

Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee

May 14, 2021

Agenda Item 3c

Assembly Bill 1500 (Garcia): Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022

Subject: Authorizes the issuance of a \$7 billion climate adaptation general obligation bond.

Overview: AB 1500 (Garcia), if approved by statewide voters in June 2022, would authorize the issuance of a bond in the amount of \$6.96 billion to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and associated workforce development programs.

Recommendation: Support and Seek Amendments

Discussion: AB 1500 generates new funds to make necessary resilience investments to mitigate climate impacts to California's infrastructure and communities. The measure funds a range of different investments across the varied risks to California's population, targets funds towards low-income and disadvantaged communities, and ensures multi-benefit solutions that advance ecosystem resilience. Past statewide bonds to support wildfire, drought, and flooding have been successful with voters approving Proposition 68 in 2018 to raise \$4.1 billion for drought, water, and coastal protection and access projects. AB 1500 would focus specifically on adapting the state to climate risks that we are already experiencing and are forecast to grow more severe.

AB 1500 would provide funding opportunities for MTC, ABAG, local governments and other Bay Area partners to advance a suite of resilient investments. The bill has provisions that would support many Plan Bay Area 2050 environmental strategies, aiding the region in the following items:

- adapting to sea level rise
- reducing drought and wildfire impacts
- conserving at risk lands in a manner that reduces future exposure to flooding and fires
- park improvements in disadvantaged communities.

Benefits to Disadvantaged and Vulnerable Communities

The bill would require at least 25 percent of the funds to provide direct benefits to vulnerable and disadvantaged communities, with 10% of funds allocated to severely disadvantaged communities. Notably, the bill does not rely exclusively upon the CalEnviroScreen tool to define DACs, which has overlooked dozens of the Bay Area communities of concern. Instead, its definition of a DAC encompasses communities with a median income at or below 80 percent of the statewide median income; a severely disadvantaged community is one with a median household income at or below 60 percent of the statewide median income.

Bay Area Funding Opportunities AB 1500 would provide immediate funds to get important projects completed to reduce impacts as the region, state, and federal government develop new funding strategies for climate resilience needs. The bill dedicates approximately \$522 million to Bay Area needs, as follows:

- \$300 million for the San Francisco Bay Restoration Authority (SFBRA) for projects that are consistent with act establishing the SFBRA, including, but not limited to, projects that address sea level rise, flood management, and wetland restoration.
- \$100 million for the San Francisco Bay Conservancy Program
- \$102 million for regional climate adaptation projects, based on the Bay Area's share of a new program that would be distributed based on population
- \$20 million for the San Francisco Bay Conservation and Development Commission

In addition, over \$5 billion in bond proceeds are reserved for statewide competitive programs, providing another significant funding opportunity to address Bay Area adaptation needs. See Attachment A for funding program details.

Proposed Amendments

Broaden Local Government Access to Programs AB 1500 contains some provisions that could unnecessarily burden local governments applying for certain funds. The bill includes \$300 million in California Office of Emergency Services (CalOES) wildfire prevention grants that would be provided based on a Community Wildfire Protection Plan (CWPP). CWPPs cover most of the nine-county Bay Area, but are not the only planning document that outlines local wildfire priorities. Broadening the bill language to make wildfire strategies in a Local Hazard Mitigation Plan, or General Plan Safety Element also eligible will help communities access funds based on their most recent wildfire planning.

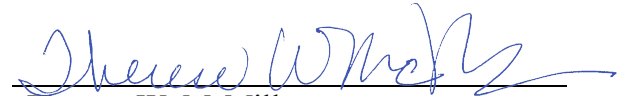
SGC Transformative Climate Communities Allocation The Bay Area currently has only three census tracts regionwide that are eligible for the Transformative Climate Communities making 100 cities and nine counties ineligible for this competitive grant program as it is limited to census tracts in the 95th percentile of CalEnviroScreen. This concern could be addressed by shifting these funds to the main regional-based allocation program.

Make On-Site Stormwater and Water Efficiency Measures More Prominent Different sections of AB 1500 discuss water efficiency and stormwater initiatives but do not highlight them in the list of eligible activities. Providing funds for on-site stormwater and water efficiency measures could help lower development costs of new construction and reduce water bills for current Bay Area residents. For these reasons, we recommend on-site stormwater and water efficiency are explicitly mentioned as primary activities in the *Drought Preparation and Flood Protection* section.

Consistent with our 2021 Advocacy Program to support funding opportunities for climate adaptation, staff recommends a support and seek amendment position on the bill, with amendments aimed at addressing the concerns described above.

Bill Positions: See Attachment B

Attachments: Attachment A: AB 1500 (Garcia) Funding Overview (April 14 version)
Attachment B: Bill Positions


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AB 1500 (Garcia) Funding Overview (April 14 version)

Overview	Funding Amount	Percent
Bay Area	\$ 522	8%
Orgs Outside Bay Area	\$ 1,165	17%
Total Statewide	\$ 5,268	76%
For State agency projects	\$ 1,273	18%
For State grant money or competitive project	\$ 3,995	57%
Bill Totals	\$ 6,955	100%
Allocations to Specific Organizations	Funding Amount	Percent
Baldwin Hills Conservancy	\$ 10	
California Tahoe Conservancy	\$ 10	
Central Valley Flood Protection	\$ 35	
Coachella Valley Mountains Conservancy	\$ 10	
Direct funds to climate resilience (specific orgs)	\$ 210	
Invasive Species Council of California	\$ 20	
Project including participatory budgeting	\$ 2	
Sacramento-San Joaquin Delta Conservancy	\$ 10	
Salton Sea and surrounding communities	\$ 240	
Salton Sea Authority	\$ 30	
San Diego River Conservancy	\$ 10	
San Francisco Bay Conservation and Development Commission	\$ 20	
San Francisco Bay Restoration Authority	\$ 300	
San Francisco Bay Conservancy Program	\$ 100	
San Gabriel and Lower Los Angeles Mountains Conservancy	\$ 35	
San Joaquin River Conservancy	\$ 10	
Santa Monica Mountains Conservancy	\$ 35	
Sierra Nevada Conservancy	\$ 60	
Strategic Growth Council - Bay Area share by Population	\$ 102	
Strategic Growth Council - Other agency share by Population	\$ 408	
Tijuana River Border Pollution Control Project	\$ 30	
Total Bay Area	\$ 522	31%
Total other organizations	\$ 1,165	69%
Total Bay Area + Other organizations	\$ 1,687	100%

AB 1500 (Garcia) Bill Positions

Support:

Bay Area Council
Big Sur Land Trust
Bolsa Chica Land Trust
California Water Association
California Watershed Network
East Bay Regional Park District
Nature Conservancy, The
Professional Engineers in California Government
Save the Bay
Sierra Club
Sonoma Land Trust
Tree Care Industry Association
Trust for Public Land, The

Oppose:

None on file