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Subject: Connecting Communities Initiative Overview and Framework

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Summary

The Connecting Communities initiative will support SGC grantees and unawarded applicants in accessing federal funding and demonstrate proven strategies to advance community climate leadership. The initiative has three pillars within its framework: 1. technical assistance, 2. resource diversification, and 3. strategic collaboration, each of which will serve as a living model that can adapt to changing external forces, budget fluctuations, new technology and partners, and evolving community needs.

The Newsom Administration has named increasing California's competitiveness for federal funding a strategic goal. Connecting Communities supports SGC Strategic Plan Goal 3: Ideate, Incubate, and Scale Transformative Approaches to Climate Equity.

Background

Signed into law on August 16, 2022, the Inflation Reduction Act (IRA) invests a historic \$370 billion in clean energy and climate action. The Inflation Reduction Act, the Bipartisan Infrastructure Law, and the American Rescue Plan together further President Biden's 2021 Executive Order on Advancing Racial Equity and Support for underserved communities through the Federal Government and Justice40 Initiative.

Recent years have witnessed unprecedented levels of State and federal funding to address worsening climate-related challenges, particularly those faced by historically marginalized and disadvantaged communities. While historic, the current levels of public climate funding are insufficient to meet long-term needs. In a first-of-its-kind assessment of climate finance in California, [Climate Policy Initiative's](#) report on [California Landscape of Climate Finance](#) estimates that California will need an annual average of USD 62 billion from 2023 to 2035 to stay on track for its climate goals. This need is demonstrated in the oversubscription of SGC Programs. In Round 5 SGC's Transformative Climate Communities (TCC) Program, there were over \$159 million in funding requests with a total Notice of Funding Availability (NOFA) of \$99.2 million. Similarly, the Climate Resiliency Centers (CRC) Program received over \$685 million in funding requests with a NOFA of \$98.6 million and the Regional Climate Collaboratives (RCC) program received requests for \$66.6 million on a NOFA of \$8.35 million in Round 1 and requests for \$52 million for an \$8.5 million NOFA in Round 2.

As such, there is a pressing need to support communities and organizations in identifying and implementing actionable, creative strategies toward equitable climate resilience now and in the future.

About the Connecting Communities Initiative

The Connecting Communities initiative will build on SGC's history of catalyzing public and private investment in frontline communities. Due to historic and continued under-investment, under-resourced communities often lack the staff capacity, partnerships, or resources to secure competitive funding and implement projects and policies. Providing technical assistance, mobilizing federal funding opportunities, and developing strategic collaborations with private funders or other resources can be pivotal in leveling the playing field and ensuring that resources go to the communities that need them the most.

Connecting Communities has three distinct goals:

1. Support SGC grantees and unawarded applicants in accessing federal funding through technical assistance and the mobilization of financial and other resources.
2. Advance strategic collaborations with the philanthropy sector and other private funding sources to further enhance investment into underserved communities across the state.
3. Accelerate community-led climate projects statewide and demonstrate best practices in centering communities burdened by pollution and other structural harm.

Connecting Communities Framework

Connecting Communities has three pillars within its framework which will support its goals and serve as a living model that can adapt to our existing infrastructure, changing external forces, budget fluctuations, new technology and partners, and evolving community needs.

Technical Assistance

Through the IRA, funding will be provided in the form of grants, loans, tax incentives, and more. Connecting Communities will support SGC's current grantees and unawarded applicants with grant writing assistance and other tailored resources for federal programs.

An example of active federal funding is the [U.S. Environmental Protection Agency \(EPA\) Community Change Grant \(CCG\)](#), which will distribute approximately \$2 billion through grants and technical assistance to community-based organizations to address and reduce indoor and outdoor air pollution. This national program is modeled after the TCC program.

Because many TCC grantees and former TCC applicants have developed projects and plans through deep community partnerships and processes but currently lack funding, SGC has provided technical assistance to interested communities since early this year.

Work to date: Horne, SGC's technical assistance consultant, has provided assistance to 47 community partners across 18 unique projects since the beginning of the year. Four projects from TCCs Round 5 Implementation Grants have been submitted for the approximately \$20M per award CCG grant.

The four applicants include:

- La Familia Counseling Center, submitted on February 29, 2024
- San Diego Foundation submitted, on March 15, 2024
- The Energy Coalition: Pomona Acts, submitted on March 15, 2024
- The City of Bakersfield, submitted on April 23, 2024

Resource Diversification

In addition to CCG funding, TCC and other SGC Programs have projects that are a potential match for other Justice40 funding opportunities. To that end, Connecting Communities has developed a Resource Mobilization Plan which will:

- Support core SGC programs in identifying and applying to additional federal funding opportunities or resources that can augment funding gaps
- Identify the continuation and gap filling for targeted SGC skills, pilots and initiatives

The Mobilization Plan includes various federal funding programs and resources that SGC will explore as part of the Connecting Communities Initiative. The team will closely collaborate with Council members and key staff as well as other state agencies and partners to develop continuity across programs.

Reference Attachment A to review the Mobilization Plan.

Strategic Collaboration

Connecting Communities will collaborate with cross-sectoral strategic partners in SGC's core areas of work, including community development and urban/local planning, climate-oriented infrastructure investments, conservation, health equity, and government transformation. These partners can include private and philanthropic partners, community-based organizations, governments, tribal communities, and more. The initiative will also continue to convene frontline leaders, researchers, funders, and government partners through the annual Catalyst Conference.

An example of this strategic relationship is SGC's \$0 contract with the Milken Institute. By forming a strong relationship built around community need, SGC program applicants can utilize the Institute's new [Community Infrastructure Tool](#) which is a dedicated project development platform connecting project sponsors to grant opportunities, project development resources, and matchmaking to a growing set of provider partners from philanthropy to federal agencies and non-profit technical assistance providers. The tool was developed as an outcome of the Catalyst Conference.

Next Steps

SGC will develop an action plan for the Connecting Communities Initiative. The Initiative will continue to refine the Connecting Communities Mobilization Plan and framework as it provides

technical assistance to additional programs in search of federal funding, prepares for the 2025 Catalyst Conferences, and collaborates with external partners and agencies.

Discussion Questions

1. Are there strategic gaps that you have identified and want SGC to build into the framework?
This includes other skills, pilots or initiatives.
2. Where are there opportunities for SGC to coordinate or collaborate with your agencies?
3. What additional information or support do you require to explore this further?

Attachments

Attachment A: Connecting Communities Resource Mobilization Plan