

# Transformative Climate Communities Program

## Round 5 Draft Program Guidelines FY 2022–2023



**February 28, 2023**

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:



CALIFORNIA  
STRATEGIC  
GROWTH  
COUNCIL



California  
Department of  
Conservation  
Land Resource Protection

- 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 25 percent (25%)** 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 5 AWARDS

- **Planning Grants:** \$900,000 available for 3 awards (up to \$300,000 each)
- **Project Development Grants:** \$9,800,000 available for multiple awards (up to \$5,000,000 each)
- **Implementation Grants:** \$88,500,000 available for 3 awards (up to \$29,500,000 each)

## CLIMATE INVESTMENTS

*The TCC Program is currently funded under the General Fund's Climate Budget. TCC began as 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: <https://www.caclimateinvestments.ca.gov/>.*

## CONTACT US

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

Email inquiries can be sent to: [tcc@sgc.ca.gov](mailto:tcc@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>




# How To Use This Document

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This Guidelines document governs Round 5 of the Transformative Climate Communities Program and provides resources and guidance for applicants. This document includes information on the three (3) available grant types:

- Planning Grants
- Project Development Grants
- Implementation Grants

All information in this document applies to all grant types unless specifically stated otherwise. Please read all relevant sections.

For ease of navigation, some section headers are accompanied by one or more icons indicating which grant type(s) that section applies to (  for Planning Grants,  for Project Development Grants, or  for Implementation Grants). The text is final in the event of a discrepancy between the icons and the text.

Sections that contain information on a mixture of grant types will be structured as followed:

## Example Header

*Brief introduction describing this portion of the guidelines*

### All Grant Types

*Information that applies to all grant types. All applicants must read this section.*

### Planning Grants

*Information that only applies to Planning Grants*

### Project Development Grants

*Information that only applies to Project Development Grants*

### Implementation Grants

*Information that only applies to Implementation Grants*

Some of these sub-sections are omitted and/or combined as appropriate.

It is important for past applicants to read these guidelines, as requirements have changed from past funding rounds. This document is not the only source of information on TCC requirements. The forthcoming Notification of Funding Availability (NOFA), Application, and Application Instructions contain additional requirements and pertinent information. A timeline can be found here: <https://sgc.ca.gov/programs/tcc/>.

# Section 1. Introduction

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## 1.1 Background

The Transformative Climate Communities (TCC) Program is part of the state's Climate Budget (Senate Bill 170), which funds ambitious measures to build climate adaptation and resilience through planning, research, capacity building, restoration, and sustainable infrastructure.

TCC began in 2016 as 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. In 2021, TCC became funded under California's General Fund and continues to be funded through these means.

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 the California Environmental Protection Agency (CalEPA) and CalEnviroScreen<sup>1</sup> – 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.
- **Senate Bill 351 (Hurtado, 2019):** Requires SGC to make unincorporated areas eligible for the TCC Program.

## 1.2 Program Summary

The California Strategic Growth Council (SGC) administers the TCC Program in partnership with the California Department of Conservation (DOC). A \$100 million FY 2023-2024 budget appropriation from the General Fund and an additional \$10 million from the FY 2021-2022 budget appropriation supports Round 5 of the TCC Program. A total of \$99.2 million will be available for three (3) types of grants, depending on budget availability:

### 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.
- \$900,000 is available for three (3) awards of \$300,000 each. Applicants may request smaller grants starting at any amount.
- Grant terms are two (2) years, with the option to extend on a case-by-case basis.
- For more information about the grant objectives and eligible activities, see [Section 3. Planning Grants](#).

### Project Development Grants

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<sup>1</sup> 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 disproportionately burdened by multiple sources of pollution.  
<https://oehha.ca.gov/calenviroscreen>

- Project Development Grants fund pre-development and basic infrastructure activities to support disadvantaged, unincorporated and tribal communities to meet their climate and community resilience goals. SGC will pilot this new grant type in Round 5 to address the funding support gap between Planning and Implementation Grants.
- \$9,800,000 is available for awards of up to \$5,000,000 each. Applicants may request smaller grants starting at any amount.
- Grant terms are two (2) years, with the option to extend on a case-by-case basis.
- For more information about the grant framework and eligible activities, see [Section 4](#). Project Development Grants.

## Implementation Grants **I**

- Implementation Grants fund neighborhood-level proposals that include multiple, coordinated projects that reduce greenhouse gas emissions and achieve other community benefits.
- \$88,500,000 is available for three (3) grant awards of up to \$29,500,000 each. Applicants may request smaller grants starting at \$10,000,000.
- Grant terms are six (6) years: a five (5) year Project Completion Period, followed by a one (1) year Performance Period, during which project outcomes will be monitored.
- For more information about the grant framework and eligible activities, see [Section 5](#). Implementation Grants.

Sections 3 through 5 explain the specific details of each grant. Figure 1 summarizes the key differences.

**Figure 1. TCC Grants Summary Table**

Grant Type	Grant Purpose	Award	Term	Project Area	Special Requirements
<b>Planning Grant</b>	Addresses planning issues or priorities that directly benefit a community; prepares for future funding opportunities	Up to \$300K	2 years	No maximum	<ul style="list-style-type: none"> <li>Requires multiple Applicants</li> <li>Addresses at least 1 Transformative Element</li> </ul>
<b>Project Development Grant</b>	Bridge support for communities who do not have shovel-ready projects by funding pre-development and basic infrastructure activities	Up to \$5M	2 years	No maximum	<ul style="list-style-type: none"> <li>Requires multiple Applicants</li> <li>Prioritizes Disadvantaged Unincorporated Communities, Tribal Communities, Planning Grant Grantees, and Previous Implementation Grant Applicants</li> <li>Addresses Community Engagement and Climate Adaptation; other Transformative Elements optional</li> <li>Priority Policies</li> </ul>
<b>Implementation Grant</b>	Holistic proposals with multiple strategies and projects	Up to \$29.5M	6 years	Maximum 5 sq. mi for urban areas, 10 sq. mi for rural areas	<ul style="list-style-type: none"> <li>Requires multiple Applicants</li> <li>Addresses all 6 Transformative Elements</li> <li>Collaborative Stakeholder Structure</li> <li>At least 3 Strategies and 3 Projects</li> <li>Priority Policies</li> <li>Project and Plan Narratives</li> <li>Readiness Requirements</li> </ul>

## 1.3 Program Vision

### Vision for Racial Equity

The California Strategic Growth Council (SGC) is committed to achieving racial equity in its operations, investments, and policy initiatives and to achieving its vision: *All people in California live in healthy, thriving, and resilient communities regardless of race.*<sup>2</sup>

## 1.4 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:** Unique focus on ensuring the investment provides direct benefits to neighborhood residents. Robust community engagement and workforce development ensures that TCC proposals are designed with local residents' and stakeholders' needs in mind. Grantees also 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. Communities select projects that will build resilience in the face of current and future climate impacts on vulnerable populations and the built environment. 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 create "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

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<sup>2</sup> California Strategic Growth Council. Updated Racial Equity Action Plan (2019-2022). September 2021 <https://sgc.ca.gov/programs/healthandequity/docs/20211110-REAP.pdf>

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 on communities most burdened by environmental, socioeconomic, and health inequities. The CalEnviroScreen (CES) Tool identifies these communities, and the TCC Program developed an additional TCC Mapping Tool to identify disadvantaged unincorporated communities. The TCC Program has set the following thresholds for TCC Grants:

- Communities in which more than half of the area overlaps with census tracts designated as a disadvantaged community per CalEnviroScreen or the TCC Guidelines. The remaining area (49% or less) must overlap with census tracts designated as disadvantaged community or with AB 1550 low-income tracts. For detailed requirements, see [Section 6.4](#) on Project Area Eligibility.

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, and socioeconomic and environmental vulnerability. Many of these challenges result from 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 possess, and particularly the community residents for whom these places are home. In many of these communities, organized groups of neighborhood leaders are 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 can also experience the benefits of investment.

## Section 2. Overview of Objectives, Vision, and Program Framework

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### 2.1 All Grant Types

All Applicants should keep in mind the three (3) Program Objectives, as described in AB 2722, as they design their Proposals. Planning Grant and Project Development Applicants must describe how their Proposal addresses these Objectives, and Implementation Grant Applicants must comprehensively address all Objectives as described below.

The Program Objectives are:

#### 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.

### 2.2 Implementation Grant Vision Statement

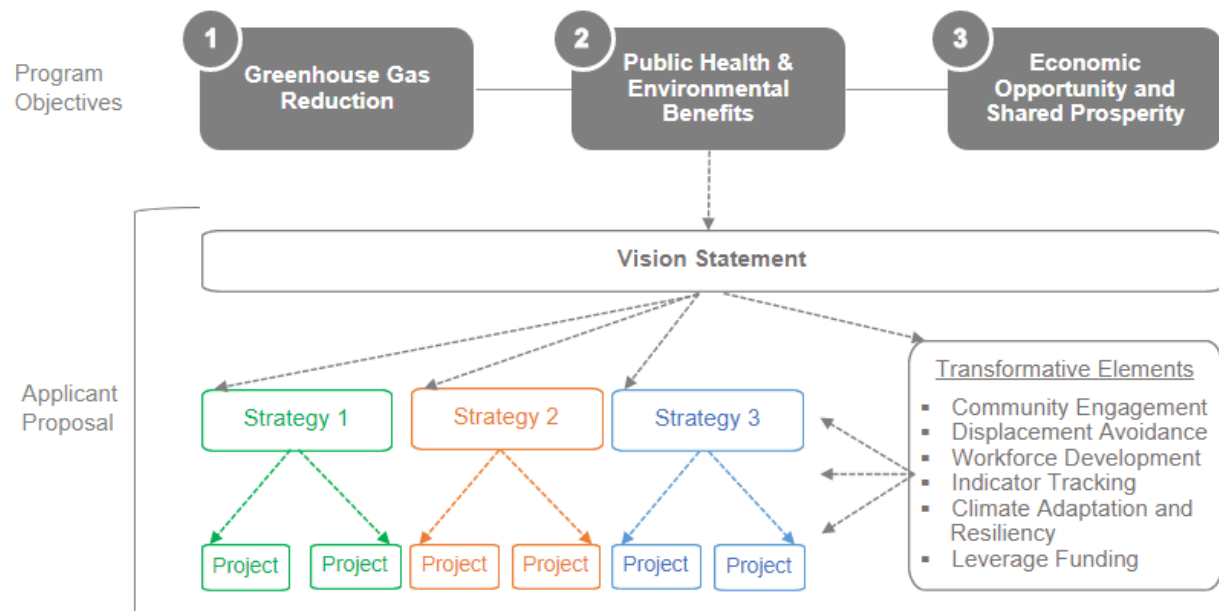
Implementation Grant Applicants must develop a shared Vision Statement that describes how the TCC Proposal will achieve all three (3) Program Objectives.

The Vision Statement serves as the investment framework and 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.

### 2.3 Implementation Grant Program Framework

The Program Framework establishes the structure for all TCC Implementation Grant 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.

**Figure 2. Implementation Grant Program Framework**



## Section 3. Planning Grants

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### 3.1 Planning Grant 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 2](#)).
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 8.5](#). 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 Project 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 Project 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 Project 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 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.

### 3.2 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 of local public agency staff, community-based organizations, workforce development boards, and overburdened individuals and groups.
- Engaging in activities that will prepare applicants to apply to a TCC Implementation Grant or other similar grant, including but not limited to: partnership development, stakeholder mapping, community needs assessments, community health needs assessments, and creation and/or formalization of a shared governance structure such as a Collaborative Stakeholder Structure. Activities that lead to developing a Collaborative Stakeholder Structure are strongly encouraged for applicants who anticipate applying to a TCC Implementation Grant in the future.
- Identifying and preparing project sites for future development into community-serving uses, such as community land trust feasibility studies and site identification, climate resilience project identification, and planning for project readiness.
- Community based organization or residents design, lead or participate in Community Health Needs Assessments
- Develop project area definition of Health Equity and related goals based on available materials from California Department of Public Health and other place-based resources
- For past examples of awarded Planning Grants, visit the SGC website. For a map of past program awards, refer to [Appendix I](#).

### 3.3 Developing a Planning Grant Proposal

Applicants should begin by identifying the partnerships and planning activities they would like to include in their Proposal. If an applicant is pursuing a Planning Grant with the intention of pursuing a TCC Implementation Grant in a future round, it is highly encouraged that the Applicant familiarize themselves with the Implementation Grant requirements and propose Planning Grant activities that prepare the Applicant to submit a future Implementation Grant proposal. However, please note that the Planning Grant can prepare Applicants to apply for multiple sources of implementation funding.

Planning Grant Application Technical Assistance recipients can work with their Technical Assistance provider to understand the TCC Implementation Grant requirements and identify supportive planning activities. Applicants who are not eligible for Planning Grant Application Technical Assistance can reach out to TCC Staff with questions about the TCC Implementation Grant requirements described in these Guidelines.

Planning Grants do not require leverage funding.

## Section 4. Project Development Grants

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### 4.1 Project Development Grant Objectives

The Project Development Grants support disadvantaged communities by funding pre-development and basic infrastructure activities that advance the communities' climate and community resilience goals and prepare them for future funding opportunities aligned with the TCC Program Objectives. Project Development Grants should respond to previous community planning efforts that identified priority projects and need additional project development and basic infrastructure support funding to get ready for future resilience funding. SGC developed this pilot grant type for Round 5 TCC in response to the expressed support gap between Planning and Implementation Grant funding and to meet communities where they are in their climate resilience efforts. Disadvantaged Unincorporated Communities, Tribal Communities, Planning Grant Grantees, and Previous Implementation Grant Applicants will be prioritized for Project Development Grants, with DUCs given the most priority.

1. Applicants must explain how the proposed Project Development activities will advance the objectives of previous community planning efforts and the TCC Program.
2. Applicants must explain how the proposed Project Development activities will further the neighborhood's ability to build climate-resilient infrastructure and social resilience by advancing the TCC Transformative Elements.
3. Applicants must demonstrate consistency with the State's Planning Priorities in Section 65041.1 of the Government Code.

### 4.2 Eligible Project Development Activities

Eligible project development activities will include:

- Pre-development phase activities, such as: community engagement; feasibility studies; market analysis; environmental assessments, surveys, and remediation; site acquisition; site and development plans; project designs; permitting; financial planning (e.g., preliminary budget and construction financing).
- Basic environmental infrastructure pre-development, construction, and development of long-term operations and maintenance plans for infrastructure such as: clean water supply systems; wastewater systems; waste disposal systems; pollution control services.
- Other basic infrastructure pre-development, construction, and planning for infrastructure including costs related to regional transit connectivity to job and service centers.
- Other project planning activities that prepare community-prioritized project sites for development, including but not limited to Community Health Needs Assessments.
- Support costs for building and sustaining the capacity of project leads and partners, such as: investments in partner and local staff development; funding new and/or critical positions; acquiring or utilizing tools and resources to increase partner capacity for project planning and implementation; organizational capacity activities such as access to

financial services or legal review; developing new pilot or demonstration projects and programs; participation and/or partnership with existing workforce programs; providing or securing technical assistance for partners.

Applicants must include community engagement activities and address climate resilience through the proposal. Applicants may also address other transformative elements such as displacement avoidance and workforce development, if applicable.

## 4.3 Developing a Project Development Proposal



Applicants should begin by identifying the Project Area, community planning and project priorities, and partnerships to include in their proposal. Applicants should then identify the key threshold requirements needed to pursue climate resilience implementation funding such as TCC's - including the policy priorities, basic infrastructure needs, and project readiness and capacity thresholds. The Project Development Grant can help Applicants address some of the threshold requirements for various implementation funding sources. Applicants can work with their Technical Assistance Provider or TCC Program Staff to understand the TCC Implementation Grant threshold requirements and supportive project development activities. Note that applicants who apply for an Implementation Grant may be considered for the Project Development Grant if TCC staff determines that their application is not competitive as an Implementation Grant proposal.

Project Development Grants do not require leverage funding.

## Section 5. Implementation Grants

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### 5.1 Implementation Grant Objectives ⓘ

Implementation Grants fund neighborhood-level proposals that include multiple, coordinated projects that reduce greenhouse gas emissions and achieve other community benefits. Implementation Grants fund climate resilience infrastructure and projects that address priority community needs in disadvantaged and low-income communities.

1. Applicants must explain how the proposed Implementation projects will advance the objectives of a community vision and the TCC Program.
2. Applicants must explain how the proposed Implementation activities will build the neighborhood's climate and social resilience through the selected infrastructure projects and the TCC Transformative Elements.
3. Applicants must demonstrate consistency with the State's Planning Priorities in Section 65041.1 of the Government Code.

### 5.2 Eligible Implementation Activities ⓘ

Implementation Grant Applications will utilize Strategies and Projects, all Transformative Elements, and all applicable Program Policy Priorities as part of their proposal. All sections of these Guidelines, except for [Section 3](#) and [Section 4](#), include requirements for Implementation Grant Applicants. Please read all sections closely.

- Transformative Elements
- Strategies and Projects for Community Climate Resilience
- Pre-development costs
- Basic Environmental Infrastructure

### 5.3 Developing an Implementation Proposal ⓘ

Implementation Grants contain the most robust requirements out of the three grant types. Applicants considering an Implementation Grant should begin planning early and should expect to invest a significant amount of time in the application process. Applicants should begin by identifying priority community needs and projects that respond to those needs through a community planning and visioning process. Applicants should also review the threshold requirements when applying for an Implementation Grant. All Implementation Grant applicants are required to work with third-party Technical Assistance providers to receive direct assistance on their application. Note that applicants who apply for an Implementation Grant may be considered for the Project Development Grant if TCC staff determines their application is not competitive as an Implementation Grant proposal.

We strongly encourage collaboration with community members and organizations for innovative and impactful projects even if they do not neatly fit into one single strategy or may have

activities that touch on multiple strategies within these guidelines. Please work closely with your Technical Assistance provider to identify projects and activities that represent community priorities.

## Section 6. Eligibility

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Each application must include an eligible Lead Applicant, partnerships with eligible Co-Applicants, and an eligible Project Area.

### 6.1 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, councils of governments, and California Native American Tribes.<sup>3</sup>



Corporate entities are not eligible Lead Applicants.

#### Past Awardees

Organizations awarded a TCC Implementation Grant in previous funding rounds are eligible to re-apply as the Lead Applicant only if they demonstrate sufficient capacity to administer both grants simultaneously and the Project Areas are distinct. Organizations from the same jurisdiction are also eligible to apply, and project partners on current grants may apply as Lead Applicants or be included in applications.

#### Eligible Co-Applicants

 For Planning Grants, 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.

  For Project Development and Implementation Grants, multiple Co-Applicants are required.

Priority in scoring will be given to applications that demonstrate strong and diverse partnerships rooted in the community. Given the highly localized and community-driven nature of the TCC Program, the composition of partnerships will be evaluated within their local, community context. Applicants will be required to submit an explanation of the partnership structure and roles and responsibilities of each partner.

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](#).

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<sup>3</sup> Native American Heritage Commission (NAHC). NAHC Tribal Consultation Policy. <http://nahc.ca.gov/wp-content/uploads/2020/09/Signed-NAHC-Tribal-Consultation-Policy.pdf>

Corporate entities are eligible Co-Applicants.

## Public Agency Support

Either the Lead Applicant or one of the Co-Applicants must be a relevant public agency. In most cases, this will mean that an application that includes an unincorporated area will need the support of the relevant county or counties, an application that includes an incorporated area will need the support of the relevant city or cities, and an application from a tribal territory will need the support of the relevant tribal government(s).

In some cases, particularly for Planning Grants, the appropriate public agency may differ from the one listed above, depending on the scope of activities proposed. The most relevant agency may instead be a transportation agency, Special District, Community Services District, regional air quality district, or another public agency. Applicants must identify the most relevant public agencies and demonstrate that they have the support and involvement of all public agencies necessary to carry out the grant activities and any future implementation activities that may result from TCC-funded activities.

Any Applicant whose Project Area crosses municipal boundaries, federally recognized tribal territory boundaries, or similarly relevant jurisdictional boundaries must have the support of the relevant public agency for each portion of the Project Area, as described above. At a minimum, one of these public agencies must be a Co-Applicant. Please see “Collaborative Agreements” below for more information on this requirement.

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 Grant, and authority to execute all related documents if awarded.<sup>4</sup> California Native American Tribes serving as Lead Applicant may instead provide a letter from a Tribal Councilperson to the same effect. If the proposal is chosen for award, a passed formal resolution will be required before the grant can be executed.

If the public agency is a Co-applicant, then the Applicant must provide a letter from the public agency that demonstrates the agency’s support for the TCC Proposal and commits the agency to its proposed role in the Proposal. The public agency should receive funding through the grant to, at a minimum, have staff engage in the TCC Collaborative Stakeholder Structure and support coordination and implementation between Collaborative members and the public agency. If the TCC Proposal does not include TCC funding for the public agency Co-Applicant, the public agency must still be included in the work plan and must quantify and document the staff hours it will donate to the TCC Grant. For Implementation Grants, these staff hours must be documented in the budget as leverage funds and will be subject to all reporting requirements for leverage funding.

More than one public agency may serve as Co-Applicants. If multiple departments within one public agency are involved in the grant, they may either participate as individual Co-Applicants

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<sup>4</sup> A lesson learned from previous grant cycles is to include this streamlining measure - to allow the Lead Applicant to execute agreements without the need to bring the agreement back for Council or Board approval. Otherwise, the final grant execution stage can extensively delay the project start date.



or as a single Co-Applicant. In either case, only one letter or resolution (whichever is applicable) per agency is required.

## Consistency with Existing Local Land Use and Transportation Plans

Applicants must demonstrate that TCC planning proposals are consistent with all relevant land use plans such as climate action plans, designations, zoning, building intensity and density requirements, design guidelines, and applicable goals, policies, and programs. Further, throughout the period of the grant agreement, applicants must ensure continuing consistency with the plans referenced in and underlying the application. Consistency shall be demonstrated by submittal of letters from the local jurisdiction's Planning Department and Public Works Department, or equivalents, describing the TCC proposal's consistency with all relevant plans as described above. This requirement can be met with individual letters from each department, one combined letter signed by both departments, or a letter from an individual with authority over both departments (such as a City Manager). Applicants must demonstrate that the TCC Proposal is consistent with local growth and conservation planning elements and will not result in unmanaged greenfield or leapfrog development. Note that TCC planning proposals may also include efforts to revise land use plans consistent with the jurisdiction's goals and policies.

Any Applicant whose Project Area crosses municipal boundaries, federally recognized tribal territory boundaries, or similarly relevant jurisdictional boundaries must provide letters from all relevant departments.

## 6.2 Collaborative Agreements

### All Grant Types

Partnership and collaborative governance are key components of all TCC grants. The degree of formality in partnerships varies across grant types.

### *Memorandum of Understanding for Multiple Jurisdictions*

Any Applicant whose Project Area crosses municipal boundaries, federally recognized tribal territory boundaries, or similarly relevant jurisdictional boundaries is required to submit a draft, signed Memorandum of Understanding (MOU) that outlines how relevant public agencies and tribal governments who collectively have jurisdiction over the entire Project Area in the will execute and manage the grant.

The draft MOU must, at a minimum, define the following:

- Arrangement and commitment of full-time equivalent positions from each public agency and/or tribal government to implement the TCC grant including implementing capital projects, conducting planning activities, developing and implementing policies, and participating in collaborative governance.
- Systems designed to coordinate successful execution of the TCC grant. This should include the responsibilities, expectations, communication systems, staffing plans, and adequate budget for each entity.

- Public agency or tribal government responsible for leading coordination among government entities, including resolving any challenges arising from having multiple jurisdictions contained within the Project Area. This entity may be the Lead Applicant, a Co-Applicant, an independent project manager contracted by the Lead Applicant, or another appropriate arrangement.

All TCC MOUs may be submitted as drafts (non-executed) as long as they include signatures from all proposed relevant parties to demonstrate agreement on the draft terms. If awarded, SGC may request changes to the terms of the MOU during the Post-Award Consultation Process. The MOU must then be executed during the Post-Award Consultation Process before the Grant Agreement is signed.

For Planning Grant Applicants only, Letters of Commitment from each relevant public agency can replace an MOU at the time of application. However, an MOU will be required before the grant is executed. The letters must state that the agency:

- Is aware of the TCC Planning Grant Application and the requirements in these Guidelines
- Intends to sign and execute an MOU that complies with the above terms if the Application is selected for an award

## Planning Grants

As part of the narrative questions in the Application, Planning Grant Applicants must submit an explanation of the partnership structure and roles and responsibilities of each Partner (Co-Applicant). This does not need to be in the form of an MOU.

## Project Development and Implementation Grants

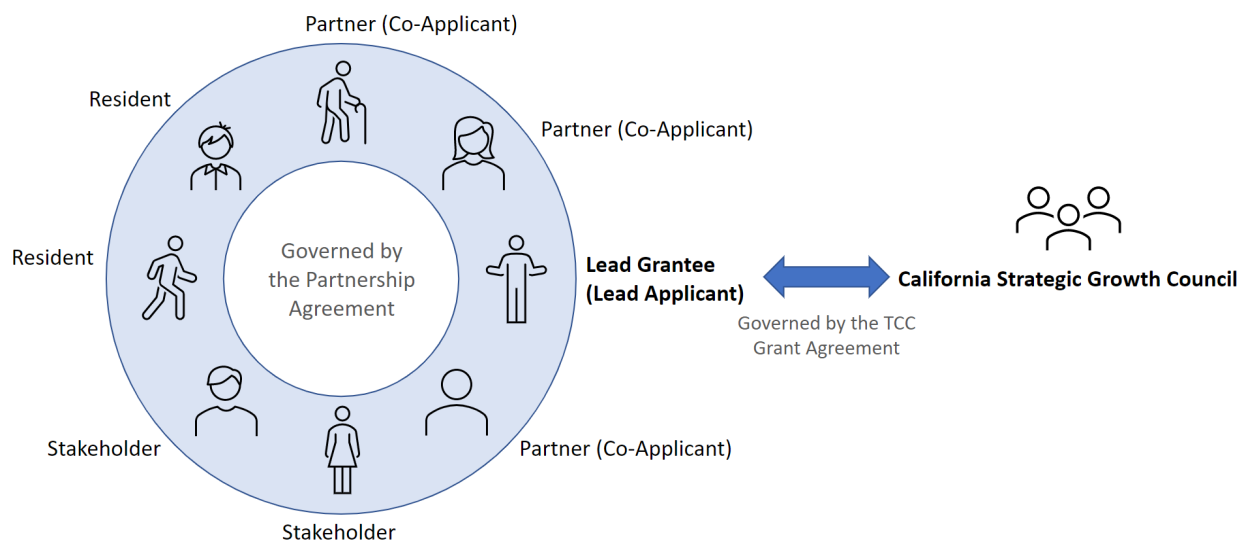
For Project Development and Implementation Applicants, the Lead Applicant and all Co-Applicants must form a Collaborative Stakeholder Structure to develop and submit one (1) application. The Collaborative Stakeholder Structure also should include residents and community-nominated members such as community-based organizations that are not Co-Applicants. The inclusion of residents and/or other community-nominated members in the Collaborative Stakeholder Structure is a requirement that can only be waived if there are extenuating circumstances and approval is granted by SGC. Applications will be evaluated on the degree to which they incorporate community leadership. Applicants are highly encouraged to provide stipends for residents who participate in the Collaborative Stakeholder Structure, which is an eligible cost under the Community Engagement Plan.

All Applicants must develop a Partnership Agreement that outlines the Collaborative Stakeholder Structure (Figure 3). For Applicants with project areas that cross multiple jurisdictions, the Applicants may either submit the Partnership Agreement separately from the required MOU for Multiple Jurisdictions, or submit an all-encompassing MOU that defines both the governance structure of the a) TCC Project Area with multiple jurisdictions, and b) TCC Collaborative Stakeholder Structure.

### Partnership Agreement

The Partnership Agreement, signed by the Lead Applicant and all Co-Applicants, 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 10.1](#).

**Figure 3. Collaborative Stakeholder Structure**



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, define 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\*;

- Process for involving community representatives and community-based organizations in decision-making; and
- If Tribes are included as Lead Applicants or Co-Applicants, Tribes' sovereign status should be respected and upheld through the development of the Collaborative Stakeholder Structure. The Partnership Agreement should additionally outline measures that will be taken to protect the confidentiality of Tribal data and Traditional Ecological Knowledge collected or shared as part of grant activities.

*\*If a Proposal is led by a Tribal community, requirements for “public” meetings and sharing of information should be interpreted to apply to that Tribal community, not to the public beyond that community.*

The Partnership Agreement will be a Memorandum of Understanding (MOU). At the time of application, the MOU may be submitted as a draft (non-executed) but should include the signatures of all relevant parties to demonstrate approval. If awarded, SGC may request changes to the terms of the MOU during the Post-Award Consultation Process. The MOU will then be executed before the Grant Agreement is signed.

For Project Development or Implementation Grant Applicants who also need to submit an MOU since their Project Area crosses relevant boundaries, Applicants may either submit the MOU for Multiple Jurisdictions separate from the required Partnership Agreement or submit an all-encompassing MOU that defines the governance structure for both the a) TCC Project Area that crosses boundaries, and b) TCC Collaborative Stakeholder Structure.

### **California Native American Tribes**

The Collaborative Stakeholder Structure should be designed to fit the unique circumstances and existing relationships of a community. The Collaborative Stakeholder Structure should be designed to meet the overall goals of collaborative governance and accountability to the relevant community but should be appropriate for the specific dynamics within that community.

If a California Native American Tribe is the Lead Applicant on a Proposal, the Tribe may request modifications, with justification, to one or more requirements of the Collaborative Stakeholder Structure and/or Partnership Agreement, if the Proposal sufficiently complies with the overall goals of these requirements. These requests will be considered on a case-by-case basis during the Post-Award Consultation Process.

## **6.3 Applicant Capacity**

### **All Grant Types**

Each Lead and Co-Applicant must provide a Letter of Commitment and describe the full or part-time staff dedicated to planning in the proposed Work Plan and Budget.

### **Project Development Grants**

Applicants that include construction of basic infrastructure must provide sufficient information to demonstrate their management and financial capacity. Lead and Co-Applicants must demonstrate the ability to oversee, manage, and implement large infrastructure projects:

To demonstrate management capacity, the Lead and Co-Applicants must provide evidence of the Lead Entity having successfully implemented a similar project within the last 10 years, describe the full or part-time staff dedicated to 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 Entity. To demonstrate financial capacity, the Lead and Co-Applicants must provide a current annual organizational budget and recent financial statements, as specified in the application.

## Implementation Grants **I**

Applicants must provide sufficient information to demonstrate their management and financial capacity to implement the grant and/or provide fiscal sponsorship for participating organizations:

### ***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. The Lead and Co-Applicants also must possess the capacity to implement the partner coordination, community outreach, evaluation, and reporting components critical to the grant.

To demonstrate management capacity, the Lead and Co-Applicants must:

- Identify the Lead Applicant or Co-Applicant responsible for leading the implementation of each Project or Transformative Plan (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.

Based on previous TCC Grantees, the Lead Applicant should allocate no less than two full-time staff dedicated to implementing the TCC project, and Co-Applicants should allocate sufficient capacity to grant administration and coordination depending on the size and complexity of the project.

### ***Financial Capacity***

Lead Applicants and Co-Applicants must possess the financial capacity to adhere to the reimbursement processes of the TCC Program as defined by the Partnership Agreement. See [Section 10.3](#) 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 is required to enclose it in the application in an official letter.

### ***California Native American Tribes***

California Native American Tribes are exempt from submitting any financial management information that violates their data sovereignty. A Tribe that chooses not to submit any of the documentation described in this section must adequately demonstrate, through other documentation, that they have sufficient management and financial capacity to fulfill their proposed role in the TCC Grant. Technical Assistance providers support the Tribe in identifying and submitting alternative forms of documentation. SGC will determine whether the submitted documentation sufficiently meets this requirement.

## **6.4 Project Area Eligibility**

Applicants must define a contiguous Project Area according to the criteria below. Proposed Project Areas should be comprised of a defined community or neighborhood that demonstrates the need for integrated infrastructure and connectivity planning and implementation.

Project Areas for Implementation Grants are limited to approximately five square miles (5 mi<sup>2</sup>) in urbanized areas, and to 10 square miles (10 mi<sup>2</sup>) in rural areas. See "Implementation Grants" below for definitions of urban and rural. Project Areas for Planning and Project Development Grants have no maximum area. Project Areas may be any shape.

### **All Grant Types**

Applicants must define a contiguous Project Area comprised of disadvantaged communities per these guidelines. Project Areas may be located in eligible incorporated, unincorporated, and tribal areas. Project Areas may be any shape and do not need to follow census tract boundaries. Applicants must provide a description and map of the Project Area that demonstrate it meets all requirements below. Applicants can use the TCC Mapping Tool to design an eligible Project.<sup>6</sup>

Applicants with Project Areas that cross municipal boundaries, federally recognized tribal territory boundaries, or similarly relevant jurisdictional boundaries will be required to submit a Memorandum of Understanding (MOU) as outlined in [Section 6.2](#).

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<sup>6</sup> Governor's Office of Planning and Research (OPR) and California Strategic Growth Council (SGC). Disadvantaged Communities Mapping Tool for TCC. Version 1 for Public Comment, last updated November 15, 2021.

<https://gov-opr.maps.arcgis.com/apps/webappviewer/index.html?id=aad5277a3ff14f64a4e9db7368077887>

***Priority Populations – Incorporated Areas and Tribal Territories***

At least 51 percent (51%) of the Project Area must overlap with incorporated areas or tribal territories in census tracts designated as disadvantaged through one or more of the following criteria:

- Within the top 25 percent (25%) of disadvantaged communities per CalEnviroScreen (CES) 4.0
- Census tracts scoring in the top 5 percent (5%) of the Pollution Burden indicator but without an overall CES 4.0 score due to unavailable or unreliable data.
- Within the top 25 percent (25%) of disadvantaged communities per CES 3.0
- All areas within federally recognized tribal boundaries in California<sup>7</sup>

The remaining 49 percent (49%) or less of the Project Area must meet these same criteria or be a low-income community as defined by AB 1550.<sup>8</sup>

While Rounds 4 and 5 expand eligibility to the top 25 percent (25%) of disadvantaged communities per CES, SGC will prioritize investment in California's most "disadvantaged" communities (please see "Investing in Priority Populations" in [Section 1.4](#) for additional context regarding this term). Applicants will be asked to explain how the Project Area meets the goals of the TCC program and justify why the Project Area was selected over other eligible areas, particularly areas with higher CES scores (if applicable). SGC reserves the right to prioritize investment in the most disadvantaged communities.

***Priority Populations – Unincorporated Areas***

Beginning in Round 4, eligibility for Implementation Grants was extended to disadvantaged unincorporated communities (DUCs).<sup>9</sup>

In unincorporated areas, at least 51 percent (51%) of the Project Area must overlap with eligible DUC areas. Applicants from unincorporated areas may establish eligibility through one or a combination of the following methods:

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<sup>7</sup> All areas within federally recognized tribal boundaries in California, particularly tribal land held in trust and restricted fee lands. Land owned by a tribal member that does not constitute trust land or restricted fee land may qualify under other TCC priority population criteria.

<sup>8</sup> California Environmental Protection Agency. California Climate Investments to Benefit Disadvantaged Communities.

<https://calepa.ca.gov/envjustice/ghginvest/>

<sup>9</sup> For additional information on the staff consultation and research process that informed the TCC DUC eligibility criteria and development of the DUC spatial data analysis included in the TCC Mapping Tool, please see:

California Strategic Growth Council. June 29, 2021. Staff Report: Transformative Climate Communities – Investment Framework for Disadvantaged Unincorporated Communities.

[https://sgc.ca.gov/meetings/council/2021/docs/20210629-TCC\\_DUC\\_Staff\\_Report\\_June\\_2021.pdf](https://sgc.ca.gov/meetings/council/2021/docs/20210629-TCC_DUC_Staff_Report_June_2021.pdf)



- Verified DUC status through the Local Agency Formation Commission (LAFCo) or another public agency, AND located within disadvantaged communities designated census tracts per CalEnviroScreen (top 25%).
- Eligible location per the TCC Mapping Tool<sup>10</sup> that overlaps with ALL the following criteria:
  - Project Area contains at least one cluster of unincorporated parcels at a density threshold of 250 parcels per square mile, OR at least one census designated place with a total population of at least 250 residents per the United States Census,<sup>11</sup>
  - Disadvantaged communities census tract per CES (top 25%), and
  - Hard-to-count census block group (score of 57 or higher) per the California Hard-to-Count Index (CA-HTC).
- Self-identified DUC that justifies designation with localized data that identifies population characteristics defined by a neighborhood-level assessment. Local data should demonstrate that the community faces both 1) a pollution or environmental burden, 2) socioeconomic factors designating the community as disadvantaged (see [Appendix A](#) on the use of the term “disadvantaged”), and 3) sufficient density (at least one cluster of unincorporated parcels at a density threshold of 250 parcels per square mile, or at least 250 residents per the United States Census). Data may be quantitative, qualitative, or both. SGC will offer the option to pre-approve local data submissions so that Applicants can be sure that their proposed local data submission satisfies these requirements. More detailed guidance on these data requirements will be provided with the Application Instructions. Examples of local data include but are not limited to:
  - Environmental Justice Element of General Plans
  - Climate Action Plans
  - Locally prepared reports
  - Qualitative Data

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<sup>10</sup> Due to unreliable data on DUCs, staff developed a spatial data tool to assist applicants from unincorporated areas with determining eligibility for the TCC Program. See OPR and SGC’s GIS Story Map, Identification of Disadvantaged Unincorporated Communities for TCC, for a full explanation of the data layers in the TCC Mapping Tool:

<https://gov-opr.maps.arcgis.com/apps/MapSeries/index.html?appid=b7a5970e92924362be70a809d04d0a67>

<sup>11</sup> Because Mobile Home Parks are usually clustered together on a single parcel instead of having their own parcel, they are not captured by the parcel density analysis. TCC will accept localized data on mobile home parks that meet thresholds during the application phase.

Certain disadvantaged unincorporated communities may not all be captured by the parcel density analysis, due to the data layers used. TCC will consider localized data and other DUC designation justifications during the application phase, as described in this section.



- Previous TCC Planning Grant recipients that included unincorporated areas within their Project Area. The proposed Project Area must fall within the TCC Planning Grant's Project Area.

The remaining 49 percent (49%) or less of the Project Area must meet one of these criteria or be a low-income community as defined by AB 1550.

### ***Priority Populations – Multiple Jurisdictions***

A Project Area may contain any combination of incorporated areas, unincorporated areas, and federally recognized tribal territories if the following criteria are met:

- Each type of land (incorporated, unincorporated, tribal territory) within the Project Area must meet the eligibility criteria specific to that land type as described above. Each type of land (incorporated, unincorporated, tribal territory) must meet the requirement of at least 51% designated as disadvantaged per the relevant eligibility criteria.
- Each area within the Project Area must be represented by an appropriate public agency or tribal government (e.g., city, county government, local agency, or a tribal government) as a signatory on an MOU as described in [Section 6.2](#).
- To ensure that the grant can be successfully executed within the grant term, Applicants must submit a Memorandum of Understanding (MOU) that defines the terms outlined in [Section 6.2](#).
- Applicants must submit letters of support and commitment from all relevant public agencies and tribal governments included in the Project Area. As described under Applicant Eligibility, if the Lead Applicant is a public agency, they must provide evidence of a passed formal resolution in the TCC Proposal.
- Applicants must demonstrate during the application process that they have identified and are prepared to address any obstacles associated with a Project Area that spans multiple jurisdictions.

### ***California Native American Tribes***

California Native American Tribes may request modifications to these Project Area requirements, with justification, if the following requirements are met:

- The proposed Project Area is aligned with the intent and Program Objectives of the TCC program and will be conducive to effective execution of the TCC Proposal
- The Application must still have involvement of the relevant entities necessary for project implementation during the life of the grant and for any implementation activities that result from the TCC grant. This means that if a California Native American Tribe proposes a Project Area that includes land over which the Tribe does not have direct land use authority, the Application will still require the support of the necessary non-Tribal public agencies.

If a request is submitted to SGC during the application period, SGC will consider the request and work with the Tribe and the Technical Assistance provider to agree on a Project Area that meets the above goals so that the Applicant can be sure that the Proposal will be eligible. If the

request is not submitted until the Application deadline, this process will occur during the Post-Award Consultation Process if the Application is selected for an award.

## Planning Grants and Project Development Grants

Applicants must submit a map of the Project Area that will be the focus of the application's activities. There is no maximum area size, but proposed Project Areas should be comprised of a defined community or neighborhood that demonstrates the need for integrated infrastructure and connectivity planning.

## Implementation Grants

Applicants in urbanized areas must define a contiguous Project Area that is no larger than approximately five square miles (5 mi<sup>2</sup>).

Applicants in rural areas, as defined by the CA Health & Safety Code § 50199.21 (2017),<sup>12</sup> must define a contiguous Project Area that is no larger than approximately ten square miles (10 mi<sup>2</sup>).

### *Past Awards*

Project Areas proposed in Round 5 may not overlap with Project Areas from previous TCC Implementation Grant awards. However, proposed Project Areas may fall within the same municipal boundaries, federally recognized tribal territory boundaries, or similarly relevant jurisdictional boundaries as previous TCC Planning Grant awards.

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<sup>12</sup> “‘Rural area’ for the purpose of this chapter and Sections 17058 and 23610.5 of the Revenue and Taxation Code, means an area, which, on January 1 of any calendar year satisfies any of the following criteria:

(a) The area is eligible for financing under the Section 515 program, or successor program, of the Rural Development Administration of the United States Department of Agriculture.

(b) The area is located in a nonmetropolitan area as defined in Section 50090.

(c) The area is either (1) an incorporated city having a population of 40,000 or less as identified in the most recent Report E-1 published by the Demographic Research Unit of the Department of Finance, or (2) an unincorporated area which adjoins a city having a population of 40,000 or less, provided that the city and its adjoining unincorporated area are not located within a census tract designated as an urbanized area by the United States Census Bureau. The department shall assist in determinations of eligibility pursuant to this subdivision upon request. With respect to areas eligible under subdivision (b) and this subdivision, the committee may rely upon the recommendations made by the department. Any inconsistencies between areas eligible under subdivisions (a) and (b), and this subdivision, shall be resolved in favor of considering the area a rural area. Eligible and ineligible areas need not be established by regulation.”

(Amended by Stats. 2007, Ch. 596, Sec. 12.5. Effective January 1, 2008. Conditionally inoperative as provided in Section 50199.18.)

## Section 7. Program Policy Priorities

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### 7.1 Program Policy Priorities: All Grant Types



#### Consistency with Existing Local Land Use and Transportation Plans

Applicants must demonstrate that TCC planning proposals are consistent with all relevant land use plans, such as climate action plans, designations, zoning, building intensity and density requirements, design guidelines, and applicable goals, policies, and programs. Consistency shall be demonstrated by submittal of letters from the local jurisdiction's Planning Department and Public Works Department, or equivalents, describing the TCC proposal's consistency with all relevant plans as described above. This requirement can be met with individual letters from each department, one combined letter signed by both departments, or a letter from an individual with authority over both departments (such as a City Manager). Applicants must demonstrate that the TCC Proposal is consistent with local growth and conservation planning elements and will not result in unmanaged greenfield or leapfrog development. Note that TCC planning proposals may also include efforts to revise land use plans consistent with the jurisdiction's goals and policies.

Any Applicant whose Project Area crosses municipal boundaries, federally recognized tribal territory boundaries, or similarly relevant jurisdictional boundaries must provide letters from all relevant departments.

#### High Speed Rail Connectivity

**This section only applies 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 Project Area includes the following in its proposal:

- Multimodal connectivity to the High-Speed Rail station area, including pedestrian, active transportation, and complete streets improvements that encourage dense mixed-used development within the station area;
- Affordable and mixed-income housing (if proposed) is connected and accessible to the High-Speed Rail station area; and
- Support community engagement on station area design and implementation.

## 7.2 Program Policy Priorities: Implementation Grants **I**

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

### **Access to Basic Infrastructure, Regional Services, and Job Centers**

Applicants must demonstrate that the TCC investment will provide long-term benefits to the community. Applicants must demonstrate that residents in the proposed TCC Project Area have existing access or have developed plans and secured support/funding to implement:

- Basic environmental infrastructure including water supply and wastewater services, with long-term operations and maintenance plans, in compliance with State Water Board standards; and
- Transit connectivity to regional service hubs and major job centers through affordable, clean transportation projects.

SGC recognizes that the lack of this infrastructure is an existing barrier in many disadvantaged communities. TCC staff and technical assistance providers will work with potential Applicants during the pre-proposal phase to help make connections to other funding programs or resources that may help them meet the minimum requirements. Applicants can request up to 10% of requested funds to support projects connecting residents to basic environmental infrastructure, including water, wastewater, waste disposal, and pollution control infrastructure. Please see [Appendix F](#) for a list of resources to support applicants in meeting this requirement.

### **Air Pollution Reduction and Mitigation Policies**

The TCC program will provide points for applications located in jurisdictions that have demonstrated substantial progress towards preventing future and mitigating existing stationary sources of localized air pollution by adopting policies or programs that rectify environmental justice issues. Points may also be awarded to applications that will reduce or mitigate pollution through their proposed TCC-funded strategies and projects.

Examples of policies and programs that reduce or mitigate sources of pollution include, but are not limited to, the following: enforcement programs ensuring compliance with point-source emission limits; programs with clear implementation actions related to reducing pollution from existing heavy industries; and land use restrictions associated with separating polluting land uses from sensitive receptors. For these policies to be eligible, each policy must include clear implementation actions and timelines, or dedicated activities related to the passage of such policies or programs. A list of qualifying Air Pollution Reduction and Mitigation policies are listed in [Appendix E](#).

## Prohousing Policies

The TCC program will provide maximum points for applications located in jurisdictions awarded Prohousing Designation by the Department of Housing & Community Development (HCD).<sup>13</sup> Partial points will be awarded to applications from jurisdictions that have applied for Prohousing and while not receiving the designation yet, have been determined by HCD to have adopted the VMT-reducing Prohousing criteria. A list of VMT-reducing Prohousing policies that qualify as Prohousing policies and further information on the Prohousing program are listed in [Appendix D](#).

The Prohousing policy incentive will not apply to applications located in federally recognized tribal boundaries, and the TCC program will provide maximum points in this category for those applications.

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<sup>13</sup> <https://www.hcd.ca.gov/planning-and-community-development/prohousing-designation-program>

## Section 8. Grant Activities

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### 8.1 Grant Activities

#### Planning Grants

Planning Grant Applicants will propose activities that align with the intent of the Planning Grant ([see Section 3](#)) and abide by the eligible and ineligible costs below. Planning Grants do not fund infrastructure.

#### Project Development Grants

Project Development Grant Applicants will propose activities that are in accordance with the intent of the Project Development Grant ([see Section 4](#)) and abide by the eligible and ineligible costs below. Project Development Grants fund predevelopment costs.

#### Implementation Grants

Project Development Grant Applicants are required to propose Projects, Transformative Elements, and basic environmental infrastructure (if necessary) in accordance with the TCC Program Framework ([see Section 2](#)).

## 8.2 Eligible and Ineligible Costs

### All Grant Types

#### *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 costs for project management and grant administration, labor, subcontracts, equipment costs, supplies, translation or interpretation, peer-to-peer learning opportunities, 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<sup>14</sup>, except for “incidentals” and out-of-state travel, which will not be reimbursable under this grant.
- Subcontractor procurement processes must adhere to local requirements.

The following costs associated with community engagement and outreach are considered eligible, in keeping with the program’s objectives of increasing access and accountability to

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<sup>14</sup> California Department of Human Resources. *Travel Reimbursements*. <http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>

disadvantaged communities, and recognizing that public participation in community engagement activities is a benefit to the project and public:

- Translation and interpretation for meetings and written materials
- Participant compensation that is an exchange of payment for services rendered in the development of community work products, and appropriately documented with deliverables such as sign in sheets or written surveys.
- Provision of transportation services for community residents, such as a vanpool.
- Provision of childcare services for community residents.
- Food and refreshments that are determined to be an integral part of the event. Examples of activities where it would be appropriate to approve food purchase would include a design charrette held in the evening, where the meal is consumed as part of the event and replaces a meal otherwise missed by attending the event.

### ***Pre-Development Costs***

Pre-development costs include, but are not limited to, community engagement costs to support project readiness; 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. These may account for up to ten percent (10%) of Implementation Grant proposals, and there is no limitation for Planning or Project Development Grant proposals.

### ***Basic Environmental Infrastructure Costs***

Costs include infrastructure that supports clean water supply systems, wastewater systems, waste disposal systems, and pollution control systems. These may include both consolidated and dispersed systems. These may account for up to ten percent (10%) of Implementation Grant proposals or up to eighty-eight percent (88%) of Project Development Grant proposals.

### ***Indirect Costs***

Indirect costs may account for up to twelve percent (12%) of the total TCC grant award, minus any funds for equipment purchases with a per unit cost of \$5,000 or more. The 12% maximum of indirect cost applies to all entities including the University of California (UC) and California State University (CSU) entities, except for California Native American Tribes, who may request a higher indirect cost rate, provided the applying California Native American Tribe substantiates the rate with supporting documentation.

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 (functions such as accounting, budgeting, audits, business services, information technology, janitorial, rent, utilities, supplies, etc.).

Documentation related to the determination of the Grantee's indirect cost rate must be retained by the Grantee for audit purposes.

### ***Reasonableness***

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

- 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.

### **Ineligible Costs**

The following costs are ineligible under the TCC Program:

- Exceeding cost caps for pre-development, basic infrastructure, indirect costs, and the transformative plans.
- The following costs associated with community engagement and outreach:
  - Direct cash benefits or subsidies to participants.
  - Alcoholic refreshments.
  - Participant incentives, such as door prizes, which are unrelated to specific community work products.
  - General Meetings that do not specifically discuss or advance implementation of the TCC Project
- 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 awarded TCC Project implementation;
- 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;
- Stewardship of legal defense funds; and
- Costs associated with automobile or motorcycle parking (excluding electric vehicle charging infrastructure that may be located at a parking spot).

The following project characteristics will result in ineligibility:

- Projects without logical termini<sup>15</sup> or independent utility<sup>16</sup>;
- Projects that are acquisition only<sup>17</sup>;
- Projects that result in a net loss or conversion of agricultural or other working lands, or natural resource lands for other uses unless the project is within a DUC or tribal boundaries;<sup>18</sup>

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<sup>15</sup> 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](https://www.environment.fhwa.dot.gov/legislation/nepa/guidance_project_termini.aspx)

<sup>16</sup> 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.

<sup>17</sup> 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 Land Acquisition for Neighborhood Stabilization 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.

<sup>18</sup> With the exception of projects under Strategy 1: Equitable Housing and Neighborhood Development, which are subject to Affordable Housing and Sustainable Communities (AHSC) Program Guidelines, TCC will consider proposals that entail construction on prime agricultural, working, or natural resource lands for unincorporated areas and areas within federally-recognized tribal boundaries, provided that said

- 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 long-term operations and maintenance plans;
- Projects that fund additional parking infrastructure or other infrastructure that may induce demand for parking or lead to an increase in regional Vehicle Miles Traveled (VMT); 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.

## 8.3 Cost Breakdowns P D I

Each grant type must abide by the following cost categories.

### Planning and Project Development Grants P D

**Table 1. Planning and Project Development Grants Cost Breakdown**

Eligible Costs	Percent of Grant Award
Direct Project Costs and Pre-Development Costs	At least 88%
Indirect Costs	Up to 12% **
<b>TOTAL</b>	<b>100%</b>

### Implementation Grants I

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

**Table 2. Implementation Grants Cost Breakdown**

Eligible Costs	Percent of Grant Award
Direct Project Implementation Costs* (including basic environmental infrastructure and construction contingency)	At least 62% (Up to 10% of overall TCC Grant Award may go to basic environmental infrastructure) (Up to 10% may be for Contingency)
Pre-Development Costs	Up to 10% (10% of an individual Project**)
Indirect Costs	Up to 12% ***
Transformative Elements	Up to 16% (see next section)
<b>TOTAL</b>	<b>100%</b>

proposals demonstrate (i) that construction would not have an adverse impact on the region's agricultural, labor, environmental, or economic resources, and (ii) that the proposal does not contradict the state's Planning Priorities, including promoting infill development, preserving agricultural lands, and encouraging location and resource-efficient new development.

*\* Eligible direct costs are defined for each Strategy in [Appendix B](#). Contingency costs subject to staff approval.*

*\*\* Subject to TCC staff approval, Applicant may increase to 20% for an individual project. However, Applicant must prove that the project will meet readiness requirements within one year.*

*\*\* California Native American Tribes may request a higher indirect cost rate, provided the applying California Native American Tribe substantiates the rate with supporting documentation.*

The Lead and Co-Applicants must ensure sufficient resources are allocated to grant administration, which includes indicator tracking in addition to grant invoicing and reporting. Based on previous TCC awards, the program recommends allocating 2 to 3 percent (2-3%) of direct costs to indicator tracking activities required for the grant, which includes data collection and participation in focus groups and interviews. Additionally, funding is available for peer-to-peer learning. Lead and Co-Applicants must budget for travel costs and staff time to engage in these opportunities.

## 8.4 Strategies and Projects: Implementation I

The following section outlines requirements and eligible costs specific to Implementation Grants. Planning and Project Development Grants fund the costs described above and in [Section 3](#) and [Section 4](#), respectively.

Implementation Grant 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 and propose Projects that advance those Strategies. Strategies should be thoughtfully selected and integrated to best meet the community's needs. Project activities eligible for funding under each Strategy are outlined in [Appendix B](#). The majority of the TCC grant award (at least 62%) will be allocated to direct implementation costs for Projects under these Strategies.

1. Equitable Housing and Neighborhood Development
2. Land Acquisition for Neighborhood Stabilization
3. Transit Access and Mobility
4. Solar Installation, Energy Efficiency, and Appliance Electrification
5. Water Efficiency and Resiliency
6. Recycling, Composting, and Waste Reduction
7. Urban Greening and Green Infrastructure
8. Health Equity and Well-Being
9. Indoor Air Quality

- 10. Community Microgrids
- 11. Brownfield Redevelopment

## Projects

Applicants must develop Projects using eligible elements, outlined for each Strategy in [Appendix B](#). Applicants also must ensure Projects meet the following threshold requirements:

- 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. Quantifiable elements are indicated with an asterisk (\*) in [Appendix B](#).

### *Readiness Requirements*

Readiness requirements include California Environmental Quality Act (CEQA) documentation, site control, permits, project maps and designs, project schedules, 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](#).

## 8.5 Transformative Elements

### Transformative Elements Overview

In addition to selecting Strategies and developing Projects, Implementation Grant 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.

Planning Grant applicants must explain how the planning process furthers a neighborhood's ability to address one or more of the Implementation Grant's six (6) Transformative Elements. Please see [Section 3](#) for more information on Planning Grant requirements.

Project Development Grant applicants also must explain how the predevelopment and/or basic infrastructure funding proposal will further the neighborhood's ability to address the TCC

Transformative Elements. Please see [Section 4](#) for more information on Project Development Grant requirements. The six (6) Transformative Elements are:

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

Below is a brief description of the Transformative Elements, including goals and expectations for each Element. Specific information about eligible activities, eligible costs, and additional requirements can be found in [Appendix C](#). Best practices and activities aligned with the six (6) Transformative Elements, but that do not directly support the implementation of a holistic Transformative Element plan, can and should be considered for inclusion in an Applicant's chosen Strategies and Projects (i.e., Transformative Elements themes, such as workforce development and community engagement, can appear in projects and don't need to be limited to the Transformative Plans).

- Some Transformative Elements may be paid for with grant funds, and others are integrated into the proposal or require outside funding.
- For Implementation Grants, 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.

**Table 3. Transformative Elements Percentage Breakdown Required for all Implementation Grants**

<b>Transformative Elements <sup>I</sup></b>	<b>Percent of TCC Grant Award (Total = Up to 16% of TCC Grant Award)</b>
Data Collection and Indicator Tracking	3% required
Community Engagement (including Displacement Avoidance)	Up to 8%*  Up to 3% of the total TCC Grant Award may be used for the displacement avoidance activities.  The sum of Community Engagement Plan and Displacement Avoidance Plan funds is capped at 8% of the TCC Grant Award.*
Workforce Development and Economic Opportunities	Up to 5%
Climate Adaptation and Resilience	None - No grant funds may be allocated, but applicants must incorporate adaptation and resilience measures into their proposed infrastructure project
Leverage Funding	None – Grantee must leverage additional funding sources that equate to at least 50% of the total grant award

*\*Funding requests that exceed the eight percent (8%) cap will be reviewed on a case-by-case basis during the Post-award Consultation.*

## 1. Data Collection and Indicator Tracking <sup>I</sup>

**Applicants must allocate a minimum of three percent (3%) of their budget for data collection and indicator tracking as follows:**

- Three percent (3%) will be used to hire a pre-qualified third-party Evaluation Partner, which will assist with tracking and documenting the TCC Project's progress and impact (please see [Section 1](#) for more information); and
- In addition to the three percent (3%) budget allocation, the Lead and Co-Applicants must ensure adequate budget is allocated to costs to gather data and report to the Evaluation Partner and participate in evaluation activities such as focus groups, surveys, and interviews. Based on previous TCC awards, two to three percent (2-3%) of the total TCC award will cover Lead and Co-Applicant costs for indicator tracking and program evaluation activities. The Lead and Co-Applicants can include this in their direct costs.

### **Program Evaluation Goals**

TCC grant recipients are required to work with a third-party Evaluation Technical Assistance Provider (Evaluation Partner) during grant implementation. The Evaluation Partner will develop a Site-Specific Program Evaluation Plan that provides a methodological framework for

holistically evaluating the environmental, economic, social, and health impacts of the awarded TCC Project.<sup>19</sup> The Evaluation Partner will also develop reporting tools and a technical assistance plan to support grant recipients with gathering and reporting data.

In addition to gathering and reporting progress data, the Evaluation Partner will conduct surveys, interviews, and focus groups with TCC Project participants to gather qualitative feedback on project progress and impact. The Evaluation Partner will also develop two brief narrative profiles on project participants and project features annually. The profiles will be used to communicate aspects of the TCC Project not captured by measurable data.

Finally, the Evaluation Partner will develop Annual Process Evaluation Memos that provide internal feedback and recommendations on the TCC Program's design and implementation process. TCC program staff will use this feedback to identify and make key program improvements on an adaptive basis.

### ***Indicator Tracking Plan***

TCC grant recipients will be responsible for gathering and reporting data according to the Indicator Tracking Plan, in addition to participating in other evaluation activities. The Evaluation Partner will support grant recipients with fulfilling this requirement by coordinating data collection, providing technical assistance, processing data, and delivering all required reports to SGC. Reporting is required during key stages of the grant cycle, as outlined in the following section.

The Indicator Tracking Plan will include data indicators defined by the California Air Resources Board (CARB) and additional indicators required by the TCC Program and identified by grant recipients.

#### ***California Air Resources Board Indicators***

The TCC Program follows the California Air Resources Board's (CARB) Funding Guidelines for California Climate Investments framework to report on the benefits estimated from the GHG Quantification Methodology, employment outcomes for all projects, and 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/cc-resources](http://www.arb.ca.gov/cc-resources)).

#### ***TCC Program Indicators***

In addition, SGC has worked with academic institutions to develop other indicators to track the overall impact of TCC investments. The TCC Evaluation Partner will also work with grant recipients to apply and develop other indicators relevant to the TCC Project goals.

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<sup>19</sup> The Evaluation Partner will adapt the original TCC Evaluation Plan to develop the Site-Specific Evaluation Plan for awarded TCC Projects: 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](http://sgc.ca.gov/programs/tcc/docs/20190213-TCC_Evaluation_Plan_November_2018.pdf).



### Resources

A sample list of general CARB and SGC required tracking indicators are available on the SGC website<sup>20</sup> and in the sample grant agreement in [Appendix J](#). A list of specific indicators will be finalized for each Grantee by the TCC Evaluation Partner prior to grant execution. Figure 4 summarizes the indicator reporting requirements during the grant cycle.

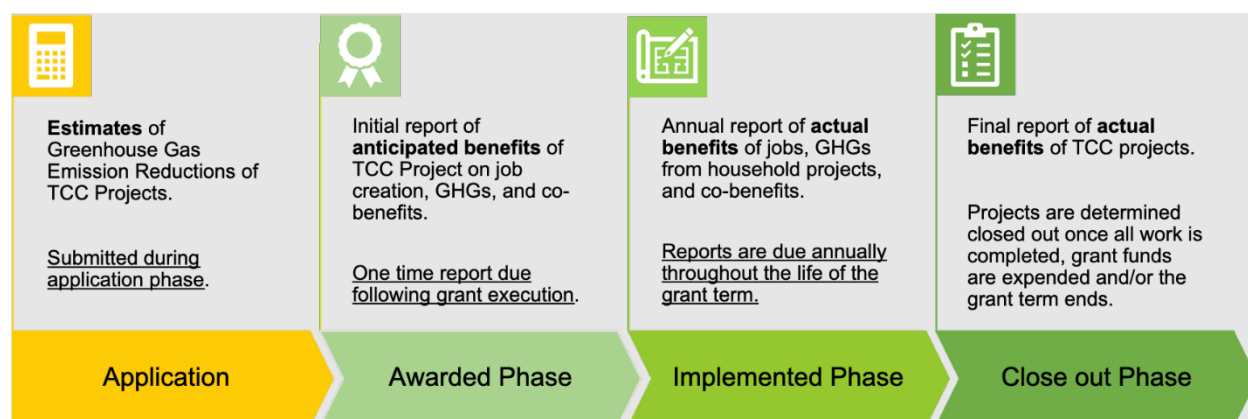
### Reporting Timeline

One-time reporting is conducted during the Application and Awarded Phase. Annual reporting is required throughout the TCC grant life cycle during Project Implementation, and final reports are due during Close Out phases.

Applicants will work with a third-party Application TA Provider to collect and submit inputs needed to calculate greenhouse gas emission reductions and co-benefits for Projects with quantifiable elements using CARB-approved quantification methodologies. Estimates are submitted with final application documents and will affect the overall application score.

Awarded Applicants (TCC grant recipients) will work with a third-party Evaluation Partner to collect and submit inputs needed for annual reporting during the life of the grant term. TCC grant recipients will also participate in qualitative evaluation activities needed for other annual reporting deliverables such as narrative case studies and process evaluation memos.

**Figure 4. Reporting Timeline**



### Evaluation Partner Selection

Applicants may propose an Evaluation Partner at application or select from a list of pre-qualified Evaluation Technical Assistance Providers. Upon award, the proposed Evaluation Partner will submit a qualifications package to SGC staff for review and approval. The Evaluation Partner must have the following qualifications:

- Expertise in urban planning, climate resilience infrastructure, and public policy research;

<sup>20</sup> 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](http://sgc.ca.gov/programs/tcc/docs/20190213-TCC_Evaluation_Plan_November_2018.pdf).



- Experience conducting socio-economic, environmental, transportation, and health data collection and program evaluation, or related technical assistance;
- Ability to collect and input data for greenhouse gas emissions methodologies, jobs reporting, and other outcomes reporting documents for government programs;
- Expertise in conducting both quantitative and qualitative research methods including interviews, focus groups, surveys, socio-economic data analysis, and greenhouse gas emissions quantification;
- Experience providing technical assistance to disadvantaged and low-income communities in California;
- Experience coordinating with public, private, and non-profit organizations;
- Demonstrated organizational capacity with a sound project management structure and approach.

Evaluation TA Providers will need to be part of the Collaborative Stakeholder Structure. If Applicants have already identified their Applicant TA provider at the time of application, they can include them in the Partnership Agreement that governs the Collaborative Stakeholder Structure. Otherwise, the TA provider can be added during the Post-Award Consultation Process before the Grant Agreement is executed.

### ***Confidentiality of Tribal Data***

During the Post-Award Consultation Process, SGC will work with each awarded Tribe and their Evaluation TA Provider to reach a mutually agreeable evaluation plan that protects confidentiality of Tribal data and Traditional Ecological Knowledge while also meeting SGC program evaluation goals. This may include modification of deliverables and Indicator Tracking Plan requirements.

## **2. Community Engagement**

**Applicants may allocate up to eight percent (8%) of their budget for eligible community engagement and outreach activities during grant implementation.** The SGC recognizes that many effective strategies for conducting community engagement and outreach are cost intensive. Funding requests that exceed the eight percent (8%) cap will be reviewed on a case-by-case basis during the Post-award Consultation.

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 are 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 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 include 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 or the creation of an Advisory Board. 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 used to identify the needs of residents and other stakeholders during the TCC Proposal development phase, 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:

- Mechanism(s) (group, advisory board, process, etc.) established to continuously inform and engage the community as well as to ensure ongoing participation of members of the community during the implementation of the project;
- 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 including the Partnership Agreement will support implementation of the Community Engagement Plan.

### 3. Displacement Avoidance

**Applicants may allocate up to three percent (3%) of the total TCC Grant Award to support displacement avoidance activities performed by technical assistance providers and nonprofit organizations. The Displacement Avoidance budget is a subset of the Community Engagement budget.**

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. Displacement Avoidance Plans must be directly informed by robust community engagement. Applicants will describe how their Displacement Avoidance will be successfully implemented and evaluated to ensure that it has the intended impact. See [Appendix C](#) for a list of example displacement avoidance policies and programs categorized by strategy.

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 or programs* that will be pursued to avoid displacement among existing households and businesses within the Project Area. Applicants must select policies and programs 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 must select a combination of short- and long-term policies for the household and small business displacement avoidance plans (defined in [Appendix C](#)).
  - 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;
- For anti-displacement policies that require a vote from the local jurisdiction, the DAP must include a timeline of when a policy is expected to go before an elected body. All DAPs should be detailed and implementable; and
- If a project is subject to a relocation plan 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 at application or prior to beginning project work.

California Native American Tribes who Lead Applicants with a Project Areas that falls mostly with federally recognized tribal boundaries<sup>21</sup> may request modifications to the Displacement Avoidance Plan requirements. Applicants may submit this request during the Application Process or during the Post-Award Consultation Process. Further information on this request process will be provided with the Application Instructions document.

## 4. 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. Applicants must develop workforce development training programs that prepare Project Area residents for high-quality career pathways, with a focus on preparing residents for careers in a future net zero economy. Applicants also must develop an economic opportunities plan for creating local, high-quality jobs in the Project Area.

TCC encourages training and job placement partnerships with small businesses in the Project Area owned by priority populations, including women; minority; lesbian, gay, bisexual, and transgender (LGBT); and disabled veteran-owned business enterprises.

***Goal 1: Create workforce development and training programs with career pathways for residents of the Project Area.***

TCC workforce development and training programs must include the following features:

- 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;
- Be developed in partnership with, or lead to partnerships with local workforce development boards and other key stakeholders, including organized labor and education providers;
- 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, and;
- Address critical skill issues emerging as industry faces challenges of climate change and environmental sustainability.

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<sup>21</sup> All areas within federally recognized tribal boundaries in California, particularly tribal land held in trust and restricted fee lands. Land owned by a tribal member that does not constitute trust land or restricted fee land may qualify under other TCC priority population criteria.

Applicants must demonstrate demand for the proposed education and training initiatives. Applicants will be asked to explain how workforce demand is determined and planned for in their local region. Applicants must explain how, or if, the required skill sets for the proposed workforce sector will be impacted by climate policy.

Education and training initiatives must result in recognized credentials relevant to the selected training sector. Credentialing is an important mechanism for regional employers to encourage desired skill sets and readily assess the abilities of regional job seekers, as well as a way for workers to understand the specific skills required for entry and advancement within a field. As benchmarks of skill attainment, eligible credentials can include, but are not limited to, certificates, degrees, licenses, and certifications. The ideal characteristics of a quality credential include being accessible, transparent, stackable, portable, meaningful, and connected to a clear career pathway.

For example, a workforce plan could 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.

Organizations leading the workforce development and training programs should use and build upon 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).

If the Applicants propose an education or training initiative that does not result in direct job placement for trainees, such as an entrepreneurship or incubator program, the proposal must clearly explain how it will result in a high-quality career pathway for the program completers. For example, entrepreneurship programs must include the development of a business plan and start-up support (e.g., operational space, seed funding, etc.). Such programs should target emerging or underrepresented sectors in line with the TCC Program goals.

Applicants' proposed 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. Programs that provide recipients with more than one type of skill or credential should be prioritized;
- Reduce barriers to participation through the training program design and recruitment strategy;
- Focus job training and placement plans 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, childcare 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;

- Increase capacity of firms and workers to adapt and compete in a net zero economy; and
- Recruit trainees who are residents of the Project Area.

***Goal 2: 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.

The plan should be informed by regional partnerships, including workers and employers, such as High Road Training Partnerships, that identify evolving “skill needs” of local industries and works with education and training providers to align training pathways accordingly. In industries impacted by climate policy, the plan should increase the capacity of workers and organizations to adapt and compete in a net zero economy. Regional labor market data should be used to demonstrate the current or projected labor demand and skill needs for proposed plans.

Recruitment practices that are beneficial in the context of 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 amongst diverse populations and socioeconomic barriers by providing evidence of previous similar experience. Lead Applicant and/or partners can collaborate with local non-profit organizations for successful implementation of targeted hiring.

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

- Establishing and/or supporting a Workforce Resource Center in the Project Area to facilitate recruitment for workforce training programs and supportive services to trainees.

## 5. Climate Adaptation and Resilience **I**

**Climate adaptation and resilience 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 the Project Area's resilience 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, increased average temperatures, wildfire, 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 and community collaboration/stakeholder engagement approach they will use to identify and prioritize adaptation measures to:

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

Applicants must also identify any local, regional, or state climate adaptation plans, vulnerability assessments, or other climate resilience and adaptation frameworks and programs relevant to the Project Area and specify how the project will support any ongoing adaptation planning and implementation efforts.<sup>22</sup> See [Appendix C](#) for additional resources to support this analysis.

## 6. Leverage Funding **I**

**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](#).

At least half (50%) of the required leverage funding (25% of total grant request) must contribute to the budgets of grant-funded projects or transformative plans. The remaining funds (up to 50%

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<sup>22</sup> Senate Bill 379 (Jackson, 2015) requires cities and counties to address climate adaptation and vulnerability in the safety elements of their General Plans. For more information on the requirements of SB 379, see Government Code section 65302(g), the State's 2020 Adaptation Planning Guide or the General Plan Guidelines Chapter 4.

of leverage funding, or 25% of total grant request) may come from stand-alone leverage projects that are specific to the Transformative Climate Communities Program and are considered new investments in the Project Area.

### **Threshold**

- Table 4 illustrates how the 50 percent (50%) leverage funding requirement may be met for a \$29,500,000 Implementation Award.
- 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 subject to review and approval during the Post-award Consultation process.

**Table 4. Leverage Funding Threshold Breakdown**

<b>Eligible Projects or Plans</b>	<b>Leverage as a Percentage of Total Grant Request</b>	<b>Total Dollar Amount</b>
Leverage funding for Grant-funded projects or Transformative Plans	At least 25%	\$7,375,000
Stand-alone leverage projects	Up to 25%	\$7,375,000
<i>Total</i>	50%	\$14,750,000

### **Leverage Funding Requirements**

- Leverage funding must be committed at the time of application submittal. Proof of commitment may include, but is not limited to: a grant award letter, council resolutions, or provision of operating budgets identifying the Project as part of the operating budget.
- 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 1.4](#)).
- Leverage funding must be spent within the TCC Project Area and for the purposes of the TCC Project.
- Expenditure of leverage funding will 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.
- In addition, leverage funding expended within the year prior to the TCC grant application deadline may count towards the purpose of meeting up to half of the total leverage requirement, if the previously expended leverage-funded projects are aligned with the TCC Program Objectives and the Community Vision, resulted from a TCC community



planning process, and demonstrate meaningful community engagement. Further information is below in the section titled ‘Clarifications for Leverage Funds Expended Prior to the Grant Award.’

- 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 of the Partnership Agreement and constitute a Grantee’s non-performance under the Grant Agreement.

***Clarifications for Leverage Funds Expended Prior to the Grant Award***

- Applicants may satisfy up to half of their total leverage fund requirements with leverage funds that were expended up to one year prior to TCC grant application deadline.
- Leverage funds expended prior to the TCC grant application deadline will only be considered eligible if the applicant demonstrates that the leverage-funded projects are aligned with the TCC Program Objectives and the Community Vision of the TCC Proposal, resulted from a community planning process connected to the development of the TCC Proposal, and comply with the TCC Program requirements for meaningful community engagement.
- Applicants will be required to submit information related to the community-engaged process that led to these leverage funds during the pre-proposal phase of the application. This information will be reviewed by TCC Staff to determine eligibility on a case-by-case basis.

***California Native American Tribes***

California Native American Tribes who Lead Applicants with a Project Areas that falls mostly with federally-recognized tribal boundaries<sup>23</sup> may request modifications to the Leverage Funding requirement with justification. Applicants may submit this request during the Application Process or during the Post-Award Consultation Process. Further information on this request process will be provided with the Application Instructions document.

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<sup>23</sup> All areas within federally recognized tribal boundaries in California, particularly tribal land held in trust and restricted fee lands. Land owned by a tribal member that does not constitute trust land or restricted fee land may qualify under other TCC priority population criteria.

## Section 9. Application

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### 9.1 Application Components and Process

#### Overview

Applications 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's public meeting where the Strategic Growth Council will consider staff's award recommendations.

### 9.2 Application Review Process

#### All Grant Types

Once applications are submitted, TCC Program Staff will review applications to ensure they are complete and meet Program Threshold Requirements. Applicants will then have a brief window to resubmit any missing information that is flagged by TCC Program Staff. If an Applicant is unable to meet the Program's Threshold Requirements, their Proposal will not proceed to the next step of the review process. More information on the Completeness Check and Threshold Review processes will be provided in the Application Instructions document.

All applications that are complete and pass threshold requirements after the Completeness Check phase will be scored by an interagency review panel using the Scoring Criteria below, with support from TCC Program Staff. The interagency review panels will make recommendations to the Strategic Growth Council, which will vote to approve awards at a public meeting.

#### Planning and Project Development Grants

Applicants will receive a single score out of 100 points. TCC Program Staff will recommend awards based on these scores.

#### Implementation Grants

Applicants will receive a single score out of 205 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.

Applicants that do not meet Program Thresholds for Implementation Grants will be automatically considered for a Project Development Grant.

## 9.3 Application Components

### Planning Grants

Summary of the application components:

- Eligibility and Thresholds Documentation
- Narrative descriptions of the Project Area and community needs
- Narrative descriptions of how planning activities will address the TCC Program Objectives and Transformative Elements
- Work Plan with clear timelines, discrete tasks, and detailed deliverables
- Budget with sufficient detail, broken down by task and line item. Quotes must be provided for the purchase of any electronics, equipment above \$5,000, and for subcontractors above \$100,000

### Project Development Grants

Summary of the application components:

- Eligibility and Thresholds Documentation
- Narrative descriptions of the Project Area and community planning priorities
- Narrative descriptions of how the Project Development activities will address community planning and climate resilience priorities and TCC Objectives
- Work Plans with clear timelines, discrete tasks, and detailed deliverables
- Budgets with sufficient detail, broken down by task and line item. Quotes must be provided for the purchase of any electronics, equipment above \$5,000, and for subcontractors above \$100,000

### Implementation Only

Summary of the application components:

- Eligibility and Thresholds Documentation
- 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

## 9.4 Program Thresholds and Scoring Criteria: Planning Grants

### Planning Grant Program Threshold Requirements

#### ***General Completeness***

- ☐ Application materials are complete and are sufficient to assess the feasibility of the proposed project and its compliance with the TCC Program and application requirements.
- ☐ Application documents are properly labeled, stored in the proper file structure, and are easily accessible.
- ☐ Work Plans adhere to the two (2) year grant term, unless a longer time is requested, and contain sufficient detail.
- ☐ Budgets contain sufficient detail and are accompanied by all necessary supporting documentation.

#### ***Applicant Eligibility***

- ☐ Lead Applicant is an eligible organization.
- ☐ Co-Applicants are all eligible organizations.
- ☐ Lead Applicant or Co-Applicant are an appropriate public agency and have provided the necessary authorization for the application.
- ☐ Applicants with a Project Area that overlaps multiple jurisdictions have submitted a Memorandum of Understanding that meets all requirements described in [Section 6.2](#)

#### ***Project Area Eligibility***

- ☐ Project Area meets all Priority Population requirements.
- ☐ Applicant has submitted a Project Area Map in all required formats.

## Planning Grant Scoring Criteria Summary

**Table 5.** *Planning Grant Scoring Criteria Summary*

<b>SCORING CRITERIA</b>	<b>POINTS</b>
Objectives and Vision	30 Points
Transformative Elements and Project Identification	50 Points
Capacity	20 Points
<b>TOTAL</b>	<b>100 POINTS</b>

## Planning Grant Scoring Criteria Details

### **PLANNING GRANTS SCORING CRITERIA – 100 POINTS**

<b>OBJECTIVES AND VISION</b>	<b>30 POINTS TOTAL</b>
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1. Applicant has provided a comprehensive description of the Project 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.
3. Proposed planning activities will address TCC Objectives of:
  - a. Achieving Significant Reductions in Greenhouse Gas Emissions
  - b. Improving Public Health and Environmental Benefits
  - c. 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.

<b>TRANSFORMATIVE ELEMENTS AND PROJECT IDENTIFICATION</b>	<b>50 POINTS TOTAL</b>
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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:
  - a. Community Engagement
  - b. Displacement Avoidance
  - c. Workforce Development and Economic Opportunities
  - d. Climate Adaptation and Resilience
  - e. Leverage Funding
  - f. Data Collection and Indicator Tracking
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.

<b>CAPACITY</b>	<b>20 POINTS TOTAL</b>
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1. Applicant demonstrates readiness and capacity to implement the proposed work on time and within budget.

2. Applicant proposes strong, diverse, and committed partnerships for implementing the planning activities – including all relevant public agency partners.



## 9.5 Program Thresholds and Scoring Criteria: Project Development Grants

### Project Development Grant Program Threshold Requirements

#### ***General Completeness***

- ☐ Application materials are complete and are sufficient to assess the feasibility of the proposed project and its compliance with the TCC Program and application requirements.
- ☐ Application documents are properly labeled, stored in the proper file structure, and are easily accessible.
- ☐ Work Plans adhere to the two (2) year grant term, unless a longer time is requested, and contain sufficient detail.
- ☐ Budgets contain sufficient detail and are accompanied by all necessary supporting documentation.

#### ***Applicant Eligibility***

- ☐ Lead Applicant is an eligible organization.
- ☐ Co-Applicants are all eligible organizations.
- ☐ Lead Applicant or Co-Applicant are an appropriate public agency and have provided the necessary authorization for the application.

#### ***Collaborative Stakeholder Structure***

- ☐ Partnership Agreement for the Collaborative Stakeholder Structure meets all requirements as described in [Section 6.2](#).
- ☐ Applicants with a Project Area that overlaps multiple jurisdictions have submitted a Memorandum of Understanding that meets all requirements described in [Section 6.2](#)

#### ***Project Area Eligibility***

- ☐ Project Area meets all Priority Population requirements.
- ☐ Applicant has submitted a Project Area Map in all required formats.

#### ***Priority Policies***

- ☐ Local Planning Consistency: Applicant has submitted a letter from the local jurisdiction's Planning Department verifying that the TCC Project Development Proposal is consistent with land use designations, building intensity, density, applicable goals, policies and programs, climate adaptation plans, and growth and conservation planning elements.
- ☐ Community Planning Consistency: Applicant has submitted a community plan or other documentation verifying that the TCC Project Development Proposal is consistent with community planning and project priorities and needs.

## Project Development Grant Scoring Criteria Summary

**Table 6. Project Development Grant Scoring Criteria Summary**

SCORING CRITERIA	POINTS
Objectives and Vision	30 Points
Transformative Elements	20 Points
Project Design and Feasibility	30 Points
Capacity	20 Points
<b>TOTAL</b>	<b>100 POINTS</b>

## Project Development Grant Scoring Criteria Details

### PROJECT DEVELOPMENT GRANTS SCORING CRITERIA – 100 POINTS

<b>OBJECTIVES AND VISION</b>	<b>30 POINTS TOTAL</b>
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1. Applicant has provided a comprehensive description of the Project Area and explains how the proposal will address community needs and advance community planning priorities. Proposal will be scored based on extent to which proposed activities focus on improving outcomes for priority populations. or these Grants, applicants representing Disadvantaged Unincorporated Communities, Tribal Communities, Planning Grant Grantees, and/or Previous Implementation Grant Applicants will prioritized, with DUCs having the most priority.
2. Applicant has provided a clear community vision and demonstrates how the proposal will advance that vision. Extent to which the proposed project development activities will further the neighborhood's ability to build future climate resilient infrastructure and social resilience.
3. Extent to which the proposed activities will advance TCC Objectives.
4. Extent to which the proposed activities will advance State Planning Priorities, which include promoting infill development, preserving agricultural lands, and encouraging location and resource-efficient new development.

<b>TRANSFORMATIVE ELEMENTS</b>	<b>20 POINTS TOTAL</b>
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Proposals are not required to address the entire list of TCC Implementation Grant transformative elements but must address community engagement and climate adaptation and resilience at a minimum. 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 project development activities.

1. Proposal includes a detailed description of the mechanisms through which residents and key stakeholders were meaningfully involved in the development of community priority projects that provide the basis for the Project Development Grant proposal.

2. Proposal presents an inclusive process to meaningfully engage the community during project implementation.
3. Proposal describes process to identify and prioritize actions for addressing the identified climate change risks and exposures for vulnerable populations and the built environment.
4. The proposed project development activities directly address or will assist the Applicants in meeting the TCC Implementation Grant Transformative Elements related to:
  - a. Community Engagement
  - b. Displacement Avoidance
  - c. Workforce Development and Economic Opportunities
  - d. Climate Adaptation and Resilience
  - e. Leverage Funding
  - f. Data Collection and Indicator Tracking

**PROJECT DESIGN AND FEASIBILITY****30 POINTS TOTAL**

1. Projects are designed to meet the community's needs. This includes, but is not limited to, appropriate scope, scale, components, etc. This also includes plans to provide multiple community benefits through the projects.
2. Projects address climate adaptation and resilience goals for the Project Area and demonstrate that the project itself will be climate resilient.
3. Projects include clear plans for long-term operations and maintenance, including coordination with appropriate responsible parties.
4. Work Plans include clear timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility.

**CAPACITY****20 POINTS TOTAL**

1. Lead Applicant and Co-Applicants demonstrate organizational capacity to implement the proposed work on time and within budget (e.g., has experience managing similar programs and/or project implementation).
2. Lead Applicant and Co-Applicants demonstrate financial capacity to implement the proposed work (e.g., has experience and financial stability and capacity to manage program funds).
3. Applicants propose a Collaborative Stakeholder Structure composed of a diverse representation of residents and key stakeholders, including all relevant public agency partners needed to implement the project, and incorporate robust resident and community leadership. Lead Applicant and Co-Applicants have established work history and experience with sustained community engagement around climate change and community development issues.

## 9.6 Program Thresholds and Scoring Criteria: Implementation Grants <sup>I</sup>

### Implementation Grant Program Threshold Requirements <sup>I</sup>

#### ***General Completeness***

- ☐ Application materials are complete and are sufficient to assess the feasibility of the proposed project and its compliance with the TCC Program and application requirements.
- ☐ Application documents are properly labeled, stored in the proper file structure, and are easily accessible.
- ☐ Work Plans adhere to the five (5) year Project Completion Period and contain sufficient detail.
- ☐ Budgets contain sufficient detail and are accompanied by all necessary supporting documentation.

#### ***Applicant Eligibility***

- ☐ Lead Applicant is an eligible organization.
- ☐ Co-Applicants are all eligible organizations.
- ☐ Lead Applicant or Co-Applicant are an appropriate public agency and have provided the necessary authorization for the application.

#### ***Collaborative Stakeholder Structure***

- ☐ Partnership Agreement for the Collaborative Stakeholder Structure meets all requirements as described in [Section 6.2](#).
- ☐ Applicants with a Project Area that overlaps multiple jurisdictions have submitted a Memorandum of Understanding that meets all requirements described in [Section 6.2](#)

#### ***Project Area Eligibility***

- ☐ Project is no larger than approximately five (5) square miles (urban applicants) or ten (10) square miles (rural applicants).
- ☐ Project Area meets all Priority Population requirements.
- ☐ Applicant has submitted a Project Area Map in all required formats.

#### ***Strategies and Projects***

- ☐ Applicant has selected at least three (3) Strategies and proposed at least three (3) Projects.
- ☐ 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

- 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;
  - Affordable and mixed-income housing is connected and accessible to the High Speed Rail station area; and
  - Support community engagement on station area design and implementation.
- Planning Consistency: Applicant has submitted a letter from the local jurisdiction’s Planning Department verifying that the TCC Implementation Proposal is consistent with land use designations, building intensity, density, applicable goals, policies and programs, climate adaptation plans, and growth and conservation planning elements.
- Basic Environmental Infrastructure: Applicant has submitted documentation of existing access to basic environmental infrastructure (water supply and wastewater services) and long-term operations and maintenance plans, or a developed plan to obtain and maintain basic infrastructure.
- Regional Connectivity: Applicant has submitted documentation of existing transit connectivity to regional service hubs and major job centers, or a letter verifying the TCC Proposal will include affordable, clean transportation projects to provide connectivity.

### Implementation Grant Scoring Criteria Summary <sup>I</sup>

**Table 7. Implementation Grant Scoring Criteria Summary**

SCORING CRITERIA	POINTS
Objectives and Vision	45 Points
Capacity	30 Points
Transformative Elements	75 Points
Projects	50 Points
Prohousing Policy Incentive	5 Points
<b>TOTAL</b>	<b>205 POINTS</b>

### Implementation Grant Scoring Criteria Details <sup>I</sup>

<b>OBJECTIVES AND VISION</b>	<b>45 POINTS TOTAL</b>
<i>Vision for Transformation</i>	<i>20 Points</i>
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, CalEPA, CalEnviroScreen, and the TCC Program (further explained at <https://www.caclimateinvestments.ca.gov/priority-populations>).
5. Project Area prioritizes investment in California's most disadvantaged and underresourced communities.
6. 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.

*Greenhouse Gas Emissions Reductions**20 Points*

Points for this section will be awarded on a sliding scale, determined relative to the estimated GHG emission reductions. The first category will score GHG Emission reduction estimates for each Applicant's top three (3) quantifiable and ready projects. This category will be scored on a sliding scale with a single pool for all eligible applications submitted. The second category will evaluate GHG Emission reduction estimates for all quantifiable projects, regardless of readiness. This category will include two pools with separate scales: one for urban applicants, and one for rural, DUC, and Tribal applicants. Further information will be included in the application materials and instructions.

1. GHG Emission reduction estimates for top three (3) Projects with highest GHG reduction potentials using CARB approved quantification methodologies and meeting readiness requirements at time of Application submittal.
2. GHG Emission reduction estimates for all projects with CARB Quantification Methodology.

*Air Pollution Reduction and Mitigation**5 Points*

Maximum points will be awarded to Project Area or jurisdiction that has demonstrated and proposes direct localized air pollution reduction and mitigation policies, which includes improved community exposure to particulate matter and toxic air contaminants. Partial points are available for indirect policies. [Appendix E](#) includes a tiered list of direct and indirect example policies.

1. Applicant has demonstrated substantial progress towards preventing, reducing, and mitigating existing sources of local air pollution through policy adoption, enforcement programs, land use planning, etc.
2. Applicant has proposed policies and programs that will make substantial progress towards preventing, reducing, and mitigating existing sources of pollution through TCC funded projects and strategies.

**CAPACITY****30 POINTS TOTAL***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 meets the 50 percent (50%) leverage requirement.

***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).
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.

***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), and incorporates robust resident and community leadership.
3. A signed Partnership Agreement for the Collaborative Stakeholder Structure that includes all components listed in [Section 6.2](#). Collaborative Stakeholder Structure proposes transparent, accountable, and inclusive methods of decision-making.

***TRANSFORMATIVE ELEMENTS******75 POINTS TOTAL******Community Engagement******30 Points***

1. Proposal includes a detailed description of the mechanisms through which residents and key stakeholders were meaningfully involved in the development of the Vision Statement and selection of Strategies and Projects.
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 presents an inclusive process to receive feedback from the community with diverse backgrounds.
4. Community Engagement is tied to a governance structure that presents the ways in which community members from diverse backgrounds will be represented and 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.

---

*Displacement Avoidance**15 Points*

1. Proposal includes comprehensive description of displacement vulnerability among existing households and small businesses.
2. Proposal includes programmatic activities for implementation 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. Proposal includes a combination of short- and long-term policies.
5. Work Plans include clear timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility.

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*Workforce Development and Economic Opportunities**20 Points*

1. Proposal includes workforce development and training programs that lead to industry-recognized credentials, career pathways, and high-quality jobs for residents of the Project Area and individuals with employment barriers.
2. Proposal includes an economic opportunities plan that will lead to the creation of local, high-quality jobs for residents of the Project Area and individuals with employment barriers.
3. Proposal demonstrates how the plan addresses current and projected labor demand and skill needs in a net zero economy.
4. Work Plans include clear timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility.

---

*Climate Adaptation and Resilience**10 Points*

1. Proposal describes the climate change risks and exposures within the Project Area.
2. Proposal analyzes the impact of these climate change risks and exposures on both the community and built environment. Analysis should be specific to the community and built environment as defined by the Project Area wherever possible.
3. Proposal describes process to identify and prioritize actions for addressing the identified risks for vulnerable populations and to increasing the resilience of proposed infrastructure projects, including connecting efforts to local planning documents and/or the CARB Climate Adaptation Questionnaire, available at [www.arb.ca.gov/cc/cobenefit](http://www.arb.ca.gov/cc/cobenefit). The process to identify and prioritize actions should be community driven.
4. Proposal demonstrates how infrastructure investments will both contribute to community resilience and itself be resilient to future climate impacts (e.g., through indicators and metrics) within the Project Area.



<b>PROJECTS</b>	<b>50 POINTS</b>
-----------------	------------------

<i>Project Design and Feasibility</i>	<i>30 Points</i>
---------------------------------------	------------------

1. Projects are designed to meet the community's 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 time of application or within one (1) year of grant execution.

<i>Implementation</i>	<i>20 Points</i>
-----------------------	------------------

1. Projects address climate adaptation and resilience goals for the Project Area and demonstrate the project itself will be climate resilient.
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.

<b>PROHOUSING POLICY INCENTIVE</b>	<b>5 POINTS</b>
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<i>Prohousing Policy Incentive</i>	<i>5 Points</i>
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Maximum points will be awarded to a Project Area designated as a Prohousing jurisdiction. Partial points (1 point for one policy, 2-3 points for two policies) are available to Project Area jurisdictions that have applied for, and are awaiting designation, and has been determined by HCD to have adopted VMT-reducing Prohousing criteria as listed in [Appendix D](#).

## Section 10. 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 J](#).

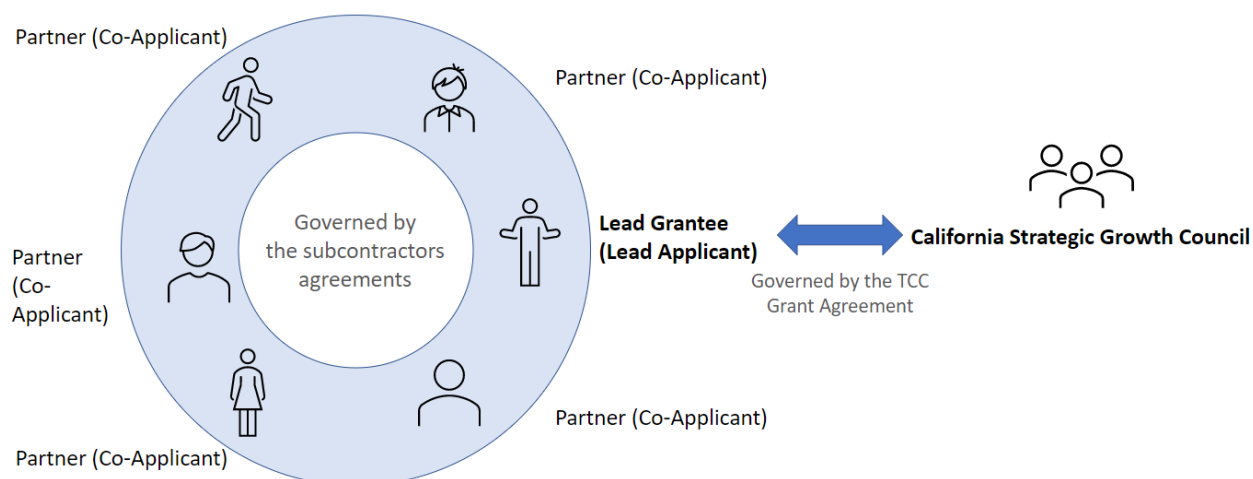
### 10.1 Grantees, Partners, Subcontractors **P** **D** **I**

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”.

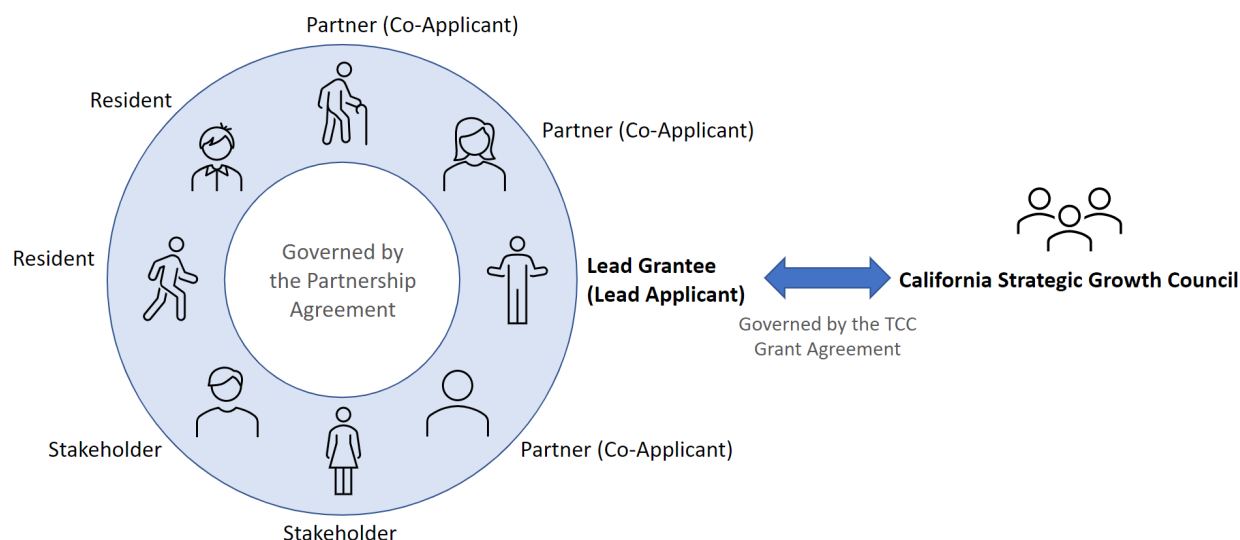
#### Planning Grant Structure: **P**

**Figure 5. Planning Grant Administration Structure**



## Project Development and Implementation Grant Structure: **D I**

**Figure 6. Project Development and Implementation Grant Administration Structure**



## 10.2 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 5 grant agreements will be executed between the Grantee and SGC, but Grantees will work closely with DOC during grant implementation.

## 10.3 Disbursement and Accounting of Funds

### All Grant Types **P D I**

- The Grantee cannot request advance payment or reimbursement for any costs incurred or work completed before grant execution.
- Tribes will not be required to sign a limited waiver of sovereign immunity to receive payments on a reimbursement basis from SGC through the TCC Program.

### **Advance Payment**

Through an Advance Pay Pilot Program, SGC is authorized to provide qualifying Grantees advance payments for the TCC Program through July 1, 2025.<sup>24</sup> The Grantee must develop and

<sup>24</sup> Added by Statutes of 2022, Chapter 569, Section 15 (AB 156).

provide a process for Partners to request and receive advance pay, and require all Partners to comply with the reporting terms.

SGC will prioritize advance payment to local agencies and nongovernmental entities with low cash reserves that serve under resourced communities, to carry out approved program activities. Advance payments can be up to 25 percent of the total grant award, which can be provided in one payment or spread across a series of smaller installments and is to be determined in the Grant Agreement.

To receive advance pay, the Grantee must do the following:

- Demonstrate good standing with the IRS
- Compile and provide spending plans for each Partner receiving advance payment
- Complete an advance payment request form with supporting documentation
- Sign an agreement that they will:
  - Revert all unused moneys to the state if they are not liquidated within the timeline specified in the grant agreement or in the case of non-compliance/misuse of funds
  - Communicate and document changes to spending plans

Upon receipt of appropriate documentation, funds will be paid to the Grantee and the Grantee will be responsible for dispersing payment to Partners, as approved by SGC. Advance payment funds from SGC must be dispersed into a federally insured and interest-bearing Grantee account to track withdrawals and interest earned. Any accumulated interest is considered TCC Program funds. The complete schedule, process, and reporting requirements for advance pay will be determined in the Grant Agreement.

All Native American tribes eligible for TCC may be also eligible for advance pay.

## Planning and Project Development Grants

- 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.

For reimbursement payments, 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 disbursed to the Grantee. The Grantee is responsible for disbursing payment to their Partners.

## Implementation Grants

- 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.

For reimbursement payments, 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 disbursed to the Grantee. The Grantee is responsible for disbursing payment to their Partners in accordance with their signed Partnership Agreement.

## 10.4 Reporting Requirements

### Planning and Project Development Grants

Grantees are responsible for the following reporting:

#### ***Progress Reports***

- Quarterly Progress Reports will be submitted with each invoice and will track the work completed during the reporting period, including tracking of expended advance funds as applicable.
- Advance pay recipients will submit a Spending Plan prior to receipt and an Expenditure Report following the complete expenditure of an advance payment that includes a summary of work completed.
- A Final Report on the overall status of the grant including lessons learned, barriers, and success stories.

### Implementation Grants

Grantees are responsible for four categories of reporting:

#### ***Progress Reports***

- Bimonthly Progress Reports will be submitted with each invoice and/or budget report and will track the work completed during the reporting 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, including tracking of expended advanced funds, will be revised on a regular 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.

- Advance pay recipients will submit a Spending Plan prior to receipt and an Expenditure Report following the complete expenditure of an advance payment that includes a summary of work completed.

### ***Data Collection and Indicator Tracking***

- Grantees must comply with the stages of data collection and indicator tracking, as described in [Section 8.5](#).

### ***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.

## **10.5 Publicity Requirements**

TCC Grantees are required to use SGC and DOC 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 H](#) for specific requirements.

## **10.6 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.

### **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 for its full useful life.

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.

## 10.7 Prevailing Wage Requirements

TCC-funded projects may be subject to State Prevailing Wage 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 and invoices for labor reflects prevailing wage requirements, or if exempt, provide the applicable exemption to SGC with the project budget; 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 DIR website<sup>25</sup>. Grantee may contact DIR for a list of covered trades and the applicable prevailing wage.

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<sup>25</sup> California Department of Industrial Relations, July 2018. <http://www.dir.ca.gov>

- 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.

## 10.8 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.

## 10.9 Remedies for Non-performance

### All Grant Types

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 scheduled milestones; failure to complete or failure to make a good faith effort to complete the awarded TCC Project as a whole or any components; and/or failure to comply with the 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 and notifying SGC of actions taken, 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 or any component of 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 any component of the grant and suspend payments to the Grantee. If applicable, 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 deficiencies prior to the termination date.

# Section 11. California Native American Tribes

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## 11.1 Limited Waiver of Sovereign Immunity

Tribes will not be required to sign a limited waiver of sovereign immunity to receive payments on a reimbursement basis from SGC through the TCC Program. SGC may require a limited waiver of sovereign immunity before disbursing funds via advance pay.

## 11.2 Special Considerations

Please see the following locations in these Guidelines for considerations unique to California Native American Tribes, who may request modifications to certain requirements on a case-by-case basis, with justification, including:

- Public Agency Formal Resolution at the time of application ([Section 6.1](#))
- Partnership structure ([Section 6.2](#))
- Ensure that specific application materials may be replaced with alternative materials to protect data sovereignty ([Section 6.3](#))
- Project Area requirements ([Section 6.4](#))
- Indirect Cost caps ([Section 8.2](#))
- Displacement Avoidance Plan requirements ([Section 8.5](#))

Please see the appropriate sections for further information.

## Section 12. Technical Assistance

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### 12.1 Application Technical Assistance

#### Pre-Application Technical Assistance

SGC will provide Pre-Application Technical Assistance offerings to all potential applicants in advance of Round 5 in the form of workshops and publicly available resources. More information, including an intake survey, is available on the TCC Technical Assistance webpage: [https://sgc.ca.gov/programs/tcc/resources/technical\\_assistance.html](https://sgc.ca.gov/programs/tcc/resources/technical_assistance.html).

#### Direct Application Technical Assistance

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

TA Providers will also support Applicants from *tribal communities* and *disadvantaged unincorporated communities* with technical assistance for *both TCC Implementation and Planning Grants*.

Unfortunately, third-party technical assistance is not currently available for other Applicants to TCC Planning Grants, but staff will be able to answer questions from potential Planning Grant Applicants.

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. More information on this survey, including a deadline, will be released with the Notice of Funding Availability (NOFA).
- All Implementation Grant 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 6](#)) 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 a 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.

## 12.2 Implementation Technical Assistance <sup>1</sup>

Applicants awarded Implementation Grants will receive Post-Award Consultation Support Grants to support awarded applicants with funding to bridge the up to 6-month gap between award and grant execution.

Applicants will also 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 transformative plans; and
- Assistance strengthening organizational capacity to integrate implementation efforts.

## 12.3 Evaluation Technical Assistance <sup>1</sup>

Applicants awarded Implementation Grants are required to allocate a minimum of 3% of awarded grant funds towards the hiring of a pre-qualified, third-party Evaluation Technical Assistance Provider to assist with data collection and indicator tracking throughout grant implementation. Note that Lead and Co-Applicants should allocate an additional 2-3% of funds towards indicator tracking and program evaluation activities. Please see [Section 8.5](#) for more information.

Evaluation Technical Assistance Providers will support grantees with tracking and documenting the TCC Project's progress and impact through the following:

- Development of a Site-Specific Evaluation Plan to assess the holistic impacts of the TCC project;
- Development of reporting tools and a technical assistance plan to support grantee and partners with gathering and reporting of data;
- Assistance with processing of data and delivering required annual reports to SGC;
- Participation in evaluation activities such as focus groups, surveys, and interviews;

- Annual Process Evaluation Memos providing feedback on the TCC program design and implementation process.

Reporting is required during key stages of the grant cycle:

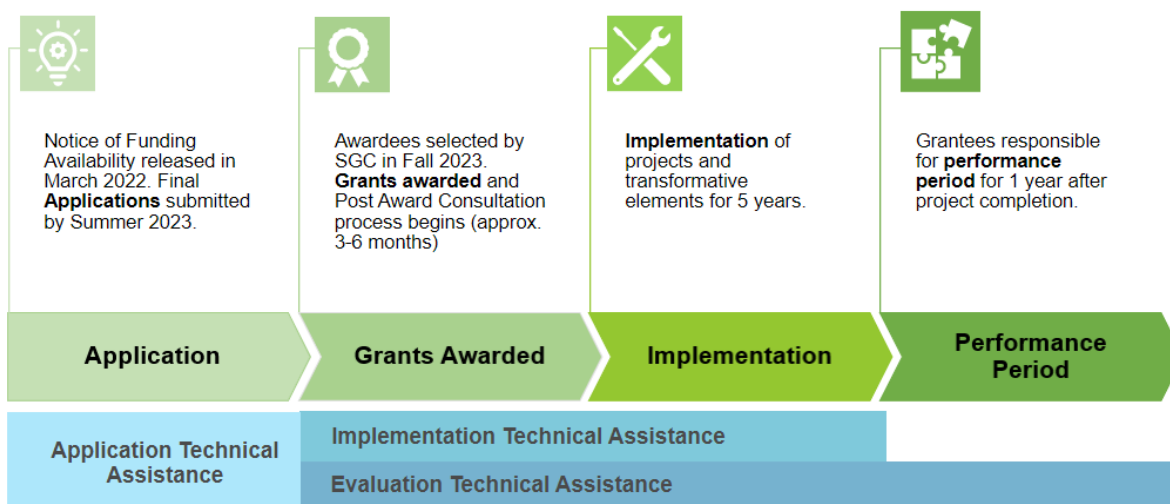
- One time reporting during the Application and Awarded Phase
- Annually during the Implemented Phase
- Final Reports during Close Out Phases

## Section 13. Grant Timeline

The approximate timeline below is subject to change. The most up-to-date timeline can be found at <https://sgc.ca.gov/programs/tcc/>.

- February 28, 2023: Final Round 5 TCC Program Guidelines adopted by Council
- March 8, 2023: NOFA Release
- May 1, 2023: Application Pre-proposals due
- August 1, 2023: Final Applications due
- December 14, 2023: Round 5 TCC Awards adopted by Council
- Approximately 3-6 months: Post Award Consultation Process before Implementation
- Implementation Period: 5 years from grant execution
- Performance Period: 1 year after project completion

**Figure 7. Grant Timeline**



## Section 14. List of Appendices

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# APPENDIX A – TERMS AND DEFINITIONS

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## **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).

## **Basic Environmental Infrastructure**

Basic environmental infrastructure includes infrastructure supporting clean water supply systems; wastewater systems; waste disposal systems; and pollution control services. Implementation Grant Applicants that need to meet program policy requirements for basic infrastructure access may allocate up to 10% of the total grant request to basic environmental infrastructure. Project Development Grant Applicants can request grants to fund these in their entirety.

## **California Air Resources Board (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.

## **California Native American Tribe**

A Native American Tribe that is on the contact list maintained by the Native American Heritage Commission (NAHC) for the purposes of Chapter 905 of the Statutes of 2004 (Pub. Resources Code, § 21073).

## **California Strategic Growth Council (SGC)**



California 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.

### **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.<sup>26</sup>

### **Climate Resilience**

Resilience 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.<sup>27</sup>

### **Co-Applicant**

An entity other than the Lead Applicant that enters into a partnership with other organizations for the purpose of applying for a TCC grant. Once awarded, referred to as a "Partner."

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<sup>26</sup> 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>

<sup>27</sup> Rodin, Judith. 2014. *The Resilience Dividend: Being Strong in a World Where Things Go Wrong*. Philadelphia: Perseus Books Group (pages 3-4).

**Community-based Organization (CBO)**

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.<sup>28</sup>

**Community Service Facility**

A community service facility is defined as a physical location designed to serve residents of the Project Area for cultural or community activities or for the provision of community services.

Examples of community service facilities include but are not limited to the following facilities: Multifamily Housing, Senior Housing, Community Centers, Resource Centers, Community Food Access Centers, Cooling or Heating Centers, Medical/Health Centers, Fire Stations, Food Banks, Libraries, Community Colleges.

Examples of Non-Qualifying Facilities: Airports, Industrial Uses, Commercial Uses

**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.<sup>29</sup>

**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.

**Disadvantaged Communities**

Designation of census tracts and physical locations used to identify the areas most affected by pollution and the people most vulnerable to its effects, based on geographic, socioeconomic, public health, and environmental hazards criteria. The California Environmental Protection Agency (CalEPA) historically bases designations on analyses conducted by the California Communities Environmental Health Screening Tool (CalEnviroScreen) but can also exercise discretion in developing other criteria and methods.

**Disadvantaged Unincorporated Community/Area**

An unincorporated area that meets one or more of the criteria in these Guidelines as “disadvantaged.” Criteria may include pollution burden, socioeconomic burden, and population and land use density factors used to define the bounds of a community.

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<sup>28</sup> U.S.C. § 9101(6).  
<https://www2.ed.gov/policy/elsec/leg/esea02/pg107.html>

<sup>29</sup> 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](https://www.atsdr.cdc.gov/communityengagement/pdf/PCE_Report_508_FINAL.pdf)

**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.<sup>30</sup>

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. 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. Please see [Appendix B, Strategy 1](#) and the AHSC Round 7 Guidelines for more information.

**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 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<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O),

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<sup>30</sup> Adapted from Grier and Grier (1978) and Marcuse (1986) and included in the Urban Displacement Project found at [urbandisplacement.org](http://urbandisplacement.org).

hydrochlorofluorocarbons (HCFCs), ozone (O3), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF6).

### **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 Road Jobs/Trainings/Partnerships**

"High road" is a term used to reflect California's vision for workforce development that is grounded in economic equity, job quality, and climate resilience principles. The high road framework is an initiative of the California Workforce Development Board:

<https://cwdb.ca.gov/initiatives/>.

### **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**

Funding for neighborhood-level development and infrastructure 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 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.

**Letters of Commitment**

A letter of commitment binds each providing organization or body and states the proposed responsibilities and guarantees they will execute these responsibilities if awarded.

**Letters of Support**

A letter of support is a document from project partners, tribal governments, Local or Regional agency or agencies, local utility companies, or any organization that will be involved or impacted by the project. This letter states that the entity can vouch for the applicants and would like to see the project funded.

**Memorandum of Understanding (MOU)**

An MOU is an agreement between two or more parties that binds and outlines the responsibilities of each of the parties to the agreement. A Memorandum of Understanding is required for Applicants whose Project Area crosses municipal boundaries, federally recognized tribal territory boundaries, or similarly relevant jurisdictional boundaries.

**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**

Funding for planning activities that implement local and regional land use plans and foster the development of sustainable communities.

**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 Planning, Project Development, and Implementation Grants. A contiguous area that meets the priority population requirements as follows. At least 51% of the Project Area must overlap with census tracts designated as disadvantaged communities per CalEnviroScreen and these Guidelines: top 25% of disadvantaged communities, federally recognized tribal boundaries, or a disadvantaged unincorporated area per these Guidelines. The remaining area (49 percent or less) must be within the top 25% of disadvantaged communities or a low-income community as defined by AB 1550. Proposed Implementation Grant Project Areas may be no larger than approximately five square miles.

**Project Development Grant**

Funding for pre-development and basic infrastructure activities that support communities to meet their climate and community resilience goals; grants support activities that prepare communities for future resilience funding.

**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, duly constituted governing body of an Indian reservation or rancheria, tribally designated housing entity, 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. 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. The quantification period varies for different TCC Project Types, and is defined in CARB's quantification methodologies for estimating greenhouse gas reductions.

### **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.

### **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.

### **Technical Assistance (TA)**

Aid and support provided to Applicants and awarded Grantees and Partners 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 economic opportunities, data collection and indicator tracking, climate adaptation and resilience, and leverage funding.

### **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 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

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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 remainder 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<sup>31</sup> 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.

As stated above, a minimum of three (3) projects should meet readiness requirements when the TCC application is submitted. All other Projects that do not meet readiness requirements at the time of application submittal must demonstrate they are 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 funding 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”. Please reference CARB's TCC Round 5 Quantification Methodology for more information.

Quantifiable elements are found in all Strategies except Strategy 2: Land Acquisition for Neighborhood Stabilization, Strategy 9: Indoor Air Pollution, and Strategy 11: Brownfield Redevelopment.

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<sup>31</sup> California Air Resources Board. CCI Quantification, Benefits, and Reporting Materials.  
<http://www.arb.ca.gov/cc-resources>

- **Readiness Requirements: Projects must meet the following readiness requirements to demonstrate the project can be feasibly implemented during the grant term.** Readiness requirements include CEQA documentation, site control, permits, project maps and designs, project schedules, 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 5 awards.

## 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 exempt, statutorily exempt, or is not considered a project under CEQA:

- 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 10](#) of the Guidelines.

## 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<sup>32</sup>, 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. If these requirements are met, a project can be considered “ready” even if not all permits have been obtained.

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<sup>32</sup> 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.

## **Project Schedule**

For each project, applicants must provide a baseline project schedule prior to implementation of that project. The project schedule must be cost loaded and utilize critical path methodology, and project activities and durations must be broken down in sufficient detail to manage the work.

## **Other Requirements**

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

- Project Map
- Project Designs
- Operations and Maintenance Plan

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 (AHSC) requirements. Below are the General Requirements, eligible project types and fundable elements, Applicant requirements, eligible project costs, readiness requirements, and special requirements for Strategy 1. General Requirements

If an application includes a project under this strategy, the project must conform to the required thresholds of the Affordable Housing and Sustainable Communities Program as outlined in the AHSC Round 7 Guidelines (<http://sgc.ca.gov/programs/ahsc/resources/>). A summary of AHSC guidelines is included below. The AHSC Round 7 Guidelines document contains further detail and will be the authority in the event of any discrepancies in threshold requirements.. Applicants must meet minimum AHSC thresholds requirements to have an eligible project.

However, please note: Although the TCC Program will use AHSC's threshold requirements, TCC will not use the AHSC point scoring system to determine project eligibility or competitiveness. TCC will review and score housing projects according to the application review and scoring process set forth by the TCC Round 5 Guidelines. Housing projects proposed under a TCC application will be evaluated according to their alignment with the TCC Program and Objectives. In addition, TCC does not have a cap on the housing project award amount for this strategy, and applicants may decide how to propose a TCC housing project within the context of their community and larger TCC proposal.

TCC projects under the Equitable Housing and Neighborhood Development strategy must conform to one of the following eligible housing Project Area types:

- Transit Oriented Development Project Area
  - *Must* be served by High Quality Transit
- Integrated Connectivity Project Area
  - *Must not* be served by High Quality Transit
- Rural Innovation Project Areas
  - *Must not* be served by High Quality Transit
  - *Must* be located within a Rural Area

Proposed Affordable Housing projects should at minimum include one of the following VMT-reducing components to fulfill AHSC's threshold of reducing GHG emissions through fewer VMT:

- New or expanded transit service (bus, train, ferry, shuttle, or vanpool)
- Increased transit ridership

- New pedestrian walkways, infrastructure, or streetscape improvements that improve the safety of pedestrians, cyclists, or transit riders, but do not increase capacity for private vehicles
- New, expanded, or enhanced bikeways (Class I, II, or IV)
- New or expanded bike or zero-emission vehicle (ZEV) share
- Pedestrian and bicycle safety, school crossing guard training, or related education programs

Proposed transit and active transportation capital projects under the Equitable Housing and Neighborhood Development Strategy are required to be connected to other proposed or existing transit or active transportation systems.

## 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
- University and Community College District
- School district
- Facilities district
- Developer
- Program operator

Tribal entity (tribe or a tribally designated housing entity):<sup>33</sup>An Indian Tribe as defined under USC Section 4103(13)(B) of Title 25, A Tribally Designated Housing Entity under 25 USC 4103(22), or if not a federally recognized tribe as identified above, either: Listed in the Bureau of Indian Affairs Office of Federal Acknowledgement Petitioner List, pursuant to CFR Section 83.1 or Title 25; or Indian Tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purpose of consultation pursuant to GC Section

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<sup>33</sup> Eligible tribal projects are outlined in the AHSC Guidelines, Appendix B. Tribal Eligibility.

65352.3 Applicants must demonstrate experience by providing evidence of at least two projects that are similar to each proposed AHSC capital project in scope and size, which have been completed by the applicant, serving as the developer of that project component, during the ten years preceding the application due date. If an applicant relies upon the experience of its Principal to meet the Applicant experience requirements, documentation of the Principal's experience is required as set forth in the application, in addition to the recent project evidence.

## **Additional Readiness Requirements**

Proposed projects must meet readiness requirements according the AHSC Guidelines at the time of TCC application.

### ***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. However, non-housing components of a project are not required to certify completion and demonstration of approval of environmental clearances (NEPA or CEQA) until prior to the initial disbursement of grant funds. Applicants are not required to complete any necessary environmental clearances prompted exclusively by rental and/or operating subsidies prior to the application deadline.

### ***Site Control***

Applicants must demonstrate site control prior to submitting an application. The eligible applicant or locality serving as the developer of a particular component of the project must demonstrate and maintain site control through the award date.

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 AHSC Program requirements. Where site control will be satisfied by a long-term ground lease, HCD will require the execution and recordation of HCD's form lease rider, which shall be entered into by and among the ground lessor, the ground lessee, HCD, and any other applicable parties. In all cases, the lease rider shall be recorded against the fee interest in the project property
- 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

- 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. For capital projects where site control is in the name of another entity, the applicant shall provide documentation, in form and substance reasonably satisfactory to HCD, (e.g., a purchase and sale agreement, an option, a leasehold interest/option, a disposition and development agreement, an exclusive right to negotiate with a public agency for the acquisition of the site), which clearly demonstrates that the applicant has some form of right to acquire or lease the project property.
- For capital projects developed in Indian country, the following exceptions apply:
  - Where site control is a ground lease, the lease agreement between the tribal entity and the project owner is for a period not less than 50 years; and
  - An attorney's opinion regarding chain of title and current title status is acceptable in lieu of a title report

***Enforceable Funding Commitments Requirement*** Enforceable Funding Commitments are defined as a letter or other document evidencing, to the satisfaction of the AHSC Program and the Department of Housing and Community Development, a commitment of funds or a reservation of funds by a project funding source for construction or permanent financing, including, but not limited to, the following:

- Private financing from a lender other than a mortgage broker, the Applicant, or an entity with an identity of interest with the Applicant, unless the Applicant is a lending institution actively and regularly engaged in residential lending
- Deferred-payment financing, residual receipts payment financing, grants, and subsidies from public agencies
- Funds awarded by another Department program. Proof of award must be issued prior to final rating and ranking of the Program application
- Funds conditionally reserved under the following programs shall be accepted as funding commitments: the Department of Housing and Urban Development's (HUD) Supportive Housing Program (SHP), HOME Investment Partnerships Program (HOME), Community Development Block Grant Program (CDBG), and the California Department of Mental Health's Mental Health Services Act (MHSA) Program
- A land donation in fee for no other consideration that is supported by an appraisal or purchase/sale agreement ("Land Donation") or a local fee waiver Round 7 AHSC Program Guidelines – Page 63 December 15, 2022, resulting in quantifiable cost savings for the Project where those fees are not otherwise required by federal or state



law (“Local Fee Waiver”) shall be considered a funding commitment. The value of the Land Donation will be the greater of either the original purchase price or the current appraised value as supported by an independent third-party appraisal prepared by a Member Appraisal-Institute-qualified appraiser within one year of the application deadline. A funding commitment in the form of a Local Fee Waiver must be supported by written documentation from the local Public Agency. A below market lease that meets the requirements of UMR section 8316 would be considered a land donation (\$1 per year).

- Owner equity contributions or developer funds. Such contributions or funds shall not be subsequently substituted with a different funding source or forgone if committed in the application, except that a substitution may be made for up to 50 percent of deferred developer fee. The Department may require the applicant to evidence the availability of the proposed amount of owner equity or developer funds.
- For homeownership Affordable Housing Developments only: Construction loans which will be repaid with revenue from the sale of homes to low- or moderate-income homebuyers Funds for transportation projects which are programmed for allocation and expenditure in the applicable capital improvement plan consistent with the terms and timeframes of the Standard Agreement

### ***Financial Feasibility***

- Market study
- Project pro-forma
- Multi-year pro-forma
- Sources and uses statement
- Operating budget

### ***Other Readiness Documentation***

- Consistency with State Relocation Assistance Law
- All necessary discretionary land use approvals, excluding design review, have been granted
- Consistency with State and Federal Fair Housing requirements including duties to affirmatively further fair housing
- Integration of climate adaptation measures
- Supports the implementation of the applicable Sustainable Community Strategy (SCS), as confirmed by the Metropolitan Planning Organization (MPO), or equivalent sustainable planning document in non-MPO regions, demonstrating a per capita reduction in VMT and GHG
- 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, as demonstrated by a letter from the Department (HCD)

## Special Requirements

Other requirements include, but are not limited to the following:

- All proposed Affordable Housing Developments located in a jurisdiction that has fare-based transit must provide at least one (1) transit pass or card to each Restricted Unit for at least 3 years. If the transit agency does not provide passes with unlimited rides, the card or pass should have a minimum value of 40 average commute length rides a month as determined by the transit agency. These passes or cards may be paid for with TCC funding
- Demonstrate housing will be smoke free by providing a smoke free housing lease addendum
- Incorporate more than one TCC Urban Greening element with dedicated maintenance for at least two years, and must propose at least \$200,000 in reasonable direct Urban Greening costs
- Include adequate lighting in accordance with local, state, or federal design standards and requirements for all publicly accessible components
- Must be served by qualifying transit, as outlined in AHSC's program guidelines (See Figure 1 of the AHSC Guidelines)
- Must not result in a net loss or conversion of agricultural or other working lands, or natural resource lands for other uses
- If project is in a State Groundwater Management Act (SGMA) critically overdrafted area (medium or high priority groundwater basin), applicant must verify water availability, confirm project's alignment with the local Groundwater Sustainability Agency (GSA) and evaluate new water hookup prohibitions or requirements
- Must meet the underwriting standards in the Uniform Multifamily Regulations and Multifamily Housing Program Guidelines Section 7312
- Must not result in a net loss of affordable housing units and sustainable transportation infrastructure or transportation related amenities
- Demonstrate costs are infeasible without TCC Program funds, and other committed funds are not being supplanted by TCC 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 Neighborhood Stabilization

TCC will fund land acquisition for affordable housing and other community service facilities (defined in Appendix A). Below are the General Requirements, eligible project types and fundable elements, Applicant requirements, readiness requirements, and special requirements for Strategy 2.

### General Requirements

The total amount requested for land and property acquisition may not exceed ten percent (10%) of total awarded TCC funds. Acquired land for housing shall be deed or covenant restricted for developing affordable housing/mixed-use affordable housing, and community service facilities must provide a letter of commitment establishing the proposed community service facility land use. 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 Activities

#### ***Project Type: Outreach and Implementation***

TCC Fundable Elements include but are not limited to:

- Community engagement for project planning post-land acquisition
- Land holding costs
- Direct costs of the land acquisition and stewardship program, including staff and benefits

#### ***Project Type: Land Acquisition***

Eligible activities include but are not limited to:

- Land and property cost
- Fees
  - Legal fees associated with land acquisition
  - Escrow fees and transfer taxes
  - 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:
  - Predevelopment interest/holding cost (interest accumulated from a loan for land acquisition costs)
    - Other costs may include insurance, security, property management

- 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

***Project Type: Community Land Trusts***

Eligible activities include but are not limited to:

- Development of administrative infrastructure for Community Land Trusts (CLT) (e.g., capacity, leadership, and partnership development within the first two years of the grant)
- Rehabilitation, construction, and permanent financing assistance (if sufficient funds have been secured for proposed site acquisition)
- Costs associated with CLT conversion to resident ownership
- Equity and wealth building programs for residents

**Eligible Project Costs**

Eligible Costs include, but are not limited to:

- Land acquisition that will result in affordable housing or a community service facility on the acquired land
- Fees
  - Legal fees associated with land acquisition
  - Escrow fees and transfer taxes
  - Building permit fees
  - Impact fees
  - Other fees associated with land acquisition
  - Environmental impact reports and assessments
- Financing costs, including:
  - Predevelopment interest/holding cost (interest accumulated from a loan for development costs)
  - Loan fees
  - Rehab, construction costs, and permanent financing assistance (if sufficient funds have been secured for site acquisition)
- Costs associated with obtaining a ground lease, deed of trust, or covenant
- Outreach and implementation

- Community Land Trust administrative capacity building

## **Applicant Requirements**

Lead or co-applicant must include one of the following:

- Cooperative housing agencies or corporations
- Limited partnerships or limited liability companies where all the general partners are eligible lead or co-applicants
- California Native American Tribes
- Joint Powers Authorities
- Public Housing Authorities
- Redevelopment Successor Agencies
- Community Land Trust with demonstrated record (incorporated with the State and in good standing)
- Local public agency
- Nonprofit organization
- School Districts
- Community College Districts

## **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 properties 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 through a pro forma (project financing model) or similar document, and demonstrate that all development phases on the requested land can be completed within the grant term. Community Land Trust projects must also include a feasibility study that assesses all development phases including the plan to build administrative capacity, an evaluation of the proposed site use, and project development and stewardship plan. Phases of Development include:
  - Phase 1: Feasibility
  - Phase 2: Land Acquisition (if applicable)

- Phase 3: Rehab, Construction, and Permanent Financing (as applicable)
- Phase 4: Conversion to Resident Ownership, Rental Housing, or Community Service Facility
- Phase 5: Long-Term Stewardship
- Evidence of land value for requested land acquisition, such as an appraisal
- The land zoned should be consistent for proposed use, e.g., restricted for multi-family housing, mixed-use housing, and/or the proposed community service facility land use

Plan for acquiring deed restriction for developing very low, low, and/or moderate income affordable housing

- Letter of commitment that demonstrates a commitment to establish a land use restriction for the proposed community service facility following the predevelopment phase is required at Application. A recorded instrument (e.g., a deed of trust) should be submitted to the SGC as a deliverable following the predevelopment phase. Projects that opt to protect the community-serving use element through a deed restriction that reverts the real property interest to a participating local government in the case of discontinued operation will be prioritized.
- Letter of commitment from the seller is required at Application
- Letter of support for acquisition of the property for affordable housing or community service facility purposes from the appropriate local government entity, if the co-applicant is not the relevant local government entity.
- If project is in a State Groundwater Management Act (SGMA) critically overdrafted area (medium or high priority groundwater basin), applicant must verify water availability, confirm projects alignment with the local Groundwater Sustainability Agency (GSA) and evaluate new water hookup prohibitions or requirements.

## 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. Each section below lists the 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



## Strategy 3.1: Active Transportation

### Eligible Project Activities

***Project Type: Construction of new, expanded, or enhanced bikeways (Class I, Class II, or Class IV)***

Eligible activities include but are not limited to:

- New, expanded, or enhanced context sensitive bikeways (Class I, Class II, or Class IV)<sup>34\*</sup>
- Non-motorized urban trails that provide safe routes for travel between residences, workplaces, commercial centers, and schools
- Bicycle carrying structures on public transit

***Project Type: Construction of new pedestrian facilities***

Eligible activities include but are not limited to:

- 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

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<sup>34</sup> Functional classification, travel forecasts, levels of service, purpose and transportation need, environment, safety, place audit are among the factors that defines context sensitive bikeways.

***Project Type: Purchase of bicycles and/or purchase and installation of infrastructure in support of new or expanded bike share***

Eligible activities include but are not limited to:

- New or expanded bike share program\*
- Publicly accessible bicycle parking
- Bicycle repair kiosks
- Bicycle carrying structures on public transit

**Eligible Project Costs**

Eligible Costs include but are not limited to:

- 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 (including utility relocation) 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).
- The purchase or leasing of right of way

**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
- California Native American Tribes
- Private or nonprofit organizations
- Other entities with oversight of transportation or recreation trails

## **Additional Readiness Requirements**

- Project plans and a cross-section (15-30% design) for bicycle and pedestrian improvements

## Strategy 3.2: Transit and Rail Access

### Eligible Project Activities

#### ***Project Type: New or Expanded Service***

Eligible activities include but are not limited to:

- Operation of new or expanded transit service\*
  - Enhanced or expanded transit service by supporting construction or implementation of:
  - New or expanded bus service, intercity commuter service, or urban rail project
  - 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
  - Operation of alternative transportation services
- Capital or operational expenditures that increase transit mode share such as bus shelters, transit waiting areas, or bicycle carrying structures on public transit

#### ***Project Type: Technology Conversion***

Eligible activities include but are not limited to:

- Purchase, lease, or replacement of zero-emission vehicles\*
- Purchase, construction, and/or installation of infrastructure, equipment, or facilities to support zero-emission vehicles

#### ***Project Type: New Service and Technology Conversion***

Eligible activities include but are not limited to:

- Purchase of zero-emission vehicles and equipment in support of new expanded/enhanced transit service\*

#### ***Project Type: Fuel or Energy Reductions***

Eligible activities include but are not limited to:

- 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\*

***Project Type: Increased Ridership***

Eligible activities include but are not limited to:

- 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:\*

  - Rail, bus, and ferry integration implementation
    - Integrated ticketing/scheduling systems ([California Integrated Travel Project – Cal-ITP](#)) 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
  - Bus rapid transit or rail service and other bus and ferry transit investments
    - Vanpool or shuttle services operated as public transit
    - Operating agreements, schedules, and minor capital investments to increase ridership

- Efforts to improve existing rail service effectiveness with a focus on improved operating agreement, schedules, and capital investments that increase ridership
- Purchase and construction of active transportation facilities that connect to stops/stations and encourage transit ridership\*

**Eligible Project Costs**

Eligible Costs include but are not limited to:

- 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, engagement on design and implementation of program, 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 vehicles for public transit, including buses, vans, or shuttles, and the installation of the necessary equipment and infrastructure to operate and support zero emission vehicles
- Data collection costs such as vehicle telematics
- Expenses related to operator salaries and wages (note on-going operational costs beyond the grant term are ineligible)

**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

## **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
- California Native American Tribes

## **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:
  - Project partners
  - Local or Regional agency or agencies

- 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

## Strategy 3.3: Car Sharing and Mobility Enhancement

### Eligible Project Activities

Project Type: Purchase or lease of zero-emission vehicle technology types to be used for car sharing, vanpooling, ride-sharing and other mobility options

Eligible activities include but are not limited to:

- Advanced technologies may include but are not limited to:
- Battery electric vehicles\*
- Fuel cell electric vehicles\*
- Hydrogen fuel cell vehicles\*
- Purchase, construction, and/or installation of infrastructure, equipment, or facilities to support zero-emission 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 plug-in hybrid or zero-emission vehicle (ZEV) replacement

### Eligible Project Costs

Eligible activities include but are not limited to:

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
  - May be purchased or leased (2-year minimum lease period)
  - May be new or used
  - 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

Ineligible Costs:

- Fuel and electricity costs

## **Applicant Requirements**

Lead or Co-applicants must include at least one of the following:

- Local public agency
- Non-Profit Organizations
- California Native American Tribes
- For profit companies that specialize in car-sharing and mobility enhancement projects

## Strategy 4: Solar Installation, Energy Efficiency, and Appliance Electrification

TCC will fund the installation of solar photovoltaic systems, energy efficiency retrofits (including roofs), and replacement of natural gas fueled appliances with all-electric energy efficient equivalents under this strategy. Eligible locations include low-income residences and community-serving facilities. Below are the eligible project types and fundable elements, Applicant requirements, eligible project costs, additional readiness requirements, and special requirements for Strategy 4.

### Eligible Project Activities

#### ***Project Type 1: Installation of Energy Efficiency Measures and Solar Photovoltaic Systems***

Eligible activities include but are not limited to:

- Battery storage
- Ceiling fans\*
- Ceiling insulation/insulation upgrades\*
- Duct repair/replacement\*
- Efficient fan controller \*
- Efficient room air conditioners
- Efficient central air conditioners
- Electronically commutated blower motor\*
- Floor insulation\*
- HVAC system replacement\*
- Infiltration reduction measures\*
- LED lighting\*
- LED night lights\*
- Low flow faucets\*
- Low flow showerheads\*
- Refrigerant charge w/ coil cleaning\*
- Refrigerator replacement\*
- Smart thermostat\*
- Solar water heating\*

- Solar PV<sup>35</sup>
- Thermostatic shower valve and showerhead\*
- Tier 2 power strips\*
- Vacancy/motion sensor\*
- Wall insulation, stucco, and wood\*
- Water heater blanket\*
- Water heater replacement\*
- Whole house fan\*
- Window replacement\*

***Project Type 2: Replacement of Existing Natural Gas Appliances with Efficient Electric Equivalents***

Eligible activities include but are not limited to:

- Electric ENERGY STAR® clothes dryers\*
- Electric heat pump systems
- Electric heat pump water heaters\*
- Electric induction cooking tops
- Electric ovens
- Electric ranges

***Project Type 3: Urban Heat Island Mitigation***

Eligible activities include but are not limited to:

- Cool pavements (sidewalk and road resurfacing)
- Cool roofs, utilizing rated roofing products<sup>36</sup>

## **Eligible Project Costs**

Eligible Costs include but are not limited to:

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<sup>35</sup> Solar PV installed on single-family, multi-family, and community service facilities are quantifiable under CARB's quantification methodology. Solar PV installed on public infrastructure is currently not quantifiable under the TCC Program.

<sup>36</sup> Installed roofing products should be rated and labeled for their thermal emittance and solar reflectance properties. The California Energy Commission recognizes the Cool Roof Rating Council for rating products: <https://coolroofs.org/directory/roof>.

- Direct Costs: Costs associated with the installation including labor, materials, and subcontractors.
- Support Costs (e.g., site assessment, project management, training and technical assistance needs, customer education).
- Limited repair costs necessary to facilitate the installation of measures in this Strategy (including but not limited to: dry rot repair, water heater platform repair, remediation of electrical hazards, electric panel upgrades, electrical circuit upgrades, and roof repairs) are capped at 20% of the total project budget. Repairs for solar PV installation must be cost effective per the Savings to Investment Ratio (SIR) – described below.

Ineligible costs:

- Installation of new high-efficiency equipment that is not a replacement of low-efficiency equipment.
- Household EV chargers

## **Applicant Requirements**

Lead or Co-applicants must include at least one of the following:

- Local public agencies
- Joint Powers Authorities
- Non-profit organizations
- California Native American Tribes
- Community-based organizations

## **Additional Readiness Requirements**

- 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**

### ***Cost Effectiveness Requirements for all Solar PV Projects:***

The Savings to Investment Ratio (SIR) is a ratio of savings to the costs of an energy investment measure. An SIR ratio above 1 indicates that generated savings will recover the investment. A score less than 1 indicates an uneconomic investment where costs are not recovered; a ratio of 1 indicates an investment's savings just equal its costs. Limited repair costs for solar PV

projects must be cost effective using the following calculation and meet the 1 Savings to Investment Ratio (SIR).

SIR Calculation:

- $$SIR = \frac{\text{Lifetime Savings}}{\text{Investment}}$$
- $$SIR = \frac{(\text{First Year kWh Savings}^{37} \times \text{Customer Cost per kWh} \times 27.7941 \text{ Years}^{38})}{[(\text{Contracted Cost Per Watt} \times \# \text{ Watts Installed}) + \text{Repair Costs}] - \text{Leveraged Funding}}$$

### ***Sizing Considerations for Single Family Solar PV Projects:***

Solar photovoltaic (PV) systems shall not have an annual electrical output greater than the dwelling's annual electrical usage. Solar PV systems exceeding annual electrical usage require justification from the solar provider and SGC approval. Household annual electricity consumption calculations and solar PV system sizing should include consideration of increased electricity consumption that could occur due to appliance and building electrification – including electric vehicle (EV) readiness.

### ***Eligibility Requirements for Nonresidential Solar PV Projects:***

Eligible Nonresidential Properties:

- Community service facilities (defined in [Appendix A](#)), or
- Public community infrastructure, including basic environmental infrastructure (defined in [Appendix A](#)), that contributes to the overall safety and health of a community (e.g., lighting or water supply infrastructure)

Proposed projects must meet the following criteria:

- Letters of commitment from site owners describing commitment to utilize installed solar to serve community needs and how energy savings will be used to benefit Project Area residents.

### ***Household Eligibility Requirements for all Residential Projects:***

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.

- TCC recognizes the rights of immigrants to participate in state programs and TCC program-funded activities may not preclude or discriminate on the basis of race or national origin, per Department of Fair Employment and Housing (DFEH) guidance.<sup>39</sup>
- Single-family property owners certify they shall not raise the rent or evict tenants of any unit that has been weatherized, had solar panels installed, and/or appliances electrified for a period of two (2) years from the date of improvement because of the increased value of the unit due solely to the TCC funded improvement 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 that do not directly result from TCC funded improvements). 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.

#### 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.
- 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.

#### ***Requirements for Appliance Electrification Projects***

Appliance electrification projects will alter the existing energy balance of homes towards increased electricity consumption. There is a potential for these projects to affect resident utility bills. To ensure residents are aware of potential changes to their utility bills, or to mitigate any such changes, projects involving electrification shall implement at least one of the following measures:

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<sup>39</sup> Please see this DFEH fact sheet for more information.

[https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2020/10/Immigration-Rights-Fact-Sheet\\_ENG.pdf](https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2020/10/Immigration-Rights-Fact-Sheet_ENG.pdf)

1. Pair the installation of efficient electric equipment with solar PV systems and/or battery storage.
2. Pair the installation of efficient electric equipment with home weatherization measures, such as air sealing and insulation to improve the building's thermal envelope and maximize the benefits of upgrades.
3. Provide residents information on operating costs of all newly installed efficient equipment, including the EnergyGuide and/or ENERGY STAR® labels. Project leads shall also provide resident and/or user training on how to operate and maintain new equipment, including the best user practices to optimize performance and maximize customer satisfaction and savings (e.g., setting and controlling a thermostat for a heat pump).

## Strategy 5: Water Efficiency and Resiliency

TCC will fund the installation of water efficiency retrofits and resiliency projects for low-income residences and community-serving facilities under this strategy. Below are the eligible project types and fundable elements, Applicant requirements, and eligible project costs for Strategy 5.

### Eligible Project Activities

#### ***Project Type: Replacement of Inefficient Appliances with High-Efficiency Models***

Eligible activities include but are not limited to:

- 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

#### ***Project Type: Replacement of Inefficient Fixtures with High-Efficiency Models***

Eligible activities include but are not limited to:

- Faucets\*
- Aerators
- Showerheads\*
- Toilets and urinals
- Commercial pre-rinse spray valves\*

#### ***Project Type: Holistic Water Efficiency and Resiliency Upgrades***

Eligible activities include but are not limited to:

- Water audits for multi-family housing
- Sub-metering for multi-family housing
- Meter installations and/or upgrades
- Leak detection and repair project sites
- 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
- Rainwater and/or storm water capture systems, including treatment and use for landscape irrigation, or toilet, and urinal flushing
- Onsite graywater systems, including capture, treatment and reuse for landscape irrigation, or toilet and urinal flushing
- Water infrastructure resiliency projects: Actions that adapt or implement water infrastructure to accommodate climate change. Includes drinking well impact mitigation for DUC communities.

## **Eligible Project Costs**

Eligible activities include but are not limited to:

- 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 ENERGY STAR®, or equivalent, as applicable
- Limited Home Repairs necessary to facilitate installation of measures (e.g., dry rot repair, plumbing repair) are capped at \$1,000 per dwelling.

Ineligible Costs:

- Operations and maintenance costs

## **Applicant Requirements**

Lead or Co-applicants must include at least one of the following:

- Local public agencies
- Joint Powers Authorities
- Public schools, universities and colleges (UC, CSU, CA community colleges)
- Nonprofit organizations

- Community-based organizations
- Community development corporations
- California Native American Tribes

## Special Requirements

### *Eligibility Requirements for all Projects:*

#### 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.
- TCC recognizes the rights of immigrants to participate in state programs and TCC program-funded activities may not preclude or discriminate on the basis of race or national origin, per Department of Fair Employment and Housing (DFEH) guidance.<sup>40</sup>
- Single-family property owners certify they shall not raise the rent or evict tenants of any unit for a period of two (2) years from the date of installation because of the increased value of the unit due solely to water efficiency 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 that do not directly result from TCC funded improvements). 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.

#### 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.
- 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

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<sup>40</sup> Please see this DFEH fact sheet for more information.

[https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2020/10/Immigration-Rights-Fact-Sheet\\_ENG.pdf](https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2020/10/Immigration-Rights-Fact-Sheet_ENG.pdf)

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 water efficiency upgrades and major capital improvements.

Nonresidential Properties:

- Eligible nonresidential properties must meet the definition of a community service facility (defined in Appendix A); and
- Provide letters of commitment from site owners describing commitment to utilize installations to serve community needs and how water and energy savings will be used to benefit Project Area residents.

## Strategy 6: Recycling, Composting, and Waste Reduction

TCC will fund circular economy projects including organics waste reduction, recycling, and food waste prevention under this strategy. Applicants may choose any combination of or all waste management strategies as part of their application. Below are the eligible project types and fundable elements, Applicant requirements, eligible project costs, and additional readiness requirements.

### Eligible Project Activities

#### *Project Type: Reutilization of organic and inorganic materials*

Eligible activities include but are not limited to:

- Reutilization of organic and/or inorganic materials in order to promote a circular economy including but not limited to: <sup>41</sup>
  - Composting of organics\*
  - Manufacturing value-added finished products using recycled fiber, plastic\*
  - Reuse and repair programs for non-traditional recyclables (appliances, electronics, etc.)\*
  - Food waste prevention via food rescue\*
  - Food waste prevention via source reduction\*
- Construction, renovation or expansion of facilities for inorganic and organic reutilization. Examples of facilities include:
  - Compost, anaerobic digestion, or preprocessing of organics (not as standalone project) compost or anaerobic digestion facilities, and machinery that turn organic materials into compost and/or energy products\*
  - Recycled-content fiber, plastic, or glass or for the manufacture of value-added products\*
- 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\*
- Purchase of equipment, machinery and/or site improvements associated with construction, renovation or expansion of inorganic or organic reutilization facilities
- Residential or commercial compost, anaerobic digestion, and/or recycling collection equipment or programs

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<sup>41</sup> Quantifiable elements in this section should demonstrate that materials generated in the Project Area are being diverted from landfills.

- Community-scale or stand-alone composting programs, recycling education programs, and/or food waste prevention, rescue, and recycling education programs

## **Eligible Project Costs**

Eligible Costs include but are not limited to:

- Refrigerators, freezers, refrigeration systems, and transportation (i.e., 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)
- 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
- Purchase of feedstock (i.e., food, food waste, green waste, alternative daily cover, recycled fiber, plastic or glass)
- Food dehydrators and liquefiers unless coupled with increased tons of Project Area generated food materials diverted from landfills and composted or digested
- Purchase or lease of land
- Purchases of offsets or allowances

## **Applicant Requirements**

Lead or Co-applicants must include at least one of the following:

- Local public agencies
- Private, for-profit entities
- California Native American Tribes
- 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)

### **Additional Readiness Requirements**

- Material Flow Charts (and supporting documentation)
- Feedstock Certification, as applicable
- Applicants must provide a report on when the following permits will be completed, as applicable:
  - Solid Waste Facilities Permit
  - Water Permit
  - Conditional Use Permit
  - Air Quality Permit
  - Licenses and Filings
- Certification of Food Amount Available, as applicable
- Projects must demonstrate that they will not negatively impact local conditions including air quality and community quality of life.

## Strategy 7: Urban Greening and Green Infrastructure

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

### Eligible Project Activities

***Project Type: Planting of trees in sites that are strategically selected to shade buildings (i.e., planted within 60 feet of an air-conditioned building)***

Eligible activities include but are not limited to:

- Urban tree planting\*
- Tree and plant establishment care
- Planting site preparation
- Vegetation planting
- Urban heat island mitigation by tree shading

***Project Type: Planting of trees in sites that do not shade buildings***

Eligible activities include but are not limited to:

- 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)\*

***Project Type: Green infrastructure***

Eligible activities include but are not limited to:

- 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

## Eligible Project Costs

Eligible Costs include but are not limited to:

- 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:
  - Rely on excessive amounts of water to survive
  - Rely on synthetic fertilizer to survive
  - Are inappropriate for the site selected or require excessive maintenance
  - Will conflict with overhead or underground utilities or ground-located infrastructure

## Applicant Requirements

Lead or Co-applicants must include at least one of the following:

- California Native American Tribes
- 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)

## **Additional Readiness Requirements**

- Detailed Tree and Plant Species List approved by a certified expert (e.g., certified arborist, landscape architect). Tree and plant species must be appropriate for the selected sites.
- Urban Greening projects should demonstrate sustainable water use. Species selection should be climate appropriate. Irrigation systems should be cost-effective and water efficient. If project is in a State Groundwater Management Act (SGMA) critically overdrafted area (medium or high priority groundwater basin), projects should be consistent with Groundwater Sustainability Plans for medium and high priority basins.
- Grantees must consult with their Regional Urban Forester before beginning work for final approval of site and species selection. Note that for residential tree planting programs, it is acceptable to identify specific sites during grant implementation, rather than at the time of application. However, the work plan should detail the plan for conducting outreach and recruitment to private property owners.
- The Operations and Maintenance requirement for urban greening projects shall be incorporated into a comprehensive management plan, which include best practices and clear maintenance plans for 5 years. Tree planting and urban forestry projects must comply with additional standards based on the CALFIRE Urban and Community Forestry Program Guidelines.

## Strategy 8: Health Equity and Well-Being

TCC will fund projects that improve health and racial equity outcomes within the project area based on relevant local data on environmental and health disparities, including but not limited to: disease burden, mortality and morbidity. Eligible projects include access to community resource centers, supportive services, healthy food, parks, open space, and recreation under this strategy. Below are the eligible project types and fundable elements, Applicant requirements, eligible project costs, and additional readiness requirements for Strategy 8.

### Eligible Project Activities

#### ***Project Type: Community Resource Centers and Supportive Services***

- Community resource centers that provide access to social programs and services, including both capital projects associated with permanent physical space and the creation or improvement of virtual spaces or resources
- Supportive services such as access to community health workers, peer-led service navigation, basic preventative health services, community-led mental and behavioral health prevention and early intervention programs, mutual aid projects
- Training to individuals to promote health equity in the project area

#### ***Project Type: Food Access***

Eligible activities include but are not limited to:

- Urban agriculture, including front yards, back yards, rooftop gardens, roadside urban fringe agriculture, livestock grazing in open space, and indoor hydroponic or aquaculture facilities.\*<sup>42</sup>
- Community gardens\* <sup>43</sup>
- School gardens\* <sup>44</sup>
- Community kitchen
- Community grocery stores and food cooperatives
- Alternative food distribution mechanisms such as Community Supported Agriculture boxes or other scattered methods of food distribution

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<sup>42</sup> 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.

<sup>43</sup> 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.

<sup>44</sup> School gardens must include trees to be quantifiable.

- Food hubs to serve the Project Area population<sup>45</sup>
- Agricultural and healthy food education opportunities for children and adults

***Project Type: Park, Open Space, and Recreation Access***

Eligible activities include but are not limited to:

- Increase access to parks and green space through capital improvements projects or programs,
- Playground or park exercise equipment
- Small recreational facilities (picnic areas, bathrooms)

**Eligible Project Costs**

Eligible Costs include but are not limited to:

- Direct project costs, including staff and benefits
- Support costs for training, technical assistance, marketing, outreach
- Support costs for community engagement, education and participation related to healthy food access
- Land purchase and funding access to water for establishing and maintaining community resource centers, small scale community gardens, urban agriculture, or community farms<sup>46</sup>
- New construction or retrofit costs for community resource centers, including the cost of facilities and accompanying campus amenities
- Costs associated with virtual or physical resources that support health equity in the project area
- 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.
- Community Needs Health Assessment<sup>47</sup> to track food access and other health needs of the community

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<sup>45</sup> 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.

<sup>46</sup> In order for water use to be an eligible cost, awardees must ensure water access is available for residents of the community.

<sup>47</sup> Community Health Needs Assessment Toolkit, American Hospital Association  
<https://www.aha.org/resources/community-health-assessment-toolkit>

- Support costs for increasing access to healthy foods or supportive services through innovative strategies

**Ineligible Costs:**

- Inefficient irrigation systems, or overly costly and elaborate irrigation
- Remediation needed for the Project Area (e.g., soil, land, etc.)

## **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
- California Native American 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

## **Additional Readiness Requirements**

Urban Agriculture Projects have the following additional readiness requirements:

- Environmental analyses of the proposed Project Area must be complete within the first year of the grant.
- Land purchases, site control and/or commitment for site control, must be demonstrated at application.
- Appropriate land zoning required for urban agricultural operations must be demonstrated at application.
- 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.

## Strategy 9: Indoor Air Quality

TCC will fund indoor air filtration projects for low-income residences and community-service facilities (see [Appendix A](#)) under this strategy. Below are the eligible project types and fundable elements, Applicant requirements, eligible project costs, and additional readiness requirements for Strategy 9.

### Eligible Project Activities

#### *Project Type: Indoor Air Filtration*

Eligible activities include but are not limited to:

- Portable indoor air filtration devices
- Filtration upgrades to existing heating, ventilation, and cooling systems in residences, school, hospitals, and other sensitive locations
- Replacement filters meeting a Minimum Efficiency Reporting Value (MERV) of 14 or higher
- Subsidies for increased residential electricity costs resulting from installation or use of indoor air filtration units, air monitoring equipment, or any devices directly supporting air filtration and monitoring
- Subsidies to support increased maintenance cost resulting from air filtration upgrades
- Air monitoring equipment and installation
- Limited in-home measures to reduce common sources of asthma irritants (e.g., mold remediation or reduction, pest control, etc.)
- Education and training on community air monitoring

### Eligible Project Costs

Eligible Costs include but are not limited to:

- Direct Costs: Costs associated with installation of filtration upgrades or portable filters including labor, materials and subcontractors.
- Support Costs (e.g., site/impact assessment, project management, training and technical assistance needs).
- Limited repairs (e.g., electrical circuit upgrades, vent system inspection and upgrades) not in excess of \$3,000 per dwelling.
- Asthma irritant remediation costs (e.g., mold remediation, relevant pest control materials, allergen proof bedding covers, etc.)
- Resident outreach, education, and training

- Subsidies for increased residential electricity costs resulting from air filtration units, air monitoring equipment, and/or other devices directly supporting air filtration and monitoring
- Replacement filters

Ineligible Costs:

- Projects that do not serve residents or community service facilities

## **Applicant Requirements**

Lead or Co-applicants must include at least one of the following:

- Local public agencies
- Joint Powers Authorities
- Non-profit organizations
- Community based organizations
- California Native American Tribes

## **Additional Readiness Requirements**

***Indoor Air Filtration Projects involving work on central heating, ventilation, and air conditioning:***

- Lead or Co-applicant must be in good standing with all appropriate local and state oversight and licensing authorities

## **Special Requirements**

***Household Eligibility Requirements for all Projects:***

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.
- TCC recognizes the rights of immigrants to participate in state programs and TCC program-funded activities may not preclude or discriminate on the basis of race or national origin, per Department of Fair Employment and Housing (DFEH) guidance.<sup>48</sup>

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<sup>48</sup> Please see this DFEH fact sheet for more information.

[https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2020/10/Immigration-Rights-Fact-Sheet\\_ENG.pdf](https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2020/10/Immigration-Rights-Fact-Sheet_ENG.pdf)

**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 unit with filtration upgrades for a period of two (2) years from the date of filtration upgrade because of the increased value of the unit due solely to the upgraded filtration 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 that do not directly result from TCC funded improvements). 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 appliance replacement or filtration upgrade services.

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 appliance replacement or filtration improvements.

***Property Site Assessments Requirements:***

Site assessments must be conducted prior to deploying standalone air filters and/or installing HVAC upgrades. Site assessments must demonstrate that the proposed deployment of a standalone air filter is feasible, or, in the case of HVAC upgrades, that the proposed HVAC upgrade will not result in negative effects to the existing HVAC systems. These assessments shall be conducted by the equipment owner, an HVAC engineer, or another qualified individual as approved by TCC Program Staff. In addition, each installation should include an educational consultation to instruct users on the efficient operation of the standalone air filter and/or upgraded HVAC system.

## Strategy 10: Community Microgrids

TCC will fund single customer, community-serving microgrid projects under this strategy. Below are the eligible project types and fundable elements, applicant requirements, eligible project costs, and additional readiness requirements for Strategy 10.

### Eligible Project Activities

#### *Project Type: Construction of Single Customer Microgrid Infrastructure*

Eligible activities include but are not limited to:

- Single customer islanded microgrids with renewable energy generation and storage\*
- Solar Photovoltaic (PV) systems\*
- Energy infrastructure
- Projects must be at critical community service facilities (defined in [Appendix A](#)).

### Eligible Project Costs

Eligible activities include but are not limited to:

- Direct project costs, including staff, benefits, operations, and maintenance
- Support costs for training, technical assistance, and outreach
- Support costs for community engagement, education, and participation
- Single customer (islanded) microgrids
- Solar photovoltaic (PV) systems
- Electrical energy storage
- Load reduction devices and control systems
- Microgrid controllers
- Energy Infrastructure, such as electric vehicle charging stations

Ineligible Costs:

- Fossil fuel generators or infrastructure
- Multi-customer microgrids
- Projects that do not serve a community service facility

### Applicant Requirements

Lead or co-applicant must include one of the following:

- Local Public Agencies



- Joint Powers Authorities
- Non-Profit Organizations
- Community Based Organizations
- California Native American Tribes

## **Additional Readiness Requirements**

- Lead or Co-applicant must be in good standing with all appropriate local and state oversight and licensing authorities
- Lead or Co-applicant must demonstrate qualifications having completed similar microgrid projects, have been certified in Energy Storage & Microgrid Training & Certification (ESAMTAC), or received recognized credentials with similar content, or that otherwise demonstrate the relevant capacities

## **Special Requirements**

- Proposed Projects must meet the following criteria:
  - Be located entirely within a Tier 2 or Tier 3 High Fire Threat District<sup>49</sup>, and demonstrated to have been impacted by Public Safety Power Shutoff (PSPS) events or by power outages during extreme weather events; and
  - Be located at a community service facility that provides critical services to the residents of the Project Area such as cooling or heating centers, and community food access.
- Microgrid feasibility study for the project site, including analysis of energy use history and potential generation and storage capacity
- Fully developed microgrid system design
- Documentation that demonstrates the transition towards renewable energy generation as the technology becomes available (for microgrids that have some fossil fuel backup generation for longer duration outages)
- Agreements with key partners that will be responsible for implementing the project
- Agreement from site owner describing commitment to utilize the installed microgrid to serve community resilience goals, provide specific community services as proposed at application, and use energy savings to benefit Project Area residents. Projects where the community-serving use element is protected through a deed restriction that reverts the

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<sup>49</sup> The CPUC High Fire-Threat District (HFTD) map (<https://ia.cpuc.ca.gov/firemap/>) shows areas where there is an increased risk for utility associated wildfires, including Tier 2 and Tier 3 districts. The search bar in the top right corner can be used to enter and search for specific addresses.

real property interest to a participating local government in the case of discontinued operation will be prioritized.

- Additional letters of support (as needed) that demonstrate alignment with any existing Hazards Mitigation Plans, need for a resiliency center, or other Project features:
  - Project partners
  - Regional agency or agencies
  - Local utility company or Community Choice Aggregator

## Strategy 11: Brownfield Redevelopment

TCC will fund community-serving Brownfield Redevelopment projects under this strategy. Below are examples of eligible project types and fundable elements, applicant requirements, eligible project costs, and additional readiness requirements for Strategy 11.

### General Requirements

The intent of this strategy is to provide clean-up and/or redevelopment funding to projects on Brownfield sites that are ready to implement or in the process of implementing environmental clean-ups under the oversight of the Department of Toxic Substances Control (DTSC), the United States Environmental Protection Agency (EPA), water boards, or a similar local, state, or federal governmental or qualified third-party entity using standards consistent with state regulatory bodies and subject to approval by SGC.

The total amount requested for brownfield redevelopment activities may not exceed ten percent (10%) of total awarded TCC funds. This cost cap applies to both clean-up and redevelopment activities. Redeveloped land shall be restricted for development of affordable housing, green spaces, and/or other community service facilities subject to approval by the SGC.

### Eligible Project Activities

Project Type: Outreach and Implementation Eligible activities include but are not limited to:

- Community engagement for all phases of brownfield redevelopment project planning
- Public participation around preferred environmental remediation methods, findings, and course of action
- Direct costs of brownfield redevelopment, including staff and benefits

#### ***Project Type: Predevelopment Phase***

Eligible projects in this phase should have met the elements outlined in the *Additional Readiness Requirements* section of the Brownfield Redevelopment Strategy below.

Eligible activities include but are not limited to:

- Obtaining permits and necessary approvals
- Conduct environmental cleanup and site preparation activities
- Site clearance and environmental remediation
- Environmental impact reports and site assessments
- Third-party verification of cleanup analyses

#### ***Project Type: Development Phase***

Eligible projects in this phase should have met the elements outlined in the *Additional Readiness Requirements* section of the Brownfield Redevelopment Strategy below. The

Development phase includes permitting, environmental cleanup, construction, financing, and marketing activities that culminate with completion of the project and a formal opening.

Eligible activities include but are not limited to:

- Legal fees associated with Brownfield Redevelopment
- Financing costs, including:
  - Predevelopment interest/holding cost (interest accumulated from a loan for land acquisition costs)
  - Other costs may include insurance, security, property management
- Construction or substantial rehabilitation of affordable housing, mixed-use, green space, health clinic, cultural institution, or other community-service facilities and supporting infrastructure

***Project Type: Management Phase***

Brownfield Redevelopment sites must be restricted to community-serving uses which include, but are not limited to:

- Affordable Housing Development
- Green Spaces
- Community Service Facilities

**Eligible Project Costs**

Eligible Costs include but are not limited to:

- Fees
- Building permit fees
- Impact fees
- Environmental impact reports and assessments
- Outreach and implementation
- Required environmental remediation necessary for the capital project; building and facility construction costs associated with brownfield redevelopment; and capital improvements associated with brownfield redevelopment. Where the combined cost of environmental remediation and project construction is not to exceed 10% of total TCC Grant funds.
- Construction and/or substantial rehabilitation of affordable housing, mixed-use, green space, health clinic, cultural institution, or other community service facilities and supporting infrastructure

- Other capital project costs required as a condition of local approval for the capital project, as approved by the State
- Hazardous building material surveys and removals for materials including PCBs, lead, and asbestos in buildings
- Financing costs, including:
  - Predevelopment interest/holding cost (interest accumulated from a loan for development costs)
  - Loan fees

**Ineligible Costs:**

- Construction or development of industrial type uses
- Projects that do not serve a community service facility
- Costs associated with the abandonment of oil wells or mine features
- Re-development Activities on the following sites:
  - Sites with ongoing or planned U.S. Environmental Protection Agency or State-directed removal actions
  - Sites proposed for or listed on the National Priority List
  - Federally owned or controlled properties
  - Sites under enforcement action by a California state environmental regulator agency or a Certified Unified Program Agency
  - Sites actively subject to corrective action pursuant to the Federal Resource Conservation and Recovery Act (RCRA) and/or California Health and Safety Code Chapter 6.5

## **Applicant Requirements**

Lead or co-applicant must include one of the following:

- Local public agencies
- School Districts
- Community College Districts
- Non-Profit Organizations
- Community Based Organizations
- California Native American Tribes
- Public Housing Authorities
- Cooperative Housing Agencies or corporations

- Limited partnerships or limited liability companies where all the general partners are eligible lead or co-applicants
- Joint Powers Authorities
- Redevelopment Successor Agencies
- Community Land Trust with demonstrated record (incorporated with the State and in good standing)

To be eligible, applicants must establish that they did not cause or contribute to the release of threatened hazardous substances within the proposed project site. In addition, all applicants, except California Native American Tribes, must demonstrate that they are exempt from liability under the Comprehensive Environmental Response, Compensation, and Liability Act.

## **Additional Readiness Requirements**

This section outlines the readiness pathways for Brownfield Redevelopment sites with or without identified contamination.

- All Projects must demonstrate at Application thorough previous site investigation: a Phase I Environmental Site Assessment (ESA) or equivalent evaluation document such as Preliminary Endangerment Assessments (PEAs), Supplemental Site Investigations, Remedial Investigations, or other similar documents.

Non-contaminated sites:

- Projects whose site investigations do not identify contamination above appropriate and health-protective regulatory screening levels consistent with state regulatory standards must demonstrate that no plans are required related to site clean-up and remediation nor oversight by an appropriate government agency or third-party entity.

Contaminated sites:

- Projects whose site investigations do identify contamination will be subject to the following readiness requirements that establish the types of investigation, government agency or approved third-party oversight, and clean-up plans necessary for Brownfield Redevelopment projects to be considered 'Ready' under TCC.
- A Phase II ESA, or equivalent document, must be completed prior to application.
  - If the Phase II ESA concludes contamination is not present within the site, further study of site contamination is not required.
  - If the Phase II ESA concludes that the site is contaminated, prior to application sufficient site testing and exploration must be completed to determine the extent of contamination, as well as the estimated cost of clean-up.
- Contaminated sites will only be eligible for funding if the site owner or TCC Partner has entered a Standard Voluntary Agreement, California Land Reuse and Revitalization Act Agreement, Local Agency Agreement, or similar formal agreement that establishes oversight by an appropriate government entity (such as the Department of Toxic

Substances Control or the U.S. EPA) or a qualified third-party entity using standards consistent with state regulatory bodies and subject to approval by SGC.

- TCC funds may only be used for environmental remediation activities where the proposed method of environmental remediation has been approved by an appropriate government entity (such as the DTSC or the U.S. EPA) or a qualified third-party entity using standards consistent with state regulatory bodies and subject to approval by SGC, and a remediation plan is in place. The remediation activity must be presented and approved through preparation of a Feasibility Study, Removal Action Work Plan, Remedial Action Plan, Response Plan or equivalent document.

## Special Requirements

- All proposed project sites must meet the Federal definition of a Brownfield site as follows: a brownfield is a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.<sup>50</sup>
- Final Scoping Plan with completed community engagement and a development plan with schematic design and pro forma (project financing model) for the requested brownfield redevelopment. Plan must justify the requested cost and demonstrate a timeline and community process for the brownfield clean-up and/or proposed (community service facility) project.
- Evidence of cost of requested brownfields redevelopment, such as an appraisal.
- Letter of commitment from the seller or demonstration of secured site control is required at Application.
- Letter of commitment is required that demonstrates a commitment to establish a land use restriction for the proposed community service facility following the predevelopment phase is required at Application. A recorded instrument (e.g., a deed of trust) should be submitted to the SGC as a deliverable following the predevelopment phase. Projects that opt to protect the community-serving use element through a deed restriction that reverts the real property interest to a participating local government in the case of discontinued operation will be prioritized.
- The existing zoning and land use designations should be consistent with the proposed use.
- If project is in a State Groundwater Management Act (SGMA) critically overdrafted area (medium or high priority groundwater basin), applicant must verify water availability, confirm project's alignment with the local Groundwater Sustainability Agency (GSA) and evaluate new water hookup prohibitions or requirements.

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<sup>50</sup> United States Environmental Protection Agency. Overview of EPA's Brownfields Program. Available at: <https://www.epa.gov/brownfields/overview-epas-brownfields-program#:~:text=A%20brownfield%20is%20a%20property,substance%2C%20pollutant%2C%20or%20contaminant.>

## Brownfield Redevelopment Resources

- California Department of Toxic Substances Control, Office of Brownfields: Quick Reference Guide; Available at: [https://dtsc.ca.gov/wp-content/uploads/sites/31/2021/10/Quick-Reference-guide\\_8-21-002-1.pdf](https://dtsc.ca.gov/wp-content/uploads/sites/31/2021/10/Quick-Reference-guide_8-21-002-1.pdf)
- California Department of Toxic Substances Control, Site Mitigation & Restoration Program; Available at: <https://dtsc.ca.gov/brownfields/>
- California Department of Toxic Substances Control, Equitable Community Revitalization Grant; Available at: <https://dtsc.ca.gov/ecrg/>
- United States Environmental Protection Agency: Land Revitalization Toolkit; Available at: <https://www.epa.gov/land-revitalization/land-revitalization-toolkit>
- United States Environmental Protection Agency: Brownfields Program; Available at: <https://www.epa.gov/brownfields>
- Center for Creative Land Recycling: resources, programs, expertise; Available at: <https://www.cclr.org/>



# APPENDIX C – TRANSFORMATIVE ELEMENTS

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Transformative Elements focus on the needs of residents and stakeholders of the TCC Project Area. In line with the SGC Vision for Racial Equity, the Transformative Elements focus on community engagement, anti-displacement, and workforce development plans that ensure equitable outcomes for all to live in a healthy, thriving, and resilient community regardless of race.

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

## Appendix C-1: Community Engagement

### 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
- Community Working Group

#### *Activities to Engage Community Stakeholders in Development of TCC Proposal*

- Design charrettes
- Community-based participatory research
- Participatory budgeting<sup>51</sup>

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<sup>51</sup> See [Appendix A](#) for the definition of Participatory Budgeting. See also the Community Engagement Resources section of this [Appendix C-1](#) for additional information.

- Convene advisory body, community working group 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
- Steering committee relative to the participatory budget established
- Advisory body, community working group, 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

### **Community Engagement 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 meaningfully engaging community stakeholders located or involved within the defined TCC Project Area

### **Eligible Costs**

Eligible Costs include but are not limited to:

- Preparation of outreach materials including printings and mailings
- Staff time dedicated for community outreach and education

- Translation and interpretation for meetings or written materials
- Educational events and training programs that develop public awareness of the TCC Projects
- Participant compensation that is an exchange of payment for services rendered in the development of community work products, and appropriately documented with deliverables such as sign-in sheets or written surveys
- Provision of transportation services for community residents, such as a vanpool, that increases access to community engagement activities to benefit the project and public.
- Provision of childcare services for community residents, excluding individual cash benefits (subsidies) to participants, that increases access to community engagement activities to benefit the project and public.
- Food and refreshments that are determined to be an integral part of the event. Examples of activities where it would be appropriate to approve food purchase would include a design charrette held in the evening, where the meal is consumed as part of the event and replaces a meal otherwise missed by attending the event.

#### Ineligible Costs:

- Direct cash benefits or subsidies to participants
- Alcoholic refreshments
- Participant incentives, such as door prizes, which are unrelated to specific community work products
- General Meetings that do not specifically discuss or advance implementation of the TCC Project

## Community Engagement Resources

Additional tools and resources for planning and conducting meaningful community engagement:

- California Climate Investments' "Best Practices for Community Engagement and Building Successful Projects": <http://ww2.arb.ca.gov/sites/default/files/auction-proceeds/cci-community-leadership-bestpractices.pdf>
- Facilitating Power's "The Spectrum of Community Engagement to Ownership": <https://www.communitycommons.org/entities/3aec405c-6908-4bae-9230-f33bef9f40e1>
- International Association for Public Participation (IAP2)'s "Spectrum of Public Participation": [https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum\\_8.5x11\\_Print.pdf](https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum_8.5x11_Print.pdf)
- Participatory Budgeting Project's "How Participatory Budgeting Works": <https://www.participatorybudgeting.org/how-pb-works/>

- Institute for Local Government’s “Inclusive Public Engagement” resources: <https://www.ca-ilg.org/inclusive-public-engagement>
- The Praxis Project’s “Language Justice Toolkit”: <https://www.thepraxisproject.org/resource/2012/languagejustice>
- IAP2’s “COVID-19 Public Participation Resources”: <https://iap2usa.org/COVID-19-P2-Resources>
- Salt Lake City Civic Engagement Team’s “Practices for Engagement in the Time of COVID”: <https://www.slc.gov/wp-content/uploads/2022/06/2022Final-Best-Practices-for-Engagement-During-COVID-19-V2.pdf>
- Climate Science Alliance’s “Building Authentic Relationships with Tribal Communities”” <https://www.climatesciencealliance.org/info/meaningful-engagement>

Examples of previous TCC awardees’ Collaborative Stakeholder Structures:

- Transform Fresno’s Outreach and Oversight Committee: <https://www.transformfresno.com/outreach-oversight-committee/>
- Transform Fresno’s Collaborative Stakeholder Structure, Community Partner Outreach Methods, and Anti-Displacement Task Force Members structure (Appendix 3): <https://innovation.luskin.ucla.edu/wp-content/uploads/2021/05/Transform-Fresno-2021-Progress-Report.pdf>
- Watts Rising’s Collaborative Stakeholder Structure (Appendix 3): <https://innovation.luskin.ucla.edu/wp-content/uploads/2021/05/Watts-Rising-2021-Progress-Report.pdf>
- Ontario Together’s TCC Trustees (Appendix 3): <https://innovation.luskin.ucla.edu/wp-content/uploads/2021/05/Ontario-Together-2021-Progress-Report.pdf>

## Appendix C-2: Displacement Avoidance

### Example Policies to Avoid the Displacement of Very Low and Low-Income Households

\*Indicates policies that require local municipal participation to implement

#### ***Production of Affordable Housing (long-term 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 (ADU)
- 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 requirement for PDR\*
- Housing bond to fund affordable unit development

#### ***Preservation of Affordable Housing (Short-term policies)***

- 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\*

***Tenant Protections and Support (Short-term policies)***

- 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
- 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 jurisdiction 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 deems the properties uninhabitable

***Neighborhood Stabilization and Wealth Building (Long-term policies)***

- 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

**Example Policies to Avoid the Displacement of Local and Small Businesses**

\*Indicates policies that require municipal participation to implement

***Protections for Small Businesses (Short-term policies)***

- Implementation of an overlay zone designed to protect and assist local and small businesses\*
- Creation and maintenance of a small business alliance
- Increased outreach by 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 (Long-term policies)***

- 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\*

## **Displacement Avoidance Plan 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. Activities can be either policy development or programmatic activities, which include community engagement and educational activities.
- 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

## **Eligible Costs**

Eligible Costs include but are not limited to:

- 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
- Costs associated with education, coordination, and policy development to support displacement avoidance implementation activities
- Translation and interpretation 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



- Participant compensation that is an exchange of payment for services rendered in the development of community work products, and appropriately documented with deliverables such as sign-in sheets or written surveys
- Provision of transportation services for community residents, such as a vanpool, that increases access to community engagement activities to benefit the project and public
- Provision of childcare services for community residents, excluding individual cash benefits (subsidies) to participants, that increases access to community engagement activities to benefit the project and public
- Food and refreshments that are determined to be an integral part of the event. Examples of activities where it would be appropriate to approve food purchase would include a design charrette held in the evening, where the meal is consumed as part of the event and replaces a meal otherwise missed by attending the event.

#### Ineligible Costs:

- Costs for implementing existing policies, plans, ordinances, or programs (e.g., local government staff salaries, supplies, meetings, etc.)
- Direct cash benefits or subsidies to participants
- Alcoholic refreshments
- Participant incentives, such as door prizes, which are unrelated to specific community work products

## Displacement Avoidance Resources

Additional tools and resources for selecting displacement avoidance policies and programs:

- CARB & UC Berkeley review of selected housing anti-displacement policies and their potential to prevent displacement, market type needed to feasibly implement, implementation scale, and timeframe to prevent displacement: “White Paper on the Effectiveness of Anti-Displacement Policies” (Chapple & Loukaitou-Sideris, published by CARB, 2021). <https://ww2.arb.ca.gov/sites/default/files/2021-04/19RD018%20-%20Anti-Displacement%20Strategy%20Effectiveness.pdf>
- Urban Displacement Project research reports:
  - Anti-displacement policies: <https://www.urbandisplacement.org/topic/policy/>
  - Climate displacement, climate mitigation, and infill development: <https://www.urbandisplacement.org/topic/climate-mitigation-and-displacement/>
  - Cultural, commercial, and industrial displacement: <https://www.urbandisplacement.org/topic/cultural-commercial-industrial-displacement/>
  - Housing precarity risk model (HPRM) on household risk of eviction, displacement, and long-term poverty as a result of the COVID-19 recession: <https://www.urbandisplacement.org/topic/evictions-housing-precarity-risk-model/>

- Department of Housing and Community Development (HCD) guide to creating a new by-right process and modifying fee structures to promote infill development:  
<https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/adequate-sites-alternative>
- State of California streamlined ministerial approval of affordable housing under SB 35:
  - SB 35 Determination and Housing Element Open Data Map:  
<http://cahcd.maps.arcgis.com/apps/webappviewer/index.html?id=29fd695819064f38afee6c9880c30ae3>
  - Mapping Webinar: <https://www.youtube.com/watch?v=wH4DY-OteLc&feature=youtu.be>
- Public Advocates factsheet on Housing Overlay Zones (HOZs):  
[https://www.reimaginerpe.org/files/HOZ\\_Fact\\_Sheet\\_FINAL\\_7-27-10\(2\).pdf](https://www.reimaginerpe.org/files/HOZ_Fact_Sheet_FINAL_7-27-10(2).pdf)
- Governor's Office of Planning and Research's guide for CEQA streamlining of housing projects through plan-level Environmental Impact Reviews:  
[http://opr.ca.gov/docs/20190208-TechAdvisory-Review\\_of\\_Housing\\_Exemptions.pdf](http://opr.ca.gov/docs/20190208-TechAdvisory-Review_of_Housing_Exemptions.pdf)
- California Housing Partnership's Preservation Technical Assistance guide:  
<https://chpc.net/policy-research/preservation/>
- HCD guide to preserving units at risk of conversion to market rate:  
<https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/preserve-units-risk-conversion-market-rates>
- HCD inclusionary housing ordinance technical assistance memo:  
[https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/ab\\_1505\\_final.pdf](https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/ab_1505_final.pdf)
- National Coalition for Asian Pacific American Community Development & Council for Native Hawaiian Advancement's report on Asian American & Pacific Islander Anti-Displacement Strategies: [https://www.nationalcapacd.org/wp-content/uploads/2017/08/anti\\_displacement\\_strategies\\_report.pdf](https://www.nationalcapacd.org/wp-content/uploads/2017/08/anti_displacement_strategies_report.pdf)
- Causa Justa's Just Cause Development without Displacement Report and Strategies:  
[https://ncq.org/sites/default/files/resources/DevelopmentWithoutDisplacement\\_CausaJustaJustCause\\_0.pdf](https://ncq.org/sites/default/files/resources/DevelopmentWithoutDisplacement_CausaJustaJustCause_0.pdf)

## Appendix C-3: Workforce Development and Economic Opportunities

### Eligible Activities

- Workforce development and training programs must meet all of the following criteria:
  - 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
  - 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. Programs that provide recipients with more than one type of skill or credential should be prioritized. Programs that lead to industry-recognized credentials should also be prioritized. According to the Association for Career and Technical Education (ACTE)<sup>52</sup>, industry-recognized credentials are:
    - "Sought or accepted by employers within the industry or sector involved as a recognized, preferred, or required credential for recruitment, screening, hiring, retention or advancement purposes; and,
    - Where appropriate, is endorsed by a nationally recognized trade association or organization representing a significant part of the industry or sector"
  - Focus job training and placement plans on high-quality employment (e.g., local living wages, benefits, opportunities for advancement, geographic accessibility, predictable scheduling, working conditions, job retention)
  - Recruit and serve Project Area residents. Workforce development programs can be located outside of the Project Area but must serve Project Area residents and businesses.
  - Reduce barriers to participation through the training program design and recruitment strategy, including through the provision of wraparound services (e.g., case management, childcare support, transportation vouchers, purchase of work-related equipment)
  - Address emerging critical skill issues to increase the capacity of workers and organizations to adapt and compete in a clean energy economy
- Training programs
- Recruitment and outreach

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<sup>52</sup> [https://www.acteonline.org/wp-content/uploads/2018/02/What\\_is\\_a\\_Credential\\_71417.pdf](https://www.acteonline.org/wp-content/uploads/2018/02/What_is_a_Credential_71417.pdf)

- On-the-Job Training, Earn-and-Learn training opportunities
- Job placement
- High-quality job creation
- Entrepreneurship and incubation programs with high-quality career pathways

## **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 (e.g., cohort based, provide case management and other job readiness services, adopt an earn-and-learn model)
- 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
- Partnerships for comprehensive, regional economic and workforce planning to support the transition away from fossil fuels and fossil fuel-based industries
- Partnerships with small businesses in the Project Area that are owned by priority populations or aligned with TCC public health and just transition goals
- 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)
- Establishing and/or supporting a Workforce Resource Center in the Project Area to facilitate recruitment for workforce training programs and supportive services to trainees.
- Capacity-building for Project Area firms to establish high road practices and meet public contracting requirements
- Regional labor market analysis to support workforce planning and just transitions
- Employer engagement and coordination to ensure high quality job creation and job placement

## 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
- Demonstration of formalized partnerships, such as involvement in the California Workforce Development Board's High Road Training Partnership Initiative, to align workforce training programs with regional industry demand. Possible partners may include local workforce development boards, community college districts and local educational institutions, community-based training organizations, industry partners, labor unions, and local governments. Partnerships that include trusted community-based organizations will be prioritized.

## Eligible Costs

Eligible Costs include but are not limited to:

- Instructor salaries, wages, and stipends
- Trainee salaries up to 50% of the wages including six (6) months of benefits or no more than 1040 hours, and
- Trainee stipends, up to 100%, depending on sufficient completion of training program or placement in related high-quality career pathway
  - Stipends may be used when an employer-employee relationship does not exist, for participation in activities such as occupational skills training or classroom activities, including high school equivalency preparation, work readiness, or employability skills training
- Cost of tools, materials, work appropriate clothing or safety ware, or equipment necessary to perform training
- Support costs for outreach and recruitment, including translation and interpretation services
- 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
- Support services for trainees, such as individual employment or development plans, workforce readiness skills trainings (within programs directly linked to credentials or pathways), and job placement or retention support

- Provision of childcare services for trainees, excluding individual cash benefits (subsidies) to participants, that increases access to workforce development activities to benefit the project and public

#### 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
- Direct cash benefits or subsidies to participants (other than transit subsidies)
- Food and refreshments

## Workforce Development Resources

Additional tools and resources for developing workforce development and economic opportunity plans and programs:

- California Workforce Development Board High Road Training Partnership Website: <https://cwdb.ca.gov/initiatives/high-road-training-partnerships/>, <https://cwdb.ca.gov/initiatives/hrcc/>
  - HRCC Project Profiles: Available in “High Road Construction Careers Project Profiles” section of HRCC website
  - “SB1 Workforce Guidelines” provides information on CWDB established standards for construction pre-apprenticeships that are applicable industry-wide [https://cwdb.ca.gov/wp-content/uploads/sites/43/2019/09/SB1-Guidelines\\_UPDATED-BRANDING\\_ACCESSIBLE.pdf](https://cwdb.ca.gov/wp-content/uploads/sites/43/2019/09/SB1-Guidelines_UPDATED-BRANDING_ACCESSIBLE.pdf)
  - Foundation Documents: High Road Training Partnership Overview: [https://cwdb.ca.gov/wp-content/uploads/sites/43/2019/09/High-Road-ECJ-Brief\\_UPDATED-BRANDING.pdf](https://cwdb.ca.gov/wp-content/uploads/sites/43/2019/09/High-Road-ECJ-Brief_UPDATED-BRANDING.pdf)
  - Foundation Documents: High Road Training Partnerships Framework (one-page handout): [https://cwdb.ca.gov/wp-content/uploads/sites/43/2020/08/OneSheet\\_HRTP\\_ACCESSIBLE.pdf](https://cwdb.ca.gov/wp-content/uploads/sites/43/2020/08/OneSheet_HRTP_ACCESSIBLE.pdf)
  - Essential Elements of High Road Training Partnerships: [https://cwdb.ca.gov/wp-content/uploads/sites/43/2020/01/HRTP-Essential-Elements\\_ACCESSIBLE.pdf](https://cwdb.ca.gov/wp-content/uploads/sites/43/2020/01/HRTP-Essential-Elements_ACCESSIBLE.pdf)
  - High Road Training Partnerships – Sector Case Studies: Available in “HRTP Projects” section of HRTP website
- California Employment Development Department (EDD) “Performance Guidance” summary for the Workforce Innovation and Opportunity Act describing the expectations for recognized workforce credentials (pages 7 and 11): [https://edd.ca.gov/siteassets/files/jobs\\_and\\_training/pubs/wsd22-01.pdf](https://edd.ca.gov/siteassets/files/jobs_and_training/pubs/wsd22-01.pdf)

California's Eligible Training Provider List provides details on qualified training providers across the state. <https://www.caljobs.ca.gov/vosnet/drills/program/ApprovedPrograms.aspx>.

- Resources to align programs with regional workforce trends:
  - Centers of Excellence for Labor Market Research guide to utilizing labor market data to inform workforce development decisions (designed for community colleges but applicable to general high road workforce planning): "Making Use of Labor Market Information: Where to Find Data for Common Community College Decisions" (Booth et al. 2015, underwritten by CA Community Colleges Chancellor's Office Vocational Education Research and Technical Advisory Committee).  
<https://www.canyons.edu/resources/documents/administration/academicsenate/committees/programviabilitycommittee/MakingUseofLaborMarketInformation.pdf>
  - Centers of Excellence for Labor Market Research homepage. The seven California Centers of Excellence were developed "to study the regional economies of CA, support community colleges by providing customized data on high growth, emerging, and economically-critical industries and occupations and their related workforce needs." <http://www.coecccc.net/>
  - California Employment Development Department (EDD) Labor Market Information and Links. <https://www.labormarketinfo.edd.ca.gov/>

## Appendix C-4: Climate Adaptation and Resilience

### Requirements for Risk Assessment and Adaptation Measures

Applicants must demonstrate how the TCC investment and leverage funded projects will increase resilience 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, increased average temperatures, wildfire, flooding, sea level rise, and drought.
- Anticipated impacts of climate change risks and exposures on the community, including vulnerable populations, within the Project Area
- Anticipated impacts of climate change risks and exposures on the built environment in the Project Area.

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 resilience and functionality of proposed infrastructure projects

### Eligible Costs

Climate resilience and adaptation must be integrated into the Projects, Transformative Elements, and Vision. No specific costs are set aside for this Transformative Element.

### Climate Adaptation and Resilience Resources

To identify the climate change risks and exposures within the Project Area, such as additional days of extreme heat or precipitation, increased average temperatures, wildfire, flooding, sea level rise, and drought. This information may be obtained using tools listed below:

- Cal-Adapt.org, an online platform that can help identify, map and model specific climate change exposures: <https://cal-adapt.org/>,
- Using the results of a local or regional vulnerability assessment or action plan 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.

To describe the impact of climate change risks and exposures on the community, particularly vulnerable populations. This information may be obtained using:



- The Guide to Defining Vulnerable Communities in the Context of Climate Change, [http://www.opr.ca.gov/docs/20200720-Vulnerable\\_Communities.pdf](http://www.opr.ca.gov/docs/20200720-Vulnerable_Communities.pdf),
- 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, <https://skylab.cdph.ca.gov/CCHVIz/>
- Healthy Places Index (HPI),
- Mapping Resilience: A Blueprint for Thriving in the Face of Climate Disasters [https://apen4ej.org/wp-content/uploads/2019/07/APEN-Mapping\\_Resilience-Report.pdf](https://apen4ej.org/wp-content/uploads/2019/07/APEN-Mapping_Resilience-Report.pdf), and
- Regional Opportunity Index (ROI) developed by the UC Davis Center for Regional Change.

To identify and prioritize climate adaptation measures and projects that address anticipated climate impacts. These resources can support this process:

- The 2020 Adaptation Planning Guide provides guidance on assessing climate impacts and adaptation strategies to address them: <https://resilientca.org/apg/>
- The State Adaptation Clearinghouse hosts a range of case studies, adaptation plans, and strategy documents, state guidance, tools, and data: <https://resilientca.org/>
  - Climate Equity Topic page provides information on equitable planning and achieving climate equity in adaptation and resilience efforts: <https://resilientca.org/topics/climate-equity/>
  - Appendix D of the Adaptation Planning Guide provides a compendium of example adaptation strategies broken down by topic/sector area: <https://www.caloes.ca.gov/wp-content/uploads/Hazard-Mitigation/Documents/CA-Adaptation-Planning-Guide-FINAL-June-2020-Accessible.pdf#search=adaptation%20planning%20guide>
  - Resilient CA Adaptation Planning Map provides links to local government adaptation planning documents: <https://storymaps.arcgis.com/stories/884adf7dd7214c338dbe6286805487a9>

## Appendix C-5: Leverage Funding

See [Section 8.5](#) for additional Leverage Funding requirements.

### Eligible Leverage 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, such as staff time allocated to TCC projects, plans, or grant administration, the provision of meals, transportation, or childcare for an eligible community event, 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.
  - 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 of the Partnership Agreement to constitute a Grantee's non-performance under the Grant Agreement.

# APPENDIX D – PROHOUSING POLICIES

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Per [Section 7](#) Program Policy Priorities of the Guidelines, the TCC program will incentivize applications from jurisdictions that are designated as Prohousing by the HCD Program or adopted Pro-housing policies that would facilitate sustainable housing production and the reduction of vehicle miles travelled (VMT). For jurisdictions that are not yet Prohousing designated, the list below defines pro-housing policies that qualify Applicants for partial scoring incentive points (1 point for one policy and 2-3 points for two policies):

## VMT Reducing Prohousing Criteria

### Category 1: Favorable Zoning and Land Use

- Permitting missing middle housing uses (e.g., duplexes, triplexes, and fourplexes) by right in existing low-density, single-family residential zones.
- Density bonus programs which exceed statutory requirements by 10 percent or more.
- Increasing allowable density in low-density, single-family residential areas beyond the requirements of state Accessory Dwelling Unit law (e.g., permitting more than one ADU or JADU per single-family lot). These policies shall be separate from any qualifying policies under Category (1)(B) above.
- Reducing or eliminating parking requirements for residential development as authorized by Government Code sections 65852.2; adopting vehicular parking ratios that are less than the relevant ratio thresholds at subparagraphs (A), (B), and (C) of Government Code section 65915, subdivision (p)(1); or adopting maximum parking requirements at or less than ratios pursuant to Government Code section 65915, subdivision (p).
- Zoning to allow for residential or mixed uses in one or more non-residential zones (e.g., commercial, light industrial). Qualifying non-residential zones do not include open space or substantially similar zones.
- Modification of development standards and other applicable zoning provisions to promote greater development intensity. Potential areas of focus include floor area ratio; height limits; minimum lot or unit sizes; setbacks; and allowable dwelling units per acre. These policies must be separate from any qualifying policies under Category (1)(B) above.
- Establishment of geographic areas for promoting workforce housing or sustainability, such as a Workforce Housing Opportunity Zone, as defined in Government Code section 65620, or a housing sustainability district, as defined in Government Code section 66200.

### Category 2: Acceleration of Housing Production Timeframes

- Documented practice of streamlining housing development at the project level, such as by enabling a by-right approval process or by utilizing statutory and categorical

exemptions as authorized by applicable law (Pub. Resources Code, §§ 21155.1, 21155.4, 21159.24, 21159.25; Gov. Code, § 65457; Cal Code Regs., tit. 14, §§ 15303, 15332; Pub. Resources Code, §§ 21094.5, 21099, 21155.2, 21159.28).

- Priority permit processing or reduced plan check times for ADUs/JADUs, multifamily housing, or homes affordable to lower- or moderate-income households.

### **Category 3: Reduction of Construction and Development Costs**

- Adoption of ordinances or implementation of other mechanisms that result in less restrictive requirements than Government Code sections 65852.2 and 65852.22 to reduce barriers for property owners to create ADUs/JADUs. Examples of qualifying policies include, but are not limited to, development standards improvements, permit processing improvements, dedicated ADU/JADU staff, technical assistance programs, and pre-approved ADU/JADU design packages.
- Measures that reduce costs for transportation-related infrastructure or programs that encourage active modes of transportation or other alternatives to automobiles. Qualifying policies include, but are not limited to, publicly funded programs to expand sidewalks or protect bike/micro-mobility lanes; creation of on-street parking for bikes; transit-related improvements; or establishment of carshare programs.
- Establishment of pre-approved or prototype plans for missing middle housing types (e.g., duplexes, triplexes, and fourplexes) in low-density, single-family residential areas.

### **Prohousing Enhancement Factors**

- Policy that represents one element of a unified, multi-faceted strategy to promote multiple planning objectives, such as efficient land use, access to public transportation, affordable housing, climate change solutions, and/or hazard mitigation.
- Policies that promote development consistent with the state planning priorities pursuant to Government Code section 65041.1.
- Policies that go beyond state law requirements in reducing displacement of lower income households and conserving existing housing stock that is affordable to lower income households.
- Rezoning and other policies that support high-density development in Location Efficient Communities.
- Other policies that involve meaningful actions towards affirmatively furthering fair housing pursuant to Government Code section 8899.50.

## **Prohousing Information and Resources**

Applications to the Prohousing are accepted on an over-the-counter and rolling basis. There is no deadline for applications.

HCD will review applications and provide feedback within 60 days and upon approval promptly process awards with a targeted timeframe of 30 days.

General technical assistance is provided through HCD at [prohousingpolicies@hcd.ca.gov](mailto:prohousingpolicies@hcd.ca.gov). Technical Assistance can also be provided by an assigned HCD reviewer once the application has been submitted.

## Resources

- Prohousing Designation Program PowerPoint:  
<https://www.hcd.ca.gov/community-development/prohousing/docs/hcdprohousingppt.pdf>
- Prohousing Regulation Text:  
<https://www.hcd.ca.gov/community-development/prohousing/docs/prohousing-regulation-text.pdf>
- Prohousing Frequently Asked Questions:  
<https://www.hcd.ca.gov/community-development/prohousing/docs/prohousingfaq.pdf>

# APPENDIX E – AIR POLLUTION REDUCTION AND MITIGATION

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Per [Section 7.2](#) Program Policy Priorities, the TCC Program will incentivize applications that propose actions or include existing meaningful efforts to reduce localized point sources of pollution in their TCC Project Areas and jurisdictions. TCC's air pollution priority emphasizes reducing particulate matter emissions and toxic air contaminants due to their disproportionate health impacts in disadvantaged communities.

The list below defines air pollution reduction and mitigation policies that qualify Applicants for partial scoring incentive points. Pollution reduction and prevention policies, and direct policies in each category, will be worth more points. Applicants can score points in any combination of categories, regardless of whether their role is the policymaker, if the applicant can demonstrate their dedicated activities are aimed at policies that reduce, mitigate, and prevent localized air pollution.

## Example Policies to Reduce or Mitigate Local Air Pollution

### Category: Air Pollution Reduction and Prevention

#### *Tier 1 – Direct – Reduction and Prevention*

- Health-protective buffer ordinances and phaseout of existing incompatible facilities within buffer zones
- Nonconforming land-use ordinances, restrictions, or zoning provisions
- Point-source emissions compliance and enforcement programs
- Agreements or incentives for the adoption of more stringent emission thresholds and standards, including but not limited to, Maximum Achievable Control Technology (MACT), for targeted “toxic hotspot” areas consisting of multiple facilities that emit cumulative toxic air contaminants in DACs and environmental justice communities
- Incorporation of air pollution measures into climate policies and plans
- Adoption of CARB Recommended Air Pollution Reduction Measures for new warehouses and distribution centers
- Adopted school bus electrification programs
- Enforcement of existing CARB regulations related to heavy-duty vehicles for public transit and school bus fleets
- Air pollution control districts and advisory committees with environmental justice representatives

- Adoption and enforcement of standard construction emissions mitigation measures
- Implementation of natural gas to electric appliance community-based retrofit programs or incentives
- Participation in local wood stove reduction programs
- Adoption of All-Electric Reach Codes for new developments
- Provide incentives for loading dock electrification, Medium- and Heavy-Duty zero-emission vehicles

***Tier 2 – Indirect – Community Oversight and Capacity Building***

- Air monitoring, modeling, community planning and enforcement partnerships amongst community groups, businesses, local jurisdictions, air quality management districts (e.g., Community Emission Reduction Program, and/or CARB (e.g. AB 617 Community Air Protection Program)
- Seats on air quality management district boards (or seats on committees with decision-making power) reserved for community members
- Data accessibility/community notification programs and culturally appropriate materials
- Good Neighbor agreements between facilities and adjacent facilities that provide a channel for public participation and citizen oversight
- Community education and training on air quality and regulation

***Tier 3 – Indirect – Air Quality Co-Benefits***

- Transit education workshops/programs targeted at increasing ridership
- Bicycle safety or repair workshops/programs targeted at increasing alternate and active modes of transportation
- Adoption of a Safe Routes to School Program
- Adoption/implementation of a comprehensive public transportation, bicycle, and pedestrian master plan
- Expansion of existing transit services and ZEV infrastructure

**Category: Air Pollution Mitigation**

***Tier 1 – Direct – Mitigation***

- Moratorium on new approvals or renewals of conditional use permits for hazardous facilities near sensitive receptors
- Control technology incentives for phaseout or reduction of pollutants
- Mandated full physical enclosures of hazardous facilities near sensitive receptors
- Truck re-route and enforcement ordinances and programs



- Restrict idling for municipally owned vehicles and/or in sensitive areas such as near schools
- Enforce idling restrictions for construction vehicles
- Vegetative screening for residents, aligning with CARB's guidance, and vegetative buffers along pollution sources

***Tier 2 – Indirect – Nonstationary and Nonroad Mobile***

- Gas-powered leaf blower and lawn mower bans and targeted outreach around subsidies for electric lawn and garden equipment from air districts
- Require new developments to include exterior electrical outlets to allow for electrically powered landscaping equipment

# APPENDIX F – BASIC INFRASTRUCTURE RESOURCES

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Per [Section 7](#) Program Policy Priorities, Applicants must demonstrate that residents in the proposed TCC Project Area have existing access or have developed plans and secured support/funding to implement:

- Basic environmental infrastructure including water supply and wastewater services, with long-term operations and maintenance plans, in compliance with State Water Board standards; and
- Transit connectivity to regional service hubs and major job centers through affordable, clean transportation projects.

SGC recognizes that the lack of this infrastructure is an existing barrier in many disadvantaged communities. TCC staff and technical assistance providers will work with potential Applicants during the pre-proposal phase to help make connections to other funding programs or resources that may help them meet the minimum requirements. An initial list of resources and potential sources is included here. Applicants can request up to 10% of requested Implementation Grant funds to support projects that will connect residents to basic environmental infrastructure, including clean water supply systems; wastewater systems; waste disposal systems; pollution control services.

## Resources

- California Rural Water Association provides on-site technical assistance and specialized training for rural water and wastewater systems, including resources for tribes.
  - Website: <https://calruralwater.org/>
  - Tribal resources and technical assistance: <https://calruralwater.org/our-programs/tribal/>
- Rural Community Assistance Corporation provides resources and technical assistance related to water, wastewater, and solid waste:
  - Water, wastewater, and solid waste homepage: <https://www.rcac.org/environmental/water-wastewater-solidwaste/>
  - Managerial and Financial Hub with tools, resources, and free technical assistance: <https://www.rcap.org/managerialfinancialhub/>
- Tribal technical assistance program: <https://www.rcac.org/native-communities/tribal-circuit-riders/>
- Self-Help Enterprises provides technical assistance to rural communities: <https://www.selfhelpenterprises.org/programs/community-development/>

- Drinking water:  
<https://www.selfhelpenterprises.org/programs/community-development/safe-drinking-water/>
- Sewer systems:  
<https://www.selfhelpenterprises.org/programs/community-development/sanitary-sewer-systems/>
- Other community development programs:  
<https://www.selfhelpenterprises.org/programs/community-development/>
- Specialized Utility Services Program provides general and technical services to water and wastewater systems:  
<http://www.suspinc.org/>
- USDA Water & Waste Disposal Grants to Alleviate Health Risks on Tribal Lands and Colonias in California provides grants and long-term, low-interest loans for acquisition, construction, or improvement of basic drinking water and waste disposal systems on federally recognized tribal lands, Colonias, and rural areas and towns with populations of 10,000 or less. Matching funds are not required.  
<https://www.rd.usda.gov/programs-services/water-environmental-programs/water-waste-disposal-grants-alleviate-health-risks-tribal-lands-and-colonias/ca>
- USDA Water & Waste Disposal Loan & Grant Program in California provides grants and long-term, low-interest loans for acquisition, construction, or improvement of basic drinking water and waste disposal systems on federally recognized tribal lands, Colonias, and rural areas and towns with populations of 10,000 or less. Planning grants are available (see following entry).  
<https://www.rd.usda.gov/programs-services/water-environmental-programs/water-waste-disposal-loan-grant-program/ca>
- USDA Water & Waste Disposal Predevelopment Planning Grants may be used to pay part of the costs of developing a complete application for the Water & Waste Disposal Loan & Grant Program (see previous entry). Grants provide a maximum of \$30,000 or 75 percent of the predevelopment planning costs. At least 25% of the project cost must come from the applicant or third-party sources.  
<https://www.rd.usda.gov/programs-services/water-environmental-programs/water-waste-disposal-predevelopment-planning-grants>
- USDA Rural Decentralized Water Systems Grant Program (currently closed) helps qualified nonprofits and tribes create a revolving loan fund to increase access to clean, reliable water and septic systems for households in eligible rural areas. Terms for the loans include one percent fixed interest rate, 20-year maximum term, and an \$15,000 maximum loan per household.  
<https://www.rd.usda.gov/programs-services/water-environmental-programs/rural-decentralized-water-systems-grant-program>
- Single-Family Housing Repair Loans & Grants in California provides loans up to \$40,000 to very-low-income homeowners to repair, improve or modernize their homes and grants up to \$10,000 to elderly very-low-income homeowners to remove health and safety

hazards. Loans and grants can be combined for up to a maximum of \$50,000 in assistance.

<https://www.rd.usda.gov/programs-services/single-family-housing-programs/single-family-housing-repair-loans-grants/ca>

- CA Water Boards Small Community Funding Program helps small, disadvantaged communities provide drinking and wastewater service with technical assistance needs, interim water supplies, and capital improvement projects.  
[https://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/sustainable\\_water\\_solutions/scfp.html](https://www.waterboards.ca.gov/water_issues/programs/grants_loans/sustainable_water_solutions/scfp.html)
- CA Water Boards CAA Urgent Drinking Water Need Projects provides interim alternate water supplies (such as bottled or hauled water) or emergency improvements or repairs to existing water systems as necessary to provide an adequate supply of domestic water if they are a more cost-effective interim solution than the provision of interim alternate water supplies.  
[https://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/caa/urgent\\_water\\_needs.html](https://www.waterboards.ca.gov/water_issues/programs/grants_loans/caa/urgent_water_needs.html)
- CA Prop 84 Small Community Infrastructure Improvements Program provides grants for small community drinking water infrastructure improvements and related actions to meet safe drinking water standards. Grants may be made for the purpose of financing feasibility studies and to meet the eligibility requirements for a construction grant. Construction grants are limited to \$5 million per project. Technical assistance may be provided.  
<http://bondaccountability.resources.ca.gov/Program.aspx?ProgramPK=2&Program=Small%20Community%20Infrastructure%20Improvements%20Program&PropositionPK=4>

# APPENDIX G – POST AWARD CONSULTATION PROCESS

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Applicants selected for award 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 awarded 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 should be completed within 6 months for Implementation Grants and within 3 months for Planning Grants from the time the TCC grant award announcement was 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 awarded 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 TCC Proposal components 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 the Council makes the awards, TCC Program Staff will refine a grant agreement template that defines the grant terms and conditions. After the grant agreement template is finalized internally, Grantees will undergo the following process:

### 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 TCC Program Staff.
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 all TCC Proposal components including:
  - Funded Projects
  - Leverage Projects
  - Transformative Plans
  - Partnership Agreement
2. TCC Program Staff will schedule a 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 before finalizing 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.

## **Governing Policies and Processes**

The following policies and processes will govern TCC Program Staff actions in finalizing the grant agreement during the Post-award Consultation phase. They will also be used to make determinations for proposed changes (Modifications or Amendments) during the grant term.

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.

Failure to update the proposal 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.

In cases where a TCC Grant Component (e.g., Funded Projects, Transformative Plans, Leverage Projects, Project Area) becomes infeasible and must be changed after grant execution, Grantees will be expected to facilitate community input into the amendment process through the Community Engagement Plan and/or the Collaborative Stakeholder Structure. Changes that exceed maximum allowable caps require the written approval of the SGC Executive Director and those that impact the threshold requirements of competitiveness of the entire original proposal will require Council Approval.

## **TCC Program Compliance**

If any TCC Grant Component is not in compliance with the TCC Program Guidelines and Grant Agreement:

1. TCC Program Staff will communicate in writing the reasons why the component's activity or budget line item is not eligible, and the areas of changes required along with timeline and approval process to the Grantee. Changes to the component scope would result in changes to the categories below require approval of the TCC Program Manager:
  - Quantity of deliverables (example: number of solar panels installed, trees planed, community bike rides)
  - GHG emission reductions
  - Beneficiary of the Project or Plan
  - Co-benefit
  - Budget Transfer between Projects or Plans
2. If a Project or Plan that is not in compliance with the TCC Guidelines and Grant Agreement cannot accommodate change proposed by staff, then:
  - Option 1) Staff may suggest moving 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. Grantees should submit a request for a new Project to re-use the funds. SGC will review requests on a case-by-case basis. If staff approves the new Project, it will require written approval of the SGC Executive Director.
3. If the Grantee cannot accommodate Leverage Commitment changes proposed by TCC Program Staff, then:
  - Option 1) Grantee may propose in writing an alternative leverage funding commitment or revised scope of work that makes a good faith effort to fulfill the original intent of the initial proposed scope of work. Revising the leverage funding commitments or scope of work will require written approval of the TCC Program Manager.

- Option 2) If an alternative leverage commitment is not feasible, staff may suggest removing the leverage funding from the funded project, transformative plan, or leverage project of the TCC proposal. Removal of leverage funding will require written approval of the SGC Executive Director.

## Ineligible Costs and Budget Modifications

If any TCC Grant Component includes budget line items or activities not eligible per TCC Guidelines or Grant Agreement:

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 or plan*, 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.

## Grantee Change Requests

If the Grantee needs to request changes to any TCC Grant Component included in the originally awarded and executed TCC proposal, then:

1. Grantee will submit a written justification for the requested changes to the TCC proposal.
2. Grantee must propose a revised or alternative scope of work that makes a good faith effort to fulfill the original intent of the initial proposed scope of work. Revisions will require written approval of the TCC Program Manager.
3. TCC Program Staff will evaluate the proposed changes based on the TCC Guidelines. If more information or revisions are needed, staff will communicate the issues and suggestions for remediation as described in the “Compliance” section above.
4. If the proposed revisions or alternative scope of work are feasible and meet compliance requirements, the TCC Program Manager will provide written approval to the Grantee.
5. If a revised or alternative scope of work is not feasible, then components of the original TCC proposal may be removed upon written consent of the Grantee, Partner, and SGC Executive Director.



## **Key Documentation Notes for Post-Award Consultation and TCC Component Changes**

After all plan and projects are reviewed and approved, TCC Program Staff will convert the detailed application materials into a simplified scope of work (timeline, budget, and deliverables) for Exhibit B of the grant agreement. However, Lead Entities must retain the final detailed Excel Workbooks from this PAC Process as a project management tool to be utilized throughout the grant term, and updated periodically:

- Annual Detailed Budget – Updated project budgets are required each year as part of the Annual Report process.
- Amendments or Modifications – If the Grantee proposes changes to a Project or Plan after execution, the proposal process will require submission of these detailed Work Plans and Budgets to be reviewed and finalized before updating the grant agreement.

## APPENDIX H – PUBLICITY GUIDELINES

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TCC Grant Recipients are required to acknowledge SGC in all publications, websites, signage, invitations, and other media-related and public-outreach products related to the TCC grant. SGC staff will provide SGC and DOC 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 and TCC:

*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](http://www.sgc.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:

*"[Project Name] is supported by California Strategic Growth Council's Transformative Climate Communities program."*

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 SGC support is not practical, grantees should instead include the official logos of SGC and DOC, preceded by the words "Funded by."

### 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 the 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 @CalConservation should be tagged on all posts related to the TCC grant. Use of the hashtags #TransformativeClimateCommunities and #CommunityLedTransformation is also encouraged.

# APPENDIX I – PAST PROGRAM AWARDS

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## Implementation Grants

Four (4) funding rounds of Implementation Grants have been awarded. For more information about previous awardees or progress on previous grants, please see the website.

### Round 1 – \$133 million total

- |  |                 |
|--|-----------------|
| • City of Fresno   | \$66.5 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 |
| • Sacramento Housing and Redevelopment Agency (River District) | \$23 million |

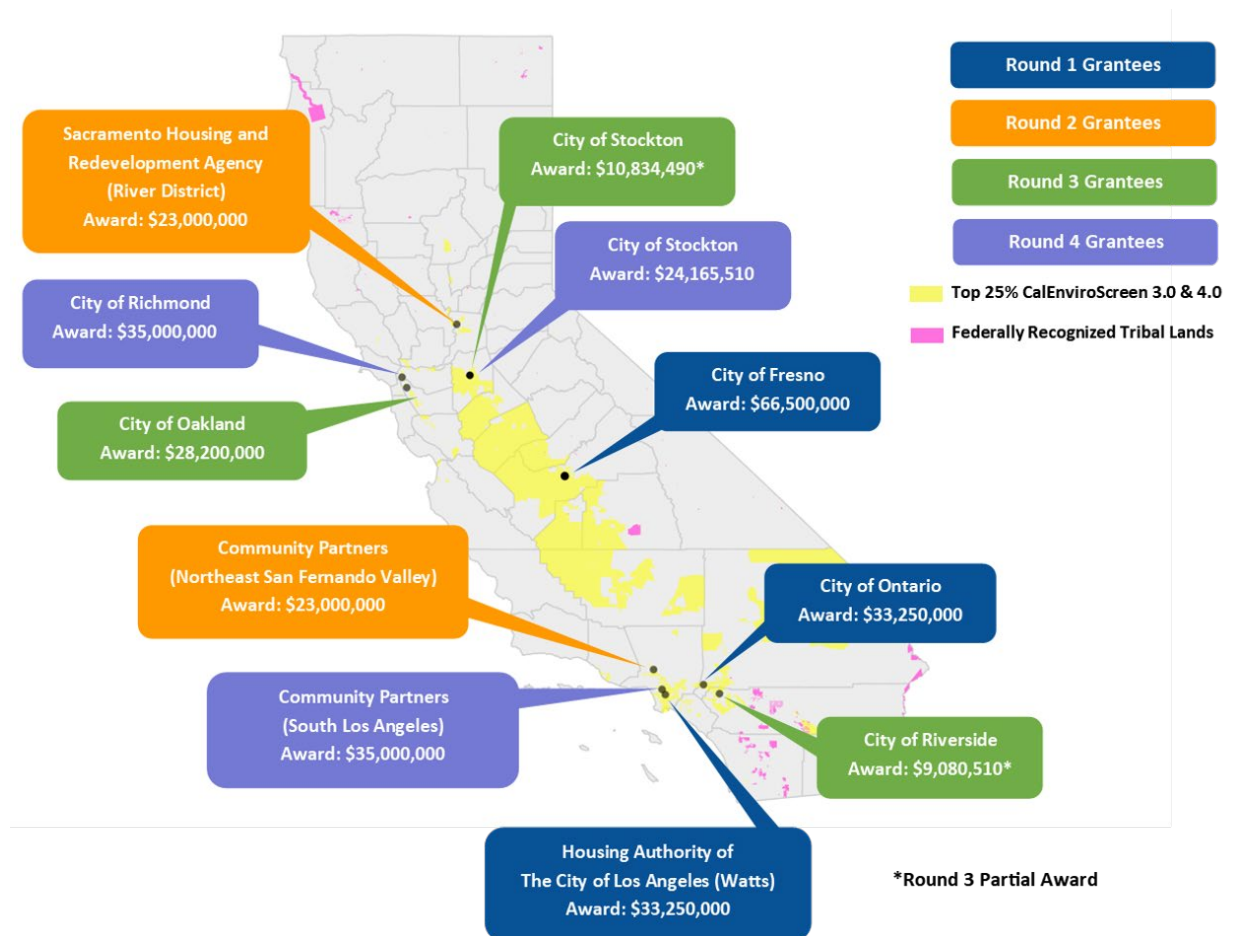
### Round 3 – \$48.1 million total

- |                     |                |
|---------------------|----------------|
| • City of Oakland   | \$28.2 million |
| • City of Riverside | \$9.1 million  |
| • City of Stockton  | \$10.8 million |

### Round 4 - \$94.2 million total

- |                                 |                |
|---------------------------------|----------------|
| • Community Partners (South LA) | \$35 million   |
| • City of Richmond              | \$35 million   |
| • City of Stockton              | \$24.2 million |

**Figure 8. Implementation Grant Awardees**



## Planning Grants

Four (4) funding rounds of Planning Grants have been awarded. Rounds 1 and 2 of the Planning Grants were funded through Proposition 84, Round 3 through the Greenhouse Gas Reduction Fund, and Round 4 through the General Fund's Climate Budget. For more information about previous awardees or progress on previous grants, please see the website.

### 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

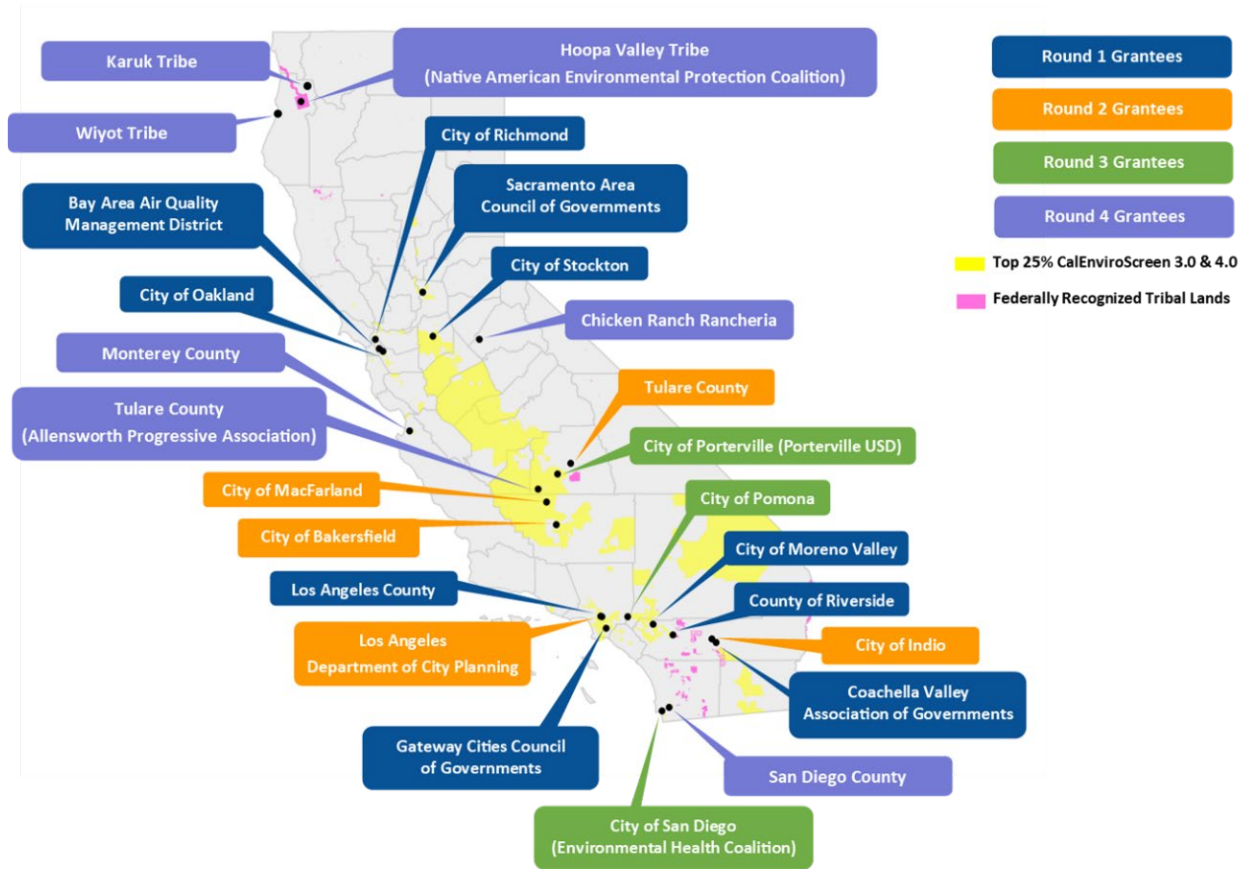
### Round 3 - \$600,000 total

- Three (3) locations, \$200,000 each

### Round 4 - \$2 million total

- Seven (7) locations, \$200,000 - \$300,000 each

**Figure 9. Planning Grant Awardees**



# APPENDIX J – SAMPLE GRANT AGREEMENT

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A sample Grant Agreement from a previous funding round will be posted on the Transformative Climate Communities resources page found here (<http://sgc.ca.gov/programs/tcc/resources/>).



--END OF DOCUMENT---