

September 25, 2018

**Subject:** Transformative Climate Communities Round 1 Evaluation

**Reporting Period:** September 2018

**Staff Lead:** TCC Program Staff

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## **Recommended Action:**

Approve use of \$1.2 million in FY 18-19 Transformative Climate Communities Program funds to support evaluation for Round 1 grantees

## **Summary:**

The California Air Resources Board requires agencies receiving Greenhouse Gas Reduction Fund dollars to report on impact of investment. These indicators are defined in collaboration with awarding agencies. To identify these indicators, Round I Grantees from the Transformative Climate Communities (TCC) program were asked to submit an indicator tracking plan to evaluate the impact of the TCC investment. During the Post-Award phase, the Strategic Growth Council contracted with a team of researchers at the University of California, Los Angeles (UCLA) and the University of California, Berkeley (UC Berkeley) to identify the indicators that should be tracked for the TCC program.

UCLA and UC Berkeley (the Evaluation Team) began with the indicator tracking plans submitted by the Round I Grantees. The researchers worked directly with grantees in each of the three project locations and developed logic models for each of their individual project types. These logic models allowed the researchers and grantees to further refine the indicators to be reported on for each project type. The Evaluation Team also developed indicators to examine the overall success of the projects and the cumulative impact that the funding has on the three project sites.

Meaningful evaluation of TCC investment requires examining the selected sites before and after implementation, and also comparing these sites to other sites that will not receive funding (i.e., control sites). Indicator development uses primary and secondary data sources and collecting narrative stories about the work at the three sites and the overall implementation process are.

During this process it became clear that evaluation of the TCC investment requires significant data collection and analysis that and is likely requires resources and capacity that is beyond TCC Grantees, which are among the most disadvantaged communities in California. Therefore, SGC team explored the ways in which we can support TCC Grantees to conduct a multi-year evaluation in order to understand the impact of TCC investments.

The industry standard for dollar amount spent on program evaluation activities is 5-10 percent of grant funds expended.<sup>1</sup> The Evaluation Team estimated the cost of collecting all the indicators and conducting

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<sup>1</sup> Taken from philanthropic sources and past evaluation expenditures, including the Hewlett Foundation, Corporation for National and Community Service, and the American Evaluation Association.



the additional evaluation activities to be approximately \$2.9M for three locations that received TCC awards over grant term and performance period.

The Round I Grantees allocated between \$350,000 and \$600,000 of the requested funds for their own activities related to indicator tracking, which will not be adequate to complete the work recommended by the Evaluation Team (see Table 1). Approximately \$1.6 million in additional funds is needed to complete the evaluation.

**Table 1:** TCC Round I Program Evaluation Budget Analysis

	Funds Allocated by Awardees for Evaluation	Additional Evaluation Costs (per Evaluation Team)	Total Evaluation Cost
Watts	\$350,000	\$500,000	\$850,000
Ontario	\$350,000	\$500,000	\$850,000
Fresno	\$600,000	\$600,000	\$1,200,000
Total	\$ 1,300,000	\$1,600,000	\$2,900,000

SGC has identified \$400,000 in administrative funds to pay for a portion of the Round 1 evaluation. This leaves a \$1.2 million gap in funding for evaluation activities of Round I. Program staff recommend that the gap is filled with the additional funding that will be awarded to the Round 2 Transformative Climate Communities Program.

In Round 2 and future rounds of TCC, the applicants are required to budget 3 percent of their requested budget for indicator tracking costs. The Strategic Growth Council will solicit bids from qualified contractors and develop a list of evaluators that awardees can contract with to perform the evaluation services.