

June 25, 2020

Subject: June Strategic Growth Council Meeting Minutes

Reporting Period: June 2020 – August 2020

Staff Lead: Sarah Samdin, Strategic Growth Council

Recommended Action:

Approval of the June 25, 2020 Strategic Growth Council Meeting Minutes.



Strategic Growth Council June 25, 2020 Meeting Minutes

Agenda Item #1: Call to Order

Chair Gordon called the meeting to order at 1:05pm.

Agenda Item #2: Roll Call

Council Members and Representatives Present:

Kate Gordon, Chair, Governor's Office of Planning and Research (OPR);

Julie Souliere, Assistant Secretary, California Health and Human Services Agency (CHHS);

Wade Crowfoot, Secretary, California Natural Resources Agency (CNRA);

Jared Blumenfeld, Secretary, California Environmental Protection Agency (CalEPA);

David Kim, Secretary, California State Transportation Agency (CalSTA);

Karen Ross, Secretary, California Department of Food and Agriculture (CDFA);

Lourdes Castro Ramirez, Secretary, California Business, Consumer Services and Housing Agency (BCSH);

Nicole Capretz, Public Member;

Mike Flad, Public Member – absent at roll call, acknowledged at 1:17pm

Agenda Item #3: **ACTION:** Approval of Minutes

Motion was made (Kim) and seconded (Blumenfeld) to approve the [February 25, 2020 Meeting Minutes](#). Motion passes 8-0-0*

* marks abstention or absence from vote.

Agenda Item #4: Council Member Updates

Gordon: OPR: January proposed budget had estimated a \$20B surplus in revenue, but current predictions show a \$54B deficit with implications across many agencies.

Kim: CalSTA: Touched on recent developments that raised consciousness around systemic racism, injustice, and social inequity. CalSTA released statement on racial equity, justice, and inclusion in public transportation in which CalSTA strongly condemns systemic racism and discrimination in all forms, including those historically entrenched in transportation that particularly put up barriers and amplified racial inequities against Black and Brown neighborhoods. Racial equity, inclusion, and diversity are foundational to a safer, cleaner, more connected transportation future for California. Promised to back up sentiments with actions, establishing this as a top priority moving forward.

Announced recent accomplishments from CalTrans and CTC including June 24 CTC approval of a reservation for \$100 million for active transportation investments as part of SHOP Program. These investments will improve safety for those that want to safely walk and bike, promoting public health, cleaner air, and reduce dependence on personal vehicles. Particularly important for communities of color that have been harmed by transportation decisions of the past.

Blumenfeld: CalEPA: Results from May Cap-and-Trade Auction was about only \$25 million compared to the \$600 - \$700 million expected. Will need to work with stakeholders to figure out options for what to do with the money we do have and how to reframe programs in the face of significant cuts. California Air Resources Board is voting on an item that will require truck manufacturers to produce zero emission electric vehicle trucks. This is the first instance of this type of initiative.

Crowfoot: CNRA: We confront racial injustice, systemic racism that has shaped the institutions we lead- conversations around this should be had for the months and years to come, not just now. The Governor's budget protects public safety, health and education. The priorities don't change even when the resources do. Reminder to wear masks to flatten the curve during COVID-19 pandemic.

Capretz: Public Member: Highlight recent win in San Diego County that correlates to systemic racism. San Diego County had been pursuing sprawl development, arguing it would still meet state climate goals. A recent 137-page Court of Appeals decision dismantled the county's argument. It said their proposed offset program was unverifiable and wouldn't pass legal muster, and regardless, the county must work to decrease emissions and must pursue inner urban core development. The decision sends a message to decision makers about land use decisions and that all decisions must be rooted in climate equity.

Gordon: OPR: Update from OPR, switch under CEQA from using LOS to VMT.

Ross: CDFA: Farming and Agriculture has a long history of racism. Our essential workers are part of critical infrastructure and are out there every day. This calls out what we need to do to make sure our foundation is as strong as it can be, especially in rural communities and communities of color.

CDFA released farmer equity report, full year of farmer equity coordinator looking at the barriers to ensure more diversity in agriculture industry and understand how we can deploy our state level and USDA resources. Value diversity.

Flad: Public Member: Echo sentiments about systemic racial injustices. Speaking with other city managers to discuss actionable items. Will take a culture shift to reevaluate how we protect the public. Thank you to Council regarding COVID-19 and how to protect Californians. Became PPE distributors, rental assistance providers, loan providers - only possible due to leadership on this Council. Tremendous impact at local level. Severe budget crises at local level, from smallest to largest cities, we are in significant financial crises. SGC has vertical and horizontal impact, which is greatly appreciated.

Castro Ramirez: BCSH: Recognize and thank local communities and government for stepping up in a strong way. Coming from the local level, the partnership with the State supporting, learning, adapting has been incredible to witness. Finding new ways and approaches to support communities during pandemic and during pivot to restore the economy.

BCSH has worked toward creation of project Room Key, partnership between State and local government, and local hotels and motels, that makes sure vulnerable communities, specifically individuals experiencing homelessness, have a safe place to live and rest. \$600 million dollars was allocated to Project Home Key, a more permanent and sustainable solution. The project focuses on the ability to provide funding through COVID-19 relief funds to local communities that are looking to purchase hotels and motels to convert into permanent housing. Project Home Key is a partnership between the Department of Housing and Community Development, the Department of General Services, the Department of Social Services, and more.

Homeless Coordinating and Financing Council will be engaging in strategic planning process in the coming months.

Agenda Item #5: Executive Director's Report

Louise Bedsworth, SGC

The [Executive Director's Report](#) can be found on the SGC website.

Agenda Item #6: **ACTION:** 2020 Grant Awards

Introduction from Director Bedsworth:

New budget considerations:

- The TCC Program was subject to Control Section 15.14 of the Budget Act

- At the time of posting, we were only able to recommend awards for 75% of the appropriation.
- We can adjust this amount given new information from the Department of Finance

First-ever recommendation of combined award:

- The City of Riverside applied for TCC and AHSC
- Their AHSC application scored highly and is recommended for award
- This allows partial TCC awards to both the City of Stockton and the City of Riverside.

a. *Transformative Climate Communities Program: Round 3 Implementation Grant Awards (Saharnaz Mirzazad, TCC Program Manager)*

Recommended Action: TCC Program Staff recommend that the Council award one (1) full Transformative Climate Communities (TCC) Program Round 3 Implementation Grant to the City of Oakland and two (2) partial awards to the City of Riverside and the City of Stockton as described in this staff report.

Council Discussion:

Blumenfeld: Communities that need help the most have the least capacity to put in the tremendous amount of work needed. We should think about how to help cities with little capacity who need these grants the most, especially when it's the second time applying for some applicants. Communicate about how much work the different phases are, seems like we're otherwise asking a lot from applicants.

Mirzazad: Screened out the application early on to keep only the applicants that would be competitive and prepared by the final deadline. This process is ideally also made to help applicants prepare for other grant processes.

Blumenfeld: Work with CalEPA, recognize the need to highlight the real and present need that some communities have.

Castro Ramirez: Commend the strength of these applications. All four were planning grant recipients, demonstrating importance of supporting community-based visions. Impressed by focus on supporting deeply affordable housing. 2.5 million units needed to support lowest income households.

Gordon: Budget realities: while AHSC is a continuous appropriation, TCC is a discretionary appropriation so won't know if it will be in budget next year. Can you come back in August on how to keep support going for these types of projects given the lack of sustainability of the GGRF budget with discretionary appropriations. How to integrate TCC into more stable appropriations. Community engagement and integrated approach is important so how do we sustain programs such as this.

Bedsworth: Doing this kind of work with community engagement takes a lot of time and resources, looking for more sustainable funding source to ensure time and money can go into working with communities in this way. Recognize resources are tight in many places, TCC will work together with awardees to deal with that current reality.

Gordon: Recognize both the value and unsustainability to the funding source.

Public Comments:

Arian Ortega Rey, Great Alternatives North Valley

Kaylon Hammond, Leadership Council for Justice and Accountability

Ann Rogan, Office of Mayor Michael Tubbs (on behalf of Mayor Michael Tubbs)

Samuel Nunez, Fathers and Families of San Joaquin

Cindy Montanez, Tree People

Andy Melendrez, City of Riverside Council Member

Miguel Lujano, East Side Resident

Libby Schaaf, Mayor of Oakland

Michael Tubbs, Mayor of Stockton

Motion was made (Crowfoot) and seconded (Castro Ramirez) to approve the [Transformative Climate Communities Program: Round 3 Implementation Grant Awards](#). Motion passes 9-0-0.

b. *Transformative Climate Communities Program: Round 3 Planning Grant Recommendations (Elena Davert, Department of Conservation)*

Recommended Action: Staff recommend the Council award \$600,000 of FY 2019-2020 GGRF funding to the top three (3) scoring proposals for the Transformative Climate Communities (TCC) Planning Grant Program.

Council Discussion

Flad: Recuses himself temporarily from this agenda item

Public Comment

Tiffany Eng, California Environmental Justice Alliance

Motion was made (Kim) and seconded (Ross) to approve [Transformative Climate Communities Program: Round 3 Planning Grant Recommendations](#). Motion passes 8-0-1*.

Flad Abstained*

Break – 10 minutes**c. Round 5 Affordable Housing and Sustainable Communities Program: FY 2018 – 2019 Recommended Awards (Ryan Silber, AHSC Program Manager)**

Recommended Action: Staff recommend that the Council award up to \$552,349,862 in cap-and-trade funding for the Fiscal Year 2018-2019 Round 5 Affordable Housing and Sustainable Communities Program to the 26 projects identified in in this report.

Gordon: Clarification question- what is the difference between disadvantaged versus low income communities?

Silber: High level of coincidence between these two designations. Low-income established based on average income of individuals within Census Tract. Disadvantaged communities, however, consider various metrics such as groundwater contaminations, pollutants, income, etc. Top 25 Census Tracts on those metrics are then designated as disadvantaged communities.

Gordon: Across the three ASHC categories, are there generally similar levels of disadvantaged communities in the State in each of those areas, or are they concentrated in one or the other?

Silber: There isn't a concentration, rural projects happened to not be within disadvantaged communities. Rurally designated areas are within the Imperial/Central Valley which has an extremely high level of environmental burden.

Council Discussion

Kim: Compliments to Ryan/AHSC staff and amazing projects, especially the Hollywood Project which is an excellent selection.

Crowfoot: Excitement with Tribal Community engagement. Yurok Nation are strong partners, and we are learning a lot from them.

Capretz: Many San Diego officials/applicants disappointed with results of the awards. Notion that since only Los Angeles and Bay Area have a built-out transit system, San Diego region can never be competitive. Comments about that?

Silber: We promote a lot of scoring categories in this program, transit is one aspect that could be focused in San Diego. San Diego has been slower to apply for AHSC. First round we've seen transit partnerships included in San Diego applications. Could be nature of transit system in San Diego, so we should dive into further conversations about those limitations/potential barriers with the GHG scoring. Due to relationship with transit and housing in San Diego region, there

are opportunities for more development in that area, perhaps larger expansion, and not so much of a focus on transit ridership in San Diego. Tough to say its due to limitations in San Diego's transit systems when there has not been a depth of engagement in San Diego with AHSC and transit.

Capretz: Technical Assistance made them feel like they were in the top tier, disappointed to not have received anything from AHSC. There is a lot of political will around these decisions, and San Diego representatives likely will call in to voice their support

Kim: San Diego did very well in CalTrans Sustainable Planning Grants; they received seven or eight grants.

Gordon: Future of transit is facing a lot of challenges due to COVID-19

Silber: We are very aware of funding shortfalls. Funding could be impacted. In short, we are going out for public comment on AHSC guidelines soon. Our top priority is what are the impacts on public transit from COVID-19? AHSC projects won't come online for two or three years, and by that time we expect a return to ridership, but we do need to know about costs that we need to be responsive to at that time.

Flad: Happy to see the Tribal Grant. Reminder that these aren't just housing, these are homes, these are jobs, and these are livelihoods. This is a data driven process, never politically driven to ensure this is fair and statistically driven to make sure there is maximum impact on communities and environment. How can we help break the cycle of rental dependency? How can we help them gain equity rather than keep them in rental situations?

Bedsworth: Spoke with Habitat for Humanity and others to understand what the systemic barriers to home ownership and wealth building opportunities are. Equity goals and health equity goals are connected to this issue.

Silber: Made changes to try and address finance language, continuing to look at this issue to bring more information to the Council on how to tackle that.

Deputy Secretary Lauren Sanchez steps in for Secretary Blumenfeld.

Castro Ramirez: We may not have all the funds, there are other dollars through other departments. HCD has several programs, such as MHP, that can provide more funding. These concerns demonstrate the importance of coordinating and working together.

Public Comment

Bonnie Dandilaia, County of Los Angeles: Speaking on behalf of Allison Clark.

Christine Williams, Enterprise Community Partners: National Affordable Housing non-profit.

Kaylon Hammond, Leadership Council for Justice and Accountability

Jonathon Taylor, Affirmed Housing

Alicia Sebastian, California Coalition for Rural Housing

Claudia Monterossa, Housing and Community Investment, City of LA

Ann V Wilson, Chelsea Investment Corporation

Richard Myers, Yurok Housing Authority, Tribal Leader

Marcus Griffin, Milestone Housing Group

Adrian Granda, Government Affairs Director City of San Diego

Maria Lara, City of McFarland

Rose Olson, Related California

Secretary Castro Ramirez left meeting at 4:30pm.

Council Discussion

Gordon: Metrics based analysis is data driven, lots of technical assistance to help people, but there's a lot of concern around regional diversity. Ryan and Louise, maybe think about how to address these regional concerns/inequities. Are we achieving the goals with these straight data driven metrics or should we think more creatively?

Crowfoot: Sympathize with communities in San Diego. These are meant to catalyze integrative and holistic partnerships, which San Diego has shown to do. This is cause for self-assessment that a major urban region of the State did not receive funding.

Capretz: Appreciate collective concern about San Diego, second largest county, eighth largest city in the country. MTS has two big projects to come, and San Diego is looking forward.

Motion was made (Flad) and seconded (Kim) to approve [Round 5 Affordable Housing and Sustainable Communities Program: FY 2018-2019 Recommended Awards](#). Motion passes 8-0-1*.

Secretary Castro Ramirez not present*

- d. *Climate Change Research Program Round 3 Recommended Awards (Leah Fisher, Senior Research Advisor)*

Recommended Action: Staff recommend the Council award \$4,749,952.32 in Greenhouse Gas Reduction Funds (Fiscal Year 2019-2020) for Round 3 of the



Climate Change Research Program to the six research proposals identified in the staff report.

Council Discussion

Flad: Compliment staff, congrats for bringing in non-academic partners.

Crowfoot: Good model here, excited to see this program approach evolve to become mainstream in how community is engaged in research. Having APEN and CBE as part of this is very exciting.

Public Comment

Bahram Fazeli, Communities for a Better Environment

Amee Raval, Asian Pacific Environmental Network:

Motion was made (Ross) and seconded (Capretz) to approve the [Climate Change Research Program Round 3 Recommended Awards](#). Motion passes 8-0-1*

Secretary Castro Ramirez not present*

- e. *Proposition 84 Wildfire Resiliency and Recover Planning Grant Awards (Nuin-Tara Key, Deputy Director for Climate Resilience, Office of Planning and Research)*

Recommended Action: Staff recommend that the Council award \$720,000 in Proposition 84 Wildfire Resiliency and Recovery Planning Grants to provide planning support to four (4) communities affected by catastrophic wildfires in California in 2017, 2018, and 2019.

Council Discussion:

Blumenfeld: How will the four potential grantees work together to scale their work so it's not city-specific?

Key: Focused on replicability and how to share lessons to other communities facing similar challenges. Will use our program to empower and coordinate the sharing of information, but open to ideas.

Gordon: There's a lot of crossover that happens with our on-the-ground programs.

Public Comment:

Carly Brown, Institute for Local Government

Motion was made (Crowfoot) and seconded (Blumenfeld) to approve the [Proposition 84 Wildfire Resiliency and Recovery Planning Grant Awards](#). Motion passes 8-0-1*

Secretary Castro Ramirez not present*

Agenda Item #7: Public Comment

Kaylon Hammond, Leadership Council for Justice and Accountability

Martha Dina Arguella, Physicians for Social Responsibility

Agenda Item #8: Meeting Adjournment

Chair Gordon adjourned the meeting at 5:28 p.m.

