CALIFORNIA
STRATEGIC
GROWTH
COUNCIL

Transformative Climate Communities Program Round 4 Draft Guidelines

Public Webinar

Friday, November 19, 2021

CALIFORNIA STRATEGIC GROWTH COUNCIL

Agenda

- Welcome + Goals
- Program Overview
- Round 4 Draft Program Guidelines
  - Implementation Grants
  - Planning Grants
  - Grant Administration
- Questions + Answers

Background

TCC was established by **Assembly Bill 2722** in 2016 to

1. Fund the development and implementation of **neighborhood-level, transformative, climate community** plans

2. With **multiple**, **coordinated**, **GHG-reducing** projects

3. That provide **economic**, **environmental**, and **health** benefits to the state's **most disadvantaged communities**

Transformative Climate Communities (TCC)

***Community-led transformation* to enable** the California communities most impacted by pollution to choose their own goals, strategies and projects to reduce greenhouse gas emissions and local air pollution.

Total Investments: $230 million

California Department of Conservation

California Climate Investments
Cap and Trade Dollars at Work

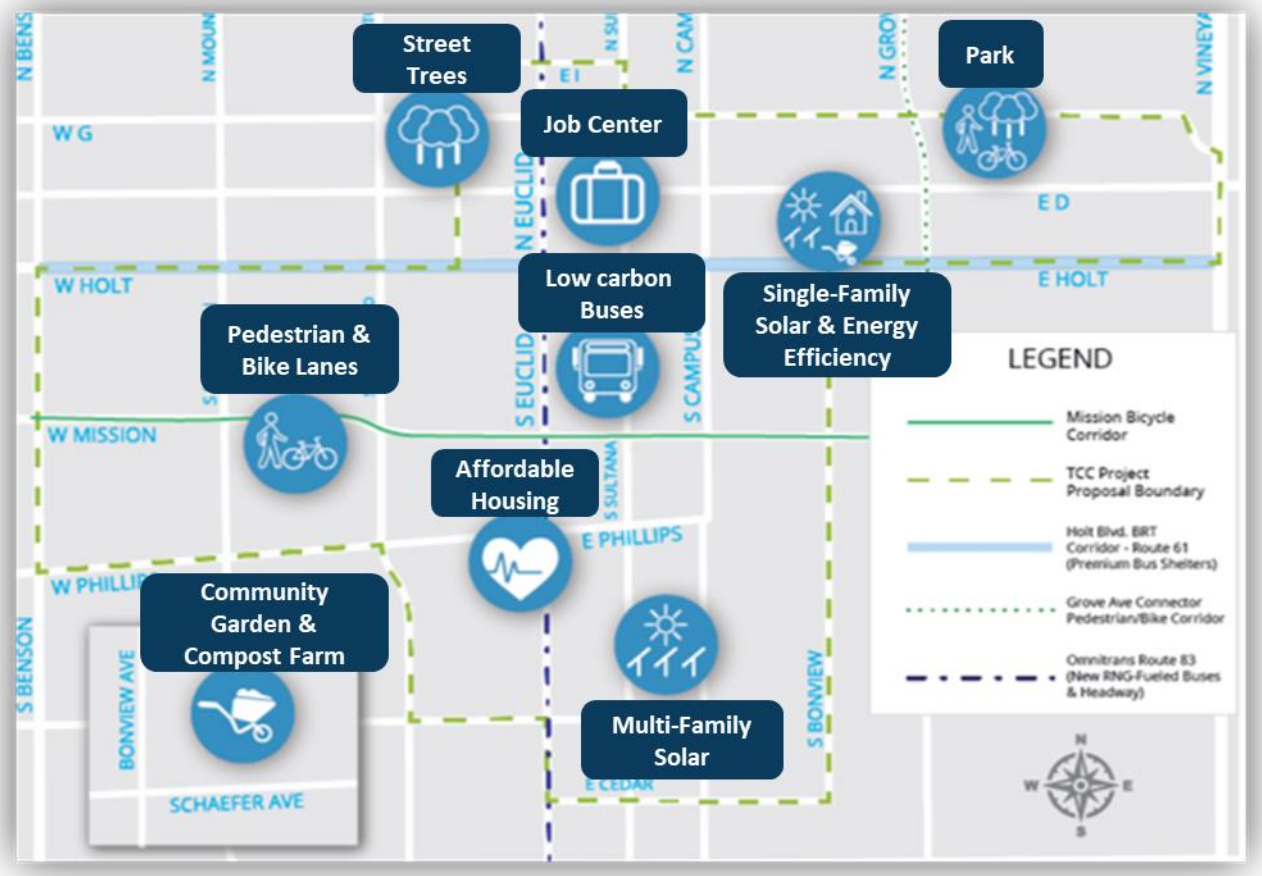
Program Framework

TCC funds climate resilience projects from a menu of project types:

- *Affordable and sustainable housing developments*
- *Residential weatherization and solar projects*
- *Water-energy efficiency installations*
- *Food waste prevention and rescue*
- *Urban greening projects*
- *Health and well-being projects*
- *Transit stations and facilities*
- *Electric buses, vanpools, car and bicycle share programs*
- *Electric vehicle charging infrastructure*
- *Bicycle and pedestrian facilities*

TCC ensures comprehensive community benefits through 3 transformative plans:

- *Community Engagement*
- *Workforce Development*
- *Displacement Avoidance*

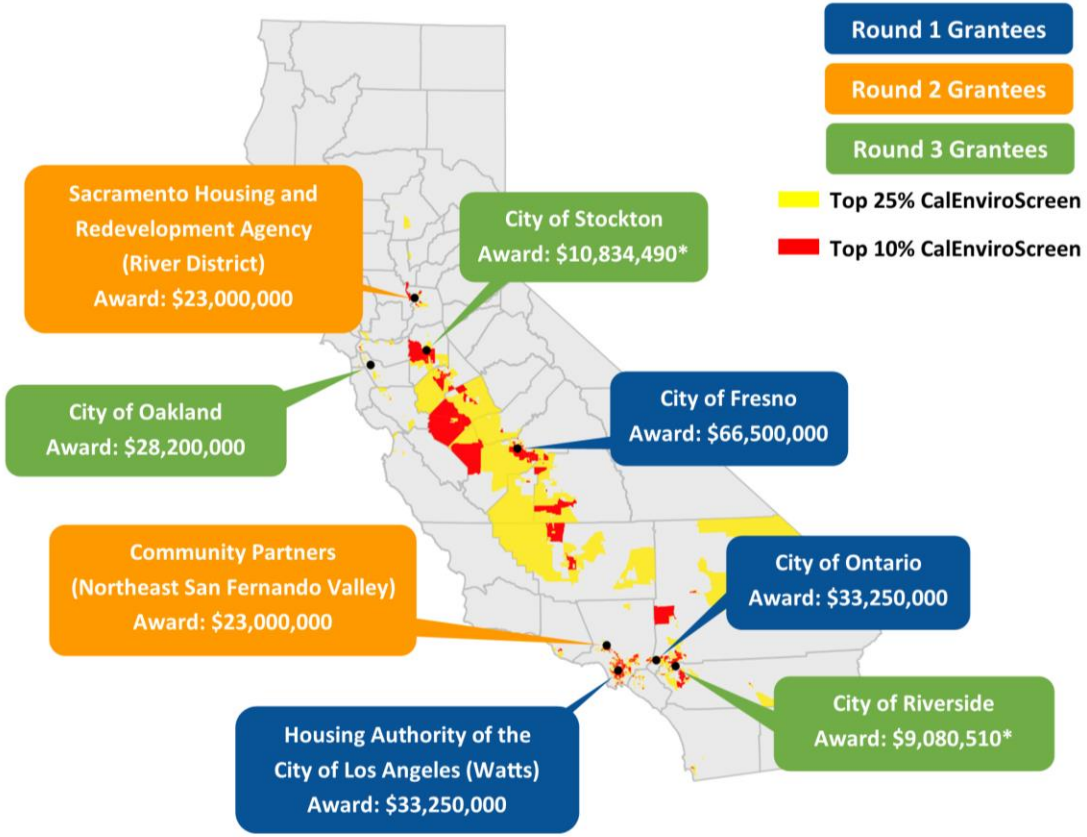


CALIFORNIA STRATEGIC GROWTH COUNCIL

Transformative Elements

- Community Engagement
- Workforce & Economic Opportunities
- Displacement Avoidance
- Climate Adaptation and Resilience
- Leverage Funding
- Data Collection and Indicator Tracking

Implementation Grants



*Partial Award

Planning Grants

ROUND 4

FY 2021-2022

CALIFORNIA
STRATEGIC
GROWTH
COUNCIL

Round 4 Funding Available

The FY 2021-22 budget allocates $115 million* for TCC

- **Implementation Grants - $105 million**
  3 awards for $35 million each

- **Planning Grants - $1.2 million**
  4 awards for $300,000 each

*5% of total funding will be allocated for program administration

Round 4 Timeline

DATE	ROUND 4 EVENT
November 15 – December 15, 2021	Draft Guidelines released for public comment
November 19, 2021	Webinar on Draft Guidelines
January 26, 2022	Final Guidelines adopted by the Strategic Growth Council
February 2022	Notice of Funding Availability posted Deadline for Application Technical Assistance (2 weeks after NOFA)
March 2022	Pre-proposal submission deadline
June 2022	Final Application submission deadline
September 2022	Awardees selected by the Strategic Growth Council (tentative)

Proposed Changes to the Round 4 Guidelines

Key proposed changes have been highlighted on each slide.

Changes for Round 4:

Expanded eligibility to:

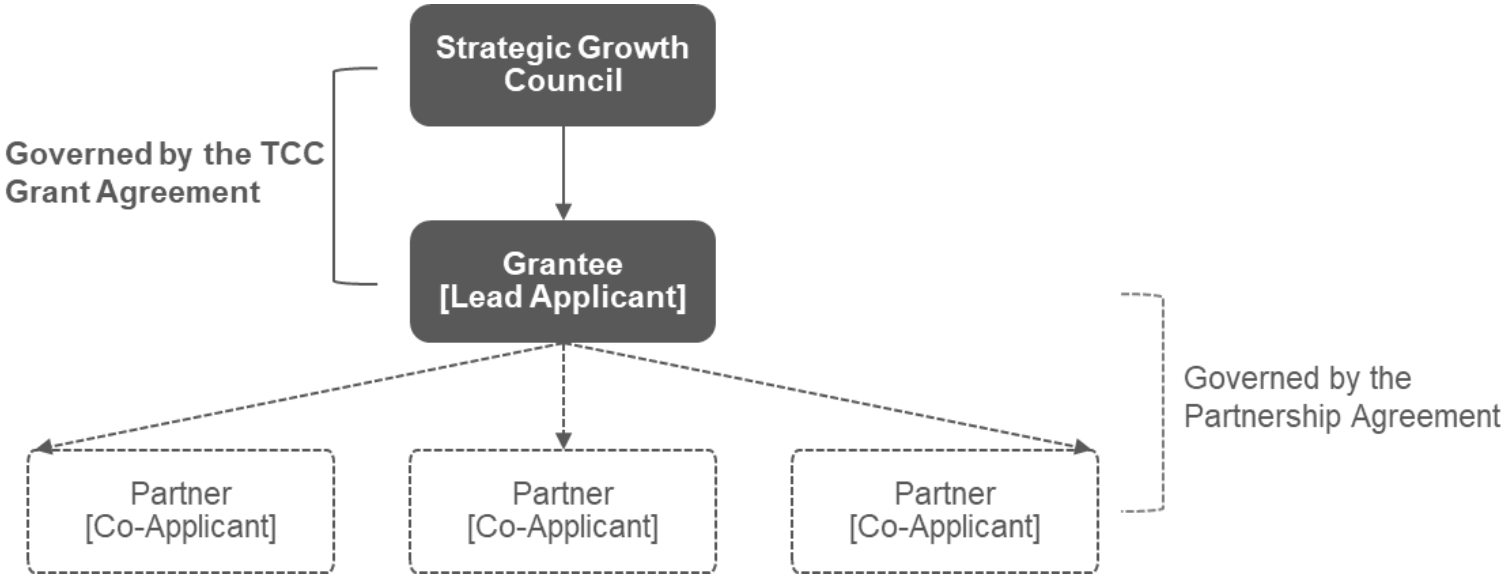
- Top 25% disadvantaged communities per CalEnviroScreen
- Disadvantaged unincorporated communities, and
- Tribal communities

IMPLEMENTATION GRANTS

CALIFORNIA
STRATEGIC
GROWTH
COUNCIL

Applicant Eligibility

Lead Applicants and Co-Applicants will develop a **Collaborative Stakeholder Structure** that includes residents and community-nominated members such as community-based organizations.



Applicant Eligibility

- Community-based organizations
- Local governments
- Nonprofit organizations
- Philanthropic organizations and foundations
- Faith-based organizations
- Coalitions or associations of nonprofits
- Community development finance institutions
- Community development Corporations
- Joint powers authorities
- **California Native American Tribes**

Changes for Round 4:
Tribal eligibility expanded from "federally recognized tribes."

Applicant Eligibility

- A Lead or Co-Applicant must be a public agency.
- Capacity to Implement
  - Management Ability
  - Financial Capacity

Changes for Round 4:

- Streamlined documentation recommendation for public agency support resolutions

Project Area Requirements

- Contiguous
- Approximately 5 square miles
- Must fall within the jurisdiction of a single city, tribal territory, or eligible disadvantaged unincorporated community

Project Area Requirements: Priority Populations

Changes for Round 4:

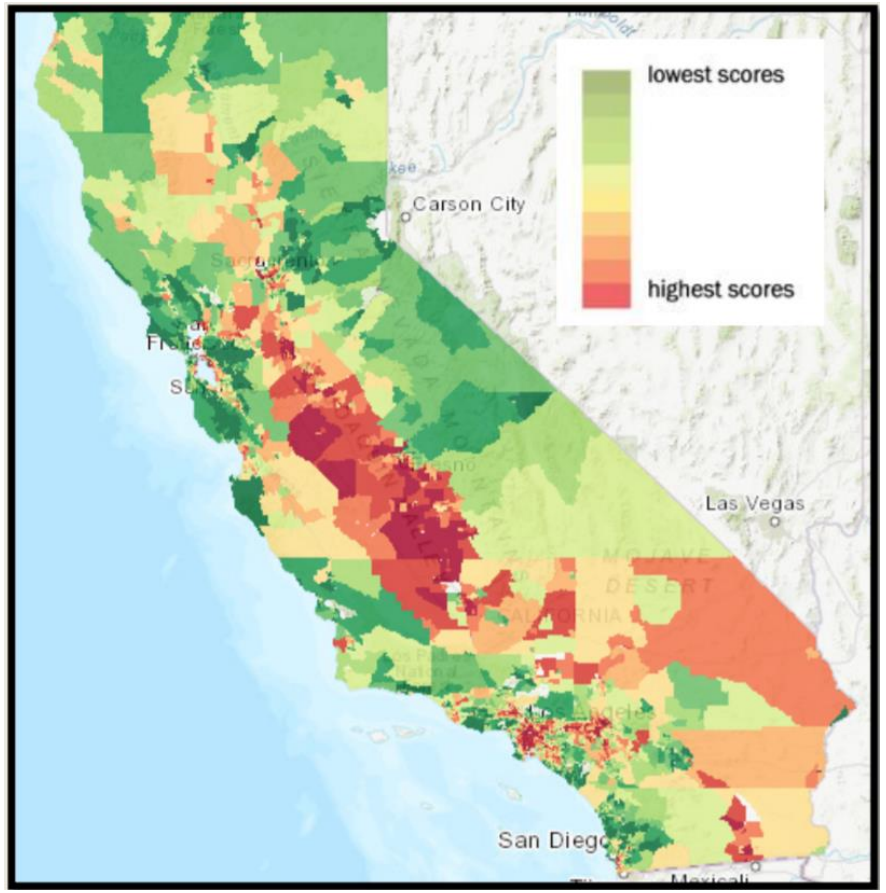
At least 51 percent (51%) of the Project Area must overlap with Census Tracts designated as disadvantaged per Cal EPA:

- **Top 25 percent (25%) of CalEnviroScreen** (4.0 and 3.0)
- **Federally recognized tribal boundaries**

The remaining 49 percent (49%) or less of the Project Area must overlap with either:

- a disadvantaged community per CalEnviroScreen, or
- a low-income community per AB 1550.

CalEnviroScreen 4.0



Project Area Requirements: Disadvantaged Unincorporated Communities

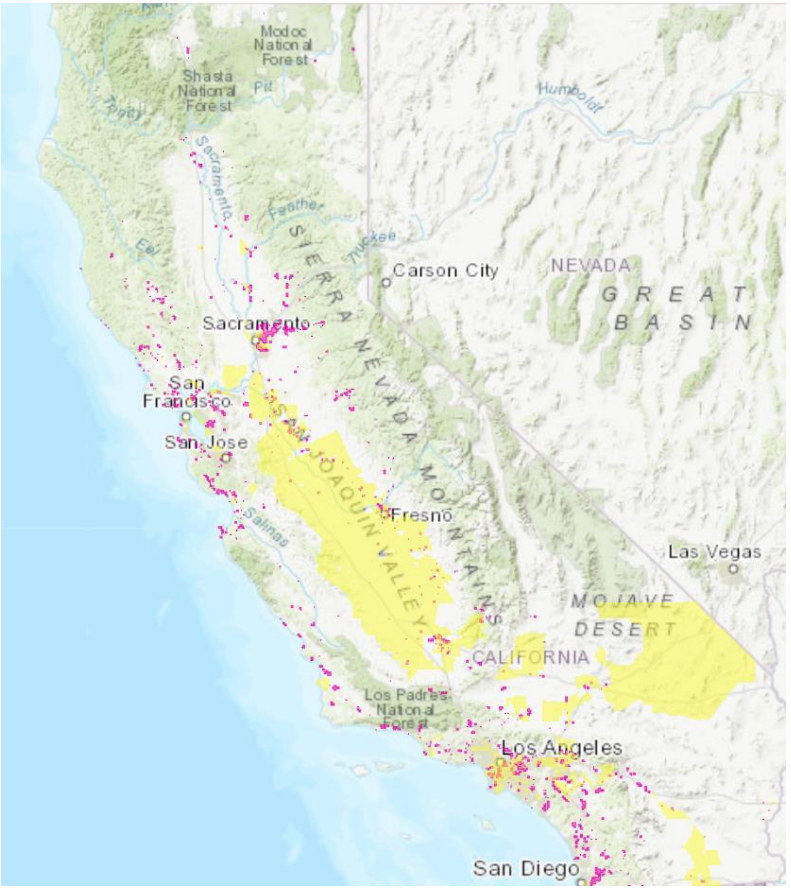
Changes for Round 4:

At least 51 percent (51%) of the Project Area must overlap with areas designated as a disadvantaged unincorporated community (DUC).

4 methods to determine eligibility:
- Verified DUC status by LAFCo and disadvantaged per CES
- Eligible location per TCC Mapping Tool (see below)
- Self-identified DUC using localized data
- Previous TCC Planning Grant recipients with unincorporated areas

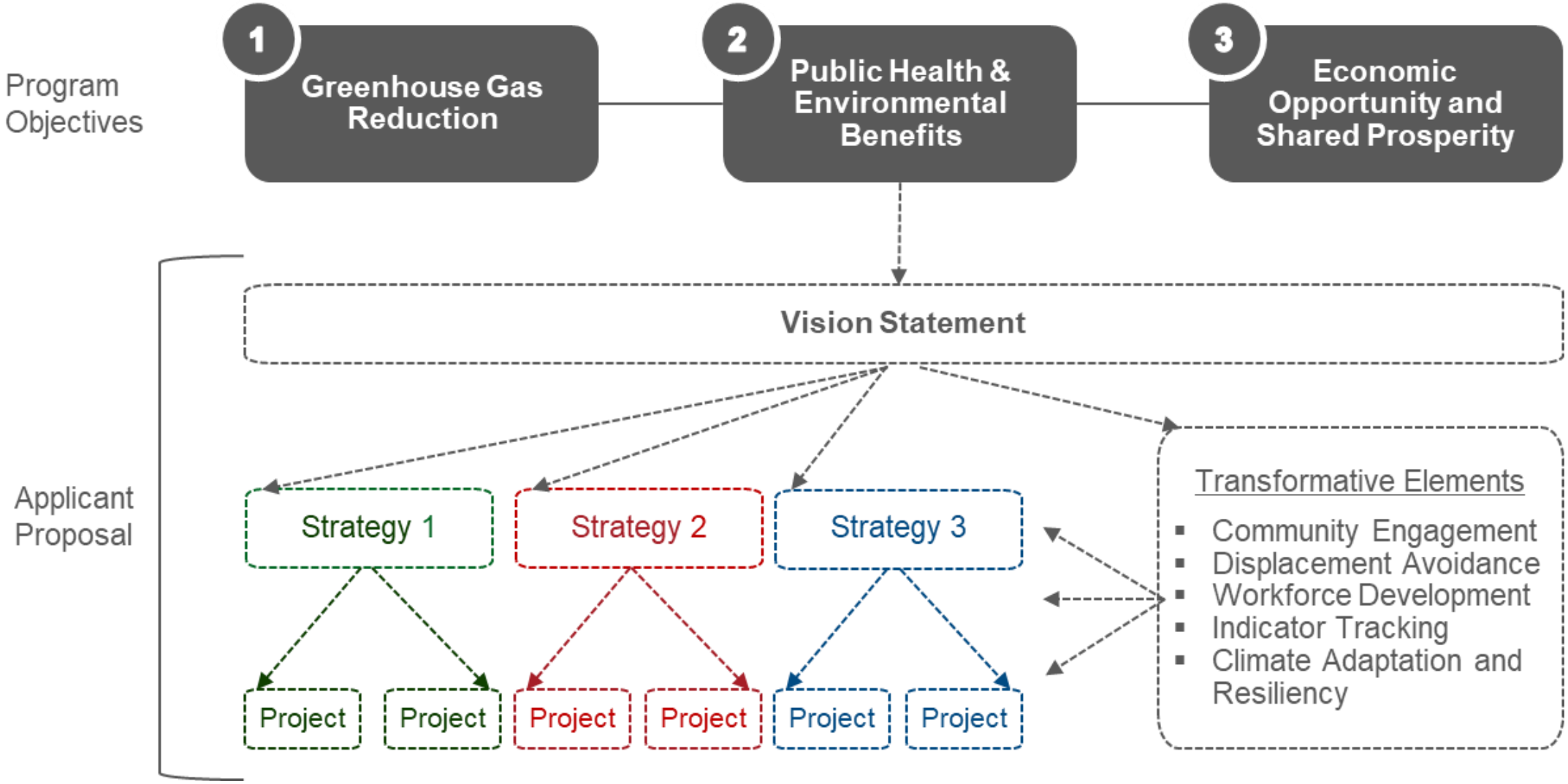
DUC eligibility using TCC Mapping Tool:
- Clusters of unincorporated parcels (250 parcels per square mile)
- Disadvantaged census tract per CES (Top 25%)
- Hard-to-Count census block group per CA Hard-to-Count Index (score 57-133)

TCC Mapping Tool



CALIFORNIA STRATEGIC GROWTH COUNCIL

The TCC Program Framework



Strategies

Equitable Housing and Neighborhood Development

Affordable Housing Land Acquisition

Transit Access and Mobility

Solar Installation, Energy Efficiency, Appliance Electrification

Water Efficiency

Recycling & Waste Management

Urban Greening and Green Infrastructure

Land Conservation

Health and Well-Being

Changes for Round 4:

Community Microgrids

Brownfields Redevelopment

Indoor Air Pollution Mitigation

1. Strategy

2. Categories

3. Elements

Table B-3: Transit Access and Mobility Strategy	
3.1. Active Transportation	
Eligible Categories	**TCC Fundable 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)[15]* • 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:
	  ○ Installation of lighting
	  ○ Installation of signage and way-finding markers
	  ○ 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:
	  ○ Curb extensions
	  ○ Roundabouts
	  ○ Median islands / road diets
	  ○ 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

Quantifiable

This is a "quantifiable" project

Non-quantifiable

Project Requirements for Eligibility

- **At least three (3) Projects** must be both "**quantifiable**" AND "**ready**" 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.
- 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, but shorter timelines are also acceptable.

Readiness Requirements

Projects must meet readiness before construction can begin.

- ✓ California Environmental Quality Act (CEQA):
  - Consult with the public agency
  - Demonstrate Project is CEQA compliant
  - Environmental review not required to be completed at application submittal
  - Must report on CEQA status
  - Complete environmental review within first year of the grant term
  - Projects are subject to statutes of limitations
- ✓ Site Control
  - Must be demonstrated for most projects prior to implementation
- ✓ Permits
  - Demonstrate at the time of application that the permit(s) can be obtained and project implemented within the grant term

Readiness Requirements

Additional Readiness Requirements for all Projects:

- ✓ Project Designs
- ✓ Project Maps
- ✓ Operations & Maintenance Plans
- ✓ **Project Schedules**

Changes for Round 4:
"Ready" projects will require cost-loaded project schedules.

- ✓ *See Appendix B for Additional Readiness Requirements & Special Requirements for each strategy*

Transformative Elements

1. Community Engagement
2. Workforce Development and Economic Opportunities
3. Displacement Avoidance
4. Climate Adaptation and Resiliency
5. Leverage Funding
6. Data Collection & Indicator Tracking

1. Community Engagement

Applicants must develop a Community Engagement Plan with 2 main sections:

1. Description of Community Engagement during Proposal Development
2. Description of Future Community Engagement

- Appendix C describes:
  - Methods to facilitate community engagement
  - Criteria for eligible costs

Changes for Round 4:

- Expanded eligible costs: food, childcare, transportation, compensation to expand access

2. Workforce Development & Economic Opportunities

Applicants must develop a Workforce Development and Economic Opportunities Plan with 2 major components:

1. Workforce development and education training programs
2. Explanation of how TCC investment will create high-quality jobs

Changes for Round 4:

- Clarification of eligible job trainings and placements to prepare residents for a carbon constrained economy

3. Displacement Avoidance

Changes for Round 4:

- Mapped policies as short-term vs. long-term strategies

Applicants must develop a Displacement Avoidance Plan with 4 major components:

1. Describe displacement vulnerability for residents and small businesses
2. Current policies, plans, ordinances, or programs
3. Identify additional policies and programs to be pursued*, and entities responsible for implementation
4. Provide a relocation plan pursuant to CA Relocation law if necessary for activities with potential for displacement

*Outlined in Appendix C

4. Climate Adaptation & Resiliency

- Identify climate change risks in Project Area, such as:
  - Additional days of extreme heat or precipitation
  - Wildfire
  - Flooding
  - Sea level rise
  - Drought
- Discuss anticipated impacts to vulnerable populations
- Describe how proposed projects will reduce risk and promote resiliency

Changes for Round 4:

- Additional resources and guidance for identifying and prioritizing adaptation projects

5. Leverage Funding

- Applicants must leverage additional funding sources that equal a minimum of 50 percent (50%) of the total requested grant funds.
- Committed at the time of application submittal
- Funds must be spent in the TCC Project Area
- Appendix C includes examples of eligible sources of leverage*

*Many forms of leverage are accepted, including in-kind

Changes for Round 4:

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

Eligible Projects or Plans	Percentage of Requested Funds	Total Dollar Amount
Leverage funding for Grant-funded projects or Transformative Plans	At least 40%	$14,000,000
Stand-alone leverage projects	Up to 10%	$3,500,000
Total	50%	$17,500,000

6. Data Collection & Indicator Tracking

Grantees track 2 main categories of indicators:

- California Air Resources Board – GHG and co-benefit indicators
- TCC Program – Additional program-specific indicators

Grantees estimate GHG reductions during the following phases:

- Application Phase – initial estimate
- Project Implementation – annually, close-out

Grantees also participate in qualitative evaluations during the grant:

- Focus groups, interviews, surveys
- Case studies of lessons learned

Transformative Elements Cost Caps

Changes for Round 4
Grantee costs for Indicator Tracking moved to direct costs for administrative ease

Transformative Elements	Percent of TCC Grant Award
Data Collection and Indicator Tracking	3% 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 16%
Climate Adaptation and Resiliency	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

Policy Priority: High-Speed Rail Connectivity

- “Silicon Valley to Central Valley Line”
- Applies to: Bakersfield, Fresno, Hanford, Madera and Merced
- Benefits to neighborhoods surrounding HSR Station Area
- Ensure affordable and mixed-income housing close near/accessible to HSR

Policy Priority: Access to Basic Infrastructure, Regional Services, and Job Centers

- Ensure TCC investment will provide long-term benefits to community
- Existing or planned access to basic water and wastewater (sewer) infrastructure
  - Compliant with State Water Board standards
  - Committed long-term operations and maintenance plans
- Existing or planned clean/affordable transit connectivity to regional services and job centers

Changes for Round 4:

- New 10% budget allowance for water and wastewater infrastructure connection

Policy Priority: Pro-housing

- Incentive for jurisdictions that are facilitating sustainable housing production.
- Maximum points for designated jurisdictions
- Partial points for jurisdictions awaiting designation and that have adopted policies that reduce vehicle miles traveled (VMT).
- Reference Appendix D for list of VMT-reducing policies.

Changes for Round 4:

- Based on CA Housing and Community Development's (HCD) Pro-housing Designation Program

Policy Priority: Pollution Prevention and Mitigation

- Incentive for applicants that are preventing future and mitigating existing sources of pollution to rectify environmental justice issues.
- Points for applications that will mitigate pollution through proposed TCC projects.
- Examples:
  - Enforcement programs ensuring compliance with point-source emission limits
  - Programs with clear implementation actions related to reducing pollution from existing heavy industries
  - Land use restrictions related to separating polluting land uses from sensitive receptors

Application Components

- Online Submittal
- Documentation that application meets all program thresholds, including project maps, leverage funding commitment letters, etc.
- Narrative Questions
- Detailed Budgets and Work Plans for all Projects and Plans
- Readiness Documentation for all quantifiable Projects
- Quantification Documentation and GHG Emissions Reductions

Scoring Criteria

Application Component	Points Available
Vision for Transformation	40 Points
Capacity	30 Points
Transformative Elements	75 Points
Projects	50 Points
Pro-housing Policy Incentive	5 Points
TOTAL	**200 POINTS**

Technical Assistance

- Phase 1: Application
- Phase 2: Implementation

Application Technical Assistance

- Mandatory Threshold review
- Direct Application Assistance
- Capacity Building
- Assistance with:
  - Developing an overall vision
  - Partnerships
  - Selecting application components
  - Greenhouse gas calculations

TRANSFORM FRESNO

Urban Greening

- Chinatown Urban Greening
- Fresno City College: West Fresno Satellite Campus
- Mariposa Plaza
- Park at MLK Magnet Core
- SW Fresno Community Food Hub: Urban Heat Island Mitigation
- SW Fresno Trail

Urban and Community Forestry

- Inside Out Community Garden
- SW Fresno Community Food Hub: Community Orchard
- SW Urban Forest Expansion
- Yosemite Village Permaculture Community Garden & Farm Incubator

Affordable Housing and Sustainable Communities

- Chinatown Housing Development
- Site Utilities, Surface Improvements, and Landscaping
- LED Streetlights on F Street
- Greenspace
- Green Alley & Lighting

Low-Income Weatherization

- EOC Energy Savings
- GRID Solar Collaborative Multi-Family Partnership
- GRID Solar Collaborative Single-Family Partnership

Active Transportation

- Annadale Mode Shift

Low Carbon Transportation

- Clean Shared Mobility Network

Food Waste Prevention and Rescue

- SW Fresno Communit y Hub

Leverage Projects

- Chinatown Property Based Improvement District
- TCC "Connector" Bus
- EOC Vehicle Replacement Incentives
- Community College sidewalk, bike lane, and utility improvements

Transformative Plans

- Community Engagement
- Workforce Development
- Displacement Avoidance
- Indicator Tracking

HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

WATTS RISING

Urban Greening
- Walk Bike Watts
- Wilmington Avenue Great Streets
- Weigand Elementary Urban Tree Canopy
- Watts Cool Schools
- Greening the Blue Line
- Century Gateway Park
- Freedom Tree Park

Urban and Community Forestry
- Watts Community Healing Tech Garden
- Watts Yardners Program
- Greening Public Housing
- Greening Watts

Low-Income Weatherization
- Solar Watts
- Energy Efficiency Retrofit

Affordable Housing and Sustainable Communities
- Jordan Downs Phase S2
- Bicycle Education and Safety Training

Low Carbon Transit Operations Program
- Dash Bus Electrification

Low Carbon Transportation
- Mega Watts Electric Vehicle Car Share

Food Waste Prevention and Rescue
- Mudtown Farms

Transformative Plans
- Community Engagement
- Workforce Development
- Displacement Avoidance
- Indicator Tracking

Leverage Projects
- Jordan Downs Phase 1B
- 103rd Street Urban Trees and Rain Garden
- Central Avenue Streetscape
- Jordan Downs Retail Center
- 103rd Avenue Streetscape
- Century Boulevard Complete Streets
- Success Avenue Green Street

OntarioTogether

CITY OF ONTARIO

Affordable Housing and Sustainable Communities

- Vista Verde Apartments
- Omnitrans Route 83 Bus Purchase
- Grove Avenue Connector
- Enhanced Pedestrian Crossings
- Omnitrans Premium Bus Shelters & Other Improvements
- Downtown Ontario Mobility Hub
- Omnitrans Transit Program
- Omnitrans Travel Training Program

Active Transportation

- Mission Boulevard Bike and Pedestrian Improvements
- Pedestrian Pathway Improvements and Network Connectivity Project

Low-Income Weatherization

- Ontario Shines: Multi Family Solar PV
- Ontario Shines: Single Family Solar PV

Low Carbon Transit Operations

- Transit Pass Program/ Travel Training/ Route 83 Expansion

Urban and Community Forestry

- Urban Canopy

Organics Program

- Ontario Carbon Farm

Transformative Plans

- Community Engagement
- Workforce Development
- Displacement Avoidance
- Indicator Tracking

Leverage Projects

- Small Business Support
- Healthy Ontario Program

PLANNING GRANTS

CALIFORNIA
STRATEGIC
GROWTH
COUNCIL

Planning Grants Overview

- Grants of $300,000 each
- Support planning activities in disadvantaged communities
- Prepare communities for future TCC grants or other resilience implementation funding
- Planning process must address one or more of the TCC Transformative Elements
- 2-year grant term, with the option to extend on a case-by-case basis

Examples of Eligible Projects

- Capacity building among staff and departments, as well as among external stakeholders
- Evaluating, updating and streamlining various policies and codes enforced by the Planning Department
- Completion of fiscal analyses and studies to understand long-term costs
- Preparation of climate action and adaptation plans
- Community engagement that results in innovative and meaningful programs and practices
- Community Land Trust feasibility studies, project site identification, project readiness preparation

Applicant Eligibility

Eligible Lead Applicants are the same as Implementation Grants:

- Community-based organizations
- Local governments
- Nonprofit organizations
- Philanthropic organizations and foundations
- Faith-based organizations
- Coalitions or associations of nonprofits
- Community development finance institutions
- Community development Corporations
- Joint powers authorities
- California Native American Tribes

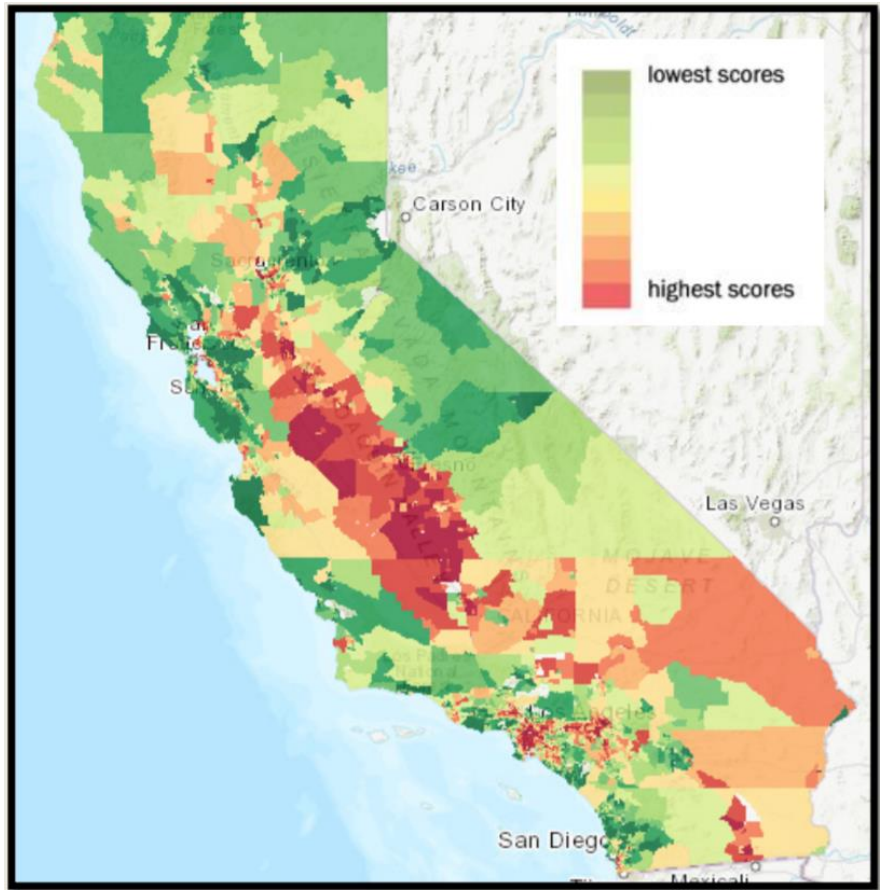
Applicant Eligibility

- Must be a minimum of two (2) Co-Applicants
- Priority in scoring for applications that demonstrate strong and diverse partnerships with CBOs and other stakeholder groups
- Either the Lead Applicant **or** one of the Co-Applicants must be a public agency.

Planning Area Requirements

- Contiguous
- Project Area must overlap with census tracts designated disadvantaged per CalEPA and CalEnviroScreen:
  - Top 25% disadvantaged communities (CES)
  - Federally recognized tribal boundaries in CA

CalEnviroScreen 4.0



Application Components

- Online Submittal
- Documentation that application meets all eligibility requirements, such as planning area map, letters of support, etc.
- Narrative Questions
- Detailed Budget and Work Plan

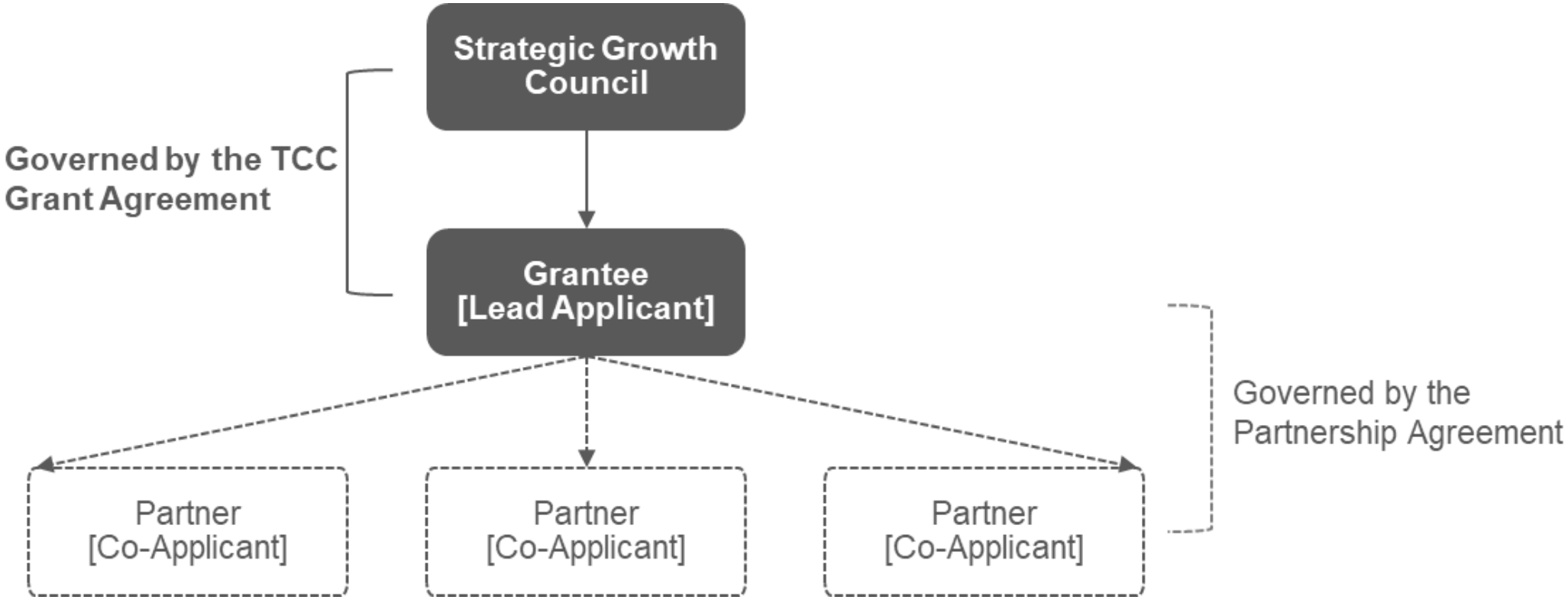
Scoring Criteria Summary

Application Component	Points Available
Vision and Program Objectives	30 Points
Transformative Requirements and Project Identification	50 Points
Organizational Capacity	20 Points
TOTAL	**100 POINTS**

GRANT ADMINISTRATION IMPLEMENTATION GRANTS

CALIFORNIA STRATEGIC GROWTH COUNCIL

Implementation Grantee and Partner Relationship



Disbursement and Accounting of Funds

- No reimbursement of work completed before grant execution
- Grantee requests reimbursement from SGC on a bi-monthly basis (every 2 months)
- Grantee is responsible for dispersing payment to their Partners
- Last five percent (5%) of each project budget will be retained until all the grant terms have been fulfilled

Eligible Costs

Changes for Round 4:

- New 10% allowance for water and wastewater infrastructure
- Indirect Costs increase from 10% to 12%

Eligible Cost Type	Percent of Grant Award
Direct Implementation Costs (Defined for each Strategy in Appendix B)	At least 67% (Up to 10% for water/wastewater infrastructure)
Pre-Development Costs	Up to 5% (Up to 10% of an individual Project)
Indirect Costs	Up to 12%
Transformative Elements (Defined in Appendix C)	Up to 16%

Ineligible costs for each Strategy and Transformative Plan are described in Appendices B and C.

Reporting Requirements

Report Type	Frequency
Progress Reports	Bi-monthly & Annual
Budget Reports	Leveraged Funds (Annual & Final) Equipment (Annual & Final) Detailed Work Plans & Budgets (Annual)
Data Collection and Indicator Tracking	Application & Award Annual Close-out
Close-Out Reports	Individual Project Completion Overall Project Completion

Sample Grant Agreement

Appendix H:

- Prevailing Wage Requirements
- Ownership
- Publicity Requirements
- Audits and Record Retention
- Performance

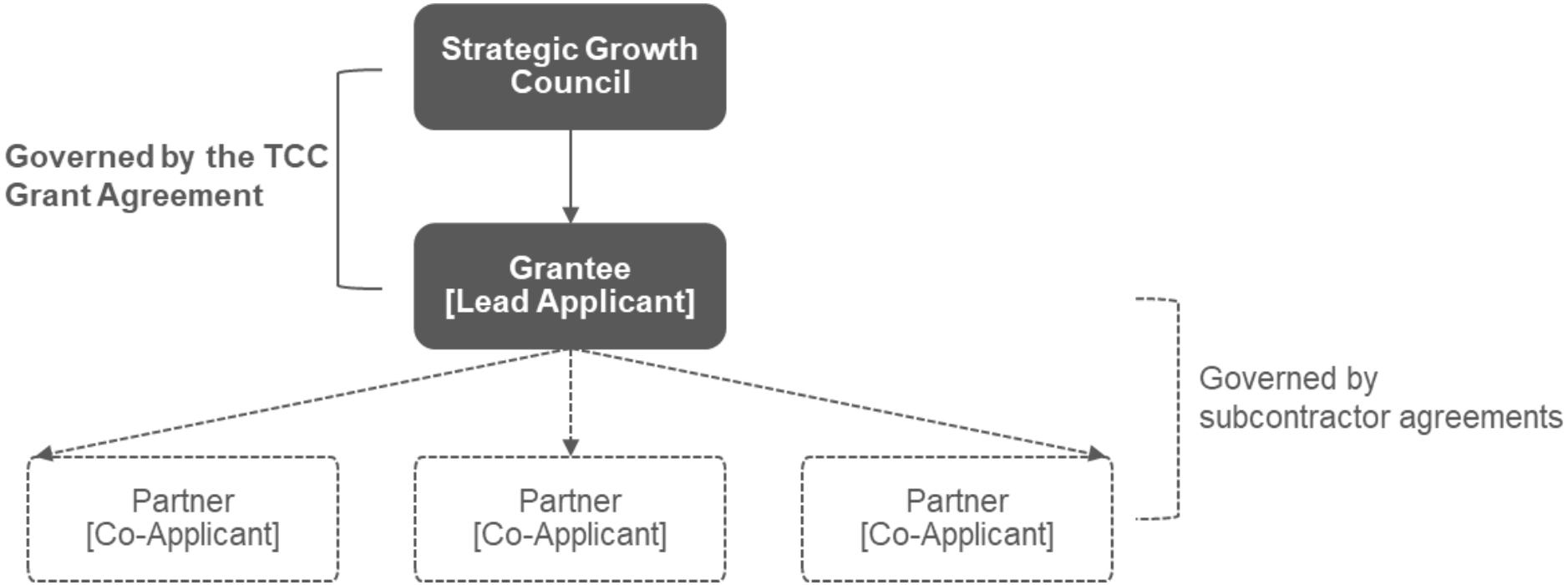
Appendix F:

- Post-Award Consultation Process

GRANT ADMINISTRATION
PLANNING GRANTS

CALIFORNIA
STRATEGIC
GROWTH
COUNCIL

Planning Grantee and Partner Relationship



Disbursement and Accounting of Funds

- No reimbursement of work completed before grant execution
- Grantee requests reimbursement from SGC on a quarterly basis (every 3 months)
- Grantee is responsible for dispersing payment to their Partners
- Last five percent (5%) of the grant will be retained until all the grant terms have been fulfilled

Planning Grant Reporting Requirements

Report Type	Frequency
Progress Reports	Quarterly & Final

Eligible & Ineligible Costs

Changes for Round 4:

- Indirect Costs increase from 10% to 12%
- Engagement Costs targeted expansion

Cost	Eligible
Indirect/Overhead	Up to 12% of awarded funds
Direct Costs	Remaining awarded funds
Community Engagement Costs	Participant compensation, childcare, food, and transportation that directly benefit the project and public

Cost	Ineligible
Indirect/Overhead	Over 12% of awarded funds
Community Engagement Costs	Alcoholic refreshments Direct cash benefits Meetings not related to TCC

Feedback on TCC Round 4 Guidelines

Submit by December 15 to tcc@sgc.ca.gov

- Project Area design for unincorporated and tribal communities
- Expanded community engagement costs
- New strategies:
  - Community Microgrids
  - Brownfields Redevelopment
  - Indoor Air Pollution
  - Community Land Trusts under existing Land Acquisition for Affordable Housing strategy

Questions & Answers

Thank you!

Send public comments & questions to:
tcc@sgc.ca.gov

CALIFORNIA
STRATEGIC
GROWTH
COUNCIL