Transformative Climate Communities Program

Round 3 Proposed Final Program Guidelines
FY 2019 – 2020

October 21, 2019

Program information can be accessed at: http://sgc.ca.gov/programs/tcc/.

To sign up to receive notices, updates, and information regarding the Transformative Climate Communities Program (and other Strategic Growth Council (SGC) grant programs and initiatives), visit the SGC website and click on the "E-list" link at: http://sgc.ca.gov/.

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Transformative Climate Communities Program At-a-Glance

ABOUT THE TCC PROGRAM

Administered by the California Strategic Growth Council (SGC) in partnership with the California Department of Conservation, the Transformative Climate Communities Program:

- Funds the implementation of **neighborhood-level proposals** with multiple, integrated projects
- **Empowers communities** to choose their own strategies for reducing **greenhouse gas emissions** and achieving **community benefits**
- Prioritizes California's **most disadvantaged communities** – neighborhoods ranked in the **top 10 percent (10%)** of CalEnviroScreen
- The TCC program was developed through a transparent and **stakeholder-driven** process, including a Statewide Summit and workshops held throughout California

250 Stakeholders participated in a Statewide Summit to **inform the program's design**

ROUND 3 AWARDS

Implementation Grants –	Planning Grants –
$56,400,000 available for 2 awards ($28,200,000 each)	**$600,000 available for 3 awards ($200,000 each)**

CALIFORNIA CLIMATE INVESTMENTS

The TCC Program is part of California Climate Investments, a statewide program that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities. For more information, visit the California Climate Investments website at: www.caclimateinvestments.ca.gov.

CONTACT US

Program information can be accessed at: http://sgc.ca.gov/programs/tcc/.

Email inquiries can be sent to: tccpubliccomments@SGC.CA.GOV.

To sign up to receive notices, updates, and information regarding the TCC Program (and other SGC grant programs and initiatives), visit Strategic Growth Council (SGC) website and click on the "E-list" link at: http://sgc.ca.gov/.

SECTION I. INTRODUCTION

A. BACKGROUND

The Transformative Climate Communities (TCC) Program is part of the California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment — particularly in disadvantaged communities.

Assembly Bill (AB) 2722 (Burke, Chapter 371, Statutes of 2016) established the TCC Program 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).

In addition to reducing greenhouse gas (GHG) emissions in disadvantaged communities, AB 2722 includes the following goals:

- Maximize community benefits: "Projects shall maximize climate, public health, environmental, workforce, and economic benefits."
- Avoid displacement: "In adopting the guidelines, SGC shall consider whether eligible plans and projects avoid economic displacement of low-income disadvantaged community residents and businesses."
- Comprehensive community engagement: "SGC shall award grants for projects that demonstrate community engagement in all phases."
- Leverage additional funds: "By making such comprehensive public investments, it is the intent of the Legislature that private resources can be more effectively catalyzed to support innovative community and climate transformation in disadvantaged communities;" *and*

  "SGC and all funded entities shall endeavor to identify additional public and private sources of funding to sustain and expand the program."
- Technical assistance: "SGC shall fund technical assistance providers to assist in application development and project development and implementation."

In addition to AB 2722, the following legislation governs the TCC Program:

- *Assembly Bill 32*: Requires California to reduce its greenhouse gas (GHG) emissions to 1990 levels by 2020 and tasks the California Air Resources Board with creating a Scoping Plan, enabling the development of the cap-and-trade program.
- *Senate Bill 32*: Requires California to reduce GHG emissions to 40 percent (40%) below 1990 levels by 2030.

- *Senate Bill 535* (De León, Chapter 830, Statutes of 2012) directs State and local agencies to invest in California's "disadvantaged communities," – as defined by CalEnviroScreen 3.0[1] – by spending a minimum of 25 percent (25%) of Greenhouse Gas Reduction Funds (GGRF) to benefit these communities.
- *Assembly Bill 1550* (Gomez, Chapter 369, Statutes of 2016) expands requirements for GGRF to include other Priority Populations based on income. In addition to the 25 percent (25%) of the proceeds required by SB 535, AB 1550 requires an additional minimum of five percent (5%) of funds be invested in projects that benefit low-income households or communities statewide; and an additional five percent (5%) be invested in projects that benefit low-income households or communities that are within a half-mile of a disadvantaged community. Together, SB 535 and AB 1550 prioritize investments to disadvantaged and low-income communities and households in need of assistance.

B. PROGRAM SUMMARY

The Strategic Growth Council (SGC) administers the TCC Program in partnership with the California Department of Conservation (DOC).

A $60 million FY 2019-2020 budget appropriation from the Greenhouse Gas Reduction Fund supports Round 3 of the TCC Program, which will award two (2) types of grants:

Implementation Grants

- Implementation Grants fund neighborhood-level proposals that include multiple, coordinated projects that reduce greenhouse gas emissions and achieve other community benefits.
- $56,400,000 is available for two (2) grant awards of $28,200,000 each.
- Grant terms are seven (7) years: a five (5) year Project Completion Period, followed by a two (2) year Performance Period, during which project outcomes will be monitored.
- For more information about the program framework, eligibility, application, and grant administration, see Section II. Implementation Grants.

[1] CalEnviroScreen is a screening tool developed by the Office of Environmental Health Hazard Assessment to help identify communities with high levels of social and economic vulnerability that are also disproportionally burdened by multiple sources of pollution. <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>

Planning Grants

- Planning Grants fund planning activities to prepare disadvantaged communities for future funding opportunities in programs that align with the TCC Program's objectives.
- $600,000 is available for three (3) awards of $200,000 each.
- Grant terms are two (2) years.
- For more information about the program objectives, eligibility, application, and grant administration, see Section III. Planning Grants.

C. PROGRAM VISION

Vision for Transformation

The TCC Program establishes a new framework for achieving California's climate goals. This framework represents an evolution in the State's typical funding models in four (4) significant ways.

- *Place-Based Approach*: A place-based approach allows the state to make significant, targeted investments that meet multiple needs of burdened communities. It also empowers communities to tackle climate change and equity challenges at a neighborhood scale. Communities propose systemic solutions to address their neighborhood's specific needs and assets.
- *Integrated Strategies and Projects*: Implementing multiple, integrated strategies and projects makes the whole of each grant greater than the sum of its parts. Integrating cross-sector activities into each proposal enables the state's investments to maximize greenhouse gas reduction goals and other community benefits.
- *Transformative Elements*: Robust community engagement and workforce development ensures that TCC proposals are designed with local residents' and stakeholders' needs in mind. Applicants are also required to implement measures that will avoid displacement of existing residents and businesses so that they may benefit from the state's investments in the long-run. The TCC Program is also a model for catalyzing local, multi-sector partnerships that leverage private and public funds to sustain community revitalization and equitable development. Additionally, long-term indicator tracking allows the state to continually assess program outcomes and apply lessons learned.
- *Developing Partnerships*: The TCC Program enables the development of long-term partnerships at multiple levels. First, Applicants are required to develop "collaborative stakeholder structures" that bring together public agencies, non-profit organizations, residents, and other local entities in a process that fosters long-term investment in the community's vision for transformation. Second, the TCC Program requires the state to establish partnerships with Applicants and Grantees through outreach and technical assistance. And lastly, the development of the TCC Program has resulted in partnerships at the state level, through consultation with experts from

multiple agencies during the development of program guidelines, drafting of grant agreements, and review of applications.

Investing in Priority Populations

The TCC Program focuses investment in communities most burdened by environmental, socioeconomic, and health inequities. The CalEnviroScreen 3.0 ("CES") Tool identifies these communities and the TCC Program has set the following thresholds for TCC Implementation and Planning Grants:

- *Implementation Grants:* Communities in which more than half of the area overlaps with census tracts in the top 10 percent (10%) of the CES rankings, and the remaining 49% of the project area overlaps with census tracts in the top 25 percent (25%) of CES rankings, or with AB 1550 low-income tracts, and
- *Planning Grants*: Communities in which all census tracts fall within the top 25 percent (25%) of the CES rankings.

Communities defined as "disadvantaged" can include high populations of people with low-incomes and a high concentration of sources of pollution. Residents of these types of communities commonly 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.

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 organized groups of neighborhood leaders actively engaged in local planning efforts, policy campaigns, and other activities to make their communities healthier, safer, and more sustainable. These efforts are particularly important today since these communities will disproportionately experience the impacts of climate change. The TCC Program is structured to provide existing residents and businesses with the tools and resources to drive change and to ensure they are also able to experience the benefits of investment.

SECTION II. IMPLEMENTATION GRANTS

The following section describes the eligibility requirements, program framework, application process, and grant administration for TCC Implementation Grants.

A. ELIGIBILITY

Applicant Eligibility

Applications will be submitted by a Lead Applicant in collaboration with multiple Co-Applicants. Together, the Lead Applicant and Co-Applicants are collectively referred to as "Applicants."

Eligible Lead Applicants

Organizations eligible to serve as Lead Applicant may include, but are not limited to: community-based organizations, local governments, nonprofit organizations, philanthropic organizations and foundations, faith-based organizations, coalitions or associations of nonprofit organizations, community development finance institutions, community development corporations, joint powers authorities, and tribal governments.

Past Awards

Organizations that were awarded a TCC Implementation Grant in Round 1 or 2 are not eligible to re-apply as the Lead Applicant in Round 3. However, organizations from the same jurisdiction are eligible to apply, and project partners on current grants may apply as Lead Applicants or be included in Round 3 applications.

Eligible Co-Applicants

Organizations eligible to serve as Co-Applicants include the organizations listed above in the Eligible Lead Applicants section, as well as the Eligible Project Leads described in Appendix B.

Public Agency Support

Either the Lead Applicant or one of the Co-Applicants must be a public agency.

If the Lead Applicant is a public agency, they must provide evidence of a passed formal resolution in the TCC Proposal that includes an authorization to apply for and accept a TCC Implementation Grant and authority to execute all related documents.

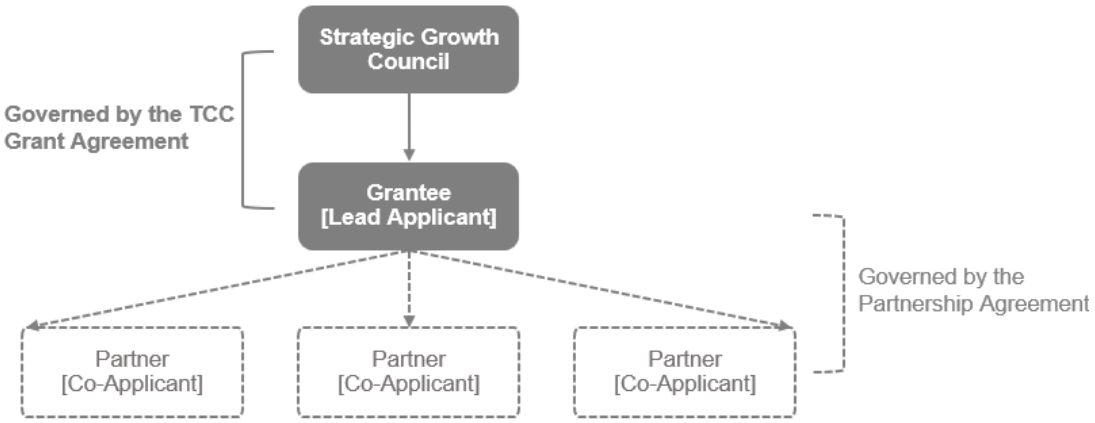
If the public agency is a Co-applicant, then the Applicant must provide a letter of support from the public agency in the TCC Proposal.

Collaborative Stakeholder Structure

The Lead Applicant and all Co-Applicants must form a Collaborative Stakeholder Structure to develop and submit one (1) application. The Collaborative Stakeholder Structure also should include residents and community-nominated members such as community-based organizations that are not Co-Applicants.

Partnership Agreement

Applicants must develop a Partnership Agreement that is signed by the Lead Applicant and all Co-Applicants that describes the governance, organization, and financial relationships of the Collaborative Stakeholder Structure. Once the grant has been executed, Lead Applicants will be referred to as the "Grantee," and Co-Applicants as "Partners." For more information about the SGC relationship with Grantee and Partners, see Section II.H.



The Collaborative Stakeholder Structure will govern implementation of the entire TCC Grant. Applicants may design their Collaborative Stakeholder Structure to best align with their needs, but the Partnership Agreement must, at a minimum, include the following:

- Identification of the Grantee;
- Roles and responsibilities for the Grantee and all Partners, residents, and/or community-nominated members;
- Governance of the Collaborative Stakeholder Structure including: processes for handling disputes and procedures to change, add, or remove members;
- Legal and financial considerations including: liability provisions, financial relationships between the Grantee and Partners, the process Grantee will use to reimburse the Partners, and procurement processes;
- Transparent decision-making processes;
- Non-discrimination clause;
- Meeting facilitation procedures including frequency of meetings, minimum number of meetings open to public, means for publishing meeting agenda and notes for public access; and
- Process for involving community representatives and community-based organizations in decision-making.

Memorandum of Understanding

Eligible Applicants listed in Section II.A.1 that have unincorporated areas are required to submit a Memorandum of Understanding that identifies arrangements and commitments of full-time equivalent positions from each local government involved to implement capital projects that overlap incorporated and unincorporated jurisdictions and systems designed to coordinate successful implementation of these projects.

Applicant Capacity

Applicants must provide sufficient information to demonstrate their management and financial capacity:

Management Capacity

Lead Applicants' and Co-Applicants' ability to oversee, manage, and implement large infrastructure projects, such as transportation, affordable housing, and green infrastructure projects is essential. For each proposed Project in the TCC Proposal, Applicants must:

- Identify the Lead Applicant or Co-Applicant responsible for leading the implementation of each Project (the "Lead Entity");
- Provide evidence of the Lead Entity having successfully implemented a similar project in scope and size in California within the last 10 years;
- Describe the full or part-time staff that will be dedicated to TCC Program Implementation; and
- Provide a letter of support from one (1) reference who can speak to the quality and timeliness of work completed by the Lead or Co-Applicant.

Financial Capacity

Lead Applicants and Co-Applicants must possess the financial capacity to adhere to the reimbursement processes of the TCC Program and defined by the Partnership Agreement. See Section II.H for details about the reimbursement process.

To demonstrate financial capacity, the Lead and Co-Applicants will be asked to provide a current annual organizational budget, and recent financial statements, as specified in the application.

Non-profit organizations must submit a copy of their most recent Federal Form 990 and a copy of the organization's IRS 501(c)(3) Tax Determination Letter. Any Applicant that had an audit finding in the last five (5) years are required to enclose it in the application in an official letter.

Project Area Eligibility

Applicants must provide a description and map of the Project Area that demonstrate the Project Area meets all requirements below.

Project Area Size

Applicants must define a contiguous Project Area that is no larger than approximately five-square miles (5 mi^2).

Priority Populations

At least 51 percent (51%) of the Project Area must overlap with Census Tracts within the top 10 percent (10%) of disadvantaged communities, per CalEnviroScreen 3.0.

The remaining 49 percent (49%) or less of the Project Area must overlap either with a disadvantaged community in the top 25 percent (25%) of CalEnviroScreen 3.0 or a low-income community as defined by AB 1550.[2]

Past Awards

Project Areas proposed in Round 3 may not overlap with Project Areas from Round 1 or 2 TCC Implementation Grant awards. However, proposed Project Areas may fall within the same jurisdiction as previous TCC awards.

Incorporated/Unincorporated Areas

Round 3 extends eligibility of unincorporated areas for Implementation Grants to Round 1 and 2 Planning Grant recipients that included unincorporated areas within their Planning Area. The proposed Project Area must fall within the TCC Planning Area and meet the Priority Population requirements above.

The Grantees or Partners from the following TCC Planning Grants have unincorporated areas within their Planning Area and are eligible to apply for Round 3 Implementation Grants:

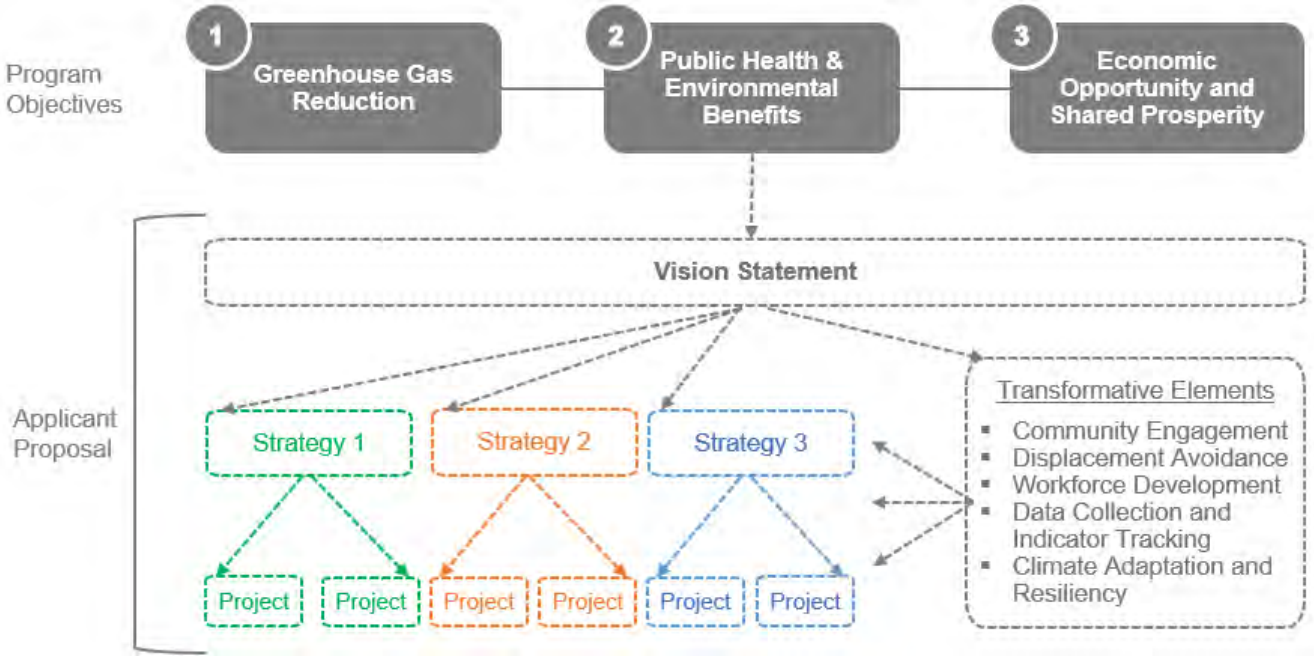
- Nuestra Tierra, Nuestro Futuro: A Sustainable Community Ownership and Land Stewardship Pilot in East Los Angeles
- Franklin Community Climate and Revitalization Playbook
- Stockton 2017 Transformative Climate Communities Program Planning
- South LA Climate Commons Collaborative: Aligning State and Local Priorities with a Community Vision

Threshold requirements related to Strategies and Projects such as GHG emissions quantification and readiness requirements are explained in Section II. D.2.

[2] California Environmental Protection Agency. California Climate Investments to Benefit Disadvantaged Communities. <https://calepa.ca.gov/envjustice/ghginvest/>

B. OVERVIEW OF PROGRAM FRAMEWORK

The Program Framework establishes the structure for all TCC Proposals. Proposals must be designed to address all three TCC Program Objectives and include the following inter-related components: a Vision Statement, Strategies, Projects, and Transformative Elements.



C. OBJECTIVES AND VISION

Applicants must develop a shared Vision Statement that describes how the TCC Proposal will achieve all three (3) Program Objectives, as described in AB 2722:

1. Achieve Significant Reductions in Greenhouse Gas Emissions

   Applicants must develop a proposal with integrated projects that will reduce GHG emissions and further the objectives of AB 32 and SB 32.

2. Improve Public Health and Environmental Benefits

   Applicants must describe how their proposal will improve public health outcomes for community residents and achieve environmental benefits for the Project Area.

3. Expand Economic Opportunity and Shared Prosperity

   Applicants must consider how the proposal will contribute to economic opportunities for the community and ensure that improvements are accessible and equitable.

The Vision Statement must articulate how the proposed Strategies, Projects, and Transformative Elements will be coordinated and integrated to achieve the vision for neighborhood transformation. In addition, the Vision Statement must capture the community resources, assets, and characteristics that make the Project Area ready for transformation.

D. STRATEGIES AND PROJECTS

Applicants will select Strategies and develop Projects that address the TCC Program Objectives.

Strategies

Applicants must select at least three (3) Strategies from the list below. Strategies should be thoughtfully selected and integrated to best meet the community's needs. The eligible activities and fundable elements for each Strategy are outlined in Appendix B.

1. *Equitable Housing and Neighborhood Development*
2. *Affordable Housing Land Acquisition*
3. *Transit Access and Mobility*
4. *Solar Installation and Energy Efficiency*
5. *Water Efficiency*
6. *Recycling and Waste Management*
7. *Urban Greening and Green Infrastructure*
8. *Health and Well-Being*

Projects

Applicants must develop each Project using eligible elements from a Strategy.

- At least three (3) Projects must be both quantifiable AND meet all readiness requirements at the time of application submittal;
- Projects that are both quantifiable and ready must account for at least fifty percent (50%) of the requested grant funds; and
- All Projects must meet readiness requirements within the first year of the grant term.
- All Projects must be completed within the five (5) year Project Completion period. Shorter timelines are also acceptable.

Quantifiable Projects

Quantifiable Projects include elements that are quantifiable using GHG Quantification Methodologies approved by the California Air Resources Board. Quantifiable projects may include both quantifiable and non-quantifiable elements.

Readiness Requirements

Readiness requirements include California Environmental Quality Act (CEQA) documentation, site control, permits, project maps and designs, operations and maintenance plans, and other Strategy-specific requirements. Strategy-specific readiness requirements are listed in Appendix B. Readiness requirements must be complete prior to beginning project implementation. Some Strategies are eligible for pre-development costs to meet readiness requirements as defined in Appendix B.

Eligible Costs

In addition to the eligible and ineligible direct implementation costs described in Appendix B, the TCC Program generally funds four types of costs:

Eligible Costs	**Percent of Grant Award**
Direct Implementation Costs	At least 67%
Pre-Development Costs	Up to 5% (10% of an individual Project)
Indirect Costs	Up to 10%
Transformative Elements	Up to 18% (see next section)
TOTAL	**100%**

Direct Implementation Costs

Direct implementation costs are defined as costs directly tied to the implementation of the grant agreement including, but not limited to: personnel costs for project management and grant administration, labor, subcontracts, equipment costs, travel expenses, etc. Eligible direct implementation costs are defined for each Strategy in Appendix B.

Travel reimbursements must adhere to the State rates and conditions established on the CalHR website, with the exception of “incidentals” and out-of-state travel, which will not be reimbursable under this grant.

Pre-Development Costs

Pre-development costs may account for up to 10 percent (10%) of an individual Project budget but may not exceed five percent (5%) of a total TCC grant award.

Pre-development costs include, but are not limited to, soft costs for activities such as construction or project plans, specifications and estimates including but not limited to: planning, engineering, architectural, and other design work, environmental impact reports and assessments, appraisals, legal expenses, and necessary easements.

Pre-development activities and costs can be used to meet readiness requirements.

Indirect Costs

Indirect costs may account for up to 10 percent (10%) of the total TCC grant award.

Indirect costs are costs of doing business that are of a general nature. These costs are not directly tied to the grant but are necessary for the general operation of the organization. Indirect costs include, but are not limited to:

- Personnel costs associated with administrative, supervisory, legal, and executive staff;
- Personnel costs associated with support units, including clerical support, housekeeping, etc.; and
- Operating expenses and equipment costs not included as part of direct project costs.

Reasonableness

All costs must be reasonable. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In determining reasonableness of a given cost, consideration must be given to:

- Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the entity or the proper and efficient performance of this Grant Agreement;
- The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; federal, state, local, tribal, and other laws and regulations; and terms and conditions of this Grant Agreement;
- Market prices for comparable goods or services for the geographic area;
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to its employees, the public at large, and the State; and
- Whether the cost significantly deviates from the acquiring entity's established practices and policies regarding the incurrence of costs.

E. TRANSFORMATIVE ELEMENTS

In addition to selecting Strategies and developing Projects, Applicants must include six (6) Transformative Elements as part of a TCC Proposal. Transformative Elements are critical to furthering the TCC Program Objectives and supporting the implementation of Strategies and Projects.

Below is a brief description of each Transformative Element. Specific information about eligible activities, eligible costs, and additional requirements can be found in Appendix C.

- Some Transformative Elements may be paid for with grant funds, and others are integrated into the proposal or require outside funding.
- All Transformative Elements must last for the duration of the entire five (5) year Project Completion Period. Applicants must consider this when developing the Work Plans and Budgets for all Transformative Plans.

Transformative Elements	**Percent of TCC Grant Award**
Data Collection and Indicator Tracking	5% required
Community Engagement ▪ Displacement Avoidance	Up to 8% ▪ Up to 3% of the total 8% of community engagement funds can be used for displacement avoidance activities
Workforce Development and Economic Opportunities	Up to 5%
TOTAL	**Up to 18%**
Climate Adaptation and Resiliency	*None - No grant funds may be allocated, but applicants must incorporate adaptation measures into their proposed infrastructure projects*
Leverage Funding	*None – Grantee must leverage additional funding sources that equate to least 50% of the total grant award*

Data Collection and Indicator Tracking

Applicants must allocate five percent (5%) of their budget for data collection and indicator tracking as follows:

- Three percent (3%) will be used to hire a pre-qualified TCC Evaluation team; and
- Two percent (2%) will cover Grantee and Partners' costs to gather data and report to the TCC Evaluation Team on indicators defined by the California Air Resources Board and required by the TCC Program.

California Air Resources Board Indicators

The California Air Resources Board's (CARB) Funding Guidelines for California Climate Investments requires reporting on the benefits estimated from the GHG Quantification Methodology as well as reporting on employment outcomes for all projects and reporting actual outcomes for a subset of funded projects. For quantifiable projects, grantees are required to track and report project indicators listed in the reporting template for the applicable project type (www.arb.ca.gov/cci-resources).

TCC Program Indicators

In addition, SGC has worked with academic institutions to develop other indicators to track overall impact of TCC investments.

A sample list of general CARB and SGC required tracking indicators are available on the SGC website[3] and in the sample grant agreement in Appendix H. A list of specific indicators will be finalized for each Grantee by the TCC Evaluation team prior to grant execution.

Tables below summarize the indicator reporting requirements.

Greenhouse Gas Reduction Estimation

Phase	Greenhouse Gas Emissions and Co-Benefits
Application	Collection and submittal of the inputs needed to calculate GHG emission reductions and co-benefits for Projects with quantifiable elements using CARB-approved quantification methodologies.

Indicator Tracking and Reporting

Phase	Frequency	Project Outcome
Project Implementation	Annual	CARB and SGC required tracking indicators
	Project Operational Stage	Reporting on indicators for Projects with quantifiable elements and Project outcome indicators per CARB requirements.
	Close out	CARB and SGC required tracking indicators

[3] UCLA Luskin Center for Innovation and UC Berkeley Center for Resource Efficient Communities, November 2018. *Transformative Climate Communities Evaluation Plan: A Road Map for Assessing Progress and Results of the Round 1 Place-based Initiatives.* < http://sgc.ca.gov/programs/tcc/docs/20190213-TCC_Evaluation_Plan_November_2018.pdf>.

Community Engagement

Applicants may allocate up to eight percent (8%) of their budget for eligible community engagement and outreach activities during grant implementation.

To ensure that grant funds provide direct, meaningful, and assured benefits to disadvantaged communities, the TCC Program requires that Applicants work with community members and stakeholders through direct engagement. Applicants must involve residents and businesses from the Project Area and key stakeholders in all phases of TCC Proposal development and implementation. TCC Proposals should be designed to meet residents' needs that have been identified through a documented outreach and engagement process.

Applicants must also use proven methods of engagement to facilitate direct participation of community residents, including ensuring translation of meetings and materials, scheduling of meetings at times that are convenient to community members, and engaging community members in information gathering as well as outreach. See Appendix C for a list of recommended activities to ensure meaningful community engagement.

TCC Proposals must develop a Community Engagement Plan with two (2) main sections:

Description of Community Engagement during Proposal Development

Priority will be given to TCC Proposals that meaningfully included residents and key stakeholders during proposal development, from the visioning process to selecting Strategies and Projects using proven methods of community engagement such as Participatory Budgeting. This section of the Community Engagement Plan must describe, at a minimum:

- Key stakeholders and residents, including any existing neighborhood organizations or advisory councils serving the Project Area;
- Recent history of resident engagement in neighborhood issues of the proposed Project Area, including involvement in any planning or community development activities administered by the local government or other administrative entities; and
- Process that has been used to identify the needs of residents and other stakeholders during the TCC Proposal development phase and selection of proposed projects and, if applicable, the relationship of this process to any pending planning activities or public improvements for the Project Area within the time frame of implementation.

Description of Future Community Engagement

This section must describe strategies and methods that will be used to engage residents and key stakeholders during grant implementation. Priority will be given to proposals that include a robust governance structure and combination of activities to meaningfully engage community stakeholders. This section of the Community Engagement Plan must describe, at a minimum:

- Timeline of proposed community engagement activities (see Appendix C for list of recommended activities to ensure meaningful community engagement);

- How the public will be informed of implementation progress, including updates on project performance and other Indicators being tracked, as well as implementation progress on the Displacement Avoidance and Community Engagement Plans;
- The ways in which community will provide feedback on implementation of the project;
- Process that will be used to receive formal feedback from the community; and
- How the Collaborative Stakeholder Structure included the Partnership Agreement will support implementation of the Community Engagement Plan.

Displacement Avoidance

Applicants may allocate up to three percent (3%) of the total Community Engagement budget to support displacement avoidance activities performed by evaluation technical assistance providers.

TCC Proposals must include a Displacement Avoidance Plan that details the actions Lead Applicants and Partners will take to establish policies and programs to avoid the displacement of existing households and small businesses within the Project Area. Applicants will describe how their Displacement Avoidance will be successfully implemented and evaluated to ensure that it has the intended impact.

The Displacement Avoidance Plan must include, at a minimum:

- Description of displacement vulnerability among existing households and small businesses within the Project Area;
- Description of the policies, plans, ordinances, or programs that are already in place to avoid displacement;
- Identification of additional new policies and programs that will be pursued to avoid displacement among existing households and businesses within the Project Area. Applicants must select policies from examples provided in Appendix C:
    - At least three (3) new policies or programs to prevent the displacement of very low and low-income households.
    - At least two (2) new policies or programs to prevent the displacement of local and small businesses.
    - Applicants are encouraged to define quantifiable goals for selected policies through the community engagement process.
- Identification of the entities responsible for and involved in implementing each new policy and program, and whether the implementing entities are the Lead Applicant or Co-Applicants; and
- If a project is subject to State Relocation Law and a relocation plan is required by State Relocation Law (Gov. Code, § 7260 et seq.) and Section 6038 of the Relocation Assistance and

Real Property Guidelines (25 Cal. Code of Regulations, div. 1, ch. 6, § 6000 et seq.) for the Project Area, Applicants must provide a copy of the relocation plan.

Workforce Development and Economic Opportunities

Applicants may allocate up to five percent (5%) of their budget to support workforce development and economic opportunities.

TCC Applicants must develop a Workforce Development and Economic Opportunities Plan that accomplishes the two (2) goals below:

Create workforce development and training programs with career pathways for residents of the Project Area.

Education and training initiatives should include pre-apprenticeship programs that use industry standard developed curriculum such as the Multi-Craft Core curriculum developed by the North America's Building Trades Unions (NABTU) and are tied to state-certified apprenticeships.

Applicants must demonstrate demand for the proposed education and training initiatives. Applicants will be asked to explain how demand is determined in their local region.

Training programs should:

- Target occupations and industries that support TCC Proposal implementation;
- Reduce barriers to employment;
- Address the range of employment readiness needs of local residents and individuals with employment barriers;
- Lead to partnership with local workforce development boards and other key stakeholders, including organized labor and education providers, and;
- Align and enhance high-performing education and training programs that have a proven record of leading to high-quality, industry-recognized credentials and labor market advancement.

Organizations leading the workforce development and training programs should use existing formalized pathways or partnerships with potential employers or industries, and have a demonstrated track record of providing training with sufficiently high rates of completion, post-training job placement, and job retention. Previous experience should be similar in scale, scope, and activities to the proposed TCC workforce development programs. Applicants may be asked to verify the track record of the organization through the Bureau for Private and Post-Secondary Education (BPPE), the Division of Apprenticeship Standards, their local workforce board, or by using outcome data provided by a State Agency funder (ex. ETP or Chancellor's Office).

Workforce development and training programs must meet all of the following criteria:

- Train participants for jobs and skills that are transferable;
- Result in recognized credentials (e.g., certifications, certificates, degrees, licenses, other documentation of competency and qualifications) to support long-term, stable

employment and career development. Credentials should follow guidance established by the California Workforce Development Board. Stipends to cover basic costs may be provided to participants during training. Programs that provide recipients with more than one type of skill or credential should be prioritized;[4]

- Focus on high-quality employment. Factors commonly considered to influence job quality include, but are not limited to: local living wages; benefits provided: health insurance, paid leave, sick leave, child care services; opportunities for advancement; geographic accessibility and commute distance; job strain, scheduling, flexibility; working conditions and health risks; and job retention or duration of employment; and,
- Recruit trainees who are residents of the Project Area.

Provide economic opportunities through the creation of high-quality jobs.

Applicants must develop a plan that will result in the creation of local, high-quality jobs that offer living wages, benefits, worker voice, predictable scheduling, and opportunities for advancement with clear access points for low-income residents in and near the Project Area. The jobs created may – but do not have to – be tied directly to Projects that are part of the TCC Proposal.

Recruitment practices that could provide benefit from a TCC grant would use targeted recruitment strategies, consistent with federal and state law, to direct training opportunities to residents and/or businesses within the TCC Project Area, low-income residents, residents of disadvantaged communities, veterans, and/or residents displaced or otherwise impacted by project development. Organizations and individuals responsible for recruitment should have proven track records working among barrier and diverse populations by providing evidence of previous similar experience.

Tools to support targeted hiring may include, but are not limited to:

- Community Benefits Agreement (CBA): A contract between community-based organizations and project proponents or agencies that identifies benefits to be provided as part of a project or program. CBAs commonly feature hiring priority for low-income individuals and prevailing wage requirements. CBAs may also include provisions for ongoing community engagement to ensure continued success.
- Labor agreements or community workforce provisions: Comprehensive agreements between labor unions and project proponents (e.g., contractors, developers) or local agencies (e.g., transit agencies, cities) to achieve breadth of objectives including uniform labor standards. These agreements may extend across multiple projects. Applicants may choose to prioritize projects with established labor agreements or community workforce provisions that contain targeted hiring provisions.

[4] California Workforce Development Board, June 2016. *CWDB Credentialing Framework*. <http://cwdb.ca.gov/wp-content/uploads/sites/43/2016/08/CredentialingFrameworkCWDBFinalJune2016.pdf>.

- Contract provisions: Contract provisions between a Grantee and Partner or subcontractor that include criteria for targeted hiring that provides quality jobs.

Lead Applicant and/or partners can collaborate with local non-profit organizations for successful implementation of targeted hiring.

Climate Adaptation and Resiliency

Climate adaptation and resiliency provisions should be integrated into the Vision Statement, Strategies, Projects, and Transformative Plans of the TCC Proposal.

Applicants must describe how the TCC investment and leverage-funded projects will increase resiliency of the Project Area to the anticipated impacts from climate change. This includes describing:

- Climate change risks and exposures within the Project Area, such as additional days of extreme heat or precipitation, flooding, sea level rise, and drought;
- Anticipated impacts of climate change risks and exposures on the community, including vulnerable populations; and,
- Anticipated impacts of climate change risks and exposures on the built environment.

Based on the risks and anticipated impacts, Applicants will describe the processes they will use to identify and prioritize adaptation measures to:

- Address climate change-related impacts and exposures for vulnerable populations; and
- Increase resiliency and functionality of proposed infrastructure projects.

Leverage

Applicants must leverage additional funding sources that equal a minimum of 50 percent (50%) of the total requested grant funds.

Applicants must leverage additional funding to support the implementation of the TCC Proposal. Leverage funds may come from a variety of sources, such as federal, state, local public, private and/or philanthropic. For additional information about eligible funding sources, refer to Appendix C.

Threshold

- The chart below illustrates how the 50 percent (50%) leverage funding requirement may be met.

Eligible Projects or Plans	Percentage of Leverage	Total Dollar Amount
Leverage funding for Grant-funded projects or Transformative Plans	At least 40%	$11,280,000
Stand-alone leverage projects	Up to 10%	$2,820,000
Total	50%	$14,100,000

- Applicants may exceed fifty percent (50%) but will not receive additional points for a higher leverage total.
- The specific leverage funds and projects that will count towards the 50 percent (50%) requirement for the grant will be finalized during the Post-award Consultation process.

Leverage Funding Requirements

- Leverage funding must be committed at the time of application submittal.
- Leverage funds may come from a variety of sources, such as federal, state, local public, private and/or philanthropic. For additional information about eligible funding sources, refer to Appendix C.
- Leverage funding must clearly support the implementation of the Strategies selected to achieve the TCC Program Objectives (see Section II.C).
- Leverage funding must be spent within the TCC Project Area and for the purposes of the TCC Project.
- Expenditure of leverage funding will only count towards the 50 percent (50%) threshold if it occurs after the grant has been awarded by Strategic Growth Council and before the end of the grant term.
- Leverage funding expenditures and progress will be reported on an annual basis.

Clarifications for "Stand-alone Leverage Projects"

- Stand-alone leverage projects must be clearly integrated into the overall TCC Proposal, aligned with the TCC Proposal timeline, and within the TCC Project Area. Applicants must demonstrate that the investment was initiated in anticipation of applying for the TCC Program, or that the investment is contingent upon a TCC award.
    - Existing stand-alone investments (on-going investments that were not initiated in anticipation of or contingent upon a TCC award) will not count towards the 50 percent (50%) leverage requirement. Applicants will describe existing stand-alone investments that make the Project Area ready for transformation in the application narrative, and that will be scored under the "Vision for Transformation" criteria.
- To ensure that stand-alone leverage projects are committed at the time of application and implemented during the project timeline, Applicants are required to include the leverage partners and scope of work in the TCC Project's overall Partnership Agreement.
- Leverage projects may not be removed from the TCC Proposal scope of work after the grant has been awarded by the Strategic Growth Council. SGC may consider the failure of a stand-alone leverage project to adhere to the terms the Partnership Agreement to constitute a Grantee's non-performance under the Grant Agreement.

F. PROGRAM POLICY PRIORITIES

In addition to the TCC Program Framework, the following program policy priorities will be evaluated during the application process:

High Speed Rail Connectivity

This section is only applicable to Applicants from cities with planned High Speed Rail stations along the initial "Silicon Valley to Central Valley Line".

The California High Speed Rail Authority's 2018 Business Plan describes the plan to complete construction of the initial "Silicon Valley to Central Valley Line" from San Francisco to Bakersfield and begin providing passenger service by 2027. To leverage the State's investment in High Speed Rail and support its successful implementation, as well as to help ensure that economic benefits, job opportunities, and environmental improvements accrue to neighborhoods immediately surrounding the High Speed Rail station area, Applicants from cities with planned High Speed Rail stations along the initial "Silicon Valley to Central Valley Line" must assure that the TCC Planning Area includes:

- Multimodal connectivity to the High Speed Rail station area; and
- Affordable and mixed-income housing (if proposed) is connected and accessible to the High Speed Rail station area.

Consistency with Existing Local Land Use and Transportation Plans

Applicants must demonstrate that TCC Proposals are consistent with all relevant land use plans, designations, zoning, building intensity and density requirements, design guidelines, and applicable goals, policies, and programs. Consistency shall be demonstrated by submittal of a letter from the local jurisdiction's Planning Department and Public Works Department describing the proposed TCC projects' consistency with all relevant plans.

Pro-housing Policies

The TCC program will provide additional points for applications from jurisdictions that have adopted pro-housing policies that would facilitate sustainable housing production. A list of policies that qualify as pro-housing policies is listed in Appendix D.

G. APPLICATION

Application Components and Process

Implementation Grants will be evaluated and awarded through a competitive process. Applications will be submitted electronically and SGC will provide instructions with the Notice of Funding Availability and Application materials.

All applications and submitted materials will be treated in accordance with Public Records Act requirements and certain information subject to those requirements will be publicly disclosed. SGC will post a summary of all applications received prior to funding decisions.

Staff recommendations will be made available for public review 10 days prior to SGC public meeting, at which point the Strategic Growth Council will consider staff's award recommendations.

Application Review Process

- TCC Program Staff will first evaluate Proposals using the Program Thresholds below. Program Thresholds are based on eligibility and TCC Program requirements. If an Applicant is unable to meet the Program Thresholds, their Proposal will not proceed to the next step of the review process.
- If a Proposal meets all Program Thresholds, TCC Program Staff and an interagency review panel will evaluate the Proposal using the Scoring Criteria below. Applicants will receive a single score out of 200 points.
- In addition to submitting Proposals, all Applicants who have met the Program Thresholds must host a site visit for TCC Program Staff and members from the interagency review panel. Site visits will be conducted during standard work hours and will be coordinated between Applicants and TCC Program Staff.

Application Components

Below is a brief summary of the application components:

- Program Thresholds Documentation (outlined below)
- Narrative descriptions of the Project Area and the Vision Statement
- Narrative descriptions of Strategies and how they will address Project Area needs
- Narrative descriptions of climate risks, exposures, and adaptation/resilience measures
- For all Projects and Transformative Plans:
    - Narrative questions
    - Work Plans with clear timelines, discrete tasks and detailed deliverables
    - Budgets broken down by task and line item, accompanied by sufficient supporting documentation: Quotes must be provided for the purchase of any electronics, equipment above $5,000, and for subcontractors above $100,000
    - Readiness documentation and/or letters of support
    - Priority Population Benefit Criteria Tables, as required by the California Air Resources Board. Accessible here: www.arb.ca.gov/cci-resources

Program Thresholds

Program Thresholds	
General Completeness	**Yes/No**
1. Application materials are fully completed.	
2. Application documents are properly labeled, stored in the proper file structure, and are easily accessible.	
3. Work Plans adhere to the five (5) year Project Completion Period and contain sufficient detail.	
4. Budgets contain sufficient detail and are accompanied by all necessary supporting documentation.	
Applicant Eligibility	**Yes/No**
1. Lead Applicant is an eligible organization	
2. Co-Applicants are all eligible organizations	
3. Lead Applicant or Co-Applicant are a public agency	
Collaborative Stakeholder Structure	**Yes/No**
1. Partnership Agreement for the Collaborative Stakeholder Structure meets all requirements as described in Section II.A.	
2. Applicants with unincorporated areas have submitted a Memorandum of Understanding that meets all requirements described in Section II.A.	
Project Area Eligibility	**Yes/No**
1. Project is no larger than approximately five (5) square miles	
2. Project area meets all Priority Population requirements	
3. Project is contained within the jurisdiction of a single city, unless specifically authorized as a Planning Grantee with unincorporated areas in Section II.A.	
4. Applicant has submitted a Project Area Map in all required formats, as described in Section II.G	
Strategies and Projects	**Yes/No**
1. Applicant has selected at least three (3) Strategies and proposed at least three (3) Projects.	

Program Thresholds	
2. At least three (3) proposed Projects are both quantifiable and ready, and comprise of at least 50 percent (50%) of requested grant funds	
Priority Policies	**Yes/No**
1. High Speed Rail (HSR): Applicants with planned HSR stations located along "Silicon Valley to Central Valley Line" corridor have included the following in their proposals: ▪ Multi-modal connectivity to the HSR station area; and ▪ Affordable and mixed-income housing is connected and accessible to the High Speed Rail station area.	
2. Applicant has submitted a letter from the local jurisdiction's Planning Department verifying that the TCC Proposal is consistent with land use designations, building intensity, density, applicable goals, policies and programs	

Scoring Criteria

SCORING CRITERIA SUMMARY	
Objectives and Vision	**40 Points**
Capacity	**30 Points**
Transformative Elements	**75 Points**
Projects	**50 Points**
Pro-housing Policy Incentive	**5 Points**
TOTAL	**200 POINTS**

COMPLETE SCORING CRITERIA – 200 POINTS	
OBJECTIVES AND VISION – 40 POINTS	
I. Vision for Transformation	**20 Points**
1. Vision Statement has been designed to meet the needs of the Project Area and achieve the TCC Program Objectives.	
2. Strategies have been selected to effectively address the Vision Statement.	
3. Projects and Transformative Elements are integrated to maximize benefits to the Project Area.	
4. Proposed Projects demonstrate they provide benefits to priority populations as defined by CARB Priority Population Benefit Criteria Tables. Refer to the Priority Population Benefit Criteria Tables, accessible here: www.arb.ca.gov/cci-resources	
5. Applicant has provided a holistic, thoughtful description of the community resources, assets, and local characteristics that make the Project Area ready for transformation and able to achieve the Program Objectives.	
II. Greenhouse Gas Emissions Reductions	**20 Points**
1. GHG Emission reduction estimates for top three (3) Projects with highest GHG reduction potentials using CARB approved quantification methodologies that meet readiness requirements at time of Application submittal.	
2. GHG Emission reduction estimates for all projects with CARB Quantification Methodology.	
Points for this section will be awarded on a sliding scale, determined relative to the estimated GHG emission reductions for all eligible applications submitted.	

CAPACITY – 30 POINTS	
I. Financial	**10 Points**
1. Lead Applicant demonstrates the experience, financial stability and capacity to manage program funds from multiple sources.	
2. Co-applicants demonstrate the experience, financial stability and capacity to manage program funds from multiple sources.	
3. The Proposal includes funding that exceeds the 50 percent (50%) leverage requirement.	
II. Management and Organization	**10 Points**
1. Lead Applicant demonstrates organizational capacity to implement the TCC Proposal (e.g. has experience managing similar programs and/or long-term grant implementation)	

CAPACITY – 30 POINTS	
2. Co-applicants demonstrate organizational capacity to support Lead Applicant in implementation of the TCC Proposal.	
3. Public agency partner(s) demonstrates a strong commitment to support the implementation of projects and policies included in the TCC Proposal.	
III. Collaborative Stakeholder Structure	**10 Points**
1. Lead Applicant and Co-applicants have established work history, sustained community engagement around climate change, and/or experience working with one or more of the following areas: disadvantaged communities, housing and community development, economic development, environmental, and public health issues.	
2. Collaborative Stakeholder Structure is composed of a diverse representation of residents and key stakeholders (e.g., labor unions, nonprofits, faith-based groups, community based organizations, academics, economic development institutions, workforce development groups, businesses, representatives from local School District, Community College District, and others).	
3. A signed Partnership Agreement for the Collaborative Stakeholder Structure that includes all components listed in Section II.A.	

TRANSFORMATIVE ELEMENTS – 75 POINTS	
I. Community Engagement	**30 Points**
1. Residents and key stakeholders were meaningfully involved in the development of the Vision Statement and selection of Strategies and Projects in the Proposal.	
2. Community Engagement Plan includes detailed descriptions and timelines of diverse and appropriate community engagement activities that will be used throughout the duration of the grant, including how the public will remain engaged and informed.	
3. Community Engagement Plan present an inclusive process to receive feedback from the community.	
4. Community Engagement is tied to a governance structure that presents the ways in which the community concerns at large will be taken into consideration.	
5. Work Plans include clear timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility.	

TRANSFORMATIVE ELEMENTS – 75 POINTS	
II. Workforce Development and Economic Opportunities	**20 Points**
1. Explain how the Workforce Development and Economic Opportunities Plan will fund training that leads to career pathways and high-quality jobs for residents of the Project Area and individuals with employment barriers.	
2. Explain how the Workforce Development and Economic Development Opportunities Plan will lead to the creation of high-quality jobs for residents of the Project Area and individuals with employment barriers in industries related to the Projects.	
3. Work Plans include clear timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility.	
III. Displacement Avoidance	**15 Points**
1. Includes comprehensive description of displacement vulnerability among existing households and small businesses.	
2. Proposal includes programmatic activities for implementing of previously adopted policies that avoid displacement of existing households and small businesses.	
3. Proposal includes activities to promote the adoption of new policies to avoid displacement that align with risks identified in vulnerability assessment.	
4. Work Plans include clear timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility.	
IV. Climate Adaptation and Resiliency	**10 Points**
1. Proposal describes the climate change risks and exposures within the Project Area.	
2. Proposal analyzes the impact of climate change risks and exposures on both the community and built environment.	
3. Proposal describes process to identify and prioritize actions for addressing risks for vulnerable populations and to increasing resiliency of proposed infrastructure projects.	
4. Proposal describes process to identify and prioritize actions to increase resiliency of proposed infrastructure projects using local planning documents and/or the CARB co-benefits calculator.	

PROJECTS – 50 POINTS	
I. Project Design and Feasibility	**30 Points**
1. Projects have been designed to meet the community needs. This includes, but is not limited to, appropriate scope, scale, components, etc.	
2. Work Plans include clear timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility.	
3. Readiness documentation (e.g., CEQA, site control, permits) demonstrate that readiness has been met at application or within one (1) year of grant execution.	
II. Implementation	**20 Points**
1. Projects address climate adaptation and resiliency goals for the Project Area.	
2. Projects provide multiple community benefits to the Project Area (e.g., education, ongoing engagement, economic opportunities).	
3. Applicant has identified potential negative impacts of each project (e.g. temporary relocation, disruption during construction, potential displacement) and developed mitigation strategies and/or contingency plans.	
4. Projects include clear plans for long-term operations and maintenance, including coordination with appropriate responsible parties.	

PRO-HOUSING POLICY INCENTIVE – 5 POINTS	
Pro-Housing Policy Incentive	**5 Points**
Project Area jurisdiction has adopted at least two policies from Pro-housing Policies listed in Appendix D.	

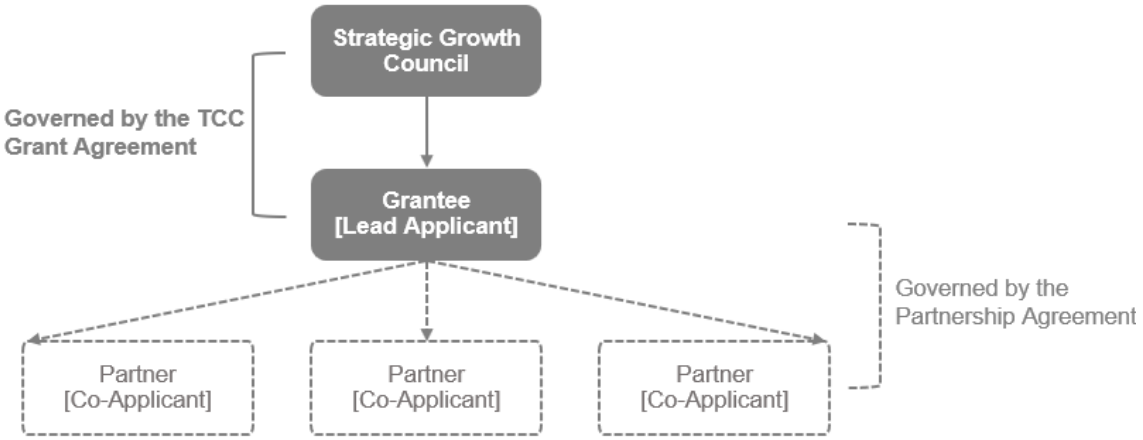
H. GRANT ADMINISTRATION

Below is a brief description of the grant administration responsibilities and principles for the TCC Program. For additional information, refer to the sample grant agreement in Appendix H.

Grantees, Partners, and Subcontractors

Grants will be executed between SGC and the Lead Applicant only. SGC will not enter into any contractual relationship with any Co-Applicants or subcontractors.

Once the grant has been executed, the Lead Applicant will be referred to as the "Grantee" and Co-applicants will be referred to as "Partners".



Strategic Growth Council and Department of Conservation

The TCC Program is administered by Strategic Growth Council in partnership with the Department of Conservation (DOC). Round 3 grant agreements will be executed between the Grantee and SGC, but Grantees will work closely with DOC during grant implementation.

Disbursement and Accounting of Funds

- The Grantee cannot request reimbursement for any costs incurred or work completed before grant execution.
- Grantees may request reimbursement from SGC on a bimonthly basis (every two months).
- SGC will retain the last five percent (5%) of each project budget, to be paid once the State has determined that the grant terms have been fulfilled.
- Partners must invoice the Grantee before the Grantee submits an invoice to SGC. The Grantee will be responsible for compiling all invoices, supporting documentation, and reporting materials for themselves and the Partners into a single package. Once the package has been approved

for payment, funds will be dispersed to the Grantee. The Grantee is responsible for dispersing payment to their Partners in accordance with their signed Partnership Agreement.

Reporting Requirements

Grantees are responsible for four categories of reporting:

Progress Reports

- Bimonthly progress reports will be submitted with each invoice and will track the work completed during the invoice period.
- Annual progress reports will report on the overall status of the grant. They will include high-level questions not captured in the bimonthly updates.

Budget Reports

- Leverage funding expenditures will be reported annually and at the end of the grant term
- An inventory of purchased equipment will be reported annually and at the end of the grant term
- Detailed Work Plans and Budgets will be revised on an annual basis. These documents will contain more detail than the grant agreement and will be used as administrative tracking tools between the Grantee and the state.

Data Collection and Indicator Tracking

- Grantees must comply with the stages of data collection and indicator tracking, as described in Section II.E.

Close-Out Reports

- Project Close-out reports will be submitted as each individual project completes all deliverables in the Work Plan.
- A Final report will be submitted at the end of the grant term.

Prevailing Wage Requirements

TCC-funded projects may be subject to State Prevailing Requirements, pursuant to Section 1700 of the California Labor Code. The California Labor Code requires payment of locally prevailing wages to workers and laborers on state government contracts in excess of $1,000 for public works projects. A "public work" is the construction, alteration, demolition, installation, repair or maintenance work done under contract and paid for in whole or in part out of public funds. The definition applies to private contracts when certain conditions exist. Grantee can identify additional stipulations and exceptions under Cal. Labor Code § 1720 et seq.

Grantee must ensure the following on "public work" activities under this Grant Agreement:

- Prevailing wages are paid;

- The project budget for labor reflects these prevailing wage requirements; and
- The project complies with all other requirements of prevailing wage law including but not limited to keeping accurate payroll records, and complying with all working hour requirements and apprenticeship obligations.

Grantee shall ensure that its Partners and Subcontractors, if any, also comply with prevailing wage requirements. Grantee shall ensure that all agreements with its Partners and Subcontractors to perform work related to this Project contain the above terms regarding payment of prevailing wages on public works projects.

The Department of Industrial Relations (DIR) is the primary resource for consultation on the requirements of California prevailing wage law.

- Grantee can identify the rates for prevailing wage on the Department of Industrial Relations (DIR) website[5]. Grantee may contact DIR for a list of covered trades and the applicable prevailing wage.
- If Grantee is unsure whether the TCC Project or individual projects receiving this award is a "public work" as defined in the California Labor Code, it may wish to seek a timely determination from the DIR or an appropriate court.
- If Grantee has questions about this contractual requirement, recordkeeping, apprenticeship or other significant requirements of California prevailing wage law, it is recommended the Grantee consult DIR and/or a qualified labor attorney.

Ownership

The following section outlines the long-term governing principles for ownership of Project elements funded by the TCC grant.

Equipment

For any equipment purchased or built with funds that are reimbursable as a direct cost of the TCC Project, as determined by SGC, the Grantee, Partner, or Subcontractor, as applicable, must be the sole owner on title. During the Project Completion Period, equipment must be dedicated to the described use in the same proportion and scope as was in the Grant Agreement, unless SGC agrees otherwise in writing. On completion or early termination of the Grant Agreement, the State will either require that the equipment be returned or authorize the continued use of such equipment at the Project Area; in making that determination, the State will consider the useful life of the equipment, and the Grantee may be required to refund the State for the fair market value of equipment that continues to have a usable life, but is no longer required for Project implementation. Grantee will be required to maintain an inventory record for each piece of non-expendable equipment purchased or built with funds provided under the terms of a Grant Agreement.

[5] California Department of Industrial Relations, July 2018. <http://www.dir.ca.gov>

Vehicles

For any vehicles acquired with funds that are reimbursable as a direct cost of the TCC Project, the Grantee, Lead Entity, or Subcontractor, as applicable, must be the sole owner on title. Vehicles acquired – including, but not limited to, bicycles, cars, buses, vans, rail passenger equipment – must be maintained in a state of good repair and dedicated to the described use during the grant term and to public transportation use for their full useful life.

Infrastructure

For any rights of way, real and personal property, leases, improvements and infrastructure funded as a reimbursable direct cost of the TCC Project, the Grantee, Lead Entity, or an appropriate public agency or subcontractor, as applicable, must be the sole owner of the title or leasehold. Each site acquired or improved upon with TCC funding must be maintained in a state of good repair and remain permanently dedicated to the described use.

If the ownership or use of equipment, vehicles, or infrastructure changes to a use not in accordance with the TCC Guidelines or Grant Agreement, the Grantee may be required to reimburse the State in a manner determined by SGC.

Publicity Requirements

TCC Grantees are required to use SGC and CCI names and/or logos for all publications, websites, signage, invitations, and other media-related and public-outreach products related to the TCC grant. See Appendix F for specific requirements.

Audit and Record Retention

All records, physical and electronic, must be adequately protected from loss, damage, or destruction for possible audit(s). The Grantee agrees that the State or designated representative will have the right during normal business hours to review and to copy any records and supporting documentation pertaining to the performance of the Grant Agreement and interview any employees who might reasonably have information related to such records.

Further, Grantee agrees to include a similar right of the State to audit records and interview staff of any Partners and Subcontractors related to performance of the Grant Agreement.

- Grantee, Partners, and Subcontractors must maintain copies of project records four (4) years after all terms of the Grant Agreement are fulfilled, unless a longer period of records retention is stipulated.
- The State retains the right to conduct an audit each year during the grant term and up to four (4) years after all terms under the Grant Agreement are fulfilled.

- The State may require recovery of payment from the Grantee, issue a stop work order or terminate the Grant Agreement, as warranted, based on an audit finding, or any other remedies available in law or equity.

Performance

SGC has sole discretion to determine if Grantee is performing in accordance with the Grant Agreement. Non-performance issues can include but are not limited to: misuse of funding for ineligible expenses; inability to meet performance requirements or scheduled milestones; failure to complete or failure to make a good faith effort to complete the TCC Project as a whole or any TCC Project Components, including ensuring leverage-only projects adhere to the Partnership Agreement, comply with, and/or failure to comply with the Guidelines or terms and conditions of the Grant Agreement.

- SGC will notify Grantee, in writing, if non-performance is determined, and will provide instructions and a timeline to rectify all cases of non-performance.
- Grantee must respond to a determination of non-performance within thirty (30) days either by a) acting on corrective actions, or b) disputing SGC's findings in writing.
- SGC, without waiver of other rights or remedies, may require the Grantee to re-perform any actions defined in this Grant Agreement if determined to be not performed in accordance with the Grant Agreement. SGC may withhold any payments due to Grantee until the Grantee brings the individual project or TCC Project back into full compliance. Costs and expenses for these actions shall be borne by the applicable Grantee, Partner, or Subcontractor.
- SGC has the right to issue a Stop Work Order for an individual project or the TCC Project and suspend payments to the Grantee. SGC reserves the right to issue a Stop Work Order if there is a breach in the leveraged funding commitments that put components of the Project at risk of not being completed.
- Both SGC and the Grantee have the right to terminate the Grant Agreement prior to the end of the grant term upon thirty (30) calendar days of written notice. The written notice shall specify the reason for early termination and may permit SGC or the Grantee to rectify any deficiency(ies) prior to the termination date.

SECTION III. PLANNING GRANTS

A. ELIGIBILITY

Eligible Lead Applicants

Eligible Lead Applicants may include, but are not limited to: community-based organizations, local governments, nonprofit organizations, philanthropic organizations and foundations, faith-based organizations, coalitions or associations of nonprofit organizations, community development finance institutions, community development corporations, joint powers authorities, and tribal governments.

Co-Applicants

There must be a minimum of one (1) Co-Applicant in addition to the Lead Applicant. More than one (1) Co-Applicant is strongly encouraged. Priority in scoring will be given to applications that are able to demonstrate strong and diverse partnerships, including with community-based organizations and other stakeholder groups.

Collectively, “Lead Applicants” and “Co-Applicants” are referred to as “Applicants”.

Eligible Planning Area

Applicants must define a Planning Area comprised of Census Tracts that rank within the top 25 percent (25%) of disadvantaged communities, per CalEnviroScreen 3.0. Planning Areas may be located in an incorporated city or an unincorporated area of a county or both. Applicants will be required to submit a map of the Planning Area that will be the focus of the application’s activities.

Public Agency Support

Either the Lead Applicant or one of the Co-Applicants must be a public agency.

If the Lead Applicant is a public agency, they must provide a formal resolution that includes an authorization to apply for and accept a TCC Implementation Grant if selected for an award, and authority to execute all related documents.

If the public agency is a Co-applicant, then the Applicant must provide a letter of support from the public agency.

Consistency with Existing Local Land Use and Transportation Plans

Applicants must demonstrate that proposals are consistent with all relevant land use plans, designations, zoning, building intensity and density requirements, design guidelines, and applicable goals, policies, and programs. Consistency shall be demonstrated by submittal of a letter from the local

jurisdiction's Planning Department and Public Works Department describing the TCC proposal's consistency with all relevant plans as described above.

B. PROGRAM OBJECTIVES

The Planning Grants intend to support planning activities to prepare disadvantaged communities for future funding opportunities in programs that align with the TCC Program's objectives. Planning activities should focus on responding to planning issues or priorities that directly benefit low-income and disadvantaged communities.

1. Applicants must explain how the proposed planning activities will advance the objectives prioritized in local adopted plans and promote the Transformative Climate Communities Program's Objectives, See Section II.C.
2. Applicants must explain how the planning process furthers a neighborhood's ability to address one or more of the Implementation Grant's Transformative Elements, per Section II.E. Specifically, Applicants will describe how engaging in a particular task will:
    a. Consider the risks and develop potential policies and programs to avoid displacement of the Planning Area's current residents and businesses.
    b. Design or enhance innovative and meaningful community engagement programs and practices that will be built upon the input and expertise of community stakeholders – including local public agencies, community-based organizations, workforce development boards, and others.
    c. Enhance the Planning Area's potential to secure leveraged funds that are required for the TCC Implementation Grant proposal.
    d. Identify opportunities (e.g., projects) to reduce GHG emissions and further the purpose of AB 32 and SB 32.
    e. Identify the impacts of climate change risks and exposures on the community, including vulnerable populations, and infrastructure/natural systems, and describe measures that will be taken to adapt and respond to anticipated impacts.
    f. Identify the Planning Area's needs for economic development and career pathways for high quality jobs. Plan for new or enhanced workforce development and training programs.
3. Applicants must demonstrate consistency with the State's Planning Priorities, summarized below, and identified in Section 65041.1 of the Government Code. These priorities intend to promote equity, strengthen the economy, protect the environment, and promote public health and safety in the state, including urban, suburban, and rural communities.
    a. Promote infill development and equity by rehabilitating, maintaining, and improving existing infrastructure.

b. Protect, preserve, and enhance environmental and agricultural lands and natural and recreational resources.

c. Encourage location- and resource-efficient new development.

C. EXAMPLES OF ELIGIBLE PLANNING ACTIVITIES

Some examples of eligible planning activities include:

- Building capacity both internally, among staff and departments, as well as externally, among stakeholders, by including the development of collaborations partnerships that connect land use development with environmental, economic and social justice priorities.
- Evaluating, updating, and streamlining various policies and codes currently enforced by the Planning Department and other local departments (e.g., public works, health and safety, fire, parks and open space, etc.).
- Completing fiscal analyses and studies, such as conducting a fiscal impact analysis to understand long-term service costs of future development and to determine fee structures.
- Preparing climate action and climate adaptation plans.
- Designing or enhancing community engagement that results in innovative and meaningful programs and practices built upon the input and expertise local public agency staff, community-based organizations, workforce development boards, and overburdened individuals and groups.

For past examples of awarded Planning Grants, visit the SGC website. For a map of past program awards, refer to Appendix G.

D. APPLICATION

Planning Grants will be evaluated and awarded through a competitive process. Applications will be submitted electronically and SGC will provide instructions with the Notice of Funding Availability and Application materials.

All Applications and submitted materials will be treated in accordance with Public Records Act requirements and certain information subject to those requirements will be publicly disclosed. SGC will post a summary of all Applications received prior to funding decisions.

Staff recommendations will be made available for public review ten (10) days prior to SGC public meeting, at which point Strategic Growth Council will consider staff's award recommendations.

Application Review Process

TCC Program Staff will first evaluate applications to ensure that they are both eligible and complete.

Then TCC Program Staff and an interagency review panel will evaluate applications using the Scoring Criteria below. Applicants will receive a single score out of 100 points.

Application Components

Below is a brief summary of the application components:

- Documentation that the application meets all eligibility requirements described in Section III.A.
- Narrative descriptions of the Planning Area and community needs
- Narrative descriptions of how planning activities will address the TCC Program Objectives and Transformative Elements
- Work Plans with clear timelines, discrete tasks and detailed deliverables
- Budgets with sufficient detail, broken down by task and line item
- Priority Population Benefit Criteria Tables, as required by the California Air Resources Board. Accessible here: www.arb.ca.gov/cci-resources

Scoring Criteria

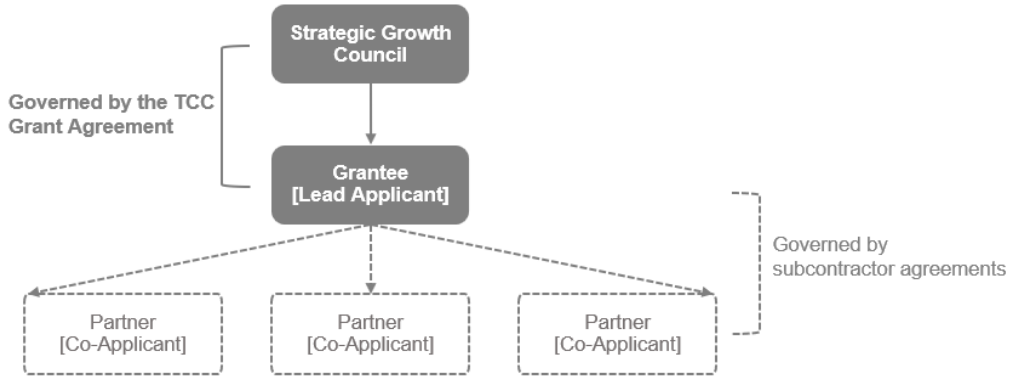
Planning Grants Scoring Criteria	**100 Points**
Criteria: Vision and Program Objectives	**30 Points**
1. Applicant has provided a comprehensive description of the Planning Area and demonstrates an understanding of the local community's needs.	
2. Extent to which the proposed planning activities focus on improving outcomes for Priority Populations. Refer to the Priority Population Benefit Criteria Table, accessible here: www.arb.ca.gov/cci-resources	
3. Proposed planning activities will address Objectives of: ▪ Achieving Significant Reductions in Greenhouse Gas Emissions ▪ Improving Public Health and Environmental Benefits ▪ Expanding Economic Opportunity and Shared Prosperity	
4. Extent to which the proposed planning activities are consistent with the state's Planning Priorities, including promoting infill development, preserving agricultural lands, and encouraging location and resource-efficient new development.	
Criteria: Transformative Requirements and Project Identification	**50 Points**
Proposals are not required to address the entire list of TCC Implementation Grant transformative elements or project identification. Proposals may be awarded points based on both the number of transformative elements addressed, as well as the extent to which each transformative element is incorporated into the planning activities.	
1. The Proposed planning activities will assist the Applicants in meeting the TCC Implementation Grant Transformative Elements related to:	
▪ Displacement avoidance ▪ Community engagement ▪ Leverage funding	▪ Data collection and indicator tracking ▪ Climate adaptation and resiliency ▪ Workforce development and economic opportunities
2. Applicant demonstrates a process to identify projects based on the community need and prioritize these projects based on feasibility. *Planning funds may not be used to initiate work on individual projects.*	
Criteria: Organizational Capacity	**20 Points**
1. Applicant demonstrates readiness and capacity to implement the proposed work on time and within budget.	
2. Applicant proposes strong and diverse partnerships for implementing the planning activities.	

E. GRANT ADMINISTRATION

Grantees, Partners, and Subcontractors

Grants will be executed between SGC and the Lead Applicant only. SGC will not enter into any contractual relationship with any Co-Applicants or subcontractors.

Once the grant has been executed, the Lead Applicant will be referred to as the "Grantee" and Co-applicants will be referred to as "Partners".



Strategic Growth Council and Department of Conservation

The TCC Program is administered by Strategic Growth Council in partnership with the Department of Conservation (DOC). Round 3 grant agreements will be executed between the Grantee and SGC, but Grantees will work closely with DOC during grant implementation.

Disbursement and Accounting of Funds

- The Grantee cannot request reimbursement for any work completed before grant execution.
- Grantees may request reimbursement from SGC on a quarterly basis (every three months).
- SGC will retain the last five percent (5%) of the grant, to be paid once the State has determined that the grant terms have been fulfilled.
- Partners must invoice the Grantee before the Grantee submits an invoice to SGC. The Grantee will be responsible for compiling all invoices, supporting documentation, and reporting materials for themselves and the Partners into a single package. Once the package has been approved for payment, funds will be dispersed to the Grantee. The Grantee is responsible for dispersing payment to their Partners.

Reporting Requirements

Grantees are responsible the following reporting:

Progress Reports

- Quarterly progress reports will be submitted with each invoice and will track the work completed during the invoice period.
- A Final report on the overall status of the grant including lessons learned, barriers, and success stories.

Indicator Reporting

Grantees are required to track and report at grant close out the planning project indicators listed in the Planning Reporting Template on the CARB CCI Quantification, Benefits, and Reporting Materials webpage, accessible here: www.arb.ca.gov/cci-resources

Eligible Costs

Direct Costs

Direct costs incurred during the grant term and specified in the Grant Agreement will be eligible for reimbursement. Direct costs are defined as costs directly tied to the implementation of the Grant Agreement including, but not limited to: personnel, supplies, or travel expenses directly tied to the implementation of the grant. Grantees must adhere to the following requirements:

- Travel reimbursements must adhere to the State rates and conditions established on the CalHR website[6], with the exception of "Incidentals" and out of state travel, which will not be reimbursable under this grant.
- Subcontractor procurement processes must adhere to local requirements.

Indirect Costs

Indirect costs may account for up to ten percent (10%) of the total TCC grant award.

Indirect costs are costs of doing business that are of a general nature. These costs are not directly tied to the grant but are necessary for the general operation of the organization. Indirect costs include, but are not limited to:

- Personnel costs associated with administrative, supervisory, legal, and executive staff.
- Personnel costs associated with support units, including clerical support, housekeeping, etc.
- Operating expenses and equipment costs not included as part of direct project costs.

[6] California Department of Human Resources. *Travel Reimbursements.* <http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>

Ineligible Costs

The following costs are ineligible under the TCC Program:

- Indirect costs in excess of 10 percent (10%) of the awarded TCC funds are not reimbursable.
- The following costs associated with community engagement and outreach:
  - Childcare related costs
  - Food and refreshments
  - Participant incentives, such as door prizes
  - General Meetings that do not specifically discuss or advance implementation of the TCC Project

Publicity Requirements

TCC Planning Grantees are required to use SGC and CCI names and/or logos for all publications, websites, signage, invitations, and other media-related and public-outreach products related to the TCC grant. See Appendix F for specific requirements.

Audit and Record Retention

All records, physical and electronic, must be adequately protected from loss, damage, or destruction for possible audit(s). The Grantee agrees that the State or designated representative will have the right during normal business hours to review and to copy any records and supporting documentation pertaining to the performance of the Grant Agreement and interview any employees who might reasonably have information related to such records.

Further, Grantee agrees to include a similar right of the State to audit records and interview staff of any Partners and Subcontractors related to performance of the Grant Agreement.

- Grantee, Partners, and Subcontractors must maintain copies of project records four (4) years after all terms of the Grant Agreement are fulfilled, unless a longer period of records retention is stipulated.
- The State retains the right to conduct an audit each year during the grant term and up to four (4) years after all terms under the Grant Agreement are fulfilled.
- The State may require recovery of payment from the Grantee, issue a stop work order or terminate the Grant Agreement, as warranted, based on an audit finding, or any other remedies available in law or equity.

The Grantee agrees to include a similar right of the state to audit records and interview staff in any subcontract related to performance of this Grant Agreement.

Remedies for Non-performance

SGC has sole discretion to determine if Grantee is performing in accordance with the Grant Agreement. Non-performance issues can include but are not limited to: misuse of funding for ineligible expenses; failure to comply with Guidelines or requirements, inability to meet performance requirements or schedule milestones, and/or failure to comply with the terms and conditions of this Grant Agreement.

- SGC will notify Grantee, in writing, if non-performance is determined, and will provide instructions and a timeline to rectify all cases of non-performance.
- Grantee must respond to a determination of non-performance within thirty (30) days either by a) acting on corrective actions, or b) disputing SGC's findings in writing.
- SGC, without waiver of other rights or remedies, may require the Grantee to re-perform any actions defined in this Grant Agreement if determined to be not performed in accordance with the Grant Agreement. SGC may withhold any payments due to Grantee until the Grantee brings the grant back into full compliance. Costs and expenses for these actions shall be borne by the applicable Grantee, Partner, or Subcontractor.
- SGC has the right to issue a Stop Work Order for the grant and suspend payments to the Grantee.
- Both SGC and the Grantee have the right to terminate the Grant Agreement prior to the end of the grant term upon thirty (30) calendar days of written notice. The written notice shall specify the reason for early termination and may permit SGC or the Grantee to rectify any deficiency(ies) prior to the termination date.

SECTION IV. TECHNICAL ASSISTANCE

To support the development of competitive proposals, SGC will offer technical assistance (TA) from third-party providers ("TA providers") to eligible Applicants for the TCC Implementation Grants only.

Unfortunately, technical assistance is not currently available for the TCC Planning Grants.

PHASE 1: APPLICATION TA

Important points about Application TA:

- All Implementation Grant applicants are required to receive TA. This allows SGC to ensure that questions are answered consistently and that feedback is given equitably.
- All Implementation Grant Applicants must complete a technical assistance survey that indicates intent to apply and willingness to participate in technical assistance within the first two (2) weeks following the release of the Notice of Funding Availability (NOFA) to be eligible for TA.
- All applicants must undergo a threshold review with TA providers during the first month of the application period. This review will help applicants determine if they can meet all Program Thresholds (see Section II.G Application) and help them to reach an informed decision on whether to complete a full Implementation Grant application. Applicants who do not continue with a full implementation application can choose to complete a Planning Grant application. The evaluation completed by the TA providers with the applicants will be used to inform, but not disqualify, the applicants.
- Receiving Application TA does not guarantee that an Applicant will be awarded an Implementation Grant.
- Previous TCC Applicants will receive targeted technical assistance to adapt previously submitted applications to the updated guideline requirements and application format.

Application TA activities may include, but are not limited to:

- Support for quantification of GHG reductions;
- Direct application assistance, including review of responses and application coordination;
- Financial analysis and budget development;
- Identification of Project Area, integration of Projects, and cost estimates;
- Assessment of project readiness; and
- Geographic Information System mapping assistance.

PHASE 2: IMPLEMENTATION TA

Applicants awarded Implementation Grants will receive Implementation TA and other technical support from representatives of SGC, DOC, CARB and other State entities throughout the implementation of their TCC Proposal for a timeframe to be determined by SGC.

Additional support conducted by SGC may include but are not limited to:

- Assistance in attracting and leveraging additional financing;
- Assistance developing and promoting workforce and economic development; and
- Assistance strengthening organizational capacity to integrate implementation efforts.

SECTION V. APPENDICES

APPENDIX A – TERMS AND DEFINITIONS

APPENDIX B – TCC FUNDED PROJECTS, BY STRATEGY

APPENDIX C – TRANSFORMATIVE ELEMENTS

APPENDIX D – PRO-HOUSING POLICIES

APPENDIX E – POST AWARD CONSULTATION PROCESS

APPENDIX F – PUBLICITY GUIDELINES

APPENDIX G – PAST PROGRAM AWARDS

APPENDIX H – SAMPLE GRANT AGREEMENT (ROUND 2 TCC PROGRAM AWARDS)

APPENDIX A – TERMS AND DEFINITIONS

Applicant(s)	Lead Applicants and Co-applicants are collectively referred to as "Applicants." See definitions for "Lead Applicant" and "Co-applicant".
Application or Proposal	A submittal comprised of responses and supporting documents to apply for the either an Implementation or Planning Grant.
Awarded	An agency commits funding to implement projects (e.g., executed a grant agreement with a Grantee; transferred funds to another agency or program administrator).
CARB	The California Air Resources Board (CARB) was established by the California Legislature in 1967 to attain and maintain healthy air quality, conduct research into the causes of and solutions to air pollution, and implement measures to reduce air pollution caused by motor vehicles, the major cause of air pollution in the State. CARB provides funding guidance to state agencies that implement California Climate Investment programs, such as the TCC Program.
California Climate Investments (CCI)	Programs funded through the Greenhouse Gas Reduction Fund using auction proceeds from the Cap-and-Trade Program and administered by state agencies in transportation, energy, natural resources, and waste sectors. These programs fund projects that provide greenhouse gas reductions and other important co-benefits to California, including benefits to residents of disadvantaged communities, low-income communities, and low-income households.
Climate Adaptation	Adaptation to climate change refers to adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities.[7]
Climate Resiliency	Resiliency as it relates to climate change is the capacity of any entity – an individual, a community, an organization, or a natural system – to prepare for disruptions, to recover from shocks and stresses, and to adapt and grow from a disruptive experience.[8]
Co-applicant	Entities other than the Lead Applicant that enter into a partnership with other organizations for the purpose of applying for a TCC grant.
Community-based Organizations	A public or private nonprofit organization of demonstrated effectiveness that is representative of a community or significant segments of a community and provides educational or related services to individuals in the community.[9]

[7] Glossary of Climate Change Terms. Office of Air and Radiation/Office of Atmospheric Programs/Climate Change Division. September 9, 2013 " <https://www.epa.gov/climatechange>

[8] Rodin, Judith. 2014. *The Resilience Dividend: Being Strong in a World Where Things Go Wrong*. Philadelphia: Perseus Books Group (pages 3-4).

[9] U.S.C. § 9101(6). <https://www2.ed.gov/policy/elsec/leg/esea02/pg107.html>

Applicant(s)	Lead Applicants and Co-applicants are collectively referred to as "Applicants." See definitions for "Lead Applicant" and "Co-applicant".
Community Engagement	The process of working collaboratively with and through groups of people affiliated by geographic proximity, special interest, or similar situations to address issues affecting the well-being of those people.[10]
Direct Costs	Costs directly tied to the implementation of the TCC grant, including, but not limited to: personnel costs, subcontracts, equipment costs, travel expenses, etc.
Displacement	Residential displacement is considered to be occurring when households are forced to move from, or are prevented from moving into a Project Area, which was previously accessible to them due to conditions that: • Are beyond the reasonable ability of households to control or prevent (e.g., rent increases); • Occur despite households having met all previously imposed conditions of occupancy; and • Make continued occupancy by households impossible, hazardous, or unaffordable. Displacement can result from gentrification when neighborhoods become financially out of reach for people or can occur at earlier stages through disinvestment, increasing vacancies and facilitating demographic turnover.[11] Displacement manifests itself in many forms, from physical (i.e., evictions or service disruption) to economic (i.e., very high and/or frequent rent increases and sharp increases in housing costs relative to comparable neighborhoods).
Element	Elements are distinct Project components that are fundable under the TCC Program. Elements can be classified as quantifiable or non-quantifiable per CARB's quantification methodologies for estimating greenhouse gas reductions for the CCI Program. Projects proposed with quantifiable elements can count their respective Project toward TCC proposal readiness at the time of Application. See Appendix B for TCC fundable elements.
Enforceable Funding Commitments	A funding requirement for affordable housing project. These projects must demonstrate a level of committed funding that is 0.90 or greater by the following equation: *Project funds requested + Enforceable Funding Commitments (EFCs) – Deferred Costs* *Total Development Cost – Deferred Costs*
Grant Agreement	Arrangement between the State and grantee specifying the payment of funds to be used for grants and/or loans, or a combination by the State for the

[10] U.S. Department of Health and Human Services, June 2011. *Principles of Community Engagement.* <https://www.atsdr.cdc.gov/communityengagement/pdf/PCE_Report_508_FINAL.pdf>

[11] Adapted from Grier and Grier (1978) and Marcuse (1986) and included in the Urban Displacement Project found at urbandisplacement.org.

Applicant(s)	Lead Applicants and Co-applicants are collectively referred to as "Applicants." See definitions for "Lead Applicant" and "Co-applicant".
	performance of specific TCC Program Objectives within a specific grant performance period by the grantee.
Grantee	Designated Lead Applicant that has an agreement for grant funding with the State.
Greenhouse Gases (GHG)	Any gas that absorbs infrared radiation in the atmosphere. Greenhouse gases include, but are not limited to, water vapor, carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrochlorofluorocarbons (HCFCs), ozone (O_3), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF_6).
Greenhouse Gas Reduction Fund (GGRF)	Fund established via SB 1018 to receive the State's portion of proceeds from the quarterly Cap-and-Trade auctions.
High Quality Jobs	Job quality varies across industry, occupation, and region. Indicators of high quality jobs include: decent wages (family-sustaining jobs with prevailing wage or entry-level work with clearly defined routes to advancement into higher-wage jobs), benefits (like paid sick and vacation), adequate hours and predictable schedules, access to training, occupational health and safety, worker representation or right to organize, and no employer or subcontractor record of wage theft or other violations of labor law.
Implementation Grant	Fund for the development of neighborhood-level proposals, which include multiple, coordinated greenhouse gas emissions reduction projects that provide local economic, environmental, and health benefits.
Indicators	Quantitative measures, including project-related metrics that show changes in conditions over a period of time.
Indirect Costs	Expenses of doing business that are of a general nature. These costs are not directly tied to the grant but are necessary for the general operation of the organization. Examples of indirect costs may include, but are not limited to: personnel costs associated with administrative, supervisory, legal, and executive staff; personnel costs associated with support units, including clerical support, housekeeping, etc.; and operating expenses and equipment costs not included as part of direct project costs. This definition supersedes any definition of indirect costs provided by other California Climate Investment programs.
In-kind Goods and Services	Non-cash donations from governmental or private sources, and includes volunteer labor, materials and services.
Lead Applicant	An entity that enters into a partnership with other organizations for purpose of applying for a TCC grant and has been designated as the lead organization for the partnership.
Lead Entity	The Lead Applicant or Co-applicant responsible for leading the implementation of a specific Project.

Applicant(s)	Lead Applicants and Co-applicants are collectively referred to as "Applicants." See definitions for "Lead Applicant" and "Co-applicant".
Memorandum of Understanding (MOU)	An MOU is an agreement between two or more parties that is legally binding and outlines the responsibilities of each of the parties to the agreement. A Memorandum of Understanding is required for Implementation Grant Applicants that include unincorporated areas within the Project Area.
Nonprofit Organizations	Any nonprofit corporation qualified to do business in California, and qualified pursuant to subdivision (c)(3) under Section 501 of the Internal Revenue Code.
Operational	Project has reached a specified milestone and benefits from the investment are accruing.
Participatory Budgeting (PB)	Participatory Budgeting (PB) is a democratic approach to public spending that meaningfully and deeply engages people in government and the community. During PB, community members democratically decide how to spend part of a public budget, enabling them to make the fiscal decisions that affect their lives and the health of their communities. In the process, the community identifies priority needs and develops a range of alternatives to address those needs. PB is especially appropriate in low-income communities and communities of color that have been traditionally disenfranchised from transportation decision making processes.
Partner	Entities other than the Grantee that enter into a partnership with the grantee and other organizations for the purpose of implementing TCC grant activities. Referred to as "Co-Applicants" during the application stage.
Partnership Agreement	A Partnership Agreement is an agreement between two or more parties that is not legally binding and outlines the responsibilities of each of the parties to the agreement. This is required of all members of the Collaborative Stakeholder Structure.
Planning Grant	Fund for planning activities that implement local and regional land use plan and foster the development of sustainable communities.
Planning Area	Refers to the boundary for Planning Grants. A contiguous area comprised of Census Tracts that rank within the top twenty-five percent (25%) of disadvantaged communities, per CalEnviroScreen 3.0. Planning Areas may be located in an incorporated city or an unincorporated area of a county or both.
Post-award Consultation	Prior to execution of the grant agreement, period where terms and conditions of the grant agreement are determined and finalized.
Program Objectives	Program objectives are statements that describe the desired outcomes of the program. The TCC Program includes the following three program objectives: greenhouse gas reduction, public and environmental benefits, and economic opportunity and shared prosperity.
Project Area	Refers to the boundary for Implementation Grants. A contiguous area that is no larger than approximately five-square miles and is within one incorporated

Applicant(s)

Lead Applicants and Co-applicants are collectively referred to as "Applicants." See definitions for "Lead Applicant" and "Co-applicant".

city's jurisdiction. At least 51% of the Project Area must overlap census tracks within the top 10 percent (10%) of disadvantaged communities identified per CalEnviroScreen 3.0. The remaining area (49 percent or less) must be within the top 25 percent of disadvantaged communities or a low-income community as defined by AB 1550.

Projects

An attribute that defines the purpose of a Project as reflected in a proposal or scope of work. Projects proposed must include one or more TCC fundable elements. See Appendix B for TCC fundable elements.

Public Agency

A local or regional agency, such as a county, city, city and county, municipal corporation, district, metropolitan planning organization, joint powers authority, regional transportation planning agency, council of government, school district, political subdivision, or any board, commission or agency thereof, other local public agency, or entities that are legislative bodies of a local agency pursuant to subdivisions (c) and (d) of Section 54952 of the California Government Code.

Quantification Period

The quantification period varies for different administering agencies and CCI programs, as defined in CARB's quantification methodologies for estimating greenhouse gas reductions for CCI program. For California Climate Investments, the quantification period typically covers the period of time during which GHG reductions are reasonably expected to occur, or the over which GHG reductions can be calculated and validated.

Small Business

In order for a small business to be eligible for certification, the small business must meet the following requirements: be independently owned and operated; not be dominant in its field of operations; have its principal office located in California; have the owners (or officers, if a corporation) domiciled in California; and including affiliates, be either:

- A business with 100 or fewer employees; with average annual gross receipts of $15 million or less, over the last three tax years;
- A manufacturer* with 100 or fewer employees; or
- A microbusiness - A small business will automatically be designated as a microbusiness if gross annual receipts are less than $3,500,000, or the small business is a manufacturer with 25 or fewer employees

*For Small Business Certification purposes, a manufacturer is a business that is both of the following: primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products, and classified between Codes 31 to 339999, inclusive, of the North American Industrial Classification System (NAICS) Manual, published by the United States Census Bureau, 2007 edition.

Applicant(s)	Lead Applicants and Co-applicants are collectively referred to as "Applicants." See definitions for "Lead Applicant" and "Co-applicant".
State	Refers to the California Air Resources Board, Strategic Growth Council, the Department of Conservation, and any other state agency, and/or their representatives.
Strategies	A plan of action or policy intended to achieve a particular outcome. Applicants must propose one or more Projects for each selected strategy.
Strategic Growth Council (SGC)	Strategic Growth Council (SGC) administers the TCC Program. SGC was established by Senate Bill 732 (Steinberg, Statutes of 2007, Chapter 729), and is charged with four main tasks to encourage the development of sustainable communities. These tasks include the following: • Identify and review activities and funding programs of member state agencies that may be coordinated to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006 and the strategies and priorities developed in the State's climate adaptation strategy, known as the Safeguarding California Plan, encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner. • Recommend policies and investment strategies and priorities to the Governor, the Legislature, and to appropriate state agencies to encourage the development of sustainable communities. • Provide, fund and distribute data and information to local governments, and regional agencies that will assist in developing and planning sustainable communities. • Manage and award grants and loans to support the planning and development of sustainable communities.
Technical Assistance (TA)	Aid and support provided to Applicants to facilitate development, selection and implementation of TCC Proposals.
Transformative Elements	Additional elements required for Implementation Grants to be considered for TCC funding. Transformative Elements include: community engagement, displacement avoidance, workforce development and opportunities, data collection and indicator tracking, and climate adaptation and resiliency.
Very Low- and Low- Income Households	Households earning less than 80 percent (80%) of Area Median Income (AMI). The U.S. Department of Housing and Urban Development (HUD) sets income limits that determine eligibility for assisted housing programs. Income limits can be accessed at: https://www.huduser.gov/portal/datasets/il.html.
Vision Statement	A statement developed by Applicants that articulates how all of the Projects proposed in the overall TCC Proposal will be coordinated and integrated to achieve all three of the TCC Program Objectives
Vulnerable Communities/ Populations	Vulnerable communities or vulnerable populations include people that are vulnerable to the effects of pollution, the impacts of climate change, and other

Applicant(s)	Lead Applicants and Co-applicants are collectively referred to as "Applicants." See definitions for "Lead Applicant" and "Co-applicant".
	environmental, public health and economic burdens. Such people include, but are not limited to: women; racial or ethnic groups; low-income individuals and families; individuals who are incarcerated or have been incarcerated; individuals with disabilities; individuals with mental health conditions; children; youth and young adults; seniors; immigrants and refugees; individuals who are limited English proficient (LEP); and Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning (LGBTQQ) communities; or combinations of these populations. (CA Health and Safety Code Section 131019.5)

APPENDIX B – TCC FUNDED PROJECTS BY STRATEGY

The first section of Appendix B describes the Implementation Grant application's quantification and readiness requirements for the full application proposal, readiness requirements for all projects, and identifies ineligible costs. The second section of Appendix B outlines each Strategy's eligible project types and fundable elements, eligible costs, and additional requirements.

Eligible Proposal Requirements

Applicants must select a combination of Projects from at least three (3) Strategies.

- At least three (3) Projects included in the application must be both quantifiable using CARB quantification methodologies[12] AND must meet all readiness requirements at the time of application submittal.
- These projects that are both "quantifiable" and "ready" must account for a minimum of fifty percent (50%) of total requested funds.

All Projects must be ready within the first year of the grant term.

- *Quantifiable Projects*: Projects that contain "quantifiable elements" are quantifiable under CARB quantification methodologies and are indicated by an asterisk (*). Quantifiable projects may contain a combination of both quantifiable and non-quantifiable elements. The sum of the grant requests for both the quantifiable and non-quantifiable elements for the Project will be counted towards the fifty percent (50%) total requested funds requirement.

  For example, an applicant that proposes to include the "construction of new pedestrian facilities" as a Project under the Transit Access and Mobility Strategy, must include the quantifiable element "new walkways that improve mobility/access of pedestrians" for the Project to be quantifiable. The applicant may also include other TCC fundable elements that are non-quantifiable as part of the Project, such as the installation of "benches or street furniture". See CARB's forthcoming TCC Quantification Methodology[13] for more information.

- *Readiness Requirements*: Readiness requirements include CEQA documentation, site control, permits, project maps and designs, operations and maintenance plans, and other Strategy-specific requirements. Readiness requirements must be complete prior to beginning project implementation. Projects will be carefully vetted during the application review to ensure that readiness status is accurately reflected in application materials and additional documents may be requested of applicants in advance of the Round 3 awards.

[12] California Air Resources Board, July 2018. *CCI Quantification, Benefits, and Reporting Materials.* <www.arb.ca.gov/cci-resources>
[13] California Air Resources Board. *CCI Quantification, Benefits, and Reporting Materials.* <www.arb.ca.gov/cci-resources>

Ineligible Characteristics Applicable to all Strategies and Projects

The following Project characteristics will result in ineligibility:

- Projects without logical termini[14] or independent utility[15];
- Projects that are acquisition only[16];
- Projects that cannot demonstrate site control during the grant term;
- Projects that acquire property through eminent domain;
- Projects that are in active litigation;
- Projects without a long-term operations and maintenance plans; or
- Projects that do not provide GHG reduction, public health, environmental, and economic benefits to the Project Area through the grant term and life of the Project.

Ineligible Costs Applicable to All Strategies

The following ineligible costs apply to all strategies:

- Exceeding cost caps for indirect or pre-development costs;
- Lobbying;
- Advocacy work, such as direct lobbying for the passage of specific bills or local propositions;
- Commission fees;
- Ongoing operational costs beyond the grant term;
- Using funds for mitigation activities that are already mandated by local or state governing bodies or agencies;
- Ceremonial expenses (including food and beverages);
- Expenses for publicity not related to the TCC Plan implementation;

[14] Logical termini for project development are defined as 1) rational end points for a transportation improvement, and 2) rational end points for a review of the environmental impacts. See the U.S. Department of Transportation Federal Highway Administration for additional information: https://www.environment.fhwa.dot.gov/legislation/nepa/guidance_project_termini.aspx

[15] Independent utility for project development defines such improvements as 1) usable and can function as stand-alone improvements without forcing other improvements which may have impacts, and 2) a reasonable expenditure even if no additional transportation improvements in the area are made.

[16] Projects that include eligible land acquisition costs must demonstrate that grant funds will also be used to complete a TCC fundable project. Projects being completed under the Affordable Housing Land Acquisition Strategy (Appendix B-2), must demonstrate that development on the acquired land will be completed within the grant term, and may be paid for with either grant funds or leverage dollars.

- Bonus payments of any kind;
- Damage judgments arising from the acquisition, construction, or equipping of a facility, whether determined by judicial process, arbitration, negotiation, or otherwise;
- Services, materials, or equipment obtained under any other State program;
- Real estate brokerage fees and/or expenses; and
- Stewardship of legal defense funds.

Readiness Requirements Applicable to All Strategies

California Environmental Quality Act (CEQA)

Before submitting an application, Applicants should consult with the public agency or agencies that have permitting authority over the projects in the application to determine what is required to comply with CEQA.

- For Projects that meet the readiness requirements at the time of application, the Applicant and/or Co-applicants must demonstrate and provide documentation showing that the project is CEQA compliant.
- For Projects that will be ready within the first year of the grant term, applicants must report on the projects' CEQA status and must demonstrate that any pending environmental review will be completed within the first year of the grant term.

Affordable Housing Development Capital Projects submitted under Equitable Housing and Neighborhood Development are required to have all necessary environmental compliance and project approvals at the time of application. All applicable time periods for filing lawsuits must have lapsed.

CEQA Documentation

The following documentation is required for projects that are categorically or statutorily exempt:

- A CEQA Notice of Exemption (NOE) that has been approved by the appropriate body pursuant to their obligations under CEQA, **OR**
- Documentation that the project is CEQA compliant, including but not limited to:
  - A resolution adopted by the legislative body (e.g., City Council, Board of Supervisors) confirming a project's exemption. If a resolution or similar mechanism is not available or does not exist, meeting minutes documenting the legislative body's consideration and approval of the project's CEQA compliance may be submitted.
  - A signed letter or similar document from the head of an administrative approving entity (e.g., Planning Director).

The following documentation is required for all other projects:

- A file-stamped Notice of Determination

Statutes of Limitation

SGC will notify Grantees that they may begin work on a project once all readiness requirements have been met, including CEQA completion. However, projects are still subject to statutes of limitation for legal challenges, which vary depending on the type of CEQA filing and whether a CEQA filing occurs (Public Resources Code, § 21167):

- Filing a Notice of Determination: 30 days
- Filing a Notice of Exemption: 35 days
- No filing: 180 days

Grantees must notify SGC when the statutes of limitations have lapsed for each project, and if any legal challenges arise. If a legal challenge is brought against a project, SGC has the authority to issue a Stop Work Order, per Section 32 of the grant agreement.

Site Control

Applicants must demonstrate site control to demonstrate readiness prior to implementation. Applicants that want to establish facilities or expand existing facilities on property not owned by the Applicant, must prove a legally binding commitment or letters of commitment to sell that clearly states the ownership or leasehold interests of the parties. For Projects with multiple project sites that will be secured during the grant term[17], site control does not need to be complete at the time of the application. Applicants must report on the site control status and demonstrate that site control can be achieved for all sites within the grant term.

Permits

At the time of application, applicants must identify all permits required to implement the Projects, and that the permit(s) can be obtained within the grant term. Documentation of the permits will be used to evaluate the experience and management capacity of the Applicant.

Other Requirements

Applicants must also submit the following documentation required to implement the Projects:

- Project Map
- Project Designs
- Operations and Maintenance Plan

[17] Examples of projects with multiple project sites that will be secured during the grant term: tree planting (Urban Greening and Green Infrastructure Strategy), single-family solar installations (Solar Installation and Decarbonized Energy Strategy), and electric vehicle charging site installation (Car Sharing and Mobility Enhancement Strategy). Projects are required to describe their site control plan at application.

The State may request additional documentation to assess project readiness and feasibility. All Projects must align with applicable local/regional plans and regulations. See each Strategy table below for additional Strategy-specific requirements.

Strategy 1: Equitable Housing and Neighborhood Development

TCC will fund the development of affordable housing and related transit infrastructure and programs, according to the Affordable Housing and Sustainable Communities Program requirements. Table B-1 lists General Requirements, eligible project types and fundable elements, Applicant requirements, eligible project costs, readiness requirements, and special requirements for Strategy 1.

Table B-1: Equitable Housing and Neighborhood Development	
General Requirements	
If an application includes a project under this strategy, the project must conform to the requirements of the Affordable Housing and Sustainable Communities Program as outlined in the most recent AHSC's Program Guidelines (http://sgc.ca.gov/programs/ahsc/resources/) and conform to one of the following eligible housing project area types: • Transit Oriented Development Project Area • Integrated Connectivity Project Area • Rural Innovation Project Areas Proposed Affordable Housing projects should at minimum include one of the following projects: • New or expanded transit service (bus, train, ferry, shuttle, or vanpool) • Increased ridership • New pedestrian facilities • New bike paths or lanes (Class I, II, or IV) • New or expanded bike share Proposed transit and active transportation capital projects under Equitable Housing and Neighborhood Development Strategy are required to be connected to other proposed or existing transit or active transportation systems.	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**
Construction or substantial rehabilitation of affordable housing or mixed-use developments served by qualifying transit or high quality transit	• Increased housing density achieved by compact design* • Integrated market rate and below market rate housing (TCC only provides funding for affordable housing units)*
Housing related infrastructure	• Capital improvements required by a locality, transit agency, or special district as a condition of the approval of the affordable housing development.
New or expanded transit service (bus,	• Operation of new or expanded transit service* o Enhanced or expanded transit service by supporting construction or implementation of:

Table B-1: Equitable Housing and Neighborhood Development	
train, ferry, shuttle, or vanpool)	▪ New or expanded bus or intercity commuter services, and urban rail projects ▪ New or expanded water-borne transit (ferry) ▪ Expanded intermodal transit facilities ▪ Equipment acquisition o Operation of alternative transportation services • Capital or operational expenditures that increase transit mode share such as bus shelters/transit waiting areas and bicycle carrying structures on public transit
Capital improvements to transit systems that result in increased ridership	• Upgrades to transit stops, stations, or vehicles that encourage mode-shift*
Construction of new pedestrian facilities	• New walkways that improve mobility/access of pedestrians* • Non-capacity increasing streetscape improvements, including but not limited to: o Installation of lighting o Installation of signage and way-finding markers o Other related amenities for pedestrians, cyclists and transit riders • Installation of new/improved pedestrian crossings or over-crossings • Benches or "street furniture" • Street crossing enhancements including accessible pedestrian signals • Traffic calming projects, including development of: o Curb extensions o Roundabouts o Median islands / road diets o Lane narrowing projects
Construction of new bike paths or lanes (Class I, II, or IV)	• New or expanded context sensitive bike paths or lanes (Class I, Class II, or Class IV)[18]* • Non-motorized urban trails that provide safe routes for travel between residences, workplaces, commercial centers, and schools
Purchase of bicycles and/or purchase and installation of infrastructure in support of new or expanded bike share	• New or expanded bike share programs* • Publicly accessible bicycle parking • Bicycle repair kiosks • Bicycle carrying structures on public transit
Increased ridership *Required Element under AHSC Program*	• Distribution of vouchers for free or reduced transit fares*

[18] Context sensitive bikeways are defined as bikeways that consider functional classifications, travel forecasts, levels of service, purpose and transportation need, environment, safety, and place audits.

Table B-1: Equitable Housing and Neighborhood Development	
Applicant Requirements	
Lead or co-applicant must include one of the following: • City or county • Public housing authority • Redevelopment successor agency • Transit agency or transit operator • Regional transportation planning agency • Local transportation commission • Congestion management agency	• Joint powers authority • School district • Facilities district • University or community college district • Developer • Federally recognized Indian tribes • Program operator
Eligible Project Costs	
Eligible Costs include: Affordable Housing Development Capital Projects • Construction and substantial rehabilitation (with acquisition) of affordable housing • Costs for a housing development, as specified in 25 CCR Section 7304 (a) and (b) • Affordable Housing Development and Housing Related Infrastructure Capital Projects must comprise at least fifty (50) percent of total AHSC funds requested Housing-Related Infrastructure Capital Projects • Required environmental remediation necessary for the capital project where the cost is not to exceed 50 percent of AHSC Project costs • Real property acquisition of the project site and associated fees and costs (not to exceed 10 percent of the total AHSC Project costs) • Impact fees required by local ordinances (if used for the identified eligible capital project not to exceed 15 percent of the AHSC Project cost up to $300,000) • Affordable Housing Development and Housing Related Infrastructure Capital Projects must comprise at least fifty (50) percent of the total AHSC funds requested Sustainable Transportation Infrastructure Capital Projects • Capital improvements that result in the improvement or addition of infrastructure that encourages mode-shift by enhancing public transit access, pedestrian, or bicycle network • Operation expenditures for up to two (2) years that directly expand transit service by supporting new or expanded routes and may include wages, fueling, maintenance, and other costs to operate those services for up to two years • Other capital project costs required as a condition of local approval for the capital project, as approved by the State • The total combined grant amount for Sustainable Transportation Infrastructure Capital Projects and Transportation-Related Amenities Capital Projects within a Project Area shall not exceed $10,000,000. Transportation-Related Amenities Capital Projects • Capital improvements that are publicly accessible and provide supportive amenities to cyclists, pedestrians, and transit riders • Other capital project costs required as a condition of local approval for the capital project, as approved by the State	

Table B-1: Equitable Housing and Neighborhood Development
• Energy efficiency, water efficiency, renewable energy and urban greening improvements • The total combined grant amount for Sustainable Transportation Infrastructure Capital Projects and Transportation-Related Amenities Capital Projects within a Project Area shall not exceed $10,000,000. Program Funding • Those costs typically associated with 1) program creation, or 2) expansion of existing programs to serve new populations or offer new program service and implementation. Eligible costs may include operational costs. Programs include education, outreach and training for Active Transportation or Transit Ridership; air pollution exposure reduction; workforce development partnerships; and outreach, education, and subsidy to low-income residents for ZEV car sharing. • Total grant amount for these program costs shall not exceed 30 percent of the funding for the AHSC Project up to $500,000.
Ineligible Costs: • Routine maintenance of transportation infrastructure including transit fleet, but not including AHSC-funded transit service expansion • In lieu fees for local inclusionary housing programs • All costs associated with automobile or motorcycle parking (excluding electric vehicle charging infrastructure that may be located at a parking spot)
Additional Readiness Requirements
Environmental Review: At the time of Application, completion of all necessary environmental compliance (including the California Environmental Quality Act and if applicable, the National Environmental Policy Act) and project approvals related to the Equitable Housing and Neighborhood Development project is required. All applicable time periods for filing appeals or lawsuits must have lapsed within 30 days of the application due date with lawsuits or appeals filed. Also at the time of application, all applicable time periods for filing lawsuits must have lapsed. However, non-housing components of a project have one year to certify completion and demonstration of approval of environmental clearances (NEPA or CEQA)
Site Control: Applicants must demonstrate site control prior to submitting an application. Site control may be demonstrated with one of the following documents: • Fee title • A leasehold interest on the property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit, prior to grant funding, compliance with all program requirements • An enforceable option to purchase or lease, which shall extend through the anticipated date of the Program award as specified in the NOFA • An executed disposition and development agreement, right of way, or irrevocable offer of dedication to a Public Agency • An executed encroachment permit for construction of improvements or facilities within the public right of way or on public land

Table B-1: Equitable Housing and Neighborhood Development
• An executed agreement with a public agency that gives the applicant exclusive rights to negotiate with the agency for the acquisition of the site; provided that the major terms of the acquisition have been agreed to by all parties • A land sales contract or enforceable agreement for acquisition of the property • Other forms of site control that give the State equivalent to any of the above-listed indicators of site-control demonstrating assurance that the applicant or developer will be able to complete the Project and all housing designated in the application in a timely manner and in accordance with all the requirements of the Program.
Enforceable Funding Requirements: At the time of application, the project must demonstrate a level of committed funding that is 90 percent or greater calculated by the following equation: *Project funds requested + Enforceable Funding Commitments (EFCs) - Deferred Costs* *Total Development Cost - Deferred Costs*
Other Readiness Requirements: Documents required to demonstrate financial feasibility, including: • Market study • Project pro-forma • Multi-year pro-forma • Sources and uses statement • Operating budget Other readiness documentation includes: • Consistency with State Relocation Assistance Law • All necessary discretionary land use approvals, excluding design review • Consistency with State and Federal Fair Housing requirements including duties to affirmatively further fair housing • Integration of climate adaptation measures • Implementation of the regional Sustainable Communities Strategy • Proposed project must be consistent with state planning priorities • Applicant and/or project may not be party to or subject of a lawsuit • Consistency with local public works department, or other responsible local agency requirements • Estimated project milestone schedule • Demonstration that Project construction has not yet commenced • Housing Element that is in substantial compliance by the date of award recommendation

Table B-1: Equitable Housing and Neighborhood Development
Special Requirements
Other requirements include, but are not limited to the following: • Provide free transit passes, reloadable transit cards, or discounted passes priced at no more than half of retail cost. At least one (1) pass or card shall be made available for each Restricted Unit for at least 3 years. • Demonstrate housing will be smoke free by providing a smoke free housing lease addendum • Incorporate more than one TCC Urban Greening elements with dedicated maintenance for at least two years • Include adequate lighting in accordance with local, state, or federal design standards and requirements for all publicly accessible components • Demonstrate prior experience by providing evidence of at least two prior projects that are similar to the proposed project in scope and size, which have been completed by the applicant, or joint applicant, during the ten (10) years preceding the application due date • Must be served by qualifying transit, as outlined in AHSC's program guidelines: <http://sgc.ca.gov/programs/ahsc/docs/20171024-AHSC_16-17_Guidelines.pdf> (See Figure 1 of the AHSC Guidelines) • Must not result in a loss or conversion of agricultural or other working lands, or natural resource lands for other uses • Must meet the underwriting standards in the Uniform Multifamily Regulations • Must not result in a net loss of affordable housing units • Demonstrate costs are infeasible without AHSC Program funds, and other committed funds are not being supplanted by AHSC Program funds • Outreach and education on reducing potential health impacts of air pollution must be provided to residents of Affordable Housing Developments.

Strategy 2: Land Acquisition for Affordable Housing

TCC will fund land acquisition for communities to secure land for affordable housing. Table B-2 lists General Requirements, eligible project types and fundable elements, Applicant requirements, readiness requirements, and special requirements for Strategy 2.

Table B-2: Land Acquisition for Affordable Housing	
General Requirements	
The total amount requested for land acquisition may not exceed ten percent (10%) of total awarded TCC funds. Acquired land shall be deed restricted for developing affordable housing/mixed-use affordable housing only. Applicants are required to purchase or land lease the land and ensure development of the land during the grant term, otherwise the State will need to be reimbursed for the investment.	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**
Outreach and Implementation (cost should not exceed 5% of the requested Land Acquisition project funds)	• Community engagement for project planning post-land acquisition • Land holding costs • Direct costs of the land acquisition program, including staff and benefits

Land Acquisition	Includes but not limited to:
	• Land cost
	• Fees
	  o Legal fees associated with land acquisition
	  o Escrow fees and transfer taxes
	  o Other fees associated with land acquisition
	• Land lease rent prepayment *(rent paid in advance for the year or years of the lease agreement)*
	• Financing costs, including:
	  o Predevelopment interest/holding cost *(interest accumulated from a loan for land acquisition costs)*
	  ▪ Other costs may include insurance, security, property management
	  o Bank loan fees
	• Costs associated with obtaining a ground lease, deed of trust, or covenant
	• Site clearance and environmental remediation
	• Environmental impact reports and assessments

Applicant Requirements	
Lead or co-applicant must include one of the following: • Established Community Land Trust with • Cooperative housing corporations	

demonstrated record (incorporated with the State and in good standing) • Local government agencies • Nonprofit housing organization	• Limited partnerships or limited liability companies where all the general partners are eligible lead or co-applicants • Federally recognized Indian tribes • Joint Powers Authorities • Public Housing Authorities • Redevelopment Successor Agencies
Eligible Project Costs	

Eligible Costs include, but are not limited to the following:
• Land acquisition that will result in a plan for affordable housing on the acquired land
• Fees
  o Legal fees associated with land acquisition
  o Escrow fees and transfer taxes
  o Building permit fees
  o Impact fees
  o Other fees associated with land acquisition
  o Environmental impact reports and assessments
• Financing costs, including:
  o Predevelopment interest/holding cost *(interest accumulated from a loan for development costs)* Loan fees
• Costs associated with obtaining a ground lease, deed of trust, or covenant
• Outreach and implementation (no more than 5% of requested project funds)	

Additional Readiness Requirements	
• Final Scoping Plan with completed community engagement and the development plan with schematic design and pro forma (project financing model) for the requested land acquisition.	
Special Requirements	
The following elements are required at the time of Application: • Preliminary Scoping Plan for purchasing potential land within the project area that includes the affordability mix and targeted population. Preliminary Scoping Plan should include a community engagement plan for development on the acquired land, justify the requested funds, and demonstrate that an affordable housing development on the requested land can be completed within the grant term. • Evidence of land value for requested land acquisition, such as an appraisal • The land zoned should be consistent for proposed used, which is restricted for multi-family housing and/or mixed-use housing • Deed restriction on land for developing very low, low and/or moderate income affordable housing • If co-applicant is a Community Land Trust or Non-Profit Housing Organization, they must request a letter of support for acquisition of the property for affordable housing purposes from the appropriate local government entity. • Letter of commitment from the seller is required at Application.	

Strategy 3: Transit Access and Mobility Strategy

TCC will fund three categories of projects under Strategy 3: active transportation, transit and rail access, and car sharing and mobility enhancement projects. Applicants may choose any combination of or all of the transit strategies as part of their Application. Tables B-3.1, B-3.2, and B-3.3 list eligible project types and fundable elements, Applicant requirements, eligible project costs, and additional readiness requirements for each transit strategy:

- 3.1: Active Transportation
- 3.2: Transit and Rail Access
- 3.3: Car Sharing and Mobility Enhancement

Table B-3.1: Active Transportation	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**
Construction of new bike paths or lanes (Class I, Class II, or Class IV)	• New or expanded context sensitive bike paths or lanes (Class I, Class II, or Class IV)[19]* • Non-motorized urban trails that provide safe routes for travel between residences, workplaces, commercial centers, and schools • Bicycle carrying structures on public transit
Construction of new pedestrian facilities	• New walkways that improve mobility/access of pedestrians* • Non-capacity increasing streetscape improvements, including but not limited to: o Installation of lighting o Installation of signage and way-finding markers o Other related amenities for pedestrians, cyclists and transit riders • Installation of new/improved pedestrian crossings or over-crossings • Benches or “street furniture” • Street crossing enhancements including accessible pedestrian signals • Traffic calming projects, including development of: o Curb extensions o Roundabouts o Median islands / road diets o Lane narrowing projects
Purchase of bicycles and/or purchase and installation of infrastructure in support of new or expanded bike share	• New or expanded bike share program* • Publicly accessible bicycle parking • Bicycle repair kiosks • Bicycle carrying structures on public transit

[19] Functional classification, travel forecasts, levels of service, purpose and transportation need, environment, safety, place audit are among the factors that defines context sensitive bikeways.

Table B-3.1: Active Transportation	
Applicant Requirements	
Lead or co-applicant must include one of the following: • Local, regional or state agencies • Transit agencies • Natural resource or public land agencies • Public schools or school districts	• Federally recognized Indian tribes • Private or nonprofit organizations • Other entities with oversight of transportation or recreation trails
Eligible Project Costs	
Eligible Costs include, but are not limited to the following: • Capital improvements that result in the improvement or addition of infrastructure that encourages mode-shift by enhancing pedestrian or bicycle network • Capital improvements that are publicly accessible and provide supportive amenities to cyclists, pedestrian, and transit riders • Other capital project costs required as a condition of local approval for the capital project, as approved by the State • Those costs typically associated with 1) program creation, or 2) expansion of existing programs to serve new populations or offer new program service and implementation. Eligible costs may include operational costs. Programs include education, outreach and training for Active Transportation or Transit Ridership **Ineligible Costs:** • All costs associated with automobile or motorcycle parking (excluding electric vehicle charging infrastructure that may be located at a parking spot). • Right of way	
Additional Readiness Requirements	
• Project plans and a cross-section (15-30% design) for bicycle and pedestrian improvements	

Table B-3.2: Transit and Rail Access	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**

New or Expanded Service	• Operation of new or expanded transit service*
	  o Enhanced or expanded transit service by supporting construction or implementation of:
	  ▪ New or expanded bus or intercity commuter services, and urban rail projects
	  ▪ New or expanded water-borne transit (ferry)
	  ▪ Expanded intermodal transit facilities
	  ▪ Equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities
	  o Operation of alternative transportation services
	• Capital or operational expenditures that increase transit mode share such as bus shelters/transit waiting areas and bicycle carrying structures on public transit

Technology Conversion	• Purchase or replacement of zero-emission or low-emission vehicles* • Purchase, construction, and/or installation of infrastructure, equipment, or facilities to support zero-emission or low-emission vehicles
New Service and Technology Conversion	• Purchase of zero-emission or low-emission vehicles and equipment in support of new expanded/enhanced transit service*
Fuel or Energy Reductions	• Purchase, construction, and/or installation of solar panels for transit facilities in support of new expanded/enhanced transit service* • Implementation of system or efficiency improvements that result in fuel reductions from existing transit services, including projects that reduce transit VMT and idling*

Increased Ridership	• Distribution of vouchers for free or reduced transit fares*
	• Implementation of system or efficiency improvements that result in increased ridership for existing routes, including project elements that increase service levels, reliability, or decrease travel time, including:*
	  o Rail, bus, and ferry integration implementation
	  ▪ Integrated ticketing/scheduling systems and related capital investments
	  ▪ Projects enabling/enhancing shared-use corridors without net air pollution increases
	  ▪ Related planning efforts focused on integrated service without requiring major capital investment
	  ▪ Other service integration initiatives
	  o Bus rapid transit or rail service and other bus and ferry transit investments
	  ▪ Vanpool services operated as public transit
	  ▪ Operating agreements, schedules, and minor capital investments to increase ridership

Table B-3.2: Transit and Rail Access	
	o Efforts to improve existing rail service effectiveness with a focus on improved operating agreements, schedules, and capital investments that increase ridership • Purchase and construction of active transportation facilities that connect to stops/stations and encourage transit ridership*
Applicant Requirements	
Lead or co-applicant must include one of the following: • Public agencies, including construction authorities, transportation authorities, with operational or planning responsibility for transit, rail or ferry services • Joint Powers Authorities • Cities • Counties • Transportation planning agencies • Transit operators	
Eligible Project Costs	
Eligible Costs include, but are not limited to the following: • Capital improvements that result in the improvement or addition of infrastructure that encourages mode-shift by enhancing public transit and rail access • Other capital project costs required as a condition of local approval for the capital project, as approved by the State • Such costs are typically associated with 1) program creation, or 2) expansion of existing programs to serve new populations or offer new program service and implementation. Eligible costs may include operational costs. Programs include education, outreach and training for Active Transportation or Transit Ridership • Expenditures that directly enhance or expand transit service by supporting new or expanded bus or rail services, new or expanded water-borne transit, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities • Operational expenditures that increase transit mode share • Expenditures related to the purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure to operate and support zero emission buses **Ineligible Costs:** • All costs associated with automobile or motorcycle parking (excluding electric vehicle charging infrastructure that may be located at a parking spot). • Right-of-way	
Additional Readiness Requirements	
• Agreements with key partners that will be responsible for implementing the project (e.g., Partnership Agreement with rail operators) • Documentation of the project's coordination with other transit services and plans • Documentation that demonstrates the project's ability to increase ridership • Letters of support from: o Project partners o Regional agency or agencies o An MPO indication of whether or not the project is consistent with an adopted Sustainable Communities Strategy, or in non-MPO regions, a regional plan to reduce greenhouse gas emissions	

Table B-3.3: Car Sharing and Mobility Enhancement	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**
Purchase or lease of advanced vehicle technology types to be used for car sharing, vanpooling, ride-sharing and other mobility options	Advanced technologies may include but are not limited to: • Plug-in hybrid electric vehicles* • Battery electric vehicles* • Fuel cell electric vehicles* • Purchase, construction, and/or installation of infrastructure, equipment, or facilities to support advanced technology vehicles • Electric vehicle supply equipment (EVSE) – Level 2 or Level 3 • Electric bicycles – Class 1 or Class 2* • Education about the car scrap and replacement incentives program for new or used hybrid, plug-in hybrid, or zero-emission vehicle (ZEV) replacement
Applicant Requirements	
Lead or Co-applicants must include at least one of the following: • Local Governments • Non-Profit Organizations • Federally recognized Indian tribes • For profit companies that specialize in car-sharing and mobility enhancement projects	
Eligible Project Costs	

Eligible Costs include, but are not limited to the following:
Project Equipment and Operations Funds: Details from the application will be included once an applicant is selected; details will depend on the proposed car sharing project model. Project fund expenditures that are eligible for reimbursement include:
• Preparation of materials for and conduct of community outreach and education including travel, printing, mailing, education classes, and other expenses directly attributed to outreach and education
• Vehicle acquisition (purchase or lease) costs
  o May be purchased or leased (2-year minimum lease period)
  o May be new or used
  o Must be a four passenger vehicle or more
• EVSE (electric vehicle supply equipment) purchase and installation costs
• Vehicle, EVSE, and electric bicycle maintenance costs
• Electric bicycle purchase costs
• Electric bicycle locking station purchase and installation costs
• Helmets for electric bicycle sharing participants
• Bicycle safety course costs
• Vehicle, driver, passenger, and facilities insurance costs
• Electric bicycle, rider, and facilities insurance costs
• Reservation system development and on-going maintenance costs	

Table B-3.3: Car Sharing and Mobility Enhancement
Ineligible Costs: • Fuel and electricity costs
Additional Readiness Requirements
None

Strategy 4: Solar Installation and Energy Efficiency

TCC will fund the installation of solar photovoltaic systems and energy efficiency retrofits under this strategy. Table B-4 lists eligible project types and fundable elements, Applicant requirements, eligible project costs, additional readiness requirements, and special requirements for Strategy 4.

Table B-4: Solar Installation and Energy Efficiency	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**
Installation of Energy Efficiency Measures and Solar Photovoltaic Systems	• Low flow faucets* • Low flow showerheads* • LED lighting* • LED night lights* • Tier 2 power strips* • Thermostatic shower valve and showerhead* • Vacancy/motion sensor* • Ceiling fans* • Ceiling insulation/insulation upgrades* • HVAC system replacement* • Duct repair/replacement* • Efficient fan controller * • Electronically commutated blower motor* • Floor insulation* • Infiltration reduction measures* • Refrigerant charge w/coil cleaning* • Refrigerator replacement* • Smart thermostat* • Solar water heating* • Solar PV* • Wall insulation, stucco and wood* • Water heater blanket* • Water heater replacement* • Whole house fan* • Window replacement*
Urban Heat Island Mitigation	• Cool pavements (sidewalk and road resurfacing) • Cool roofs
Applicant Requirements	
Lead or Co-applicants must include at least one of the following: • Local agencies • Joint Powers Authorities • Non-profit organizations	

Table B-4: Solar Installation and Energy Efficiency
Eligible Project Costs
Eligible Costs include, but are not limited to the following: *Installation of Energy Efficiency Measures and Solar Photovoltaic Systems* • Direct Costs: Costs associated with the installation such as including labor, materials and subcontractors. • Support Costs (e.g. site assessment, project management, training and technical assistance needs). • Limited Home Repairs (e.g., minor roof repair, water heater platform repair) and Alterations and Electrical Upgrades (e.g., electrical panel upgrade, electrical circuit upgrade) not in excess of $1,200 per dwelling *Urban Heat Island Mitigation* • Direct Project Costs: Costs associated with the installation including labor, materials, and subcontractors. • Support Costs (e.g. site assessment, project management). • Limited Home Repairs not in excess of $1,200 per dwelling
Additional Readiness Requirements
Installation of Energy Efficiency Measures and Solar Photovoltaic Systems • Lead or Co-applicant must demonstrate three (3) years of experience administering and performing energy efficiency and solar PV installations in existing housing • Lead or Co-applicant must be in good standing with all appropriate local and state oversight and licensing authorities • Member of the project team shall maintain an active Class B, General Contractor License, issued by the California Contractors License Board throughout the life of the contract
Special Requirements
Household Income Eligibility Single Family Properties • Participants (property owners or tenants) must have a household income at or below eighty percent (80%) of the county's Area Median Income (AMI), or eighty percent (80%) of the State Median Income (SMI), whichever is higher. • Income verification will be required. Multi-Family Properties • Participants must demonstrate that at least sixty-six percent (66%) of the dwelling units in a building are occupied by households with incomes at or below eighty percent (80%) of the county's AMI, or eighty percent (80%) of the SMI, whichever is higher. Single-family property owners certify they shall not raise the rent or evict tenants of any weatherized unit for a period of two (2) years from the date of weatherization because of the increased value of the unit due solely to weatherization measures provided (allowable factors for rent increase include an actual increase in property taxes, actual cost of amortizing other improvements to the property accomplished after the date of work completed by the Contractor/Agency, or actual increases in expenses of maintaining and operating this property). They also must acknowledge and agree that the property is not for sale at the time of qualifying for the program and will not be offered for sale or otherwise distributed or is not in foreclosure for at least sixty (60) days following the completion of weatherization services.

Table B-4: Solar Installation and Energy Efficiency
For multi-family properties, deed restricted and/or subsidized properties must provide regulatory agreements with a government agency showing compliance with the income eligibility requirements. If there is less than ten (10) years remaining on the term of this regulatory agreement, the participant will agree to sign an Affordability Covenant provided by the Program stating that they will continue to meet income eligibility requirements to equal ten (10) total years. For market rate properties the participant agrees not to evict or commence any eviction proceeding against any tenant(s) of any qualifying dwelling unit in the building, except for cause and subject to all legal requirements and procedures for any such eviction and/or proceeding. This restriction is in force for a period of not less than ten (10) years. The owner also agrees that the rents for the qualified low-income dwelling units shall not be increased because of the energy efficiency upgrades and major capital improvements.

Strategy 5: Water Efficiency

TCC will fund the installation of water efficiency retrofits under this strategy. Table B-5 lists eligible project types and fundable elements, Applicant requirements, and eligible project costs for Strategy 5.

Table B-5: Water Efficiency	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**
Replacement of inefficient appliances with high-efficiency models	• Commercial Dishwasher* • Residential Dishwasher* • Commercial Clothes Washer* • Residential Clothes Washer (single- and multi-family)* • Commercial Ice Machine* • Commercial Steam Cooker* • Commercial Combination Oven* • Equipment that uses single-pass cooling including ice machines and air conditioning units
Replacement of inefficient fixtures with high-efficiency models	• Faucets* • Showerheads* • Toilets and urinals • Commercial pre-rinse spray valves*
Holistic water efficiency upgrades	• Water audits for multi-family housing • Sub-metering for multi-family housing • Leak detection and repair at single family and multi-family housing • Optimization, repair, and/or replacement of inefficient cooling towers • Installation, retrofit, or replacement to achieve efficient irrigation in public and private green spaces such as single family and multifamily homes (drip irrigation, efficient sprinkler spray bodies, smart controllers, moisture sensors, etc.) • Application of compost, and/or mulch to reduce the need for watering, and retain soil moisture • Replacement of lawn with a water-wise landscape and/or edible gardens, and efficient irrigation system • Installation of low impact development (LID) for storm water management • Installation of rainwater and or storm water capture systems, including treatment and use for landscape irrigation, or toilet, and urinal flushing • Installation of onsite graywater systems, including capture, treatment and reuse for landscape irrigation, or toilet and urinal flushing
Applicant Requirements	
Lead or Co-applicants must include at least one of the following: • Local agencies • Joint Powers Authorities	• Nonprofit organizations • Community-based organizations

Table B-5: Water Efficiency	
• Public schools, universities and colleges (UC, CSU, CA community colleges)	• Community development corporations • Tribal governments
Eligible Project Costs	
Eligible Costs include, but are not limited to the following: • Direct costs associated with the purchase, installation or replacement of indoor and outdoor water efficiency measures including labor, materials and/or subcontractor costs • Direct costs associated with auditing, leak detection and repair • Engineering, design, permitting, installation of onsite non-potable water reuse systems and Low Impact Development to reduce runoff and increase infiltration • Must be certified EnergyStar, or equivalent, as applicable **Ineligible Costs:** • Operations and maintenance costs	
Additional Readiness Requirements	
None	

Strategy 6: Recycling and Waste Management

TCC will fund organics waste reduction, recycling, and food waste prevention projects under this strategy. Applicants may choose any combination of or all of the waste management strategies as part of their Application. Tables B-6.1, B-6.2, and B-6.3 list eligible project types and fundable elements, Applicant requirements, eligible project costs, and additional readiness requirements for each waste management strategy:

- 6.1 Organics Waste Reduction
- 6.2 Recycling
- 6.3 Food Waste Prevention and Rescue

Table B-6.1: Organics Waste Reduction	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**
Composting of organics[20]	• Construction, renovation or expansion of compost, anaerobic digestion, or preprocessing of organics (not as standalone project) compost or anaerobic digestion facilities and machinery that turn green or food materials into compost and/or energy products* • Purchase of associated equipment, machinery and site improvements • Residential or commercial compost or anaerobic digestion equipment or programs • Community-scale composting programs
Applicant Requirements	
Lead or Co-applicants must include at least one of the following: • Local governments • Private, for-profit entities • Solid waste service providers • Operators of composting or anaerobic digestion facilities or other facilities	• Regional or local sanitation agencies, waste agencies, or Joint Powers Authorities State agencies • UC, CSU or other public universities and colleges • Nonprofit organizations (except private schools) • Federally recognized Indian tribes
Eligible Project Costs	
Eligible Costs include, but are not limited to the following: • All costs associated with implementation of the Project, with the exception of those listed below. **Ineligible Costs:** • The purchase or retrofitting of vehicles or containers for collection of feedstock when not associated with a food waste prevention component • Collection/delivery/purchase of feedstock (i.e. food waste, green waste, or alternative daily cover) • Food dehydrators and liquefiers unless coupled with increased tons of Project Area generated food materials diverted from landfills and composted or digested	

[20] Quantifiable elements in this section should demonstrate that materials generated in the Project Area are being diverted from landfills.

Table B-6.1: Organics Waste Reduction
• Purchase or lease of land or buildings • Purchases of offsets or allowances.
Additional Readiness Requirements

• Feedstock Certification
• Material Flow Charts (and supporting documentation)
• Applicants must provide a report on when the following permits will be completed, as applicable:
  o Solid Waste Facilities Permit
  o Water Permit
  o Conditional Use Permit
  o Air Quality Permit
  o Licenses and Filings

Table B-6.2: Recycling	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**
Manufacturing value-added finished products using recycled fiber, plastic, and glass[21]	• Construction, renovation or expansion of facilities for recycled-content fiber, plastic, or glass or for the manufacture of value-added products* • Purchase of equipment and machinery • Real estate improvements associated with construction, renovation, or expansion • Stand-alone recycling education programs • Residential or commercial recycling collection equipment or programs
Non-traditional recyclables	• Reuse and repair programs for non-traditional recyclables (appliances, electronics, etc.)
Applicant Requirements	
Lead or Co-applicants must include at least one of the following: • Local governments • Private, for-profit entities • Solid waste service providers • Operators of composting or anaerobic digestion facilities or other facilities • Regional or local sanitation agencies, waste agencies, or Joint Powers Authorities State agencies • UC, CSU or other public universities and colleges • Nonprofit organizations (except private schools) • Federally recognized Indian tribes	
Eligible Project Costs	
Eligible Costs include, but are not limited to the following: • All costs associated with implementation of the project, with the exception of those listed below. **Ineligible Costs:** • The purchase or retrofitting of vehicles or containers for collection of feedstock • Purchase or lease of land or buildings • Purchase of recycled fiber, plastic or glass feedstock • Purchases of offsets or allowances • Costs associated with projects that use pyrolysis, gasification or other thermal conversion technologies to create products	
Additional Readiness Requirements	
• Feedstock Certification • Material Flow Charts (and supporting documentation) • Applicants must report on when the following permits will be completed, as applicable: o Solid Waste Facilities Permit o Water Permit o Conditional Use Permit o Air Quality Permit o Licenses and Filings	

[21] Quantifiable elements in this section should demonstrate that materials generated in the Project Area are being diverted from landfills.

Table B-6.3: Food Waste Prevention and Rescue	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**
Food waste prevention via food rescue[22]	• New or expanded food rescue projects that result in food being distributed to people, with residuals being sent to composting or digestion when available in project area* • Stand-alone food waste prevention, rescue, and recycling education programs
Food waste prevention via source reduction	• Food waste prevention via source reduction*
Applicant Requirements	
Lead or Co-applicants must include at least one of the following: • Local governments • Private, for-profit entities • Solid waste service providers • Operators of composting or anaerobic digestion facilities or other facilities • Regional or local sanitation agencies, waste agencies, or Joint Powers Authorities State agencies • UC, CSU or other public universities and colleges • Nonprofit organizations (except private schools) • Federally recognized Indian tribes	
Eligible Project Costs	
Eligible Costs include, but are not limited to the following: • Refrigerators, freezers, and refrigeration systems • Transportation such as refrigerated trucks • Storage and collection infrastructure such as food crates or bins • Food preparation and cooking items such as ovens, ranges, etc. • Salaries • Software costs (food waste online exchange and source reduction platforms) **Ineligible Costs:** • Food waste dehydrators and liquefiers • Purchase or lease of land or buildings • Purchase of feedstock (food)	
Additional Readiness Requirements	
• Certification of Food Amount Available • Material Flow Charts (and supporting documentation)	

[22] Quantifiable elements in this section should demonstrate that materials generated in the Project Area are being diverted from landfills.

Strategy 7: Urban Greening and Green Infrastructure

TCC will fund projects related to urban greening and green infrastructure under this strategy. Table B-7 lists eligible project types and fundable elements, Applicant requirements, and additional readiness requirements for Strategy 7.

Table B-7: Urban Greening and Green Infrastructure	
Eligible Project Types and Fundable Elements	
Eligible Project Types	**TCC Fundable Elements (* denotes quantifiable elements)**

Planting of trees in sites that are strategically selected to shade buildings (i.e., planted within 60 feet of an air conditioned building)	• Urban tree planting*
	  o Tree and plant establishment care
	  o Planting site preparation
	• Vegetation planting
	• Urban heat island mitigation by tree shading

Planting of trees in sites that do not shade buildings	• Enhancement and/or expansion of neighborhood park and community space (must include tree planting component)* • Planting trees in public lands and structures, which may include incorporation of riparian habitat for water capture and provide for other public and wildlife benefits* • Tree inventory, and/or urban forest mapping and analysis, and/or long term management plan (must include tree planting component)*
Green infrastructure	• Multi-objective storm water projects, including construction of permeable surfaces and collection basins and barriers through low impact development (LID) strategies • Innovative urban forest site improvement to create larger, more functional planting sites for trees, such as bio-swales, urban forestry education centers, edible landscaping and/or community gardens and orchards
Applicant Requirements	
Lead or Co-applicants must include at least one of the following: • Public Agency • Nonprofit organization • Joint Powers Authority	• Special District • Qualifying Districts (include, but are not limited to, school, park, recreation, water, and local taxing districts)
Eligible Project Costs	
Eligible Costs include, but are not limited to the following: • Signs and interpretive aids, including exhibits, kiosks, display boards or signs about the project and funding acknowledgement • Costs associated with the implementation of the project • Land purchase for developing new parks and urban forest area • Tree establishment and maintenance cost during the grant term	

Ineligible Costs:
• Projects not in accordance with CAL FIRE standard and the Urban Forestry Act
• Decorative tree grates and decorative tree guards
• Tree removal
• Inefficient irrigation valves, pumps, sprinkler control timers, or overly costly and elaborate irrigation systems
• Urban wood and biomass projects may not remove trees solely for the purpose of utilization
• Root barriers
• Invasive species
• Palm trees
• Trees that:
  o Rely on excessive amounts of water to survive
  o Rely on synthetic fertilizer to survive
  o Are inappropriate for the site selected or require excessive maintenance
  o Will conflict with overhead or underground utilities or ground-located infrastructure

Additional Readiness Requirements
• Detailed Tree and Plant Species List approved by a certified expert (e.g. certified arborist, landscape architect) • Grantees must consult with their Regional Urban Forester before beginning work.

Strategy 8: Health and Well-Being

TCC will fund food access and park, open space, and recreation access projects under this strategy. Table B-8 lists eligible project types and fundable elements, Applicant requirements, eligible project costs, and additional readiness requirements for Strategy 8.

Table B-8: Health and Well-Being	
Eligible Project Types and Fundable Elements	
Eligible Project Costs	**TCC Fundable Elements (* denotes quantifiable elements)**
Food Access	• Urban agriculture, including front yards, back yards, rooftop gardens, roadside urban fringe agriculture, livestock grazing in open space, and indoor hydroponic or aquaculture facilities.*[23] • Community gardens*[24] • School gardens*[25] • Community kitchen • Food hubs to serve the project area population[26] • Agricultural and healthy food education opportunities for children and adults
Park, Open Space, and Recreation Access	• Increase access to parks and green space through capital improvements projects or programs • Playground or park exercise equipment • Small recreational facilities (picnic areas, bathrooms)
Applicant Requirements	
Lead or Co-applicants must include at least one of the following: • City or county • Local health department • Other public agency, including public schools or school districts • Federally recognized Indian tribes • Locally operating health system, hospital, clinic, health plan • Nonprofit organizations with expertise in health, food access, or urban farming • UC, CSU, or other public universities and colleges	

[23] Operations may range from community-scale gardening to commercial production on a larger scale. Urban agriculture must include trees to be quantifiable, however, indoor hydroponic or aquaculture facilities will not be quantifiable.

[24] Community gardens are defined here as being plots of land, usually in urban areas, that are rented by individuals or groups for private gardens or are for the benefit of the people caring for the garden. Community gardens must include trees to be quantifiable.

[25] School gardens must include trees to be quantifiable.

[26] Food hubs are defined here as centrally located facilities with a business management structure that facilitates the aggregation, storage, processing, distribution and/or marketing of locally and regionally produced food products.

Eligible Project Costs
Eligible Costs include, but are not limited to the following: • Direct project costs, including staff and benefits • Support costs for training, technical assistance, marketing, outreach • Support costs for community engagement and participation • Land purchase and funding access to water for establishing and maintaining small scale community gardens, urban agriculture, or community farms[27] • Costs associated with developing business plans for the startup and operations of urban farms • Efficient irrigation systems that include timers on valves, pumps, sprinklers, etc. **Ineligible Costs:** • Inefficient irrigation systems, or overly costly and elaborate irrigation • Remediation needed for the project area (e.g. soil, land, etc.)
Additional Readiness Requirements
Urban Agriculture Projects o Environmental analyses of the proposed project area must be complete within the first year of the grant. o Land purchases, site control and/or commitment for site control, must be demonstrated at application. o Appropriate land zoning required for urban agricultural operations must be demonstrated at application. o Business plans for the startup and operations of urban farms, including defining marketing, operations, and financial strategies, must be developed and finalized within the first year of the grant term.

[27] In order for water use to be an eligible cost, awardees must ensure water access is available for other residents of the community.

APPENDIX C – TRANSFORMATIVE ELEMENTS

This appendix describes eligible, example, and recommended activities for TCC Transformative Elements. It also includes eligible and ineligible costs and some reference resources.

Table C-1: Community Engagement	
1.1 Recommended Activities to Ensure Meaningful Community Engagement	
Activities to Inform Community Stakeholders and to Solicit Stakeholder Input	• Public workshops/meetings • Door-to-door canvassing • House meetings • Established website and/or social media • Distributed flyers or other printed materials • Outreach to existing community groups • Surveys • Focus Groups
Activities to Engage Community Stakeholders in Development of TCC Proposal	• Design charrettes • Community-based participatory research • Participatory budgeting[28] • Convene advisory body or shared decision-making body • Establish website and/or social media • Community benefits agreements • Additional activities to ensure community stakeholders have an opportunity to influence the TCC Proposal development
Activities to Ensure Community Engagement During Implementation of TCC Project	• Public workshops/meetings • Door-to-door canvassing • House meetings • Established website and/or social media • Surveys • Focus groups • Sub-contract with community-based organizations to conduct outreach • Allocate staff positions focused on community engagement • Advisory body or shared decision-making body • Additional activities to provide community stakeholders an opportunity to influence the TCC Proposal development • Maintain community engagement throughout the TCC Implementation Plan

[28] See Appendix A for the definition of Participatory Budgeting.

Table C-1: Community Engagement
1.2 Community Engagement Eligible Costs and Requirements
Eligible Costs
Eligible Costs include, but are not limited to the following: • Preparation of outreach materials including printings and mailings • Staff time dedicated for community outreach and education • Translation for meetings or written materials • Educational events and training programs that develop public awareness of the TCC Projects **Ineligible Costs:** • Childcare related costs • Food and refreshments • Participant incentives, such as door prizes • General Meetings that do not specifically discuss or advance implementation of the TCC Project
Additional Requirements
TCC funds must be used to support community engagement and outreach activities that meet all of the following criteria: • Activity is directly related to the implementation of the TCC-funded Project • Activity is located within the defined TCC Project Area • Activity is focused on engaging community stakeholders located or involved within the defined TCC Project Area

Table C-2: Workforce Development And Opportunities
Eligible Activities

• Workforce development and training programs must meet **all** of the following criteria:
  o Train participants for jobs and skills that are transferable, and result in high-quality jobs that are reflective of the State's goals and priorities
  o Result in recognized credentials (e.g., certifications, certificates, degrees, license, other documentation of competency and qualifications) to support long-term, stable employment and career development
  o Focus on high-quality employment (e.g., local living wages, benefits, opportunities for advancement, geographic accessibility, predictable scheduling, working conditions, job retention)
  o Recruit trainees from Project Area residents
• Training programs
• Recruitment and outreach
• Job placement
• High-quality job creation

Example Activities
• Pre-apprenticeship programs that utilize industry standard developed curriculum and are tied to certified apprenticeships • Training programs that lead to occupations and industries that support the TCC Project implementation • Training programs that reduce barriers for and reflect the range of employment readiness needs of local residents with employment barriers • Partnerships with local workforce development boards, local non-profits, and other organizations with knowledge of the employment landscape that ensure the training will lead to industry-recognized credentials and labor market advancement • Targeted recruitment strategies, consistent with federal and state law, to direct training opportunities to residents and/or businesses within the TCC Project Area (e.g., Community Benefits Agreements, labor agreements or community workforce provisions, contract provisions)
Applicant Requirements
Organizations leading the workforce development and training programs should have: • Demonstrated track record of providing training with sufficiently high rates of completion, post-training job placement utilizing existing formalized pathways or partnerships with potential employers or industries, and job retention • Previous experience in programs of a similar size and scope as proposed in the workforce development and opportunities plan
Eligible Costs
Eligible Costs include, but are not limited to the following: • Instructor salaries, wages, and stipends

Table C-2: Workforce Development And Opportunities
• Trainee salaries up to 50% of the wages including six (6) months of benefits or no more than 1040 hours, and stipends • Cost of tools, materials, or equipment necessary to perform training • Support costs for outreach and recruitment • Rental costs for facilities required to perform training. (Applicants are encouraged to seek access to free or low-cost facilities through partnerships with community facilities where possible.) • Public transit subsidies for low-income, disabled, or other participants with accessibility or transportation challenges **Ineligible Costs:** • Programs that do not include clear career pathways for residents of the Project Area or committed partnerships for high-quality job placement • Programs that provide workforce readiness skills (i.e. “soft skills” training) but are not directly linked to employment credentials or pathways • Work-appropriate clothing or attire (other than essential equipment and safety wear) • Childcare related costs • Food and refreshments

C-3 Displacement Avoidance	
3.1 Example Policies to Avoid the Displacement of Very Low and Low-Income Households	
Category	**Policy**
Production of Affordable Housing (Pro-housing policies)	• Incentives for inclusionary zoning* • Density bonus ordinance* • Community land trusts • Fee on new commercial or residential development that is dedicated to affordable housing • Land banking programs • Development of new accessory dwelling units • Neighborhood preference legislation that gives existing residents within a certain circumference preference for newly built affordable units* • Dedication of a certain percentage of a housing bond to building housing in the TCC Project Area • Site acquisition and fee deferrals to develop 100% affordable housing* • Production of family-sized rental and ownership affordable units • Allow affordable housing on a limited number of underutilized Production, Distribution and Repair (PDR) parcels with a ground floor requirements for PDR* • Housing bond to fund affordable unit development
Preservation of Affordable Housing	• Rent control, stabilization ordinances, and rent review boards* • No-net loss of affordable housing units / net gain of affordable units* • Preservation of existing affordable housing in the Project Area through the one-for-one redevelopment of distressed public housing; right-to-return policies for existing residents in good standing in redeveloped public housing; and commitment not to raise rents above pre-redevelopment levels for existing residents in redeveloped buildings* • Policies to preserve single-room occupancy and/or mobile home parks and to allow current residents in good standing to remain or return in the case of redevelopment* • Condominium conversion restrictions* • Demonstration of application to local, state, and federal programs to fund preservation of affordable housing • Preservation of affordable housing via acquisition and rehabilitation programs* • Covenants to maintain affordability in perpetuity • Community land trusts • Restrictions on short-term rentals* • Restrictions on non-primary residences*

C-3 Displacement Avoidance	
Tenant Protections and Support	• Tenant anti-harassment policies • Right-to-return policies for existing households • Source of income non-discrimination* • 'Just Cause' eviction policies • Limiting of low-fault evictions* • Culturally appropriate tenant rights education • Funding for tenant organizing • Tenant legal services and right to council in eviction proceedings
Tenant Protections and Support	• Limiting tenant evictions from affordable housing* • Maximize acceptance of rental subsidies* • Review of occupancy requirements to create greater flexibility for tenants* • Identify opportunities to master lease privately owned and managed SROs* • Increase supportive services to tenants living in SROs that are not managed or master leased by the City or non-profits • Identify opportunities to acquire privately owned and managed SRO buildings • Improve code enforcement in SROs* • Implement guidelines to prioritize moving families from SROs into affordable housing units* • Tenant's first right to purchase legislation* • Preserve rent-control units when major rehabilitation occurs* • Where applicable, assessing enforcement of nuisance policies and modifying as needed to ensure vulnerable populations are not being negatively impacted. • Create an emergency housing response action plan for instances when code enforcement deem the properties uninhabitable
Neighborhood Stabilization and Wealth Building	• Asset building opportunities for low-income residents • Contracting with local/small/diversely-owned businesses • Development and promotion of micro-lending opportunities • Development of worker cooperatives • Non-speculative homeownership opportunities
*Indicates policies that require local municipal participation to implement	

C-3 Displacement Avoidance	
3.2 Example Policies to Avoid the Displacement of Local and Small Businesses	
Category	**Policy**
Protections for Small Businesses	• Implementation of an overlay zone designed to protect and assist local and small businesses* • Creation and maintenance of a small business alliance • Increased visibility of the jurisdiction's small business assistance programs • Formal programs to ensure that some fraction of a jurisdiction's good and services come from local and small businesses* • Development of no-cost and low-cost business development and retention programs with established local, state and federal partners such as the California Small Business Development Center Network, Women's Business Centers, Procurement Technical Assistance Centers and others • Support for ownership of space by small, locally owned businesses • Enforce existing regulations to retain and protect production, distribution, repair (PDR) space • Advocate for commercial rent control
Business Stabilization and Wealth Building	• Development of layoff aversion and business continuity programs during construction or other business interruption events • Development of no-cost and low-cost business development consulting and training programs targeting small and micro-enterprises in partnership with local, state and federal technical assistance partners • Contract with local/small/diversely-owned businesses • Encouragement and assistance to ensure businesses are community serving • Increase commercial space and promote community serving uses in new developments • Support alternative business models including coops • Non-profit stabilization programs and rental subsidy programs that prevent the displacement of non-profits from a neighborhood*
*Indicates policies that require municipal participation to implement	

C-3 Displacement Avoidance
3.3 Displacement Avoidance Eligible Costs and Requirements
Eligible Costs
Eligible Costs include, but are not limited to the following: • Direct costs for implementing additional or new policies and programs • Salaries, wages, and stipends of nonprofit or consultant staff dedicated to the displacement avoidance plan • Preparation of outreach and education materials • Translation for meetings or written materials • Rental costs for facilities required to perform training. (Applicants are encouraged to seek access to free or low-cost facilities through partnerships with community facilities where possible.) • Public transit subsidies for low-income, disabled, or other participants with accessibility or transportation challenges **Ineligible Costs:** • Costs for implementing existing policies, plans, ordinances, or programs (e.g., local government staff salaries, supplies, meetings, etc.) • Childcare related costs • Food and refreshments • Participant incentives, such as door prizes
Additional Requirements
TCC funds must be used to support displacement avoidance activities that meet all of the following criteria: • Activity is focused on implementing additional or new policies and programs, which may include but are not limited to new policies not yet adopted, programs that address implementation barriers of existing policies and programs, and expanded efforts around existing policies and programs. • Activity is directly addressing the displacement vulnerabilities of the TCC Project Area and the potential impacts of implementing the TCC-funded Project • Activity is located within the defined TCC Project Area • Activity is focused on engaging existing residents and small businesses located or involved within the defined TCC Project Area

Table C-4: Climate Adaptation and Resiliency
Risk Assessment and Adaptation Measures
Applicants must describe how the TCC investment and leverage funded projects will increase resiliency of the Project Area to the anticipated impacts from climate change. This includes describing: • Climate change risks and exposures within the Project Area, such as additional days of extreme heat or precipitation, flooding, sea level rise, and drought. • Anticipated impacts of climate change risks and exposures on the community, including vulnerable populations. • Anticipated impacts of climate change risks and exposures on the built environment Based on the risks and anticipated impacts, Applicants will use this information to describe the processes they will use to identify and prioritize adaptation measures to: • Address climate change-related impacts and exposures for vulnerable populations; and • Increase resiliency and functionality of proposed infrastructure projects
Resources
Identify the climate change risks and exposures within the Project Area, such as additional days of extreme heat or precipitation, flooding, sea level rise, and drought. This information may be obtained using tools listed below: • Cal-Adapt.org, an online platform created by the California Energy Commission, • Using the results of a local or regional vulnerability assessment that includes the Project Area, or • Any other locally developed, down-scaled projection model such as projection models developed by consultants or community-based organizations. Describe the impact of climate change risks and exposures on the community, including vulnerable populations. This information may be obtained using: • Climate Change and Health Profile Reports, created by the California Department of Public Health, which describe the impact of climate risks and exposures for vulnerable populations for each county, • Climate Change and Health Vulnerability Indicators for California (CCHVI) developed by the CalBRACE Project, • Healthy Places Index (HPI), and • Regional Opportunity Index (ROI) developed by the UC Davis Center for Regional Change.
Eligible Costs
Climate resiliency and adaptation must be integrated into the Projects, Transformative Elements, and Vision. No specific costs are set aside for this Transformative Element.

Table C-5: Leverage Funding

Leverage Funding Requirements

- Applicants must leverage additional funding sources that equal a minimum of 50% of the total requested grant funds.
- At least forty percent (40%) of the leverage funding must be included in the budgets of grant-funded projects or transformative plans. The remaining ten percent (10%) may come from stand-alone leverage projects that are specific to the Transformative Climate Communities Program and are considered to be new investments in the project area.

Eligible Projects or Plans	Percentage of Leverage	Total Dollar Amount
Leverage funding for Grant-funded projects or Transformative Plans	At least 40%	$11,280,000
Stand-alone leverage projects	Up to 10%	$2,820,000
Total	50%	$14,100,000

- Leverage funding must be committed at the time Applicants submit their Applications.
- Leverage funding must clearly support the implementation of the Strategies selected to achieve the TCC Program Objectives.
- Leverage funding must be spent within the TCC Project Area and for the purposes of the TCC Project.
- Expenditure of leverage funding will only count towards the fifty percent (50%) threshold if it occurs after the grant has been awarded by Strategic Growth Council and before the end of the grant term.

Eligible Funding Sources

Eligible funding sources for leverage may include, but are not limited to:

- Federal funding sources;
- State funding sources, including other SGC-administered or CCI funds;
- Private capital;
- Foundation grants;
- Low-income housing tax credit equity contributions and tax-exempt bonds in connection with four percent (4%) low-income housing tax credits;
- Funds from regional or local tax measures, bonds, property assessments and fee revenue committed to public infrastructure related to Projects included in the TCC Proposal, and located within the designated Project Area;
- Funds for transportation projects that are programmed for allocation and expenditure in the applicable capital improvement plan consistent with the terms and timeframes of the contract agreement.

In-kind goods and services may be accepted as eligible sources of leverage if they are adequately defined and documented. They will be subject to review by the State during review of the Application

Eligible Stand-Alone Leverage Projects

- Stand-alone leverage projects must be clearly integrated into the overall TCC Proposal, aligned with the TCC Proposal timeline, and within the TCC Project Area. Applicants must demonstrate that investment was initiated in anticipation of applying for the TCC Program, or that the investment is contingent upon a TCC award.

Table C-5: Leverage Funding
• Existing stand-alone investments (on-going investments that were not initiated in anticipation of or contingent upon a TCC award) will not count towards the 50 percent (50%) leverage requirement. Applicants will describe existing stand-alone investments that make the Project Area ready for transformation in the application narrative, and that will be scored under the "Vision for Transformation" criteria. • To ensure that stand-alone leverage projects are committed at the time of application and implemented during the project timeline, Applicants are required to include the leverage partners and scope of work in the TCC Project's overall Partnership Agreement. • Leverage projects may not be removed from the TCC Proposal scope of work after the grant has been awarded by the Strategic Growth Council. SGC may consider the failure of a stand-alone leverage project to adhere to the terms the Partnership Agreement to constitute a Grantee's non-performance under the Grant Agreement.

APPENDIX D – PRO-HOUSING POLICIES

Per Section II.F of the Guidelines, the TCC program will incentivize applications from jurisdictions that have adopted pro-housing policies that would facilitate sustainable housing production. The list below defines policies that qualify as pro-housing:

- Implemented programs over the last five years that finance infrastructure with accompanying increased housing capacity or local financial incentives for housing, including, but not limited to, a local housing trust fund or fee waivers.
- Adopted a Nondiscretionary Local Approval Process for residential and mixed-use development in all zones permitting multifamily housing, established workforce housing opportunity zones, as defined in Gov. Code Section 65620, or housing sustainability districts, as defined in Gov. Code Section 66200.
- Zoning more sites for residential development or zoning sites at higher densities than is required to accommodate 150 percent of the minimum regional housing needs allocation for the low income allocation in the current housing element cycle.
- Adopted accessory dwelling unit ordinances or other mechanisms that reduce barriers for property owners to create accessory dwelling units beyond the requirements outlined in Gov. Code Section 65852.2 as follows:
    - Parking reductions to 0.75 or fewer spaces per accessory dwelling unit in areas not already exempt from parking pursuant to Gov. Code Section 65852.2;
    - Processing and impact fee waivers or reductions of 50 percent or more;
    - Ministerial approval in fewer than 45 days;
    - Reduction or modifications of development standards for side yard setbacks of five feet or less side yard setbacks;
    - Reduction or modifications of development standards to two story heights;
    - Reduction or modifications of development standards to allow 60 percent or more lot coverage;
    - No minimum lot size requirement;
    - Provisions for affordability; or
    - Offering support programs such as a user-friendly website

- Only use objective design standards for multifamily residential development or adopt fee transparency measures, including publicly available fee calculators.

APPENDIX E – POST AWARD CONSULTATION PROCESS

All selected Applicants will be required to participate in a Post-award Consultation phase prior to finalizing the grant agreement that outlines the grant terms. During this Post-award Consultation phase, the State will assist the selected Applicant and Co-applicants to refine the Grant Agreement and all accompanying attachments to comply with administrative, statutory, and TCC Program requirements. All project analysis and review related to the Post-award Consultation phase must be completed within 6-8 months of the TCC grant award announcement made by the Strategic Growth Council. Awardees will be required to meet with TCC Program Staff and provide all required documentation related to project readiness, work plans and budgets, and other requested documentation during that time. Failure to complete the review and to sign the grant agreement may result in the award being rescinded and given instead to the next highest scoring community from the review process.

Goals for the Post-Award Process:

The post-award process is designed to review the grant agreement terms with grantees and assess the readiness, feasibility, and eligibility of the entire TCC proposal by:

- Obtaining additional information/detail needed for any component of the proposal
- Removing any ineligible activities or costs
- Incorporating recommended improvements from specialists and/or the staff report

After all plans and projects are reviewed and approved, TCC Program Staff will convert materials from the application into a scope of work, timeline, and budget for the agreement.

Post-Award Process Overview:

After awards are made by the Council, TCC Program Staff will refine a grant agreement template that defines the general grant terms along with specific terms for each project. After the grant agreement template is finalized internally:

Grant Agreement Template

1. TCC Program Staff will send the grant agreement template to the Grantee.
2. Grantees will send any questions related to the general terms and project specific terms to SGC.
3. TCC Program Staff will respond to questions and will make any required amendments to the Grant Agreement template.

TCC Proposal Review

1. TCC Program Staff will review the proposal based on consistency with the TCC Guidelines, Grant Agreement, application reviewer feedback, and program staff feedback. TCC Program Staff will provide a review package with a request for additional information, documents and/or revisions to:

- Funded Projects
- Leverage Projects
- Transformative Plans
- Partnership Agreement

2. TCC Program Staff will schedule an in-person meeting to go over requested information with the Grantee and Partners and address any questions.
3. Grantee and Partners will send additional information and documents to TCC Program Staff.
4. TCC Program Staff will review the submitted information and documents then finalize the scope of work, timeline and budget to be inserted into the final Grant Agreement.

Final Grant Agreement

1. Grantee and Partners will review the final scope of work, timeline and budget.
2. TCC Program Staff will send the final Grant Agreement package to the Grantee for the grant execution.
   - Grantees should notify SGC if they need any additional resolution or council/board review prior to executing the agreement.
   - Grantee should provide the timeline for finalizing the Partnership Agreement and/or any pass-through agreements with Partners.

Policies Governing Post-Award Process:

The following policies will govern TCC Program Staff in finalizing the grant agreement during the Post-award Consultation phase.

All changes to proposed projects and transformative plans from the awarded application – including changes to proposed scopes, activities, and associated budgets – will be reviewed by TCC Program Staff and SGC legal counsel for consistency with the relevant TCC Program Guidelines, grant agreement, and these policies.

Transformative Plan Compliance

If any of the Transformative Plans are found to be not in compliance with the TCC Program Guidelines and Grant Agreement:

1. TCC Program Staff will send a memo outlining the area of improvement along with timeline and approval process to the Grantee.
2. TCC Program Staff will identify any activities or budget line items that are not eligible. The item should be eliminated from the revised scope of work and budget. The associated cost can be used for allowable activities and budget items.
3. Any budget transfer between the Transformative Plans or from Transformative Plans to Projects require written approval of the TCC Program Manager.

4. Any changes in the Transformative Plan budgets that result in exceeding the maximum allowable cap under that Transformative Plan would require written approval of the SGC Executive Director.

Failure to update the Transformative Plans to conform to the TCC Guidelines and Grant Agreement will result in pausing the Post-Award Consultation phase. TCC Program Staff are required to report to the Council and get direction on the next steps.

Project Compliance

If any of the Projects are found to be not in compliance with the TCC Guidelines and Grant Agreement, TCC Program Staff will:

1. Communicate in writing the reasons why the project is not eligible, and the area of changes required to fit under the same Strategy. Changes to the project scope that would result in changes in the categories below require approval of the TCC Program Manager:

   - Quantity of deliverables (example: number of solar panels or trees)
   - GHG emission reductions
   - Beneficiary of the Project
   - Co-benefit

   Changes that impact the threshold requirements or competitiveness of the entire project will require Council Approval.

2. If the Project that is not in compliance with the TCC Guidelines and the Grant Agreement can't accommodate changes proposed by TCC Program Staff, then:

   Option 1) Staff may suggest to move the project to a new Strategy that is a better fit for the initial proposed scope of work. Moving the project to a new Strategy will require written approval of the TCC Program Manager.

   Option 2) If both the Strategy and Project Scope of work need to change, this would be considered a new project. In this case, the previous project will be eliminated. Request for a new Project to re-use the funds should be submitted to SGC. This will be reviewed on a case by case basis. If staff approves the new Project, it will require Council approval.

Ineligible Costs and Budget Modifications

If any of the Transformative Plans or Projects are in compliance with the TCC Guidelines and Grant Agreement, but include budget line items or activities not eligible per TCC Guidelines or Grant Agreement then:

1. Ineligible project costs must unconditionally be eliminated from the proposed scope of work for TCC funding. SGC cannot provide grant funds for ineligible costs.

2. Ineligible project costs may be reallocated to other eligible costs within the *same originally-proposed project*, up to the total amount of the original budget request for that project, upon written approval of TCC program staff.
3. Reallocated budget items within the same project must be for project costs under the *same* Strategy as the originally-proposed project.
4. The budget for the ineligible costs in one project may be transferred to other projects, upon written approval of the TCC Program Manager.
5. Upon written consent of the Grantee, Project Lead, and SGC Executive Director, eligible project costs associated with any project may be reduced or eliminated prior to signing the Grant Agreement. The foregoing notwithstanding, no project may be eliminated that is needed to remain eligible for TCC funding per the relevant TCC Program Guidelines.

APPENDIX F – PUBLICITY GUIDELINES

TCC Grant Recipients are required to acknowledge SGC and CCI in all publications, websites, signage, invitations, and other media-related and public-outreach products related to the TCC grant. Guidance on CCI logo usage, signage, and logo files contained in the Style Guide are available at: www.caclimateinvestments.ca.gov/logo-graphics-request. SGC staff will provide SGC logo files and guidance on their usage directly to Grant Recipients.

LONG-FORM MATERIALS

Long-form written materials, such as reports, must include the following standard language about SGC, TCC, and CCI:

> *The Transformative Climate Communities (TCC) Program funds community-led development and infrastructure projects that achieve major environmental, health and economic benefits in California's most disadvantaged communities. TCC empowers the communities most impacted by pollution to choose their own goals, strategies and projects to enact transformational change – all with data-driven milestones and measurable outcomes. This program is administered by Strategic Growth Council (SGC) which coordinates the activities of State agencies and partners with stakeholders to promote sustainability, economic prosperity, and quality of life for all Californians. www.sgc.ca.gov*
>
> *The TCC Program is part of California Climate Investments, a statewide program that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities. The Cap-and-Trade program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. California Climate Investments projects include affordable housing, renewable energy, public transportation, zero-emission vehicles, environmental restoration, more sustainable agriculture, recycling, and much more. At least 35 percent of these investments are located within and benefiting residents of disadvantaged communities, low-income communities, and low-income households across California. www.caclimateinvestments.ca.gov.*

PRESS RELEASES, FLYERS, AND VISUAL MATERIALS

Any informational materials that do not qualify as long-form, but that include at least a paragraph of text, such as press releases, media advisories, short case studies, some flyers, etc., should include the following language:

Long version:

"[Project Name] is supported by California Strategic Growth Council's Transformative Climate Communities program with funds from California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities."

Short version:

"[Project Name] is supported by California Strategic Growth Council's Transformative Climate Communities program with funds from California Climate Investments—Cap-and-Trade Dollars at Work."

Grantees may at times produce promotional materials that are primarily visual in nature, such as banners, signage, certain flyers, and sharable images for social media. In such cases, when including the boilerplate language acknowledging CCI and SGC support is not practical, grantees should instead include the official logos of both SGC and CCI, preceded by the words "Funded by."

Please contact the TCC team with questions.

MEDIA INQUIRIES

TCC Grant Recipients are required to identify a point of contact for all press inquiries and communications needs related to the project and provide the name, phone number and email address of this individual to SGC. Grantees must also distribute a press release after grant decisions are made at SGC's Public Council Meeting and are encouraged to do so for other major milestones throughout the lifecycle of the grant. All press releases must be approved by SGC Communications Office prior to distribution and SGC must be alerted and invited to participate in any and all press conferences related to the grant.

COMMUNICATIONS MATERIALS

TCC Grant Recipients are required to prepare one or more 2-4 page documents that provide a summary of the grant components and tell the story of the TCC proposal development process and/or implementation. All such materials must be approved by SGC Communications Office prior to distribution. These materials will be displayed on SGC website.

SOCIAL MEDIA

TCC Applicants and Grantees are encouraged to use social media to share the process of creating a TCC proposal and to inform the public of all stages of implementation. @CalSGC and @CAClimateInvest should be tagged on all posts related to the TCC grant. Use of the hashtags #TransformativeClimateCommunities and #CommunityLedTransformation is also encouraged.

APPENDIX G – PAST PROGRAM AWARDS

IMPLEMENTATION GRANTS

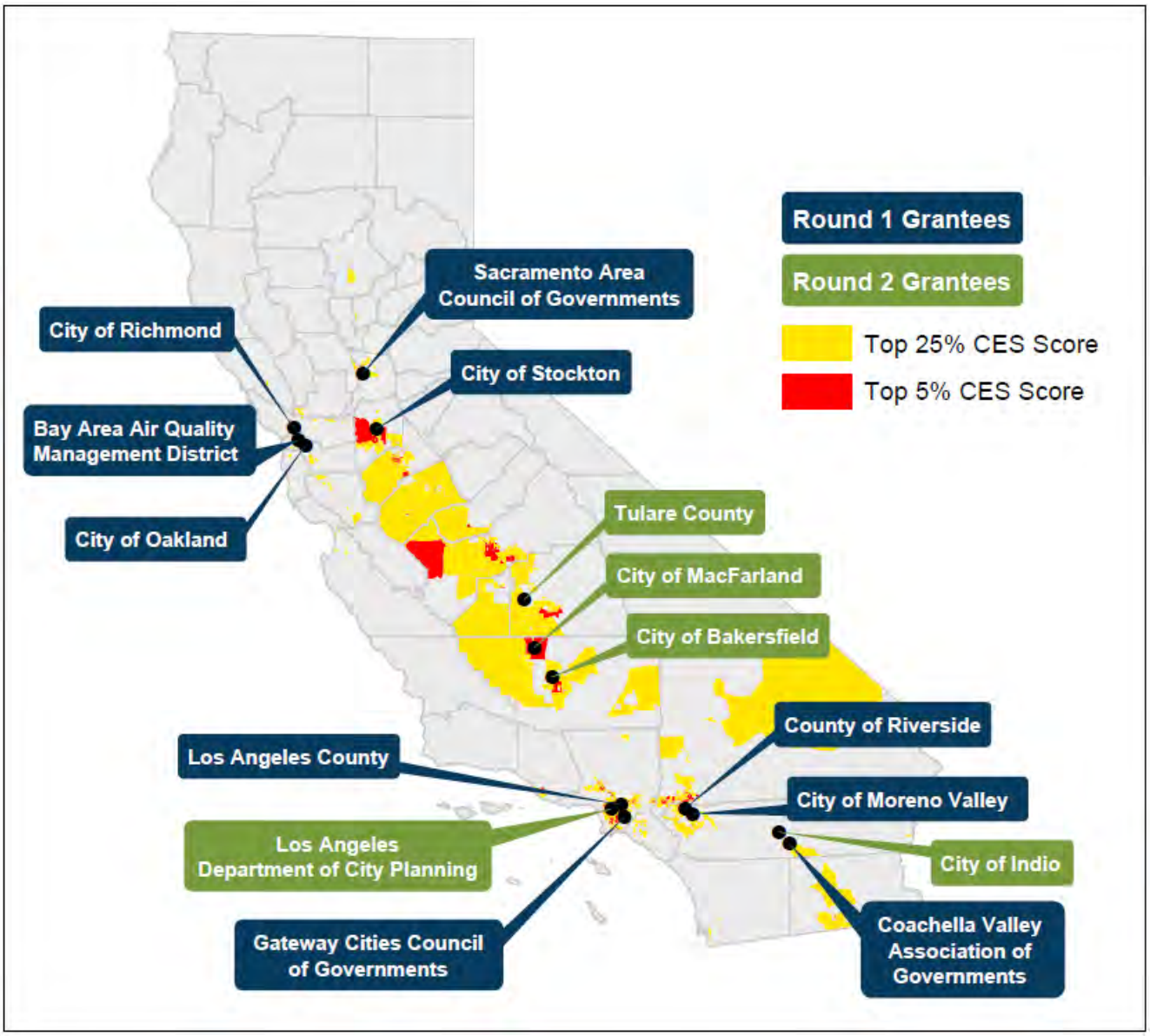
Two (2) funding rounds of Implementation Grants have been awarded. For more information about previous awardees or progress on previous grants, please contact Strategic Growth Council.

- *Round 1 – $133 million total*
  - City of Fresno $66.50 million
  - City of Ontario $33.25 million
  - Housing Authority of the County of Los Angeles (HACLA) (Watts) $33.25 million
- *Round 2 – $46 million total*
  - Community Partners (Pacoima) $23 million
  - SHRA (Twin Rivers) $23 million

PLANNING GRANTS

Two (2) funding rounds of Planning Grants have been awarded. Rounds 1 and 2 of the Planning Grants were funded through Proposition 84. For more information about previous awardees or progress on previous grants, please contact SGC.

- *Round 1 – $1.6 million total*
  - Ten (10) locations, $170,000 each*
    (*With the exception of the City of Moreno Valley, which received a grant of $93,960)
- *Round 2 – $1 million total*
  - Five (5) locations, $200,000 each



APPENDIX H – SAMPLE GRANT AGREEMENT (ROUND 2 TCC PROGRAM AWARDS)

A sample Grant Agreement from the Round 2 awards will be posted with the Final Proposed Round III Guidelines in the Council Meeting materials for the October 31, 2019 meeting found here (http://sgc.ca.gov/meetings/council/) and on the Transformative Climate Communities resource page found here (http://sgc.ca.gov/programs/tcc/resources/).

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