

February 28, 2023

**Subject:** SGC Catalyst Conference: Draft Summary Report

**Reporting Period:** February 2023

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## Summary

On February 1-2, 2023, the Strategic Growth Council (SGC) convened 261 leaders in Sacramento for the California Catalyst Conference. The inaugural event focused on building partnerships and identifying solutions to implement the Justice40 Initiative in California and beyond.

Hosted in partnership with the Milken Institute, the conference drew on SGC's experience to highlight best practices and tested models to catalyze equitable climate investment in California and beyond.

The Catalyst Draft Summary Report presents a high-level overview of the discussions and conversations hosted during the conference breakout sessions. The Report provides a solid foundation for implementing best practices and models at scale across the state and beyond, ultimately leading to a new generation of climate equity leaders, institutions, and standards. All content is based on notes taken during those sessions and should not be viewed as policy recommendations. The contents of this report do not necessarily represent the views of SGC, its employees, or the State of California.

## Background

California leads the nation in addressing climate change challenges through policy innovation and legislation. However, there remains a shortage of viable climate-focused and equitable projects ready for public and private funding across the state. At the same time, historic public infrastructure investment is becoming available at the federal and state level, with much of it slated for communities disproportionately burdened by pollution and disinvestment.

Over the past decade, SGC and its programs have evolved through a continual process of experimentation, reflection, and refinement. Through this approach, SGC has been at the forefront of program ideation and by being highly responsive to the needs of the communities in which SGC programs operate. SGC and its programs have reached a point of maturity where through idea incubation, the lessons learned through our experience with interagency coordination, community engagement, and climate equity can be shared and taken to a broader scale for the benefit of communities nationwide.

The inaugural SGC Catalyst Conference, hosted by the California Strategic Growth Council, focused on building partnerships and solutions to implement the Justice40 Initiative in California and beyond. Over two days, conference participants heard from leaders across California and the nation about opportunities, challenges, and proven solutions to build readiness and catalyze implementation within underserved communities. In breakout sessions, participants worked in small groups to explore cross-sectoral approaches responsive to the Justice40 initiative and other equity considerations, climate impacts, and the availability of public and private funding. Peer-to-peer learning and networking

opportunities focused on developing the partnerships necessary to implement state and federal climate equity funding.

## Key Themes

During the conference, participants shared proven examples of approaches to invest in clean energy, transit, affordable housing, good-paying jobs, and to reduce legacy pollution in underserved communities. While significant challenges remain, the opportunities identified by participants offer hope for addressing long-standing inequities and building resilience in the face of climate change.

Presentations and discussions were wide-ranging, reflecting both the diversity of participants – including government, community, Tribal, finance, industry, and advocacy leaders – and the highly varied ways that climate equity challenges are affecting communities across California. Across these discussions, however, four key themes emerged:

1. **Tribal Access and Investment:** While several State and non-state entities are actively shaping program design to meet Tribal needs, significant barriers remain. Participants identified a lack of cultural competency on the part of State agencies, a tendency to view all Tribes as a single entity, and a lack of meaningful engagement coupled with adequate resources as persistent challenges in the context of program design and project delivery. Opportunities identified by participants include establishing a Tribal Green Bank that leverages private sector funding for climate and equity in partnership with the Bureau of Indian Affairs and incorporating traditional ecological knowledge (TEK) of tribes within State stewardship processes.
2. **Pre-Implementation Challenges, Opportunities, and Proven Models in Underserved Communities:** Technical assistance and capacity building have become core focus areas in standalone programs (e.g., Partners Advancing Climate Equity and BOOST) and are increasingly integrated into larger, more extensive programs. However, participants noted that many programs still need to account for the wide variation in community readiness to apply for and deploy available grant funds, particularly over the long term. Complex application processes create a reliance on external technical assistance providers, which can not only be costly but also do not always serve the interests of communities. Opportunities identified by participants to address these challenges include more stable funding streams for established State technical assistance programs, simplifying and streamlining of application processes, and targeted coordination efforts that equip community-based organizations and other potential grantees with the resources and technical tools to access a broader range of public and private funding streams.
3. **Criteria, Outcomes, and Accountability Mechanisms Underpinning Equitable Investment in Under-Resourced Communities:** Participants identified new actions and partnerships – including workforce development efforts and multi-sector collaborations – to successfully embed equity-driven practices into program and project design. However, participants noted that more work is required to allow for greater self-determination and to expand the scope and duration of funding opportunities to account for varying levels of community readiness and the inherent uncertainties associated with project implementation. Opportunities identified by participants included expanding proven effective strategies such as advanced pay, establishing cross-cutting



Statewide guidelines for State agencies to administer and ensure accountability on federal funding subject to Justice40, and utilizing proven models of partnership and financing – such as community-based public-private partnership (CBP3) and Enhanced Infrastructure Financing (EIF) Districts – to secure and direct funding opportunities in a more equitable manner.

4. **Sustaining Investment, Scaling Infrastructure, and Replicating Outcomes in Frontline Communities:** Presenters discussed the tensions and challenges in coordinating, sustaining, and scaling infrastructure investment across diverse place-based contexts. Models such as Community Choice Aggregation, Virtual Power Plants, and Community-based Public-Private Partnerships show great potential for coordinating and scaling the rollout of climate-friendly technologies and services across diverse community contexts. Participants noted that doing so requires more stable and streamlined funding opportunities and a change in how private finance perceives financial risk and defines viable projects. Opportunities identified by participants included modeling standardized project types that blend state and federal resources to address key California issues, auditing existing state programs to see where state programs can leverage federal dollars, and creating a regional agency-wide community-based partnership strategy (based on lessons learned from LA Metro Community-Based Organization (CBO) Partnership Strategy) to identify and address longer-term barriers faced by community-based organizations and other organizations.

## Next Steps

SGC announced it would distill and continue building momentum around Conference themes and takeaways in publishing Conference Summary Papers and holding regionally-based roundtable convenings. In response to limited Tribal leadership participation at the Conference, SGC is making efforts to further engage Tribal leadership directly to increase the diversity of viewpoints at future events and convenings.

## Discussion Questions

Based on the challenges and opportunities identified in the Draft Summary Report, what short-term and long-term actions should SGC take to support equitable and sustained transformation in underserved communities?

What key themes and focus areas in the Draft Summary Report should SGC incorporate or prioritize in its four-year strategic plan?

## Attachments

Attachment A: 2023 Catalyst Summary Report