X	X
Mulvihill, James*	District					X							X	X		X	X	X
Nagel, Steve*	OCCOG			X				X	X	X	X		X	X				X
Paget, Ed	SBCTA					X		X		X	X			X				X
Perez, V. Manuel	Riverside County				X									X		X	X	
Peterson, Erik*	District 64			X				X		X	X				X			
Predmore, Jim*	ICTC	X						X	X	X	X		X	X		X	X	
Procter, John*	VCOG						X	X	X	X	X		X			X	X	X
Richardson, Rex*	District 29		X					X			X		X	X		X	X	X
Rodriguez, Paul	Chino																	
Santa Ines, Sonny	GCCOG		X						X	X	X		X	X		X	X	X
Sarega, Andrew*	District 31		X						X	X								
Shapiro, David	Las Virgenes-Malibu COG		X										X	X		X		
Shevlin, Becky	SGVCOG		X					X	X	X	X		X	X			X	X
Ta, Tri*	District 20			X					X	X			X			X	X	X
Wagner, Donald*	District 14			X				X	X	X	X		X	X		X	X	X
Waronek, Mark	SBCCOG		X					X	X	X	X		X	X		X	X	X
Zerunyan, Frank	SBCCOG		X					X	X	X	X			X		X	X	X
Regional Council Member*																		

Southern California Association of Governments  
900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017  
**C-HD Agenda Item No. 2**  
**February 1, 2018**

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**To:** Energy and Environment Committee (EEC)  
Community, Economic and Human Development Committee  
(CEHD)  
Transportation Committee (TC)  
Regional Council (RC)

**EXECUTIVE DIRECTOR'S  
APPROVAL**



**From:** Mike Gainor, Senior Regional Planner, 213-236-1822,  
[gainor@scag.ca.gov](mailto:gainor@scag.ca.gov)

**Subject:** Governor's Office of Planning and Research (OPR) Proposed  
SB 743 Implementation Guidelines and Technical Advisory

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**RECOMMENDED ACTION FOR EEC:**

For Information Only - No Action Required

**RECOMMENDED ACTION FOR CEHD, TC, and RC:**

Receive and File.

**EXECUTIVE SUMMARY:**

*On November 27, 2017, the Governor's Office of Planning and Research (OPR) transmitted the final proposed Senate Bill 743 (SB 743) Implementation Guidelines to the California Natural Resources Agency for final rulemaking. OPR's final proposal reflects and incorporates substantial input provided by a wide array of statewide stakeholders, including metropolitan planning organizations (MPOs), County Transportation Commissions, local implementation agencies, and environmental advocacy organizations. Since SB 743 was signed into law by the Governor in 2013, OPR has provided multiple forums for stakeholder discussion and various opportunities for input and comment into how the new law should be implemented. SCAG has worked closely and cooperatively with OPR throughout this process.*

*The final rulemaking process to be conducted by the California Natural Resources Agency will provide an additional opportunity for public review and comment, which may result in further revisions. At the time of this draft, the Natural Resources Agency had not yet announced details regarding the public review period. Any changes to the proposed Guidelines introduced through the rulemaking process or resulting from the accompanying public review period would only go into effect after the California State Office of Administrative Law reviews and approves the changes.*

*To provide information to our local stakeholders, SCAG hosted a CEQA Guidelines and SB 743 Workshop on January 31, 2018 at the Caltrans District 7 offices. Staff is currently reviewing comments and feedback received at the Workshop.*

*For more detailed information on SB 743 and the proposed SB 743 Implementation Guidelines, please visit the OPR website: <http://www.opr.ca.gov/ceqa/updates/guidelines>, and the California Natural Resources Agency website: <http://resources.ca.gov/ceqa/guidelines/>.*

**STRATEGIC PLAN:**

This item supports SCAG's Strategic Plan Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies.

**BACKGROUND:**

The California Environmental Quality Act (CEQA) requires public agencies, as part of the project approval decision-making process, to evaluate and mitigate (as needed) a project's potential environmental impacts. OPR is charged with developing the administrative regulations to implement CEQA, and the Natural Resources Agency adopts those regulations following a formal rulemaking process. Among the analyses required by CEQA is a transportation impact analysis.

In response to the passage of SB 743, OPR initiated a process to update the transportation impact analysis language in the CEQA Guidelines and to develop a corresponding 'Technical Advisory' to provide methodological assistance and implementation recommendations for local agencies. On November 27, 2017, OPR transmitted its final proposed SB 743 Implementation Guidelines to the California Natural Resources Agency to initiate the final rulemaking process.

Key dates in the SB 743 Implementation Guidelines development process included:

- Senate Bill 743 was signed by the Governor, assigning OPR the responsibility to update the CEQA Guidelines accordingly (September, 2013)
- OPR released an initial evaluation of several alternative transportation impact evaluation metrics to replace the existing 'Level of Service' (LOS) methodology (December, 2013)
- OPR released an initial draft of the Proposed Revised Guidelines for evaluating transportation impacts using a Vehicle Miles Traveled (VMT) metric (August, 2014)
- OPR released an updated draft of the revised CEQA Guidelines including the VMT metric, together with a draft Technical Advisory (January, 2016)
- SCAG, along with the other three major state MPOs, initiated a statewide consultant-led case study demonstration project to evaluate potential SB 743 implementation issues (July, 2016)
- Submittal of the final proposed CEQA Guidelines revision to the Natural Resources Agency for final rulemaking (November, 2017)

**PROPOSED UPDATES TO THE SB 743 IMPLEMENTATION GUIDELINES**

SB 743 charged OPR with the task of updating the CEQA Guidelines to emphasize current State planning priorities, including the reduction of greenhouse gas (GHG) emissions, streamlining infill and mixed-use transit-oriented development, and facilitating active transportation and transit improvement projects. The final OPR proposal contains several key revisions from the previous draft CEQA Guidelines and Technical Advisory proposal released in January, 2016.

The final proposed SB 743 Implementation Guidelines include several key revisions to the CEQA Guidelines:

Transportation Impact Analysis: The proposed final SB 743 Implementation Guidelines includes significant changes related to the analysis of CEQA transportation impacts. SB 743 required OPR to develop an alternative methodology to replace the existing ‘Level of Service’ (LOS) analysis for evaluating CEQA transportation impacts. The proposed OPR update designates vehicle miles travelled (VMT) as the most appropriate metric for evaluating transportation impacts for most projects. VMT was selected by OPR as the preferred methodology to replace LOS because of its potential value in facilitating transit-oriented projects in existing urbanized areas and for encouraging bicycle and pedestrian improvements in mixed use urban centers.

One of the guiding principles of SB 743 was to encourage infill development, facilitate the use of active transportation, and reduce greenhouse gas (GHG) emissions. The adoption of a VMT-based metric eliminates the exclusive focus on automobile delay as the primary parameter for evaluating CEQA transportation impacts as was the focus of LOS analysis. Transportation impact analysis based on VMT will improve the viability of infill and transit-oriented development projects, as well as other projects that serve to reduce GHG emissions through decreased dependency on single occupancy vehicles and increased use of active transportation and transit options.

VMT Implementation Changes: The final version of the proposed SB 743 Implementation Guidelines includes some significant revisions from the previous draft proposal released by OPR in January, 2016. These modifications are primarily related to implementation of the VMT methodology and were developed largely in response to concerns expressed by local implementation agencies and other statewide stakeholders. These proposed implementation changes include:

- Use of the VMT methodology for evaluating CEQA transportation impacts is now optional for highway capacity projects.
- Analysis of freight VMT is no longer required.
- Only the number of residential units prescribed in the Sustainable Communities Strategy (SCS) may be used to reference the average VMT for a city.
- Mixed-use development projects may limit VMT-based transportation impact analysis only to the predominant land use.

#### **STATUS OF STAFF REVIEW**

SCAG staff has reviewed the proposed final SB 743 Implementation Guidelines and Technical Advisory, and are appreciative of the considerations OPR has made in response to our concerns and those of our local stakeholders, most notably for the provision for added flexibility in the use of VMT analysis for transportation capacity improvement projects. Staff will continue its review and will also consider comments received at the workshop described further below. Throughout the more than three years since the passage of SB 743, OPR has collaborated closely with SCAG and the other state MPOs to

ensure that implementation of this ground-breaking new law will be implemented with minimal added burden to our local jurisdictions.

**PUBLIC REVIEW AND NEXT STEPS**

As part of its final rulemaking process, the California Natural Resources Agency will initiate a public review period for the proposed SB 743 Implementation Guidelines. At the time of this draft, details regarding the scheduling of the public review period have not yet been released.

To provide information to our local stakeholders, SCAG hosted a CEQA Guidelines and SB 743 workshop on January 31, 2018 at the Caltrans District 7 offices. OPR was invited to provide information and answer questions regarding these regulatory modifications. Staff are currently reviewing comments and feedback received at the workshop.

For more information on SB 743 and the proposed SB 743 Implementation Guidelines, please visit:

OPR website: <http://opr.ca.gov/ceqa/updates/guidelines/>, and

California Natural Resources Agency's website: <http://resources.ca.gov/ceqa/guidelines/>.

**FISCAL IMPACT:**

Work associated with this item is included in the Fiscal Year 17/18 Overall Work Program (080.SCG00153.04: Regional Assessment).

**ATTACHMENT/S:**

None.



Southern California Association of Governments  
900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017

CEHD Agenda Item No. 3  
February 1, 2018

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**To:** Energy and Environment Committee (EEC)  
Community, Economic and Human Development Committee  
(CEHD)  
Transportation Committee (TC)  
Regional Council (RC)

EXECUTIVE DIRECTOR'S  
APPROVAL



**From:** Roland Ok, Senior Regional Planner, 213-236-1839,  
[ok@scag.ca.gov](mailto:ok@scag.ca.gov)

**Subject:** Governor's Office of Planning and Research (OPR) Proposed  
Updates to the CEQA Guidelines

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**RECOMMENDED ACTION FOR EEC:**

For Information Only - No Action Required

**RECOMMENDED ACTION FOR CEHD, TC and RC:**

Receive and File.

**EXECUTIVE SUMMARY:**

*On November 27, 2017, the Governor's Office of Planning and Research (OPR) transmitted the final proposed amendments to the Guidelines implementing the California Environmental Quality Act (CEQA) to the California Natural Resources Agency. OPR's comprehensive package contains a complete set of updates to the CEQA Guidelines. It reflects input from numerous public comment periods and input received during informal stakeholder meetings, conferences, and other venues. The package contains changes or additions involving nearly thirty different sections, addressing steps to facilitate the environmental review process. Key proposed updates are aimed towards improving efficiency, substantive analysis, and technical analysis. Updates also include the proposed SB743 Implementation Guidelines (For further details please refer to a separate February 2018 Staff Report titled: Governor's Office of Planning and Research (OPR) Proposed SB743 Implementation Guidelines).*

*The Natural Resources Agency will soon begin the formal administrative rulemaking process under the Administrative Procedure Act. At the time of drafting this Staff Report, the Natural Resources Agency has not initiated its formal administrative rulemaking process. When initiated, the rulemaking process will entail additional public review and may lead to further revisions. After completing the rulemaking process, the Secretary for the Natural Resources Agency may adopt the changes. Changes would only go into effect after the Office of Administrative Law reviews and approves the changes. Additionally, SCAG hosted a CEQA Guidelines and SB 743 Workshop on*

*January 31, 2018 at the Caltrans District 7 office. SCAG Staff is currently evaluating comments received from the workshop and will consider incorporating them into SCAG's comment letter, as needed.*

*For more information on the proposed updates to the CEQA Guidelines, please visit OPR's website at: <http://opr.ca.gov/ceqa/updates/guidelines/> and California Natural Resources Agency's website at: <http://resources.ca.gov/ceqa/guidelines/>*

**STRATEGIC PLAN:**

This item supports SCAG's Strategic Plan Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies.

**BACKGROUND:**

On November 27, 2017, the Governor's Office of Planning and Research (OPR) transmitted the final proposed amendments to the Guidelines implementing the California Environmental Quality Act (CEQA) to the California Natural Resources Agency for final rulemaking.

CEQA requires public agencies, as part of the project approval decision-making process, to evaluate and mitigate a project's potential environmental impacts. OPR is charged with developing the administrative regulations to implement CEQA, and the Natural Resources Agency adopts those regulations following a formal rulemaking process. The implementation regulations, commonly referred to as the CEQA Guidelines, are required to be updated on a regular basis. The last comprehensive update to the CEQA Guidelines was completed in the late 1990s.

In 2013, OPR initiated a process to comprehensively update the CEQA Guidelines. Since that time, the State Legislature has adopted numerous revisions to CEQA law in regard to specific elements of the Guidelines, including a change in the methodology for assessing transportation related impacts (Senate Bill 743, Steinberg, 2013), and the addition of tribal cultural resources (Assembly Bill 52, Gatto, 2014) as a consideration in environmental documents. Key dates in the OPR CEQA Guidelines update process included the following:

- Distribution of a formal solicitation for input on possible improvements (Summer, 2013)
- Publication of a list of potential topics to address in the update (December, 2013)
- Development of a draft Technical Advisory on the analysis of Tribal Cultural Resources pursuant to Assembly Bill 52 (May, 2015)
- Release of a first draft of the Comprehensive Update to the CEQA Guidelines (August, 2015)
- Development of proposed changes to Appendix G of the CEQA Guidelines addressing Tribal Cultural Resources (November, 2015)

- Coordination with the Natural Resources Agency to complete the changes to Appendix G related to Tribal Cultural Resources (August, 2016)
- Development of changes to the Guidelines addressing hazards in response to the California Supreme Court’s decision in *California Building Industry Assn. v. Bay Area Air Quality Management Dist.* (2015) 62 Cal.4<sup>th</sup> 369 (*CBIA v. BAAQMD*) (October, 2017)
- Finalization of the comprehensive CEQA Guidelines update package and submission to the Natural Resources Agency for final rulemaking (November, 2017)
- Hosting of a webinar providing an overview of the proposed revised Guidelines in conjunction with the Association of Environmental Professionals (AEP) (December, 2017)

**OVERVIEW OF PROPOSED UPDATES TO THE CEQA GUIDELINES**

OPR has crafted a comprehensive package of updates to the CEQA guidelines that reflects input obtained through numerous public comment periods and feedback received during informal stakeholder meetings, conferences, and other venues. The OPR proposal contains changes or additions involving nearly thirty different sections, including steps to facilitate and streamline the environmental review process.

Key updates to the CEQA Guidelines include the following:

**Efficiency Improvements**

Regulatory Standards: Promotes the use of existing regulatory standards in the CEQA process. Using standards as “thresholds of significance” creates a predictable starting point for analysis and allows lead agencies to rely on the expertise of other regulatory bodies without foreclosing the consideration of any potential project-specific effects.

Updates to the Environmental Checklist: The OPR package proposes to update the environmental checklist that most agencies use to conduct their environmental review. Redundant questions in the existing checklist are eliminated and some questions are updated to address contemporary topics. The checklist has also been updated with several new questions related to transportation impacts and wildfire risk, pursuant to Senate Bill 743 (Steinberg, 2013), and Senate Bill 1241 (Kehoe, 2012), respectively. It also relocates questions related to paleontological resources as directed by Assembly Bill 52 (Gatto, 2014).

Tiering: The OPR package includes several changes to make the existing programmatic environmental review process easier to use for subsequent projects. Specifically, it clarifies the rules on tiering and provides additional guidance on when a later project may be considered within the scope of a program EIR, thereby obviating the need for additional environmental review.

Exemptions: The OPR package enhances several existing CEQA exemptions. For example, consistent with Senate Bill 743 (Steinberg, 2013), it expands upon an existing exemption for projects

implementing a specific plan to include not just residential, but also commercial and mixed-use projects that are located near transit. It also clarifies exemption rules for changes to existing facilities so that vacant buildings can more easily be redeveloped. Changes to that same exemption would also promote pedestrian, bicycle, and streetscape improvements within an existing right of way.

### **Substantive Improvements**

Energy Impacts Analysis: The OPR package provides new guidance regarding energy impact analysis. Specifically, it requires an EIR to include an analysis of a project's energy impacts that addresses not just building design, but also transportation, equipment use, location, and other relevant factors.

Water Supply Impact Analysis: The OPR package proposes guidance on the analysis of water supply impacts. The guidance is built upon the California Supreme Court decision in *Vineyard Area Citizens for Responsible Growth v. City of Rancho Cordova* (2007) 40 Cal.4th 412 . The new provision requires analysis of a proposed project's possible sources of water supply over the life of the project and the environmental impacts of supplying that water to the project. The analysis must consider any uncertainties in supply, as well as potential alternatives.

Greenhouse Gas Emissions Analysis: The OPR package includes proposed updates related to the analysis of impacts from greenhouse gas emissions. The proposed changes reflect current appellate case law, including *Center for Biological Diversity v. Dept. of Fish & Wildlife* (2015) 62 Cal.4th 204; and *Cleveland National Forest Foundation v. San Diego Assn. of Governments* (2017) 3 Cal.5th 497.

Transportation Impact Analysis: Please refer to a separate February 2018 Staff Report titled: Governor's Office of Planning and Research (OPR) Proposed SB743 Implementation Guidelines)

### **Technical Improvements**

Evaluation of Hazards: The OPR package includes changes related to the evaluation of hazards as mandated by the California Supreme Court in *CBIA v. BAAQMD* (2015) 62 Cal.4<sup>th</sup> 369.

Environmental Baseline: The OPR package clarifies when it may be appropriate to use projected future conditions as the environmental baseline.

Mitigation Measures: The OPR package clarifies when agencies may defer specific details of mitigation measures until after project approval.

Responses to Comments: The OPR package proposes a set of changes related to the duty of lead agencies to provide detailed responses to comments on a project. The changes clarify that a general response may be appropriate when a comment submits voluminous data and information without explaining its relevance to the project.

Other Changes: Other proposed updates address a range of topics such as selecting the lead agency, posting notices with county clerks, clarifying the definition of "discretionary," and others. The package includes technical changes to Appendices D and E to reflect recent statutory requirements

and previously adopted amendments to the CEQA Guidelines, and to correct typographical errors. Additional technical improvements include those related to pre-approval agreements, lead agency by agreement, common sense exemption, preparation of the initial study, consultation with transit agencies, citations in environmental documents, time limits for negative declarations, project benefits, joint NEPA/CEQA documents, use of the emergency exemption, discretionary projects, use of conservation easements as mitigation, and Appendices C and M to the CEQA Guidelines.

### **STATUS OF STAFF REVIEW**

Since the release of the proposed update to the CEQA Guidelines, SCAG staff has been reviewing and are carefully evaluating the following potential topics for comments:

1. Environmental baseline (Proposed amendments to Section 15125)
2. Proposed language on tiering
3. Promoting the use of existing regulatory standards in the CEQA process
4. Discussion of energy based impacts under Appendix G
5. Proposed changes to greenhouse gas impact analysis (Proposed amendments to Section 15064.4)
6. Discussion of project benefits (Proposed amendments to Section 15124)

### **PUBLIC REVIEW AND NEXT STEPS**

The Natural Resources Agency will soon begin the formal administrative rulemaking process under the Administrative Procedure Act. At the time of drafting this Staff Report, the Natural Resources Agency has not initiated its formal administrative rulemaking process. When initiated, the rulemaking process will entail additional public review, and may lead to further revisions. After completing the rulemaking process, the Secretary for the Natural Resources Agency may adopt the changes. Changes would only go into effect after the Office of Administrative Law reviews and approves the changes.

SCAG hosted a CEQA Guidelines and SB 743 workshop on January 31, 2018 at the Caltrans District 7 office and subject matter were presented by OPR staff. SCAG Staff currently evaluating comments from the workshop and will consider incorporating them into our comment, as needed.

For more information on the Proposed Update to the CEQA Guidelines, please visit OPR's website at: <http://opr.ca.gov/ceqa/updates/guidelines/> and California Natural Resources Agency's website at: <http://resources.ca.gov/ceqa/guidelines/>

### **FISCAL IMPACT:**

Work associated with this item is included in the Fiscal Year 17/18 Overall Work Program (080.SCG00153.04: Regional Assessment).

### **ATTACHMENT/S:**

None

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Southern California Association of Governments  
900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017

**CEHD Agenda Item No. 4**  
**February 1, 2018**

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**To:** Community, Economic and Human Development (CEHD)  
Committee  
Energy and Environment Committee (EEC)

EXECUTIVE DIRECTOR'S  
APPROVAL

**From:** Ping Wang, Program Manager of Research and Analysis  
(213) 236-1909, [wangp@scag.ca.gov](mailto:wangp@scag.ca.gov)



**Subject:** Updated California Air Resources Board Pollution  
Mapping Tool

---

**RECOMMENDED ACTION:**

Receive and File

**EXECUTIVE SUMMARY:**

*The new version of web-based Pollution Mapping Tool has been released by CARB. The Tool enables users to locate, view, and analyze emissions of greenhouse gases (GHG), criteria pollutants and toxic air contaminants from large facilities in California.*

**STRATEGIC PLAN:**

This item supports SCAG's Strategic Plan, Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies (4) Integrate advanced information and communication technologies.

**BACKGROUND:**

In December 2017, CARB released an updated version (v2.0) of the Pollution Mapping Tool – Sources in Your Community ([https://www.arb.ca.gov/ei/tools/pollution\\_map/](https://www.arb.ca.gov/ei/tools/pollution_map/)). The tool, developed by CARB starting in 2016, includes emissions data on toxic air contaminants, criteria pollutants, and greenhouse gases (GHG) from large facilities in California. Through the tool, users are able to locate and query emissions by a number of attributes such as name, location, or industrial sector; view reported emissions data for the years 2008 to 2015 using maps, charts and tabular formats; and download data for later use.

The web-based Pollution Mapping Tool was developed pursuant to new state law, Assembly Bill 197 (AB 197, C. Garcia), which requires that, by January 1, 2018, CARB make available on its web site a graphical visualization of the GHG, criteria, and toxic pollutant emissions from facilities in the state that are subject to the GHG Mandatory Reporting Regulation (MRR). These data are collected through different emissions reporting programs, each designed to meet specific goals. The Tool does not include GHG emissions from transportation fuels, natural gas suppliers, or electricity importers. Therefore, users of the Pollution Mapping Tool must be aware of the differences in reporting requirements and other limitations of the available data.

More details are available at:

[https://www.arb.ca.gov/ei/tools/pollution\\_map/doc/caveats%20document12\\_22\\_2017.pdf](https://www.arb.ca.gov/ei/tools/pollution_map/doc/caveats%20document12_22_2017.pdf)

The California ARB is looking for your feedback on the data presented here and plans to update the tool periodically.

**FISCAL IMPACT:**

None

**ATTACHMENT:**

None





Southern California Association of Governments  
 900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017  
**CEHD Agenda Item No. 5**  
**February, 1, 2018**

Community, Economic & Human Development Committee  
 Proposed Topic Outlook  
 July 2017 – June 2018

<b>MONTH / YEAR</b>	<b>PROPOSED TOPICS</b>
July 2017	Proposition 64: The Impact of Cannabis Legalization in California on Local Land Use and Zoning
August 2017	[DARK]
September 2017	Homelessness
October 2017	Yes in My Backyard (YIMBY) and Local Housing Advocacy
November 2017	Safety, Land use and Urban Design
December 2017	Education and Career Partnerships with Local Communities
January 2018	[DARK]
February 2018	Cannabis Legalization Regulations and Local Land Use
March 2018	Decision-making: Historical Preservation in Face of Pressure for Commercial Revitalization
April 2018	Human Trafficking
May 2018	General Assembly [DARK]
June 2018	Youth Crime Prevention Programs

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Southern California Association of Governments  
900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017  
**CEHD Agenda Item No. 6**  
**February 1, 2018**

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**To:** Community, Economic and Human Development  
Committee (CEHD)  
Energy and Environment Committee (EEC)  
Transportation Committee (TC)  
Regional Council (RC)

EXECUTIVE DIRECTOR'S  
APPROVAL



**From:** Kevin Kane, Associate Regional Planner, 213-236-1828,  
[kane@scag.ca.gov](mailto:kane@scag.ca.gov)

**Subject:** Summary of the Department of Finance's 2017  
Population Growth Estimates for the SCAG Region

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**RECOMMENDED ACTION:**

For Information Only - No Action Required

**EXECUTIVE SUMMARY:**

*SCAG staff will provide a summary of the California Department of Finance (DOF) year 2017 population growth estimates. DOF estimates are consistent with SCAG's preliminary draft forecasts for the 2020 RTP/SCS, despite high growth numbers the SCAG region's share of California's population is decreasing modestly, and in 2017 the population who left the SCAG region for another state dropped significantly.*

**STRATEGIC PLAN:**

This item supports SCAG's Strategic Plan, Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies; Objective b: Develop, maintain and enhance data and information to support planning and decision making in a timely and effective manner.

**BACKGROUND:**

On December 21, 2017, the California Department of Finance (DOF) released its official estimates for population growth from July 1, 2016 to July 1, 2017. Overall these estimates were consistent with SCAG's preliminary draft forecasts for the 2020 RTP/SCS which were presented to the SCAG Policy Committees in July 2017, with annual growth rates within one-tenth of one percent. Two relevant points emerge from these updated estimates which are notable for the SCAG region.

First, four SCAG counties – Los Angeles, Riverside, Orange, and San Bernardino – were amongst the state's top five for population gain. However only Riverside was in the state's top five for population growth rate (in fifth place). The result of this is that while in 2010 the SCAG region represented 48.5%

of the state, today it only represents 48.1% of the state. This share is projected to continue to decrease gradually and it is not likely that the SCAG region will ever represent “half of the state’s population.”

Second, the DOF report highlights that despite decreasing birth rates and increasing death rates due to ageing baby boomers, the source of population growth continues to be natural increase: 113,821 were born in the SCAG region. While growth due to natural increase has been on a downward trend for several years, this 2017 figure is consistent with expectations. Similarly, net international immigration remains stable and consistent with SCAG projections at 89,359 per year.

However, net domestic migration shifted dramatically in 2017. In 2015 the region lost 83,222 net residents to out-of-state and in 2016 lost 107,343. However in 2017 the region lost only 70,060 net migrants to out-of state, mirroring the trends seen elsewhere in California.

The recent run-up in domestic out-migration was believed to be related to high housing/living costs; in particular Orange County gradually flipped from a net landing point for migrants from out-of state to a net jumping off point. Riverside County continues to be the only county in the region since 2012 to have positive net domestic migration. While all counties saw a net decrease in out-of-state movers in 2017, Los Angeles County lost 22,005 fewer residents in 2017 than it did in 2016. This trend is likely reflective of improving economic fundamentals, despite the region’s overall housing shortage.

While SCAG’s preliminary 2020 RTP/SCS estimates are generally supported by the updated DOF estimates, DOF and other updated sources of information, such as the 2016 American Community Survey results released last month, will be investigated further and incorporated into the final 2020 RTP/SCS population projections as appropriate.

**FISCAL IMPACT:** None.

**ATTACHMENT/S:** PowerPoint Presentation

# SCAG region population growth during 2017

February 1, 2018

Kevin Kane, PhD, Associate  
Regional Planner



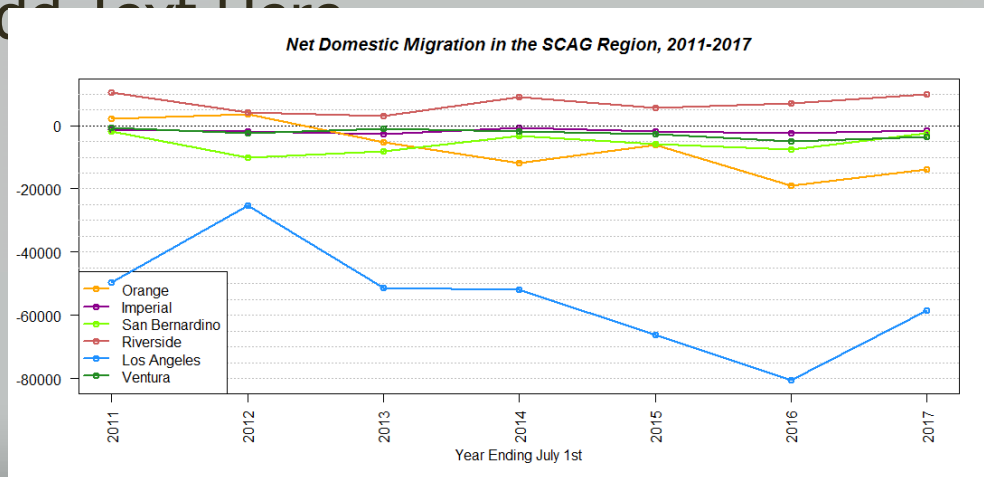
## Population Growth: 7/1/16 – 7/1/17

- CA Dep't of Finance Mid-Year estimates
- SCAG counties: "Highest growth, but not the highest growth *rate*."
- Result: SCAG region contains 48.1% of California's population; down from 48.5% in 2010

	Population, 7/1/2017	Growth rate, prior 12 mos.	Growth, prior 12 mos.	Growth by natural increase	Growth by net immigration	Growth by net domestic migration
Imperial	188,650	1.14%	2,130	1,911	1,843	(1,624)
Los Angeles	10,271,792	0.55%	56,689	59,395	55,783	(58,489)
Orange	3,200,748	0.68%	21,626	18,030	17,568	(13,972)
Riverside	2,389,723	1.28%	30,135	14,037	6,285	9,813
San Bernardino	2,163,680	0.94%	20,102	16,704	5,703	(2,305)
Ventura	856,111	0.29%	2,438	3,744	2,177	(3,483)
<b>SCAG TOTAL</b>	<b>19,070,704</b>	<b>0.70%</b>	<b>133,120</b>	<b>113,821</b>	<b>89,359</b>	<b>(70,060)</b>
<i>California</i>	<i>39,613,045</i>	<i>0.77%</i>	<i>300,816</i>	<i>220,597</i>	<i>185,430</i>	<i>(105,211)</i>

# Fewer leaving for out-of-state

Add Text Here



**Thank you**  
**Kevin Kane, PhD**  
**Associate Regional Planner**  
[kane@scag.ca.gov](mailto:kane@scag.ca.gov)



Southern California Association of Governments  
900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017

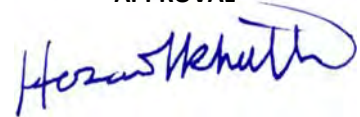
**Agenda Item No. 7**  
**February 1, 2018**

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**To:** Community, Economic and Human Development  
(CEHD) Committee

EXECUTIVE DIRECTOR'S  
APPROVAL

**From:** Ma'Ayn Johnson, Housing & Land Use Planner,  
213-236-1975, [johnson@scag.ca.gov](mailto:johnson@scag.ca.gov)



**Subject:** Proposition 64: Local Regulation and Zoning  
Requirements and Updates for Commercial Cannabis  
Activity

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**RECOMMENDED ACTION:**

For Information Only - No Action Required

**EXECUTIVE SUMMARY:**

*Proposition 64 allows for the commercial cultivation and sale of recreational cannabis in jurisdictions that permit these activities. Only a small handful of cities have issued licenses for commercial sales since the State began accepting applications and issuing licenses on January 1, 2018. Michael Nguyen, attorney at Avalon Group, LLC, will present on the local regulations and zoning requirements under Proposition 64 and provide updates on commercial cannabis activity.*

**STRATEGIC PLAN:**

This item supports SCAG's Strategic Plan; Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective C: Provide practical solutions for moving new ideas forward.

**BACKGROUND:**

On November 9, 2016, the Control, Regulate and Tax Adult Use of Marijuana Act, also known as Proposition 64, was passed with California voter approval, allowing for the use, cultivation of, and sales of recreational cannabis in the State. The initiative created a framework for the regulation of nonmedical cannabis by establishing a State licensing and taxation structure, however, local regulation of cannabis remains voluntary. On January 1, 2018, State licensing authorities began accepting applications and issuing licenses for commercial sales where allowed by local regulations and zoning.

Proposition 64 includes multiple local-control provisions that respect local government police powers to ban commercial cannabis activity, regulate businesses through local zoning and land use requirements, and/or develop business licenses requirements within the jurisdiction by ordinance. However, cities and counties may not ban the consumption of cannabis within its jurisdiction, the

allowance of up to six plants for personal use, or the transportation of cannabis through the jurisdiction.

At the time this report was written in early January, only five (5) jurisdictions in the SCAG region, including Cathedral City, Desert Hot Springs, Palm Springs, Santa Ana, and West Hollywood have issued licenses for the sale of recreational cannabis. Other jurisdictions are in the process of developing localized licensing regulations while others have simply banned all commercial sales.

Michael Nguyen, an attorney at Avalon Group, LLC, will present on the local regulations and zoning requirements under Proposition 64 and provide updates on commercial cannabis activity at the February 1 CEHD meeting. This topic was requested for presentation and discussion by the CEHD Committee Chair and supported by general consensus by the Committee for a future agenda item at the Committee's December 7, 2017 meeting.

**FISCAL IMPACT:**

Work associated with this item is included in the Fiscal Year 2017-2018 Overall Work Program (080.SCG00153.04: Regional Assessment).

**ATTACHMENT/S:**

PowerPoint Presentation



## Responsible Cannabis Policy & Licensing



### Presentation to Southern California Association of Governments

Dustin McDonald, Vice President, Government Relations

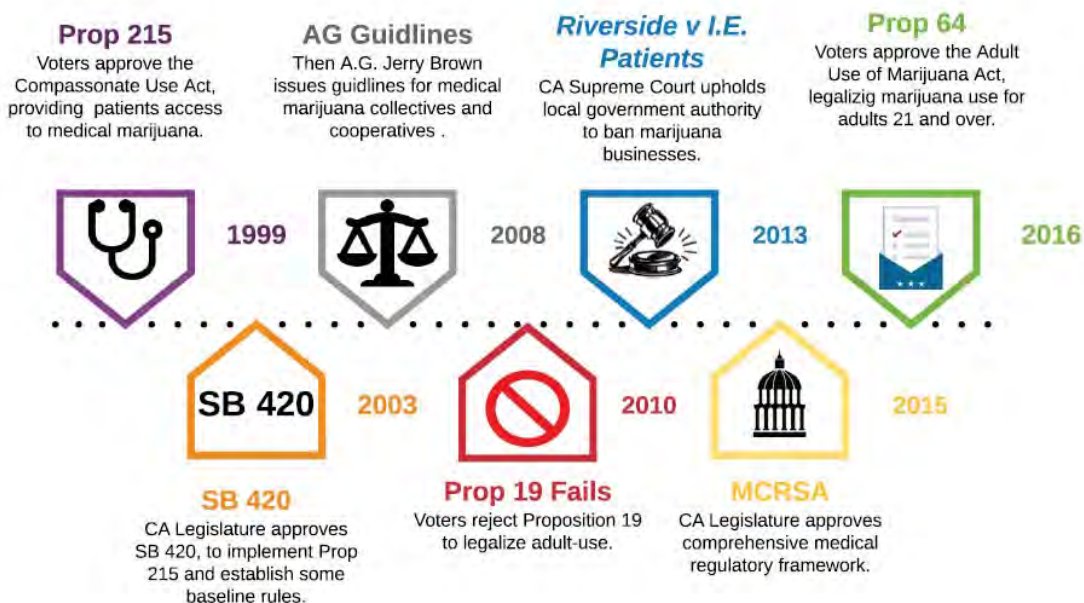
Cedric Haynes, Senior Associate, Government Relations

Irvine, CA | Denver, CO | New York, NY | Kitchener, Canada | Barcelona, Spain | Berlin, Germany

## What is **wm** | POLICY ?

- Semi-autonomous policy arm of Weedmaps
- Advocating for consumer safety improvements and illegal market reduction
- Key planks of our policy platform include:
  - Minimizing the illegal market in legal states
  - Ensuring safe and convenient access
  - Robust lab testing standards
  - Monitoring/safety regs that balance community safety with cost to operators
  - Development of cannabis IP and licensing policy
  - Organizing sound state/local tax policy to ensure communities hosting licenses see economic benefit
  - Developing strategies to foster local licensee jobs and develop new technology solutions
  - Enforcement strategies that are flexible enough to meet varying illegal market challenges
- Working collaboratively with all levels of government:
  - **National-Level:** United States, Canada, and several European countries
  - **State-Level:** California, Massachusetts, Michigan, and New Jersey—among others
  - **Local-Level:** Los Angeles, Compton, San Diego, and Toronto—among others

# How did California get here?



## California Regulatory Update

- May 2017: CA cannabis regulators (BMCR, CDFA, CDPH) issued draft regulations on the State's 2015's medical marijuana package – MCRSA (*the Medical Cannabis Regulation and Safety Act*)
- June 2017: Passage of the Governor's Trailer Bill (SB 94/AB 133), forcing regulators to go back to the drawing board and build new regulations for the combined medical and adult-use system. Emergency regs expected in mid-late November.
- Provisional State licensing process opened in early December (*temp licenses valid for 4 months; w/90-day extension option*). Applicants must demonstrate local authorization to operate.
- State regulators releasing ongoing FAQs to provide clarity on areas of confusion in the emergency regs, and will be issuing more permanent regs over the course of 2018 and formally soliciting input on the new regs through traditional comment periods.

# Economic Impact of Cannabis Industry (2016)

Revenue: **\$6.6 Billion (Conservative Estimate)<sup>1</sup>**

Total of 119,310 Industry-Supported FTE Jobs in 2016<sup>2</sup>

Job Creation:



*Point of Comparison: As of June 2017, the US coal mining industry employed 50,800 workers.*

Tax Revenue Generation:



1. New Frontier Data. *The Cannabis Industry Annual Report: 2017 Legal Marijuana Outlook, Executive Summary*, p. 2.  
2. Assumes employment levels comparable to those in Colorado. Marijuana Policy Group. *The Economic Impact of Marijuana Legalization in Colorado*, October 2016, p. 5-9.



## California's Cannabis Market

Estimates of current California cannabis market segments				
Segment	Share	Lbs. of Flower Equivalent	Retail Price	Total value
Legal medical cannabis	25%	583,333	\$3,453/lbs. = \$216/oz.	\$2 billion
Illegal cannabis	75%	1,750,000	\$3,194/lbs. = \$200/oz.	\$5.7 billion
<b>Total Market</b>	<b>100%</b>	<b>2,333,333</b>	<b>\$3,259/lbs. = \$204/oz.</b>	<b>\$7.7 billion</b>

Source: Bureau of Cannabis Control, Initial Statement of Reasons



# Zoning Considerations by License Category

Cultivators, Manufacturers, Storefront and Non-storefront Retailers,  
Distributors and Laboratories



## Zoning Generally

State laws regarding both medicinal and recreational marijuana give local governments broad authority on how to construct zoning policy regarding cannabis businesses. Specifically, MAUCRSA states:

***“A premises licensed under this division shall not be located within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, day care center, or youth center that is in existence at the time the license is issued, unless a licensing authority or a local jurisdiction specifies a different radius”.***



# Commercial Cannabis Licensing Categories

Commercial Cannabis Licensing Categories	
<b>Cultivation:</b> Indoor/Outdoor from small to large scale	<b>Storefront Retail:</b> Sells cannabis and cannabis products from a physical location open to the public
<b>Manufacturing:</b> Covers refined cannabis product creators and processors	<b>Delivery Retail:</b> Sell cannabis and cannabis products via delivery from a physical address that is not open to the public
<b>Testing:</b> Laboratories that obtain ISO/IEC17025 accreditation and perform product safety tests on cannabis products	<b>Microbusiness:</b> Vertically integrated category in which licensee engages in at least three of the following: cultivation, manufacturing, distribution, and retail sale
<b>Distribution:</b> Transports cannabis products between cultivators, laboratories, manufacturers and retail storefronts	



## Options for Siting Businesses

- Existing Infrastructure

Government officials endeavoring to regulate cannabis businesses can take advantage of existing land uses that are already suited for particular cannabis businesses, such as what was done in the City of Los Angeles. For example, areas that were zoned for manufacturing purposes prior to the arrival of cannabis manufacturers are now also zoned to accommodating them. The manufacturing process utilized by the cannabis industry is akin to the processes used to create decaffeinated coffee, spearmint gum, and a host of additional manufactured products. Los Angeles has taken advantage of these areas and existing infrastructure by siting like-suited businesses within these zones.

- Underutilized and Blighted Areas

Localities are also looking into siting cannabis businesses of all licensing categories in underutilized or blighted areas. Recent surveys and reporting show that there increased foot traffic and real estate booms are associated with newly located cannabis businesses, while contrary to popular opinion, violent crime has decreased in these areas.



# Retailers Specifically

Localities that wish to regulate brick and mortar commercial cannabis retailers should consider, in addition to the prior slide, allowing them to assimilate into existing retail areas. National real estate publications are noting that cannabis businesses are investing substantial capital to shed the negative stigma associated with their businesses. In addition, the entry way into a cannabis business is the only portion visible from the street. Patrons are only allowed into areas where cannabis is showcased after showing identification and entering into a designated area.

Delivery services are more flexible in terms of where they can be located. Los Angeles, for instance, liberally sites delivery services, which are subject to inspection and regulation via the State as well as the City. These businesses only require a central hub similar to those utilized by a taxi service, as drivers have to carry manifests of products that they carry. They cannot carry more product than is necessary to complete specific deliveries before having to return to the 'depot'. They cannot deviate from their delivery path unless reasonably necessary (i.e., refueling).



# Real Estate Values

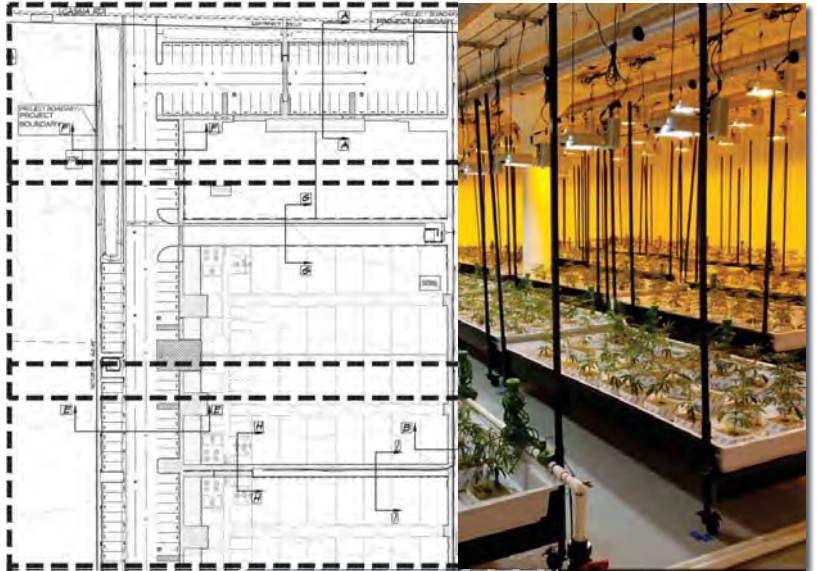
- According to the National Real Estate Investor, a leading publication on commercial real estate trends, industrial areas containing warehouses that fall within commercial cannabis zones are experiencing a real estate boom as investors seek to purchase compliant space.
- This sentiment is echoed by Mayor Vosburg of Coalinga, who noted during an interview that “commercial properties [are] being brought up so quickly that fees collected are helping relieve the City of its’ crippling debt”.
- Lastly, parts of Colorado experienced an uptick in residential real estate by as much as 13% following legalization.



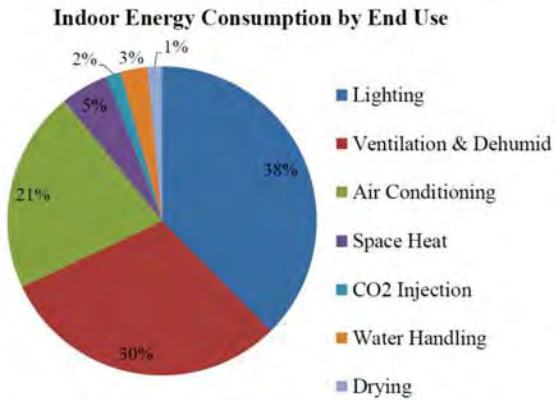


# Cannabis Cultivation

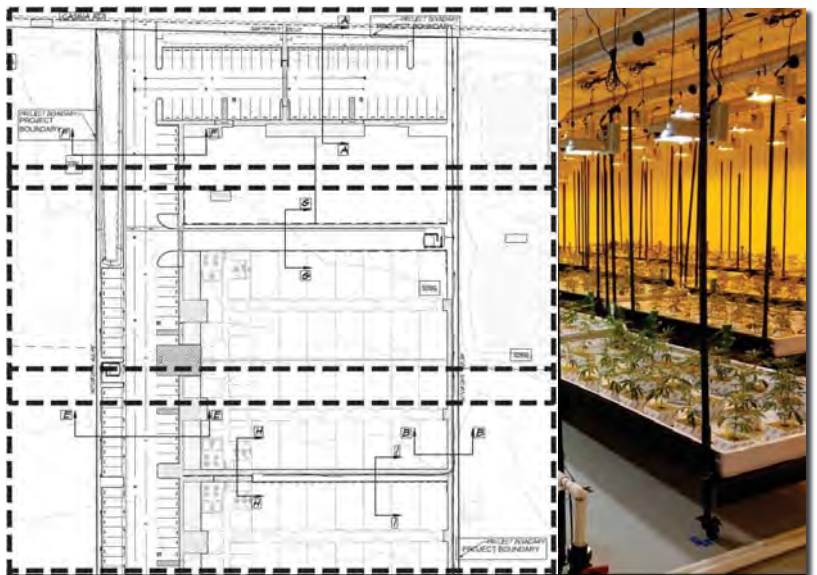
<b>TOTAL BUILDING SIZE</b>	<b>83,000</b>	<b>%</b>
Flowering	44,000	53
Vegatative (Veg)	22,410	27
Drying & Curing	7,885	9.5
Clone & Early Veg	5,810	7
Trim & package	2,905	3.5



# Cannabis Cultivation



Source: Evan Mills, 2012, presented by Lincus Energy



# Cannabis Cultivation



INDOOR CULTIVATION				
Licensing Tier	1A	2A	3A	3A
Canopy Space (sq ft.)	5,000	10,000	22,000	44,000
Employees (Total)	9	19	37	69
Annual Revenue	\$2,359,031	\$4,718,062	\$10,379,736	\$20,759,471
<b>Annual Tax (2%)</b>	<b>\$47,200</b>	<b>\$94,400</b>	<b>\$207,600</b>	<b>\$415,200</b>
<b>Annual Tax (\$10/sq ft.)</b>	<b>50,000</b>	<b>100,000</b>	<b>220,000</b>	<b>440,000</b>



## Processing Testing Labs Dispensaries

- Terminology
- Manufacturing Practices
- Spatial Requirements
- Capitalization Costs
- Employees and Revenue
- Testing Laboratories
- Dispensaries & Deliveries





# Manufacturing and Retail by the Numbers

## Manufacturing

- Revenue is largely dependent on starting material value and desired final product
  - Material Value: Flower Vs. Trimmed Leaves & Biomass
  - Final Product: Specialty Concentrate Vs. Distillate
- Total Wholesale revenue:
  - Specialty Concentrate Facility that produces 3,000 pounds per year will generate \$27M in Gross Revenue.
  - Distillate Facility that produces 3,000 pounds per year will generate \$13M.

## Retail

- Consumer volume is largely dependent on retail density and state consumer count.
- Tax rate and product quality also have strong influence.
- Assumptions:
  - 600 consumers per day
  - Patients purchase \$120 every two weeks (average ticket price = \$60)
- Revenue of \$10 - \$26M per year



Tier 6 & 7: Lab Buildouts

## Primary Hazards & Engineering Controls

### Primary Hazards:

- Chemical exposure to the solvents
- Fire and explosion
- Oxygen Deficiency
- Electrical Hazards
- Noise

### Engineering Controls:

- Flammable Solvent Storage Cabinets
- Personal Protective Clothing
- Outside Gas Storage
- Ventilation Controls
- Suppression Systems
- Combustible Gas Indicator
- Oxygen Meter
- Class I Division I electrical systems
- Emergency Action Plans
- Hygiene-sanitation programs



# Codes & Standards

The following codes and standards are relevant to the lab design and construction of cannabis extraction facilities:

- National Fire Protection Association (**NFPA**) – NFPA 58, Currently developing the language for a new chapter in the 2018 edition of NFPA 1
- International Fire Code (**IFC**) – Chapters 34-37,61
- International Building Code (**IBC**) – 307
- National Electric Code (**NEC**) – Chapter 5
- International Mechanical Code (**IMC**) – 506,507,510
- International Plumbing Code (**IPC**) – 1008.1.8.3
- Occupational Safety and Health Standards (**OSHA**) - Specifically Standards 29 CFR 1910.137 & CFR 1910.95 Table G-16
- Generally Recognized as Safe (**GRAS**) – U.S. Food and Drug Administrations list of safe solvents
- American Conference of Governmental Industrial Hygienist (**ACGIH**) Industrial Ventilation Handbook



# Cannabis Concentrates

LPG Operation Description	
Processing Capacity (Kilo per Day)	700
Output (Kilo per Day)	56
Product	Concretes/ Absolute Hybrid
Solvent	Liquid Petroleum Gas
Extractor	Precision Extraction: Model PXP

LPG Production Spatial Requirements (sq ft.)	
<b>Workflow</b>	<b>sq. Ft.</b>
Product Intake & Column Loading	672
Raw Material Processing & Column Loading	300
Column Unloading & Spent Material Storage	980
Walk-In Fume Hoods	980
Residual Solvent Removal	1,680
Packaging	4,200
Secure Cold Storage	96
Ancillary Storage	500
<b>Total</b>	<b>9,410</b>

Note: Does not account for office space or bulk solvent storage.

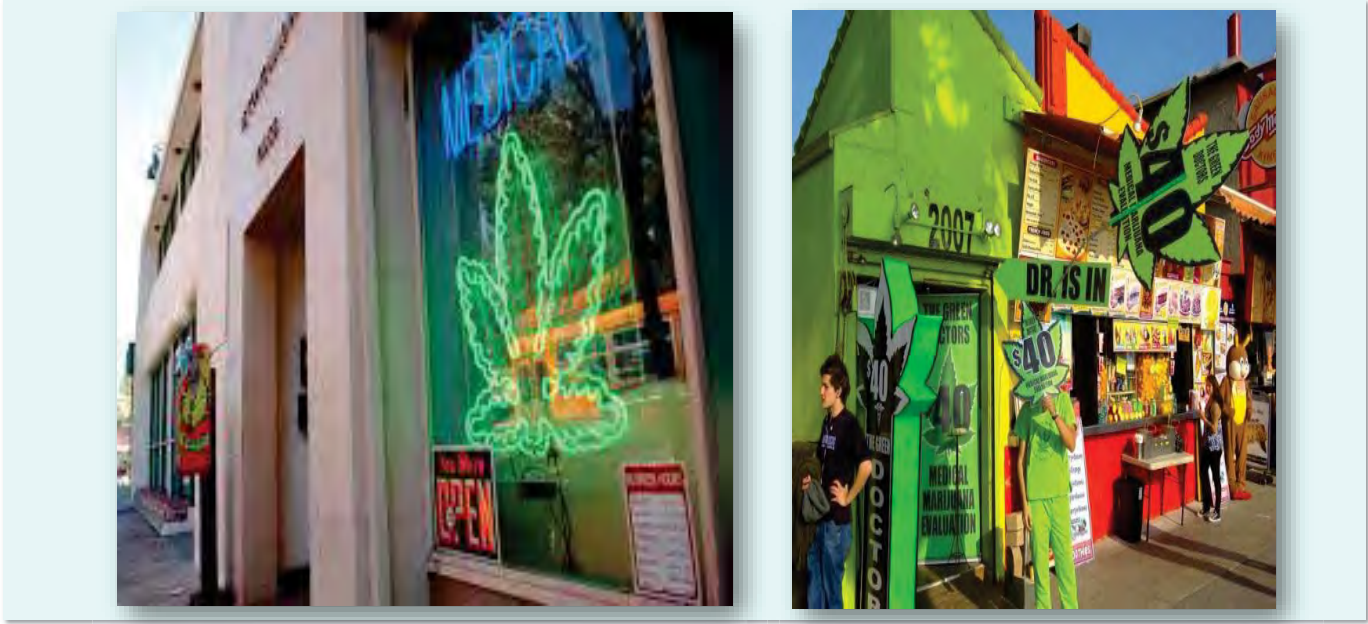
SFCO2 Operation Description	
Processing Capacity (Kilo per Day)	700
Output (Kilo per Day)	56
Product	Distillate
Solvent	CO2 & Ethanol
Extractor	Apeks: Model 5000-40Lx40L
Short Path	Roots Science: Model VKL 70-5
Distillation Plant	Model VKL 70-5

SFCO2 Production Spatial Requirements (sq ft.)	
<b>Workflow</b>	<b>sq. Ft.</b>
Product Intake & Column Loading	672
Raw Material Processing & Column Loading	200
Spent Material Storage	672
Extraction System	800
Winterization	80
Distillation	400
Packaging Area	100
Secure Cold Storage	96
Ancillary Storage	500
<b>Total</b>	<b>3,520</b>

Note: Does not account for office space or bulk solvent storage.



Regulating is the difference between this...And...



wm | POLICY

This, or ...



wm | POLICY



This.



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**CEHD Agenda Item No. 8**  
**February 1, 2018**

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**To:** Community, Economic and Human Development (CEHD)  
Committee

**EXECUTIVE DIRECTOR'S  
APPROVAL**

**From:** Joseph Briglio; Regional Affairs Officer, 213) 236-1965,  
[briglio@scag.ca.gov](mailto:briglio@scag.ca.gov)



**Subject:** Update on SCAG's Earthquake Preparedness Initiative

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**RECOMMENDED ACTION:**

For Information Only – No Action Required

**EXECUTIVE SUMMARY:**

*The Southern California Association of Governments (SCAG), in partnership with the Dr. Lucy Jones Center for Science and Society, launched the Southern California Earthquake Preparedness Initiative to help cities and counties protect their communities and economies from the disruption caused by a major earthquake. The initiative is currently in its third phase which includes SCAG and Dr. Jones' staff working collaboratively with four (4) regional cohorts made up of several dozen local jurisdictions. The purpose of the cohorts is to provide information and technical assistance that supports the development and implementation of seismic resiliency action plans based on each jurisdiction's priorities and risk. Phase three will continue through June of 2018 and should result in numerous municipalities adopting local ordinances that promote regional earthquake resiliency.*

**STRATEGIC PLAN:**

This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective (a) Create and facilitate a collaborative and cooperative environment to produce forward thinking regional plans.

**BACKGROUND:**

SCAG, in partnership with the Dr. Lucy Jones Center for Science and Society, launched the Southern California Earthquake Preparedness Initiative in the fall of 2016. The overall goal of the initiative is to protect the Southern California economy from the predictable disruption that would result from a large scale earthquake. Seismic safety policy has traditionally focused on reducing the number of lives lost during an earthquake. However, Southern California faces the very real possibility that a major earthquake could permanently cripple the regional economy by obstructing lifelines and creating a significant loss of useable buildings. This type of disruption would cause large-scale business closures, unemployment, and the outmigration of both residents and companies alike. Reducing our region's risk to these potential consequences is not just imperative to saving lives and property, but also our quality of life and the economy.

The SCAG Earthquake Preparedness Initiative has helped local jurisdictions prepare and protect the regional economy by providing three meaningful phases of education, outreach, and technical assistance. The first phase of the initiative began with a series of seven (7) subregional seminars tailored to local officials that covered the earthquake risk and best practices for developing consensus, especially regarding decisions involving strengthening infrastructure and the built environment. The second phase included three (3) all-day workshops that developed and identified unique policy approaches suited to various SCAG member cities and counties. In order to address the problems of vulnerable infrastructure and the interdependence of lifelines including utilities and transportation, a third phase was instituted in July 2017 and will continue throughout the current fiscal year.

Phase three has encompassed the grouping of jurisdictions by geography in order to create regional cohorts that encourage collaboration and information sharing. The four cohorts that were created within the SCAG region are as follows: The Ventura Cohort, which includes all cities of Ventura County plus the cities of Malibu and Calabasas; the Inland Cohort, which includes cities from LA, Riverside, and San Bernardino counties; the Central LA Cohort, which includes cities in Los Angeles County from Santa Clarita to Culver City and those in between; and finally the Coastal Cohort, which includes cities from Manhattan Beach to Palos Verdes Estates and segments of Orange County. The participating cities are listed in the attached.

Each jurisdiction that is participating in a cohort is working at its own pace on its self-defined priorities that address seismic resilience. The majority of jurisdictions are pursuing one or two specific issues, while other cities, like Malibu and Culver City, are considering a more comprehensive approach. Many cities are tackling the basics of updating their Hazard Mitigation Plan to submit to FEMA, and at least 11 jurisdictions are assessing their vulnerable buildings. Infrastructure is also a primary focus with many of the participants addressing water utilities, cities facilities, and communication systems.

Cohort members have been and will continue to be engaged in various ways. Each month, respective cohorts have a group call where tasks are reviewed, best practices are shared, and expert information is provided. Each cohort also has access to a unique web portal that SCAG developed in order to provide supplemental resources, studies, and notes for reference. Beyond monthly meetings, the Dr. Lucy Jones Center staff is providing technical expertise to each jurisdiction with regular one-on-one calls and/or meetings to support individual efforts. Furthermore, all participants have been invited to participate in cohort-wide calls with regional infrastructure providers, including SoCalGas and Southern California Edison, to offer direct connections and understanding of the utility operations related to seismic resilience.

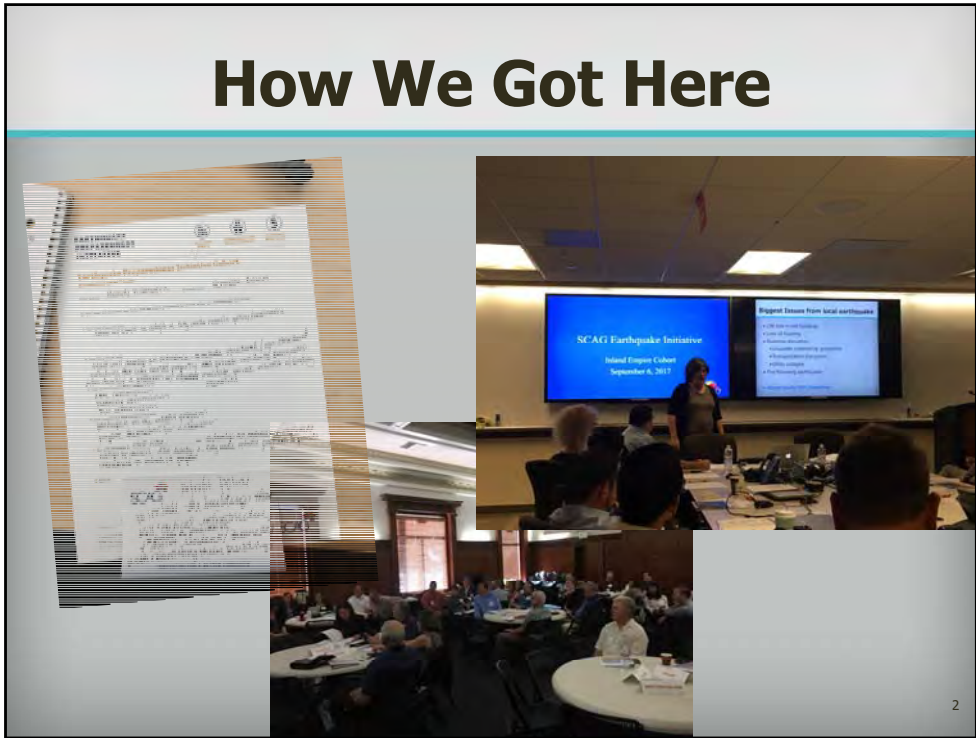
During the second half of Phase three, cities will continue their planning efforts. Many are planning to request and allocate funds for resources that develop building inventories and assessments, policies or ordinances for council adoption, and launching formal community education campaigns.

**FISCAL IMPACT:**

Work associated with this item is included in the current FY 2017-2018 Overall Work Program (095-4097.01: System-wide Emergency/Earthquake Preparedness Planning).

**ATTACHMENT/S:**

PowerPoint Presentation: Participating Cohort Cities



## **Ventura Cohort**

Calabasas  
Camarillo  
Fillmore  
Malibu  
Moorpark  
Oxnard  
Simi Valley  
Thousand Oaks  
Ventura  
Ventura County

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## **Central LA Cohort**

Burbank  
Culver City  
Glendale  
Pasadena  
San Marino  
Santa Clarita  
Temple City  
West Hollywood

4



## **Coastal Cohort**

Hermosa Beach  
Huntington Beach  
Irvine  
Long Beach  
Manhattan Beach  
Palos Verdes Estates  
Seal Beach

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## **Inland Cohort**

Apple Valley  
Chino Hills  
Diamond Bar  
Fontana  
Moreno Valley  
Ontario  
Rancho Cucamonga  
Rialto  
Riverside  
Victorville

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## **What's Being Addressed**

- Buildings: Assessment & Retrofit
- Communication Systems
- Water and Critical Infrastructure
- Non-structural Mitigation
- Post-Disaster Event Planning
- Public Engagement

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## **Case Study Cities**

- Ventura
- Malibu
- Moorpark
- Santa Clarita
- Fontana
- Burbank
- Calabasas

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## What's Next

- Debris Flow Webinar: 2/5
- State Building Code Strengthening
- Continued Technical Assistance
- City Council Meetings
- Staff Meetings

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## Contact

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FOR SCIENCE AND SOCIETY



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