



Center for Climate Strategies

Helping States and Nations Tackle Climate Change

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Memo

To: Hasan Ikrata and Sharon Neely, Southern California Association of Governments (SCAG)

From: Tom Peterson, Randy Strait and Paul Aldretti, Center for Climate Strategies (CCS)

CC: Kimberly Martin and Frank Wen, SCAG; Facilitation and Technical Team, CCS

Re: Process for Planning, Development and Socio Economic Evaluation of SB 375 and AB 32 Policies for the SCAG Region

Date: June 28, 2010

This memo outlines a proposed process for the work of the Southern California Association of Governments (SCAG) and the Center for Climate Strategies (CCS) in developing a comprehensive strategy and analysis for meeting the mandates of Senate Bill (SB) 375 and Assembly Bill (AB) 32. These two pieces of legislation adopted by the California General Assembly are designed to reduce greenhouse gas (GHG) emissions through cost-effective and socially equitable regional policies and strategies. The work is to be conducted utilizing the facilitation and technical expertise of CCS in conducting effective, stakeholder-based climate planning and policy development processes and related socioeconomic analysis and implementation support.

Purpose and Goals of the Process

In 2006, the California General Assembly adopted AB 32, which mandated that the California Air Resources Board (ARB) take responsibility for monitoring and reducing GHG emissions in the state through comprehensive multiple sector approaches to meet statewide emissions reduction targets starting in 2010. As part of the enactment of this legislation, the Assembly passed SB 375 in 2008. SB 375:

"Requires metropolitan planning organizations (MPOs) to include sustainable communities strategies (SCS), as defined, in their regional transportation plans (RTPs) for the purpose of reducing greenhouse gas emissions, aligns planning for transportation and housing, and creates specified incentives for the implementation of the strategies."

SCAG is seeking to determine the socio-economic impacts of potential regional and local policies, and to adopt actions that reduce GHG emissions in compliance with this legislation in the most cost-effective and equitable manner possible, as well as addressing important co-benefits. SCAG believes that it is possible to reduce GHG emissions while creating new economic opportunities and jobs, improving the quality of life for residents, and protecting the integrity of natural resources upon which the region depends. This report will contain a comprehensive list of proposed land use and transportation policies and strategies that local governments can use for planning purposes. These policies and strategies will be designed to meet the mandates of SB 375 and AB 32, and will inform the draft RTP due in May 2011.

To achieve these goals, SCAG has engaged CCS to design and facilitate a stakeholder and community consensus building process and conduct a range of related technical and economic analyses. This collaborative policy development process is designed to identify, design, and analyze potential new actions through the direct participation of key stakeholders and technical experts in the region. This fact-finding and joint policy development process will use and expand the best available research and analysis and associated tools to identify the potential socio-economic impacts and benefits of all strategies, including distributional impacts. By using this deliberative consensus building process, SCAG will also ensure that the resulting draft RTP and compliance strategy for AB 32 and SB 375 optimally reflects the best opportunities, concerns and interests of regional households, workers and businesses in jointly meeting environmental, economic, energy and transportation goals.

A diverse and high level group of stakeholders representing government entities, environmental interests, key industries, and other groups will be formed and comprise the Project Stakeholder Committee (PSC). In addition, five Technical Work Groups (TWGs) will support the PSC and provide technical and advisory support to specific issue areas related to AB 32, SB 375, and the development of the RTP.

Final Report and End Product

CCS will deliver a final report to SCAG with recommendations and supporting analysis of the PSC. The outline of the final report and supporting materials is as follows:

1. Executive Summary
2. Chapter 1: Introduction and Background of the Process
3. Chapter 2: SCAG Region Inventory and Forecast of GHG Emissions
4. Chapter 3: Existing and Planned SCAG Actions Related to AB 32, SB 375 and the Regional Transportation Plan
5. Chapter 4: Land Use policy Recommendations
6. Chapter 5: Transportation investments Recommendations
7. Chapter 6: Transportation Demand Management (TDM) policies Recommendations
8. Chapter 7: Transportation System Management (TSM) policies Recommendations
9. Chapter 8: Multi sector institutional and integrative issues Recommendations
10. Appendices:

- a. Meeting Schedule, Members and Attendance
- b. Quantification Methods Guidance Memos for Cost Effectiveness, Macroeconomic and Distributional Impacts, and Co-benefits Assessments
- c. Regional GHG Inventory and Forecast Details
- d. Policy Options Templates, Analyses and References for PSC Recommendations by TWG:
 - i. Land Use policy Recommendations
 - ii. Transportation investments Recommendations
 - iii. Transportation Demand Management (TDM) policies Recommendations
 - iv. Transportation System Management (TSM) policies Recommendations
 - v. Multi sector institutional and integrative issues Recommendations
- e. Other Technical Materials As Needed

Timing and Milestones

The first in-person meeting of the PSC will be held in August 2010, with a series of five or more additional meetings to be held during the following 10 months. Based on the agreements and work of the PSC, CCS will issue the final report of the PSC to SCAG following its final meeting. For each of the five TWGs, two or more conference calls or meetings will be held between each of the PSC meetings.

The following draft schedule is suggested for planning purposes:

Date	Meeting
August 2010	1 st PSC Meeting
October 2010	2 nd PSC Meeting
November 2010	3 rd PSC Meeting
January 2011	4 th PSC Meeting
March 2011	5 th PSC Meeting
May 2011	6 th PSC Meeting
June 2011	Final Report

Design of the Process

The planning process will rely on intensive use of information and interaction, and require substantial organization and integrated communications among facilitators, participants, and

technical analysts. The project will follow a proven process that CCS has successfully employed in a number of states to develop climate change mitigation plans. The structured and professionally facilitated process brings together a broadly representative group of stakeholders and technical experts in a transparent, stepwise and fact-based effort. The process will use formal consensus building to meet the goals and deliverables of the initiative.

CCS will oversee and manage this information exchange and decisional process in partnership with SCAG. CCS will provide central coordination of PSC and TWG activities through a project director team and a group of CCS technical facilitators and consultants. The CCS team will provide close coordination of SCAG, TWG, TAP and TAC facilitation and technical support activities.

The process includes the following key *principles and guidelines*:

- The process is fully transparent – All materials considered by the PSC and TWGs, in addition to the TAP and TAC, are posted to the project website, and all meetings are open to the public. The transparency of technical analyses, the design of response actions, and participant viewpoints is critical to the identification and resolution of potential conflicts.
- The process is inclusive – A diverse group of PSC and TWG members are chosen to represent a broad spectrum of interests and expertise in the SCAG region. A ground rule for participation is to be supportive of the process, but members are free to disagree on specific decisions within the process. The public also is invited to provide meaningful review of and input to decisions.
- The process will seek but not mandate consensus – Votes will be taken at key milestones in the process in order to advance to next steps as indicated in meeting agendas. Alternatives that address barriers to consensus will be developed by the PSC and TWGs with the assistance of CCS, as needed. Voting is conducted by simple request for objection at the point of decision (by hand), followed by resolution of conflicts with the development of alternatives, as needed, to proceed. Final votes by the PSC, and the TWGs where appropriate, include support at three levels, including: unanimous consent (no objection), super majority (less than 25% of members object), and majority (less than half object). The final report by CCS will document PSC recommendations and views on each response action, including alternative views as needed.
- The process is implementation oriented – The goal of the process is ultimate adoption of specific policies based on the recommendations of the PSC and any subsequent, more-detailed analyses as needed.
- The process is stepwise – Each step of the process builds incrementally on the former toward a final solution. Sufficient time, information, and interaction are provided between steps to ensure comfort with decisions and quality of results.

Roles and Responsibilities

The structure of the advisory process, including the roles and responsibilities of the convener, committees, panels and public participants are as follows:

1. SCAG: SCAG will serve as the convener of the process and in that role provide: Oversight, agency coordination and funding; appoint PSC, TWG, TAP and TAC members; provide a project website; and be responsible for policy implementation. The SCAG Executive Director and or a designee will serve as Chair and, in this role, will work in partnership with CCS to support timely and orderly completion of tasks, good-faith participation, and resolution of issues by PSC members, enforce ground rules, and open and close PSC meetings.
2. CCS: CCS will report to SCAG and provide facilitation of and technical, and communications support to the PSC and TWGs as well as project management, communications, cost share development, and coordination support to SCAG. CCS will coordinate with SCAG on TAP and TAC review and advice activities. CCS will deliver a final report to SCAG with PSC recommendations. CCS is a neutral party and will not take positions on issues before the PSC or TWGs. SCAG retained CCS following a public RFP and selection process. CCS will produce a comprehensive final report that describes the process, findings, and results of the regional project.
3. Project Stakeholder Committee (PSC): The PSC will make non-binding recommendations to SCAG through technical and facilitative assistance by CCS and with advice and assistance of the TWGs. The PSC will be composed of local and regional representatives with expertise and interest in the project, and will provide local and regional perspectives important to addressing project objectives. SCAG will appoint the members of the PSC.
 - a. The PSC will be comprised of 35 members who are: representative of key interests and competencies in region and who can provide continuity, competence, decision-making, and effective participation; locally based and resident in the region; organizations that can directly represent themselves are preferred.
 - b. Due to the focused and time-sensitive nature of this process, all PSC members should endeavor to attend every meeting. PSC members should commit at least one full day for each meeting. PSC meetings will be approximately 6 hours in duration. No proxies will be allowed but in the case that any PSC member may miss a meeting, a personal representative of that member may attend to gather information.
 - c. The PSC must be supportive of process and other ground rules, including:
 - i. Objective criticisms accompanied by constructive alternatives
 - ii. No backsliding or returning to issues on which decisions have previously been made through the process identified above
 - iii. No representation of SCAG or the SCAG process to the media
 - iv. Supportive of the SCAG process as described in this document
 - v. Must represent themselves in process, as opposed to their organization, and be able to make decisions without delayed conferrals with their organization
2. Technical Work Groups (TWGs): The TWGs will make non-binding recommendations to the PSC with technical and facilitative assistance by CCS. The TWGs will be composed of

PSC members, their key advisors, and other subject matter experts will support and augment the PSC's activities and deliberations. The TWGs will focus on specific topics related to the project objectives. TWGs will meet primarily by teleconference between PSC meetings. TWG teleconferences will be approximately 90 minutes in duration. SCAG will appoint the members of the TWGs.

- a. Scope of the five TWGs:
 - i. Land Use – development patterns and distribution of population, business/commercial and employment, housing
 - ii. Transportation investments, particularly transit investment and other infrastructure that may impact upon GHG emissions
 - iii. Transportation planning and programs that fall under the category of Transportation Demand Management (TDM)
 - iv. Transportation System Management (TSM) and operational policies and practices
 - v. Cross cutting issues, including multi sector institutional and integrative issues
 - b. Size: Each of the TWGs will include 6-8 active members from the PSC, plus 6-8 additional active members representing key local interests and competencies that match the scope of each TWG. Members must provide continuity, competence, and effective participation. If they are a proxy for the PSC representative both the PSC and TWG reps must be fully coordinated and able at all times to represent their work jointly (proxies are not preferred). The TWG members will be locally based and resident in the region, and they must be supportive of process and other ground rules.
3. Technical Advisory Panel (TAP): SCAG will appoint the members of the TAP. The TAP will provide review and advice to SCAG and CCS regarding methodology issues, including:
- i. Direct economic impacts
 - ii. Indirect macroeconomic impacts
 - iii. Co-benefits assessments
 - iv. Emissions impacts
 - v. Distributional impacts
- b. Size: 6-10 members who provide competency and impartiality, including familiarity with public policy analysis and development, as well as regional issues
4. Technical Advisory Committee (TAC): The TAC will provide review and advice to SCAG, CCS and the TAP regarding methodology issues. SCAG will appoint the members of the TAC.
- a. The TAC will provide periodic review of analytical findings of the PSC and TWGs, including recommendations of the TAP

- b. The TAC will include 3-5 members who provide competency and impartiality, including familiarity with public policy analysis and development, as well as regional issues
5. The public will be able to fully monitor the proceedings of the initiative and provide input at regular, scheduled points during PSC and TWG meetings, and special public events, as well as other means. All materials for the PSC and TWG meetings will be posted to a public website. CCS also will work with SCAG to develop and provide appropriate communications strategies for target audiences and the general public including workshops, a website and webinars, briefings, and publications.

Meetings and Milestones

The objectives and agendas for each of the PSC and interim TWG teleconference meetings are listed below, with notes regarding each of the sequential decisions of the PSC.

PSC Meeting One

1. Objectives:
 - a. Introduction to the process.
 - b. Presentation of preliminary fact-finding, formation of TWGs
 - c. PSC members should be prepared to select one or more TWGs in which to participate
2. Agenda:
 - a. Introductions
 - b. Purpose and goals
 - c. Review of the process
 - d. Review of AB32 and SB375 implications for regional planning
 - e. Review of the regional inventory and forecast of GHG emissions
 - f. Review compendium of general categories of potential response actions
 - g. Formation of TWG's, next meeting agenda, time, location, date
 - h. Public input
3. Interim TWG calls will cover: (1) review and suggested additions to the draft compilation of potential policies and action; and (2) review the GHG inventory and forecast and identify potential modifications that are needed.
4. Public meetings if/as needed.
5. TAP and TAC reviews.

PSC Meeting Two

1. Objectives:
 - a. Approve the addition of identified policies and strategies
 - b. Prepare for the next step of ranking policies and actions based on evaluative criteria
2. Agenda:
 - a. Review and approve suggested additions to the compendium of policies and actions, with a focus on those related to SB375 and AB32
 - b. Discussion of the process for identifying initial priorities for analysis
 - c. Public input
3. Interim TWG calls will cover review and balloting of policies and actions for further analysis.
4. Public meetings if/as needed.
5. TAP reviews.

PSC Meeting Three

1. Objectives:
 - a. Approve priority policies and actions for further analysis
 - b. Report on updates to the regional GHG inventory and forecast
2. Agenda:
 - a. Review and approve initial priorities for policies and actions
 - b. Review and approve suggested updates to the regional GHG inventory and forecast
 - c. Public input
3. Interim TWG calls will cover development of straw policy design proposals.
4. Public meetings if/as needed.
5. TAP reviews.

PSC Meeting Four

1. Objectives:
 - a. Approve straw policy design proposals
 - b. Approve recommendations for Interim Report to SCAG
2. Agenda:
 - a. Review and approve straw proposals for policies and actions
 - b. Review and approve recommended changes to the regional GHG inventory and forecast
 - c. Review proposed approaches for macroeconomic and distributional impact analysis

- d. Public input
- 3. Interim TWG calls will cover proposed approaches for analysis of priority policy options and scenarios, and review and assistance with preliminary analysis of options.
- 4. Public meetings if/as needed.
- 5. TAP and TAC reviews.

PSC Meeting Five

- 1. Objectives:
 - a. Review and approve initial analysis of policy options and scenarios, with modifications and iterations to further TWG action as needed
 - b. Review of macroeconomic and distributional impact analysis
- 2. Agenda:
 - a. Review and approve initial analysis of policy options and scenarios, with modifications as needed
 - b. Review of draft macroeconomic and distributional impact analysis
 - c. Identify early consensus policies for PSC approval
 - d. Identification of barriers and alternatives for remaining options, with guidance for additional work on options to TWGs
 - e. Review of final report progress and plans
 - f. Public input
- 3. Interim TWG calls will cover final analysis of options and alternative approaches.
- 4. Public meetings if/as needed.
- 5. TAP and TAC reviews.

PSC Meeting Six

- 1. Objectives:
 - a. Final approval of policy recommendations and analysis
 - b. Approval of final report process
- 2. Agenda:
 - a. Review of final macroeconomic and distributional impact analysis
 - b. Review and approval of final policy recommendations, including final votes
 - c. Summary of the process, review of next steps, and transmittal of the final report.
 - d. Public input
- 3. Public meetings

Final Report

1. Draft report language by CCS to the PSC and public
2. Final TAP and TAC reviews
3. First round of review and inputs to CCS
4. Updated draft report language to the PSC and public
5. Final PSC call to discuss suggested changes to the final report
6. Public review and input
7. Final report transmitted to SCAG by CCS

For SCAG:

(Name)

(Title)

(Date)

For CCS:

(Name)

(Title)

(Date)