



August 15, 2018

NOTICE OF FUNDING AVAILABILITY

Transformative Climate Communities Program

FY 2018-2019 FUNDING ROUND

TO: **All Potential Applicants**

FROM: TCC Program Staff, Strategic Growth Council

SUBJECT: **NOTICE OF FUNDING AVAILABILITY – APPROXIMATELY \$46 MILLION OF IMPLEMENTATION GRANT FUNDING AND APPROXIMATELY \$800,000 OF PLANNING GRANT FUNDING FOR ROUND 2 OF THE TRANSFORMATIVE CLIMATE COMMUNITIES PROGRAM**

The Strategic Growth Council (SGC) along with our partner agency, the Department of Conservation (DOC), is pleased to announce the availability of funding for Round 2 of the Transformative Climate Communities (TCC) Program. SGC anticipates that approximately \$46 million in Implementation Grant funding and approximately \$800,000 in Planning Grant funding will be available for competitive awards in Round 2. The TCC Program furthers the purposes of [AB 32](#) (Nunez, Chapter 488, Statutes of 2006) and [AB 2722](#) (Burke, Chapter 371, Statutes of 2016) by funding projects that reduce greenhouse gas (GHG) emissions through the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated GHG emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities. Funding for the TCC Program is provided by Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.

Implementation Grants Applications must be submitted no later than **5:00 p.m. on Tuesday, October 30, 2018**.

Planning Grant Applications must be submitted no later than **5:00 p.m. on Tuesday, October 30, 2018**.

Applicants must download the application instructions and application forms from the SGC website. Applicants that have limited or no access to the online application may contact SGC staff for assistance. Information about the TCC Program, including the Program Guidelines, application process, technical assistance, and other resources can be found at the SGC website:

<http://sgc.ca.gov/programs/tcc/>. Questions may be directed to the TCC Program by email at tcc@sgc.ca.gov, or to Rachel Galaraga at (916) 322-6138.

PROGRAM SUMMARY

The TCC Program is a California Climate Investment (CCI) program administered by the SGC and implemented by DOC, along with other partnering State agencies. SGC staff and partnering State agencies have worked collaboratively to develop and administer the TCC Program, including developing program guidelines and application materials, preparing agreements and program templates, and coordinating technical assistance to potential applicants.

The Program will fund two types of grants: Implementation Grants and Planning Grants. The SGC anticipates that approximately \$46 million will be available in competitive funding through Implementation Grants. The SGC will also award approximately \$800,000 in Planning Grants to fund planning activities in disadvantaged communities that may be eligible for future TCC Implementation Grants.

IMPLEMENTATION GRANTS

Eligible Applicants and Project Types

Eligible applicants for Implementation Grants 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/or tribal governments.

Eligible applicants must form a Collaborative Stakeholder Structure to develop and submit one application based upon a shared vision. The Collaborative Stakeholder Structure shall be charged with overseeing implementation of the TCC Proposal, including each of the requirements outlined in Section II.B, "Transformative Requirements", of the [TCC Guidelines](#), and led by one Lead Applicant. The Collaborative Stakeholder Structure must include at least one of the required Co-applicants for each of the proposed Projects included in the TCC Proposal, as listed in Appendix D, "TCC Implementation Grants Funded Projects, Eligibility, and Requirements by Strategy", of the [TCC Guidelines](#).

Applicants must develop a Vision Statement for their proposal that aligns with TCC Program Objectives and identify multiple Strategies and Projects that align with their vision and meaningfully address important community needs within the Project Area. Projects can fall into two categories: TCC funding eligible, and leverage funding required.

Grant and Loan Amounts

As of the release of this NOFA, the SGC has not determined grant amounts for Round 2 of the TCC Program. Funds available include a FY 2017-2018 budget appropriation of \$10 million and a FY 2018-2019 budget appropriation of \$40 million. Of these appropriations, \$4 million will be used for State agencies' grant administration and program evaluation, and monitoring costs. Remaining funds will be awarded through a competitive grant process.

In Round 1 of the TCC program, SGC awarded three grants - one \$70 million grant and two \$35 million grants. In order to understand the relative scope and greenhouse gas reduction potential of proposed awards, **Applicants are requested to develop proposals for two scenarios: a first scenario of \$23 million and a second scenario for \$33 million.**

The funds will be allocated competitively among eligible disadvantaged community areas, as identified in Appendix C, "TCC Mapping Tool for Eligible Project Areas and Planning Areas", of the [TCC Guidelines](#). The grant term will be approximately 5 years.

For Affordable Housing Development Projects, funds will be provided as a secured loan for permanent financing to the sponsor of the Affordable Housing Development and pursuant to the same underwriting requirements and loan terms as the Affordable Housing and Sustainable Communities (AHSC) Program.

Prevailing Wage Requirements

TCC-funded projects may be subject to State Prevailing Wage Requirements pursuant to [Division 2, Part 7, Chapter 1 of the California Labor Code \(commencing with Section 1720\)](#). 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. Applicants/Grantees can identify additional stipulations and exceptions under Cal. Labor Code § 1720 et seq.

1. Applicant/Grantee must ensure the following for all “public work” activities under this Grant Agreement:
 - a. Prevailing wages are paid;
 - b. The project budget for labor reflects these prevailing wage requirements; and
 - c. 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.
2. Applicant/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.
3. The Department of Industrial Relations (DIR) is the primary resource for consultation on the requirements of California prevailing wage law.
4. Applicant/Grantee can identify the rates for prevailing wage on the Department of Industrial Relations (DIR) website. Applicant/Grantee may contact DIR for a list of covered trades and the applicable prevailing wage.
5. If Applicant/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.
6. If Applicant/Grantee has questions about this contractual requirement, recordkeeping, apprenticeship or other significant requirements of California prevailing wage law, it is recommended the Applicant/Grantee consult DIR and/or a qualified labor attorney.

Application Process

All Implementation Grant Applicants must submit an application using the Financial Assistance Application Submittal Tool (FAAST) system, a web-based application by **5:00 pm on Tuesday, October 30, 2018**. No late applications or application revisions will be accepted after the application submittal deadline. Any hard copy submittals of the application, including all required plans and supporting documentation, must be postmarked no later than October 30, 2018. No facsimiles, electronic transmissions via email, or hand-delivered copies of complete applications will be accepted after that date.

All applications will be reviewed by TCC Program Staff to ensure that all required documentation is submitted and applications complete. Applicants that may be missing application information will be notified by TCC Program Staff. If applicants are contacted because of missing information, the application will be deemed incomplete if the applicant is non-responsive or does not provide the missing information within two (2) business days.

Implementation Grant applications will be reviewed and evaluated by the SGC, along with an interagency review panel of partnering State agencies, according to the requirements stated in Section II.A-F of the [TCC Guidelines](#) and will score eligible applications based on the threshold and scoring criteria in Section II.G. Following the initial application review, members of the review panel will conduct site visits with each of the applicants. Based on the interagency review of the applications and site visits, TCC Program Staff will finalize and prepare award recommendations to present to the SGC Council Members for consideration of final approval. The SGC will contact applicants recommended for funding. Staff recommendations will be posted for public review ten (10) days prior to the SGC public meeting.

Application resources are available on SGC's website at: <http://sgc.ca.gov/programs/tcc/resources/> including on how to access and submit an application via FFAST. The anticipated date of announcement of Implementation Grant selection recommendations will be in early December 2018. The ultimate awarding of Implementation Grant Program funds is subject to the approval of the Council. The decision of the Council is final.

Applications must meet all eligibility requirements upon submission. Applications having material inconsistencies will not be rated and ranked. Modification of the application forms by the applicant is prohibited.

It is the applicant's responsibility to ensure that the application is clear, complete, and accurate. After the application deadline, staff from SGC, DOC, or other partnering state agencies may request clarifying information or inquire as to where the application-specific information is located provided that such information does not affect the competitive rating of the application. No information, whether written or oral, will be solicited or accepted if this information would result in a competitive advantage to an applicant or a competitive disadvantage to other applicants. No applicant may appeal the evaluation of another applicant's application.

Application Scoring

Applications will be evaluated according to the process and scoring criteria set forth in Section II.G of the [TCC Guidelines](#). The two top scoring Applicants will be selected to receive a TCC Implementation Grant. Applications will be evaluated based on the scoring criteria.

PLANNING GRANTS

Eligible Applicants and Planning Activities

Eligible applicants for Planning Grants include cities, counties, metropolitan planning organizations, joint powers authorities, regional transportation planning agencies, councils of government, or combinations thereof. The SGC strongly encourages submittal of proposals comprised of meaningful, actionable internal and external collaboration that demonstrates a commitment to the proposal from multiple organizations.

There must be a minimum of two (2) joint Partners on the project. Priority in scoring will be given to applicants that are able to demonstrate strong and diverse partnerships, including with community-based organizations and other stakeholder groups.

The Planning Grants are intended to help communities increase their potential to successfully apply for and to implement future Transformative Climate Communities Implementation Grant awards. Planning activities should focus on responding to planning issues or priorities that directly benefit vulnerable communities and that are defined either within an existing regional or local plan, or further the development of an area to be eligible to apply for a future TCC Implementation Grant.

Grant Amounts

The SGC will award Planning Grants for up to four (4) communities totaling approximately \$800,000. Funding for this program was allocated from the SGC's Sustainable Communities Planning Grants and Incentives Program, which is funded through Proposition 84. The Planning Grants are intended to help communities increase their ability to successfully apply for and to implement future Transformative Climate Communities Implementation Grant awards, or other California Climate Investment programs. Individual Planning Grants awards will be approximately \$200,000 and the grant term will be approximately one year.

Application Process

All Planning Grant Applicants must submit an application using the FFAST system, a web-based application by **5:00 pm on Tuesday, October 30, 2018**. No late applications or application revisions will

be accepted after the application submittal deadline. The SGC accepts electronic submittals of all application materials via the FFAST system. Any hard copy submittals of the application, including supporting documentation, must be postmarked no later than October 30, 2018. No facsimiles, electronic transmissions via email, or hand-delivered copies of complete applications will be accepted after that date.

All applications will be reviewed by TCC Program Staff to ensure that all required documentation is submitted and applications complete. Applicants that may be missing application information will be notified by TCC Program Staff. If applicants are contacted because of missing information, the application will be deemed incomplete if they applicant is non-responsive or does not provide the missing information within two (2) business days.

Planning Grant applications will be reviewed and evaluated by the SGC, DOC, and an interagency review panel of partnering State agencies, according to the requirements stated in Section III, "Planning Grant Program Requirements", of the [TCC Guidelines](#). Based on the interagency review of the applications, TCC Program Staff will finalize and prepare award recommendations to present to the SGC Council Members for consideration of final approval.

Application resources are available on SGC's website at: <http://sgc.ca.gov/programs/tcc/resources/> including how to access and submit an application via FFAST. The anticipated date of announcement of Planning Grant selection recommendations will be in early December 2018. The ultimate awarding of Planning Grant Program funds is subject to the approval of the Council. The decision of the Council is final.

Applications must meet all eligibility requirements upon submission. Applications having material inconsistencies will not be rated and ranked. Modification of the application forms by the applicant is prohibited.

It is the applicant's responsibility to ensure that the application is clear, complete, and accurate. After the application deadline, SGC and DOC staff may request clarifying information or inquire as to where the application-specific information is located provided that such information does not affect the competitive rating of the application. No information, whether written or oral, will be solicited or accepted if this information would result in a competitive advantage to an applicant or a competitive disadvantage to other applicants. No applicant may appeal the evaluation of another applicant's application.

Applicant Scoring

Applications will be evaluated base on scoring criteria set forth in Section III.C of the [TCC Guidelines](#), including the extent to which the proposed planning activities will accomplish plan objectives, satisfy State planning priorities and increase the likelihood that Applicants will be competitive for future Implementation Grant funding.

TECHNICAL ASSISTANCE

Implementation Grant Applications

All applicants to the TCC Implementation Grants are required to work with no-cost technical assistance, provided by the SGC. This technical assistance is provided to support TCC applicants in the development of their project scope, calculation of greenhouse gas emissions, and developing a complete application.

The technical assistance provider will work with each TCC Implementation Grant applicant to create a work plan for the development of their TCC application. The technical assistance provider will be able to provide supportive services, including but not limited to:

- Review of application responses
- Application coordination

- Financial analysis and budget development
- Support for project integration
- Assessment of project readiness

All TCC Implementation Grant applicants will have greenhouse gas calculation services provided by the technical assistance provider. Applicants will be asked to submit data to the technical assistance provider to provide a comprehensive calculation of reductions. Leading up to this calculation, the technical assistance provider will work with applicants to understand the relative greenhouse gas reduction potential of projects and offer suggestions for increasing project reductions.

If you intend to apply for a TCC Implementation Grant, please complete the following brief survey to get connected to technical assistance. Please complete the survey by **Tuesday September 4, 2018**.

https://www.surveymonkey.com/r/TCC_Survey_TA

A webinar providing an overview of the Implementation Grants including program requirements, program framework, the application process, and grant administration will be scheduled in early September. For questions on TA for Implementation Grants, please contact Monica Palmeira at SGC at monica.palmeira@sgc.ca.gov or (916) 801-3460.

Planning Grant Applications

Technical assistance is not available for applicants for TCC Planning Grants at this time. A webinar providing an overview of the Planning Grants including program requirements, program framework, the application process, and grant administration will be scheduled in early September.

FAAST Webinar

A pre-recorded webinar to demonstrate the use of the FAAST system will be available to Applicants in mid-August for both Implementation and Planning Grant Applicants. The pre-recorded webinar will be available on the SGC website at: <http://sgc.ca.gov/programs/tcc/>. If you have technical issues regarding the FAAST system, please contact the FAAST Help Desk at 1(866)434-1083 or FAAST_ADMIN@waterboards.ca.gov.

DISCLOSURE OF APPLICATION

Information provided in the Implementation and Planning Grants application will become a public record available for review by the public pursuant to the Public Records Act. As such, any materials provided will be disclosable to any person making a public records request. The SGC and DOC cautions applicants to use discretion in providing information that is not specifically requested, including, but not limited to bank account numbers, personal phone numbers and home addresses. By providing this information to the SGC and DOC, the applicant is waiving any claim of confidentiality and consents to the disclosure of all submitted material upon request. Awarded applications will be posted on the SGC website.

RESOURCES AND QUESTIONS

Information about the TCC Program, including the Program Guidelines, application resources, technical assistance, and other resources can be found at the following website: <http://sgc.ca.gov/programs/tcc/>. Questions may be directed to the TCC Program by email at tcc@sgc.ca.gov or to Rachel Galaraga at (916) 322-6138.