



# Transformative Climate Communities Program

## REVISED DRAFT SCOPING GUIDELINES



CALIFORNIA STRATEGIC  
GROWTH COUNCIL



FEBRUARY 2017

## ***Revised Draft Scoping Guidelines: Transformative Climate Communities Program***

These Revised Draft Scoping Guidelines for the Transformative Climate Communities Program are being made available for public comment. This document is a revised version of the Draft Scoping Guidelines that were released by the Strategic Growth Council (SGC) in November 2016. This new draft scoping document does not represent the full Draft Guidelines for the Program.

Revisions were made to provide greater clarity on the SGC's vision for the program and to reflect public comments received on the initial document. This February 2017 release presents a revised program framework that includes updated objectives, redefined goals, strategies, and requirements applicants must meet. Key terms have been defined and updates have been made to the proposed application process. The SGC recognizes that many areas presented in the document require additional work and discussion, and we look forward to public input to help inform further development.

Comments are due to SGC by 5:00pm on March 13, 2017.

Please submit comments to:

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or:

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The SGC is hosting public workshops on this document in the cities of Fresno on February 15, Los Angeles on February 22, and San Bernardino on February 23, and will also accept additional public comments until March 13, 2017. Additional information on the public workshops can be found at:

<http://sgc.ca.gov/resource%20files/20170130-TCCWorkshopFlyer.pdf>

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## I. INTRODUCTION

### A. BACKGROUND

Assembly Bill 2722 established the Transformative Climate Communities Program, administered by the Strategic Growth Council (SGC), to "...fund the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated greenhouse gas emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities as described in Section 39711 of the Health and Safety Code." (Pub. Resources Code § 75240.)<sup>1</sup>

The Transformative Climate Communities Program (Program) will accelerate greenhouse gas reduction and advance local climate action in disadvantaged communities through an integrated, community-based approach. The Program is an opportunity to realize the State's vision of [Vibrant Communities and Landscapes](#)<sup>2</sup>, demonstrating how meaningful community engagement coupled with strategic investments in transportation, housing, food, energy, natural resources, and waste can reduce greenhouse gas emissions and other pollution, while also addressing growing equity issues and enhancing economic opportunity and community resilience.

### B. PROGRAM SUMMARY

The Program will award competitive funding totaling approximately \$140 million in Implementation Grants for the implementation of transformative, neighborhood-level plans in three communities. Through a complimentary process, the SGC will also award approximately \$1.5 million for Planning Grants in up to ten communities, intended to facilitate community readiness for future implementation funding through State and/or other sources.<sup>3</sup>

On December 6, 2016, the SGC adopted a Proposed Regulation to allocate a minimum of half of the Implementation Grant funds in the City of Fresno, a minimum of one-fourth in the City of Los Angeles, and the remaining Implementation Grant funds in a third location to be determined.

All funds for Implementation Grants will be awarded through a competitive process. One Implementation Grant will be made to a recipient in the City of Fresno, one Implementation Grant to a recipient in the City of Los Angeles, and one Implementation Grant to a recipient through a statewide competition, in which any applicant meeting program requirements will be eligible. Funds for Planning Grants will be awarded through a statewide competitive process.

The SGC intends to seek long term funding for the program. With this initial appropriation, the SGC hopes to provide diverse models of neighborhood-level transformation that can be studied, replicated and adapted based on demonstrated success.

### C. PROGRAM VISION

#### *Vision for Transformation*

The Program establishes a new framework for achieving California's climate goals by concentrating significant resources to accelerate local greenhouse gas emission reductions and uplift the state's most disadvantaged communities. This framework represents an evolution in the State's Climate Investment Programs in three significant

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<sup>1</sup> AB 2722, Transformative Climate Communities. 2016. Web. February 2017.

< [https://leginfo.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160AB2722](https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB2722)>

<sup>2</sup> *Vibrant Communities and Landscapes: A Vision for California In 2050*. California Air Resources Board, 2016. Web. February 2017. <<https://www.arb.ca.gov/cc/scopingplan/meetings/091316/vibrant%20communities.pdf>>

<sup>3</sup> Planning grants will be funded through SGC's Sustainable Communities Planning Grants and Incentives Program with funds from Proposition 84, reappropriated through the Budget Act of 2016.

ways. First, the Program takes a place-based approach, requiring that applicants substantially engage community residents and multi-sector stakeholders during project development and implementation. Second, the Program supports the deployment of integrated climate strategies that combine multiple greenhouse gas reduction activities to achieve multiple community benefits and drive innovation. Grant recipients are expected to use the state investment in concert with additional programs and leveraged funds, such as parallel and connected capital investments, business and workforce development projects, public health programs, K-12 and higher education programs, career and technical training, entrepreneurship support, volunteer programs, and civil society projects. Lastly, the Program enables the State to establish long-term partnerships with awarded applicants that will include ongoing outreach and technical assistance both before and after the granting of funds.

Strong local engagement and cross-sector partnerships are critical to realizing this vision. In addition to reducing greenhouse gas emissions, the Program will serve as a model for catalyzing local, multi-sector partnerships that leverage private and public funds to sustain community revitalization and equitable development, while meeting the State's climate goals.

### *Focus on Most Disadvantaged Communities*

The Program is focused on investing in the communities in our state that are the most overburdened by environmental, socioeconomic and health inequities. These communities have been identified as those with all or a majority of census tracts that fall within the top 5% of disadvantaged communities as defined by CalEPA using CalEnviroScreen 2.0.<sup>4</sup>

Communities defined as “disadvantaged” generally have high populations of people of color, people with low-incomes and a high concentration of sources of pollution. As a result of these issues, residents of these communities also experience elevated rates of health problems, as well as socioeconomic and environmental vulnerability. Many of these challenges are the result of a history of inequitable land use and zoning policies, underinvestment and lack of meaningful engagement with community residents in planning and policy decisions.

The SGC recognizes that the term “disadvantaged” overlooks the many assets these communities also possess, and particularly the community residents for whom these places are home. In many of these communities there are organized groups of neighborhood leaders actively engaged in local planning efforts, policy campaigns, and other efforts to make their communities healthier, safer and more sustainable. The Program is structured to provide existing residents and local businesses the tools and resources to be the drivers of change, and to ensure they are also able to experience the benefits.

## **D. MODELS OF PLACE-BASED TRANSFORMATION**

While adopting a comprehensive place-based approach to climate change solutions is new for California's Climate Investment Programs, the Program is continuing a trend that other federal and private philanthropic organizations have taken to catalyze change. Place-based investment strategies have been successfully deployed nationwide to create neighborhood-level transformational change:

- From 2010-2016, the Choice Neighborhoods Program, administered by the Housing and Urban Development Agency, provided grants to support “locally driven strategies to address struggling neighborhoods with distressed public or HUD-assisted housing through a comprehensive approach to neighborhood transformation.”<sup>5</sup> This was exemplified in the Larimer/East Liberty Choice Neighborhood of

<sup>4</sup> *CalEnviroScreen 2.0*. Office of Environmental Health Hazard Assessment, 2014. Web. February 2017. <<http://oehha.ca.gov/calenviroscreen/report/calenviroscreen-version-20>>

<sup>5</sup> *Choice Neighborhoods*. U.S. Department of Housing and Urban Development. Web. February 2017. <[https://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/cn](https://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/cn)>

Pittsburgh, Pennsylvania where the local Housing Authority and the City of Pittsburgh worked with community groups and other stakeholders to put together a neighborhood plan to use the \$30 million HUD grant. In initial phases of the project, the co-applicants established a collaborative governance structure with key community stakeholders, and outside funding was leveraged to hire full time community engagement staff as implementation of the plan began.<sup>6</sup> Components of the Larimer Transformation Plan that are now being implemented include: building 350 mixed-income housing units, providing homeowner's assistance, creating local family sustaining jobs, securing healthy food supplies, expanding parks and open space and access to them, creation of a stormwater management system, and creation of a green business and manufacturing zone.<sup>7</sup>

- In 2016, HUD awarded 13 Natural Disaster Resilience (NDRC) Competition Grants to fund projects that address unmet needs from past disasters while increasing the regions' resiliency to future disasters.<sup>8</sup> The City of New Orleans' was awarded a NDRC grant that will fund projects in the Gentilly Resilience District, 1 of 6 newly-designated Resilience Districts that aim to "[focus] investments for maximum place-based efficacy in an area prioritized for its particular nexus of physical and social vulnerability." A broad range of stakeholders were involved in identifying the city's resilience needs, and the subsequent development of a plan to address those needs. The resilience strategy builds off of existing developments and plans, such as the Greater New Orleans Urban Water Plan, which calls for the widespread use of green infrastructure retrofits to neighborhood streets and vacant lots, the creation of blue-green parklands and corridors that will capture, clean, and store storm water runoff, and the transformation of drainage canals into public waterfronts. The proposal also calls for the creation of more reliable and efficient energy and water infrastructure systems, continued coastal restoration efforts, incentive programs and subsidies for homeowners to invest in energy-efficiency, stormwater management, home elevation, and storm resilience retrofits. The proposal maintains a strong focus on equity throughout, stating, "Integral to each of the proposed actions is a workforce development component that connects unemployed New Orleanians to careers in the growing environmental services sector. Economic growth will not be enjoyed widely without an equity strategy," and goes on to detail both short-term and long-term workforce development measures that will be employed during and after the construction of the projects.<sup>9</sup>
- An example of regional planning with a specific lens on equity comes from the City of Seattle, which published a 2016 Equitable Development Implementation Plan that is framed with six equity drivers that are meant to propel each action. The plan emphasizes the use of collective-impact problem solving, noting that the "drivers" of the plan are interrelated and meant to be deployed in conjunction with each other to address historically inequitable development patterns. The plan places a considerable emphasis on the use of anti-displacement strategies for existing residents and businesses. Additional strategies are outlined that address how to bolster the livelihoods of local residents, such as the use of community centers to provide access to opportunities for higher education, high quality jobs, and support to start and keep businesses.<sup>10</sup>

<sup>6</sup>*Choice Neighborhoods 2015 Grantee Report*. U.S. Department of Housing and Urban Development, 2015. Web. February 2017. <<https://portal.hud.gov/hudportal/documents/huddoc?id=CNGranteeReport2015.pdf>>

<sup>7</sup>*Larimer/East Liberty Choice Neighborhood*. PowerPoint presentation. Larimer Community Consensus Group, 2013. Web. February 2017. <<https://larimerplan.files.wordpress.com/2013/06/aprilshowfinalsm.pdf>>

<sup>8</sup>*National Disaster Resilience Competition*. US Department of Housing and Urban Development. 2015. Web. February 2017. <<https://www.hudexchange.info/programs/cdbg-dr/resilient-recovery/>>

<sup>9</sup>*City of New Orleans NDRC Phase 2 - Submitted Application - October 2015*. City of New Orleans, 2015. February 2017. <[http://www.nola.gov/resilience/resources/ndrc\\_phase2\\_neworleans\\_narrative\\_graphics/](http://www.nola.gov/resilience/resources/ndrc_phase2_neworleans_narrative_graphics/)>

<sup>10</sup>*Equitable Development Implementation Plan*. City of Seattle, 2016. Web. February 2017. <[http://www.seattle.gov/dpd/cs/groups/pan/@pan/documents/web\\_informational/p2431185.pdf](http://www.seattle.gov/dpd/cs/groups/pan/@pan/documents/web_informational/p2431185.pdf)>

## II. PROGRAM REQUIREMENTS

The Program framework consists of Objectives, Thresholds, Strategies, Project Types and Indicators that are interrelated and meant to guide applicants in the design of their Transformative Climate Community plans. Applicants must define quantitative Goals for each of the Program Objectives; meet all Program Thresholds; utilize a combination of Strategies to design a variety of Project Types that will achieve their Goals; and identify appropriate Indicators to measure and track desired outcomes throughout the grant period. Applicants must also define a Project Area for the investment.

### A. PROGRAM OBJECTIVES

Applicants must address all three Program Objectives:

- 1. Achieve Significant Reductions in Greenhouse Gas Emissions.** Establish a greenhouse gas reduction Goal for the Project Area that meets or exceeds a path toward long-term emissions reductions aligned with State goals.
- 2. Improve Public Health and Environmental Benefits.** Establish a minimum of three Goals to improve public health outcomes for community residents and achieve environmental benefits for the Project Area.
- 3. Expand Economic Opportunity and Shared Prosperity.** Establish a minimum of three Goals for workforce training, employment and local business expansion for the Project Area.

### B. PROGRAM THRESHOLDS

Proposals must meet the following thresholds to be considered eligible for funding.

- 1. Prevent the displacement of existing residents and businesses.* Proposals shall present a plan detailing how the applicant will work to establish policies and programs to prevent the displacement of existing residents and local businesses beyond federal and state statutory requirements. Applicants must demonstrate a plan to ensure no net loss of affordable housing in the designated Project Area.
  - a. Examples of anti-displacement policies for residents include, but are not limited to: rent control and stabilization ordinances; “no-net-loss” of affordable housing policies; just cause eviction polices; tenant anti-harassment policies; incentives for inclusionary zoning; density bonus ordinances; community land trusts; jobs-housing linkage fee or affordable housing linkage fee; rent review boards; right-to-return polices for residents; source of income non-discrimination ordinances; and policies to preserve single-room occupancy units and/or mobile home parks.
  - b. Examples of business anti-displacement policies include, but are not limited to: implementation of an overlay zone designed to protect and assist small businesses; establishment of a small business advocate office and designate a single point of contact for every small business; creation and maintenance of a small business alliance; increased visibility of the jurisdiction’s small business assistance programs; formal program to ensure that some fraction of a jurisdiction’s purchases of goods and services come from local businesses; business relocation plans.
- 2. Ensure community engagement.* Proposals shall demonstrate multi-sector stakeholder participation and comprehensive community engagement from proposal development through implementation. The adoption of community and specific plans with a documented community visioning process may serve as the basis for proposals. Additionally, applicants should establish a collaborative stakeholder structure that incorporates all of the partners to oversee project development and implementation.

- a. **Multi-stakeholder partnerships:** Proposals shall establish multi-stakeholder partnerships with local public agencies, community-based organizations, labor groups, workforce investment boards, and other stakeholders as appropriate. Partnerships should include a diverse set of stakeholders, including those specializing in participatory planning, and/or experience addressing economic, environmental, public health and displacement issues.
  - b. **Comprehensive Community Engagement:** Stakeholders should be involved throughout every phase of the proposed project. Projects should be designed to meet needs identified by the community through documented outreach and engagement. Methods of engagement should facilitate participation of community residents by ensuring translation of meetings and materials, scheduling of meetings at times that are convenient to community members, and engaging community members in data collection and outreach. Proposals that implement up-to-date, adopted specific plans for the Project Area that have been developed through a documented collaborative, community visioning process with participation by a local government may meet this requirement.
  - c. **Collaborative Stakeholder Structure:** Stakeholder and community partnerships should have clearly outlined roles, responsibilities and processes with a shared vision to address the Program Objectives. This may include memorandums of understanding (MOUs), advisory bodies, community oversight boards, or individual contracted partnerships that ensure equitable input from all stakeholders.
3. **Leverage Funding.** Applicants must secure a minimum of 50% match of the awarded grant amount.
- a. Eligible sources for leverage may include: federal funding; funds from state programs outside of the California Climate Investments (CCI) program; private capital; foundation grants; and funds from local tax measures, bonds, assessments and fee revenue committed to public infrastructure, and affordable housing developments within the designated project area. Leveraged funds may also include in-kind contributions such as staff-time dedicated to community outreach, land, and development rights. In order to be considered as leverage, funding/resources must be committed before and expended during the grant term.
4. **Track and monitor greenhouse gas emissions reductions and other indicators.** Applicants must measure Indicators tied to each of their identified Strategies and Goals. For greenhouse gas emission reductions, applicants shall use quantification methodologies approved by the California Air Resources Board (ARB) for existing CCI Programs. For indicators that do not have approved CCI methodologies, applicants shall develop and document a clear methodology to track impacts resulting from investments, and share data with stakeholders. Partnerships with academic institutions and use of community-based, participatory research methods are encouraged.

## C. STRATEGIES

Applicants must select at least six Strategies to achieve Goals that support Program Objectives. The Strategies below are not exhaustive, and it is understood that there may be overlap between them. The Strategies are intended to provide flexibility and adaptability so that applicants may emphasize and combine them to align with community needs.

1. **Equitable Land Development.** Promote equity and access to opportunity through mixed-income neighborhoods; construct or preserve affordable housing and catalyze new mixed-income development and infrastructure improvements that incentivize economic development; address priorities and needs as identified by neighborhood residents; leverage private investments to support neighborhood revitalization and capital project improvements that serve the priorities and needs identified by residents; increase the amount of green buildings and green building retrofits that incorporate environmental sustainability from design, construction and maintenance.

2. *Transit Access and Mobility.* Prioritize active transportation and public transit; support transit ridership programs and transit passes for low-income riders; accelerate compact development; expand zero and near-zero emission transportation and infrastructure, as well as non-auto oriented transportation options through first/last mile connections, safe and accessible biking and walking routes, and safe reliable transit options; reduce parking requirements for new development; encourage education and planning activities to promote increased use of active modes of transportation; promote vanpools, zero-emission vehicle car sharing programs.
3. *Urban Greening and Green Infrastructure.* Implement urban forestry and tree canopy plans; enhance or expand neighborhood parks and open space; install green roofs and landscaping to mitigate effects of urban heat islands; construct or expand non-motorized urban trails; implement green streets and alleyways; capture, store, and infiltrate stormwater for groundwater recharge and use.
4. *Decarbonized Energy and Energy Efficiency.* Accelerate the State's zero net energy objectives<sup>11</sup>; minimize the need for new energy infrastructure costs such as transmission and distribution upgrades; implement significant deployment of building retrofits; deploy smart-grid technologies, and support grid reliability and resiliency by incorporating energy storage.
5. *Water Efficiency.* Implement greywater and recycling systems; drought-resistant landscaping and permeable surfaces; onsite reuse of captured rainwater and stormwater; limit urban growth boundaries based on water availability.
6. *Robust Food Systems.* Permanently protect agricultural land with conservation easements; purchase land for development into community gardens or farms; construct, develop or expand community gardens, farms, food processing facilities, regional food hubs or distribution centers; construct or expand grocery stores or local markets that provide access to healthy and fresh food; implement food waste programs; provide agricultural education opportunities for children and adults.
7. *Land Preservation and Restoration.* Permanently protect agricultural land and open space with conservation easements; implement sustainable soil and irrigation management practices; reduce permeable surfaces; restore urban streams; construct water collection basins, barriers, and bioswales to mitigate stormwater runoff; restore wetlands and habitat.
8. *Materials Management.* Implement projects that reduce waste, including food waste recycling and composting, reduced single-use products, and waste-to-energy projects; ensure use of low waste building materials.
9. *Climate Resiliency.* Develop projects that incorporate long-term risks from climate change such as additional days of extreme heat or precipitation, sea level rise, and drought; conduct GHG inventory; conduct vulnerability assessments; develop alternative climate scenarios; prepare for the anticipated impacts from climate risks.
10. *Health and Well-being.* Improve human health and community well-being; increase access to primary care; provide access to parks, trails, and natural areas as well as access to healthy, local and affordable food, and other opportunities to support socially and economically diverse populations.

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<sup>11</sup> Executive Order B-8-12, 2012. < [http://www.climatechange.ca.gov/climate\\_action\\_team/documents/Executive\\_Order\\_B-18-12.pdf](http://www.climatechange.ca.gov/climate_action_team/documents/Executive_Order_B-18-12.pdf)>; *Green Building Action Plan—For Implementation of Executive Order B-18-12.* <[http://www.climatechange.ca.gov/climate\\_action\\_team/documents/Green\\_Building\\_Action\\_Plan.pdf](http://www.climatechange.ca.gov/climate_action_team/documents/Green_Building_Action_Plan.pdf)>

11. *Workforce Development and Education.* Establish workforce-training programs to reduce barriers for and reflect the range of employment readiness needs of local residents and jobs that will be created during and after plan implementation; partner with local workforce investment boards to align and enhance job training opportunities; work with labor and other community partners to increase availability of and participation in high-performing educational and job training opportunities.

12. *High Quality Job Creation and Local Economic Development.* Develop local high-quality “green” jobs with living wages, and a career-track for low-income residents in and near the Project Area; adopt Project Labor Agreements or Community Workforce Agreements that include targeted hire provisions to place low-income workers into jobs with career pathways; develop incentives for partnerships between job training opportunities and local employers.

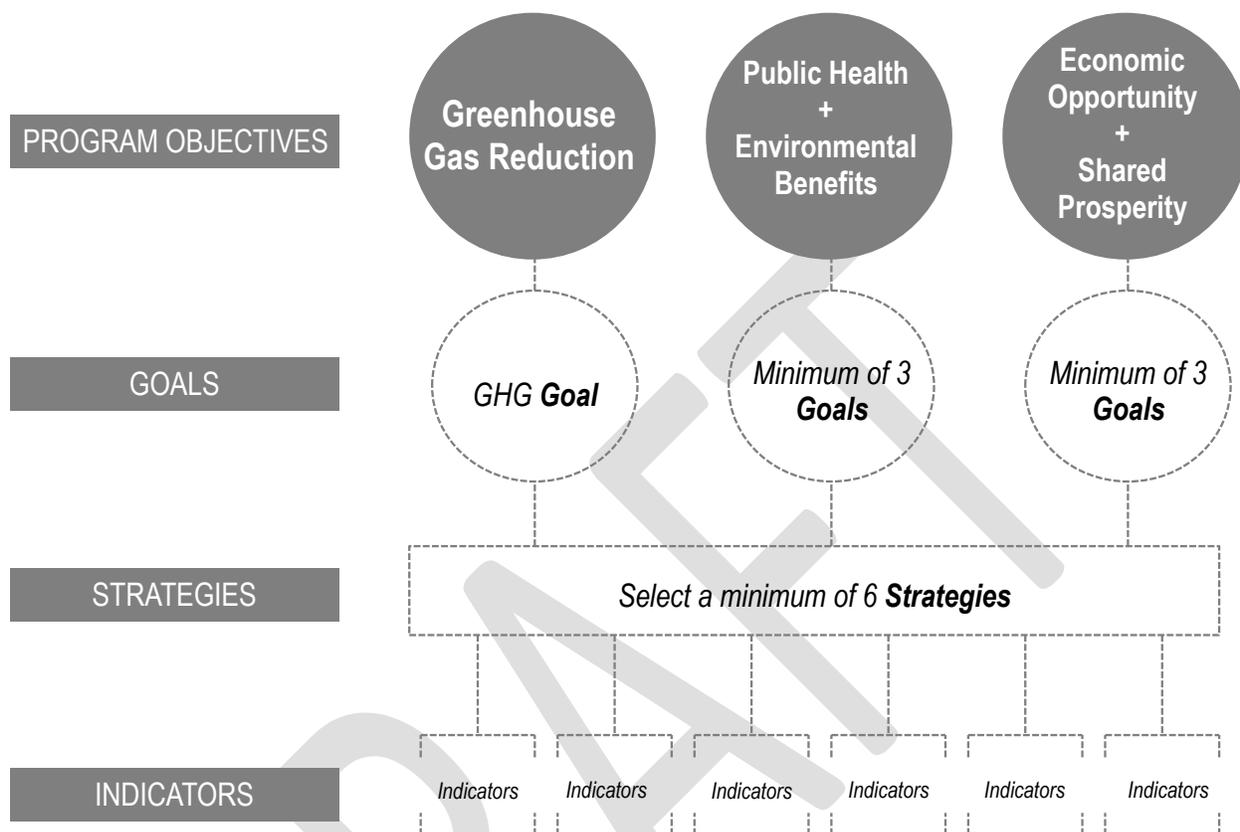
**D. INDICATORS**

Applicants must identify Indicators for each Strategy to measure and track progress toward the Goals throughout the grant period. Each Indicator must be accompanied by a baseline measurement for the Project Area using the best available data. The Indicators below are not exhaustive, and it is understood that many of the Indicators can be measured through multiple Strategies. For each of the six Strategies selected by the applicant, all of the corresponding Indicators must be measured and tracked.

GOALS	STRATEGIES	INDICATORS
<b>Achieve Significant Reductions in Greenhouse Gas Emissions</b>	<i>Pertains to all Strategies</i>	<ul style="list-style-type: none"> <li>GHG emissions or Net carbon sequestration</li> </ul>
<b>Improve Environmental and Public Health Benefits</b>	<i>1. Equitable Land Development</i>	<ul style="list-style-type: none"> <li>Indicators to monitor displacement/gentrification</li> <li>Concentration of subsidized housing</li> <li>Affordable housing units</li> <li>Mixed-income housing</li> </ul>
	<i>2. Transit Access and Mobility</i>	<ul style="list-style-type: none"> <li>Vehicle miles traveled</li> <li>Walking and biking</li> <li>Pedestrian and cyclist injuries/fatalities</li> <li>Hybrid and zero-emission vehicles</li> </ul>
	<i>3. Urban Greening and Green Infrastructure</i>	<ul style="list-style-type: none"> <li>Parks and green spaces</li> <li>Permeable surfaces</li> <li>Urban tree canopy</li> <li>Urban pedestrian and biking trails</li> <li>Indicators associated with groundwater recharge</li> </ul>
	<i>4. Decarbonized Energy and Energy Efficiency</i>	<ul style="list-style-type: none"> <li>Zero net energy buildings</li> <li>Energy use intensity</li> <li>Renewable energy as part of total energy supply</li> </ul>
	<i>5. Water Efficiency</i>	<ul style="list-style-type: none"> <li>Water use</li> <li>Water supply/availability</li> </ul>

	6. <i>Robust Food Systems</i>	<ul style="list-style-type: none"> <li>Protected farmland</li> <li>Community gardens</li> <li>Farms, food processing, and distribution facilities</li> <li>Access to healthy food</li> <li>Agricultural and food education opportunities</li> <li>Food waste recycling</li> </ul>
	7. <i>Land Preservation and Restoration</i>	<ul style="list-style-type: none"> <li>Land preserved/restored</li> <li>Protected species and habitat</li> <li>Indicators associated with stormwater management and groundwater recharge</li> </ul>
	8. <i>Materials Management</i>	<ul style="list-style-type: none"> <li>Materials recycled</li> <li>Landfill tonnage</li> </ul>
	9. <i>Climate Resiliency</i>	<ul style="list-style-type: none"> <li>Indicators associated with climate change scenarios and impacts, including more extreme heat days, sea level rise, and variable water supply</li> </ul>
	10. <i>Health &amp; Well Being</i>	<ul style="list-style-type: none"> <li>Asthma/respiratory disease incidence</li> <li>Air quality</li> <li>Criteria air pollutants</li> <li>Life expectancy</li> <li>Poverty rate</li> <li>Obesity rate</li> <li>Food insecurity rate</li> <li>Access to primary care</li> </ul>
<b>Expand Economic Opportunity and Shared Prosperity</b>	11. <i>Workforce Development and Education</i>	<ul style="list-style-type: none"> <li>High school graduation rate</li> <li>Participation in workforce training and apprenticeship programs</li> <li>Population with higher educational attainment than their parents</li> </ul>
	12. <i>High Quality Job Creation and Local Economic Development</i>	<ul style="list-style-type: none"> <li>New high-quality, career track jobs</li> <li>Labor workforce participation</li> <li>Contracts with local businesses</li> <li>Local economic output</li> <li>Business density</li> <li>New business registrations</li> <li>Growth rate of average per capita income</li> <li>Income/consumption of the highest quintile to lowest quintile</li> <li>Households with incomes below 50% of median income</li> </ul>

**Diagram: Relationship of Program Objectives, Goals, Strategies and Indicators**



**E. ELIGIBLE PROJECT TYPES**

Eligible Project Types include those supported by any of the existing California Climate Investment programs. Projects Types and other project components of the proposal that do not achieve greenhouse gas reductions must use other funding sources.

ELIGIBLE PROJECT TYPES	
<b>Affordable Housing and Active Transportation</b>	<ul style="list-style-type: none"> <li>• Affordable housing development</li> <li>• Housing related infrastructure</li> <li>• Sustainable transportation infrastructure</li> <li>• Active transportation infrastructure</li> </ul>
<b>Urban Greening</b>	<ul style="list-style-type: none"> <li>• Enhancement and/or expansion of neighborhood park and community space</li> <li>• Greening of public lands and structures, which may include incorporation of riparian habitat for water capture and provide for other public and wildlife benefits</li> <li>• Green streets and alleyways</li> <li>• Non-motorized urban trails that provide safe routes for travel between residences, workplaces, commercial centers, and schools</li> </ul>

	<ul style="list-style-type: none"> <li>• Urban heat island mitigation and energy conservation efforts</li> <li>• Conservation easements to preserve agricultural land, open space, wetlands, etc.</li> <li>• Multi-objective storm water projects, including construction of permeable surfaces and collection basins and barriers</li> </ul>
<b>Transit and Intercity Rail Capital</b>	<ul style="list-style-type: none"> <li>• Rail capital projects</li> <li>• Intercity, commuter, and urban rail projects</li> <li>• Rail, bus, and ferry integration implementation</li> <li>• Bus rapid transit and other bus and ferry transit investments</li> </ul>
<b>Low Carbon Transit Operations</b>	<ul style="list-style-type: none"> <li>• Equipment acquisition, fueling, maintenance, and other costs to operate services that directly enhance or expand transit services</li> <li>• Operational expenditures that increase transit mode share.</li> <li>• Zero emission buses</li> </ul>
<b>Urban and Community Forestry</b>	<ul style="list-style-type: none"> <li>• Urban tree planting</li> <li>• Tree inventory, and/or urban forest mapping and analysis, and/or long term management plan (must include tree planting component).</li> <li>• Projects using urban woody biomass for its highest and best use</li> </ul>
<b>Low Income Weatherization</b>	<ul style="list-style-type: none"> <li>• Low income single-family/small multi-family energy efficiency retrofit (may include renewables, such as solar photo-voltaic)</li> <li>• Low income single-family/small multi-family solar heating</li> <li>• Low income multi-family energy efficiency and renewables</li> </ul>
<b>Water-Energy Efficiency</b>	<ul style="list-style-type: none"> <li>• Commercial or institutional water-energy efficiency projects</li> <li>• Residential water-energy efficiency projects</li> </ul>
<b>Low Carbon Transportation</b>	<ul style="list-style-type: none"> <li>• Rebates for zero-emission passenger vehicles</li> <li>• Rebates for zero-emission public fleets</li> <li>• Zero-emission car share and vanpool programs</li> <li>• Car scrap and replace program for new or used hybrid, plug-in hybrid, or ZEV replacements</li> <li>• Financing assistance to help buy new or used ZEVs, plug-in hybrids, or hybrid and associated charging equipment.</li> <li>• Incentives to reduce the up-front cost of hybrid or zero-emission trucks and buses</li> <li>• Incentives for conventional engine trucks and buses to operate on renewable fuel</li> <li>• Zero-emission freight equipment</li> <li>• Zero-emission trucks</li> </ul>
<b>Organics</b>	<ul style="list-style-type: none"> <li>• Compost, anaerobic digestion, or other related digestion facilities and machinery that turn green or food materials into compost and/or energy products</li> <li>• Food waste prevention programs</li> </ul>
<b>Recycled Fiber, Plastic, and Glass</b>	<ul style="list-style-type: none"> <li>• Recycled-content fiber, plastic, or glass facilities and machinery for the manufacture of value-added products</li> </ul>
<b>Sustainable Agriculture Conservation</b>	<ul style="list-style-type: none"> <li>• Agricultural land mitigation programs</li> <li>• Agricultural conservation easements</li> <li>• Adoption of urban limit line or urban growth boundary</li> <li>• Zoning minimums for designated strategic agricultural areas</li> <li>• Adoption of an agricultural greenbelt implementation agreement</li> </ul>

### III. APPLICATION PROCESS

#### A. APPLICANT ELIGIBILITY

##### 1. Eligible Applicants

- a. Eligible applicants may include but are not limited to: nonprofit organizations, community-based organizations, faith-based organizations, coalitions or associations of nonprofit organizations, community development finance institutions, community development corporations, local governments, joint powers authorities, and/or tribal governments.
- b. Planning Grants: Due to restrictions regarding the use of Prop 84 funds, Planning Grant applicants are limited to “council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority” or combinations thereof (Pub. Resources Code §75128)<sup>12</sup>. Priority will be given to applicants that demonstrate strong and diverse partnerships including community-based organizations.

##### 2. Multi-stakeholder partnerships

- a. Joint proposals comprised of multiple entities from various sectors are required, and proposals must clearly identify the lead applicant and all co-applicants.

##### 3. Consistency with Existing Plans

- a. Applicants must demonstrate consistency with one or more up-to-date, adopted community or neighborhood plans for the Project Area, and local climate action plans. Proposals must demonstrate how neighborhood improvements will accelerate opportunities for future investment that reflect best practices<sup>13</sup> in environmentally sustainable development and community revitalization, and integrate comprehensive and documented community engagement throughout the life of the project.<sup>14</sup>

##### 4. Demonstrate capacity to implement plan

- a. Applicants must demonstrate the capacity and readiness to implement coordinated projects, including:
  - i. An ability to oversee, manage and implement large infrastructure projects, such as transportation, affordable housing, and green infrastructure projects. Applicants must provide evidence of past performance managing large infrastructure projects similar in scope and size to the projects in the proposal for which funds are being requested. Evidence may include letters or adopted resolutions of support from local and/or regional governments, descriptions of past projects and documentation that demonstrates their ability to work with multiple levels of government as needed for implementing proposed projects.
  - ii. Strong and diverse community support, such as from elected officials, key stakeholders, community foundations, state, regional and local government agencies, local health departments, non-profit and community based groups, and/or partners in the private sector. Proof of support can include but is not limited to letters of support, memorandums of understanding (MOUs), advisory bodies, community oversight boards, or individual contracted partnerships that ensure equitable decision-making

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<sup>12</sup> SB 732, 2008. <[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=200720080SB732](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=200720080SB732)>

<sup>13</sup> Best practices include but are not limited to, measures to reduce environmental and economic disparities, promote energy efficiency, renewable energy, reduce waste, water conservation and reuse, promote active transportation.

<sup>14</sup> Applicants with Project Areas in which community or neighborhood plans are undergoing updates should demonstrate alignment with the goals and projects in the draft plans.

- iii. Partners that are experienced at compiling complex data and analyzing outcomes over short and long-term time periods. Association with universities to manage data and analyze projects is encouraged.
- iv. Partnerships that provide the ability to attract and leverage additional public, private, and/or philanthropic funding.
- v. The capability to assume the financial constraints of entering into a reimbursable agreement with the State of California that mandates a hold of ten percent of requested reimbursements until the State verifies completion of all deliverables documented in the grant agreement.

## B. IMPLEMENTATION GRANTS

Implementation Grants will be awarded through a two-phase competitive process with a Concept Proposal and a Full Application.

### 1. Concept Proposals

- a. Applicants must provide a concept proposal that identifies a Project Area and describes a vision and plan for neighborhood-scale transformation encompassing multiple, integrated projects and initiatives within the proposed Project Area.
- b. Project Area
  - i. A Project Area must be defined by the applicant and should be a focused, concentrated geography constituting a neighborhood. Neighborhood boundaries should be consistent with existing politically or socially established neighborhood designations, and must be completely located within a city boundary.
  - ii. The Project Area must include only census tracts that are within the top 5% of disadvantaged communities, per CalEnviroScreen 2.0, or demonstrate that more than half (51%) of the census tracts in the Project Area are within the top 5%.
- c. High Speed Rail
  - i. Applicants from cities within the High Speed Rail Initial Operating Segment must demonstrate how their projects support implementation of an integrated Station Area Plan and/or promote connectivity to the station, while ensuring the preservation of active working lands and open space. Priority will be given to projects that concentrate investment within a one-mile radius of the station.
- d. Applicants must demonstrate how their proposal meets the Application Thresholds.
- e. Applicants must identify Goals for each of the three Program Objectives, and Indicators tied to specific Strategies within the Project Area.
  - i. *Goals*: the stated minimum number of quantifiable Goals must be identified for each Program Objective.
  - ii. *Strategies*: a minimum of six Strategies must be selected, and should be accompanied by a description of how they meet Program Objectives and Goals.
  - iii. *Indicators*: for each Strategy selected by the applicant, all of the corresponding Indicators must be measured and tracked.
  - iv. *Project Types*: Project Types that are quantifiable through existing CCI programs are eligible for funding. Those that do not have a quantification methodology must be part of a project with a quantifiable component or identify non-CCI leveraged funds.

- f. Recently adopted community and/or specific plans may serve as the basis for Concept Proposals.
- g. Budget: applicants must provide a proposed budget containing estimated total project costs, including a breakdown of costs and proposed sources of funding (in addition to Program funding) for each Project Type.
  - i. Project Types funded through CCI must meet all California Climate Investment program criteria. Funding Guidelines for California Climate Investment programs are available at <http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/fundingguidelines.htm>. Additional guidance may be developed by ARB.
  - ii. Applicants must demonstrate the extent to which non-Greenhouse Gas Reduction Fund funding sources are leveraged to meet proposed project costs.
- h. Application scoring and selection:
  - i. Concept Proposals and required supporting documents will be reviewed to assess eligibility and readiness to determine whether an applicant will be invited to submit to the next phase (Full Application). The Concept Proposal is part of the competitive process and as such, all information should be well thought-out and edited for accuracy.
  - ii. Applicants will be notified whether or not they are invited to participate in the Full Application Phase. An invitation to apply does not guarantee the project will compete successfully for funding.

## 2. Full Application

- a. Those invited to submit Full Applications will further develop their Concept Proposals, including but not limited to:
  - i. Creation of detailed infrastructure and development budgets, and an implementation strategy for all plan components.
  - ii. Additional analysis and project development that may be needed to secure project financing.
  - iii. Additional detail on how the proposed Project Types incorporate Program Strategies and meet Program Goals and Objectives.
- b. Invited applicants will work with SGC staff to determine additional establishment, alignment and/or coordination of project governance structures, including local, State and Federal partnerships.
- c. Project Types funded in whole or part by CCI funds must demonstrate greenhouse gas emission reductions and other co-benefits. Applicants must submit estimated greenhouse gas emission reductions for all CCI-funded Project Types, using ARB-approved quantification methodologies.
- d. Full Applications are subject to further review and approval by the SGC. An invitation to apply does not guarantee the applicant will compete successfully for funding.
- e. Final Implementation Grant awards shall be determined on a competitive basis based on readiness and a fully developed application.
- f. Granting of funds is contingent upon the implementation of projects that reduce greenhouse gas emissions.

### 3. Outcomes

- a. *Achievement of Program Objectives and Tracking Indicators.* For each Program Objective, applicants must identify Goals, Strategies and Indicators to assess progress towards the achievement of Program Objectives. Each Indicator must include a timeline for monitoring and reporting throughout the grant period, in addition to any other reporting requirements (e.g., as required by the California Climate Investment Funding Guidelines).
- b. *Reporting.* Applicants are responsible for fulfilling reporting requirements, which include financial, disadvantaged community benefits, and greenhouse gas reduction reporting annually. Reporting includes estimates at project application and development and measured outcomes as Project Types are implemented.

### C. PLANNING GRANTS

1. Planning grants are intended to provide funding for those communities needing assistance in developing local plans, policies, partnerships or other efforts aligned with the Program.
2. Eligible applicants include Cities, Counties, Metropolitan Planning Organizations, Joint Powers Authorities, Regional Transportation Planning Agencies, Councils of Governments, or combinations thereof.
3. The SGC welcomes proposals focused on undertaking a local planning effort aligned with the Primary Objectives and Strategies of the Program, as well as the following:
  - a. Be consistent with the State's Planning Priorities, in summary below, and identified in Section 65041.1 of the Government Code. These priorities are intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety in the state, including urban, suburban, and rural communities.
    - i. Promote infill development and equity by rehabilitating, maintaining and improving existing infrastructure.
    - ii. Protect, preserve and enhance environmental and agricultural lands and natural and recreational resources.
    - iii. Encourage location- and resource-efficient new development.
  - b. Reduce greenhouse gas emissions consistent with The California Global Warming Solutions Act of 2006 (Division 25.5, section 38500 et. seq. of the Health and Safety Code) and any applicable Regional Plan.
  - c. Connect state policies or programs, regional planning efforts, and local plans through coordination and collaboration.
  - d. Promote environmental, social and health equity.
  - e. Apply State of California best practices for climate change vulnerability assessment, resilience planning, and adaptation to the effects of climate change on the proposed project.
4. Applicants must submit a proposed budget and timeline.
5. The SGC may prioritize proposals located within the most disadvantaged communities, as described in Section 39711 of the Health and Safety Code.

6. The SGC may prioritize proposals from designees of Federal place-based initiatives, including the Promise Zone Initiative and the Strong Cities Strong Communities Initiative.
7. The highest scoring applicants will be awarded Planning Grants.
8. Planning Grant recipients may be prioritized for future Program funding, should funding be available, including funding from other California Climate Investment programs.

#### IV. TECHNICAL ASSISTANCE AND SUPPORT

The SGC recognizes that the State's most disadvantaged communities often lack the capacity and institutional resources to seek competitive grants, and may not be prepared to apply to the Program or to develop and implement transformative plans.

SGC will offer technical assistance to applicants by offering ongoing outreach, support and technical assistance throughout all phases of the application process to achieve Program outcomes, including before and after the granting of funds.

In addition to statewide outreach conducted by the SGC and partner organizations, grant recipients will be eligible for:

- **Technical Assistance:** The SGC and the California Environmental Protection Agency will partner with third party entities to offer assistance in assessing and integrating planning and implementation efforts, strengthening organizational capacity and developing project priorities.
- **Streamlined Application:** SGC will provide a streamlined set of requirements to facilitate project integration and implementation.
- **Financing:** The SGC will partner with other State agencies to coordinate access to financing vehicle(s) (e.g., loan loss reserve, infrastructure financing mechanisms) to attract and leverage additional capital to the extent possible.