

**To:** California Strategic Growth Council Members

From: Erin Curtis, SGC Executive Director

Re: Executive Director Report to the Council – Feb. 26, 2025

### Strategic Growth Council (SGC or the Council) Overview

### Staffing Updates

- Justine Massey joins as the Special Projects Analyst for SGC's Leadership team.
- Thomas Cameron joins as the Chief Deputy Executive Director (ED) on SGC's Leadership team.
- Sarah Bauer joins as Staff Counsel on SGC's Legal Team.
- Jessica Lopez is promoted to Manager of SGC's Affordable Housing and Sustainable Communities program (AHSC).

#### Highlights – Response to LA Fires

- Following the devastating 2025 Los Angeles Fires, SGC's Chair Sam Assefa and ED Erin Curtis participated in a site assessment with Los Angeles County Public Works and SGC grantees Jan. 23 24. Other Council representatives participating included California State Transportation Agency Secretary Toks Omishakin and SGC Key Staff from the California Business, Consumer Services and Housing Agency (BCHS), California Environmental Protection Agency (CalEPA) and the Governor's Office of Land Use and Climate Innovation (LCI). The group met with representatives from Los Angeles County, the cities of Los Angeles and Pasadena and community partners to assess fire impacts and discuss early recovery efforts and collaboration for ongoing initiatives. SGC staff from the Transformative Climate Communities (TCC) and Community Resilience Centers (CRC) grant programs also participated in listening sessions with grantees.
- Early impacts to grantees from the Los Angeles Fires are primarily focused on air quality challenges. Grantees also expressed concern around anticipated delays associated with significantly increased demands on local government as the Los Angeles region focuses on recovery efforts. SGC staff is continuing to have conversations with grantees in the area to monitor impacts and recovery efforts and problem solve as issues arise.

#### **Events and External Engagements**

- LCI and SGC staff attended and supported the Regional Energy and Climate Hub (REACH) Inland Empire two-day event at the Morongo Indian Reservation on Dec. 4 5.
- TCC staff Sarah Newsham and Melinda Kelley, a partner with the Department of Conservation (DOC), attended the Climate Resilience in the North Coast of California Conference on Jan. 29.
- On Jan. 29, TCC staff Chynell Freeman spoke on a panel for the Bay Area Air Quality Management District's Board Meeting Retreat.

- The University of California Office of the President and the California Council on Science and Technology held a California Climate Action Initiative State Agency Briefing and Grantee Convening on Feb. 3 4. Several SGC staff and Council representatives participated.
- The Housing Authority of the County of Los Angeles held a Century Gateway Park Groundbreaking Ceremony on Jan. 15 as part of the Watts Rising TCC project.
- The Sacramento Housing and Redevelopment Agency held a groundbreaking event for the future Dos Rios Light Rail Station on Feb. 19. SGC ED Erin Curtis was invited to speak alongside Sacramento Mayor Kevin McCarty, Congresswoman Doris Matsui and State Senator Angelique Ashby. The Dos Rios Light Rail Station is a component of the Sacramento Integrated Multimodal Place-Based Living TCC project. The project received a \$23 million TCC grant and nearly \$1 million through AHSC, leveraging \$42.8 million in grant funds from other sources.
- AHSC staff presented at the California Department of Housing and Community
  Development (HCD) Tribal Finance Workshop and two active transportation webinars
  hosted by the Active Transportation Resource Center and CalBike.
- The AHSC team also celebrated two ribbon-cuttings, one for the Petaluma North Sonoma-Marin Area Rail Transit (SMART) Train Station Jan. 10 and another for the Corazon Del Valle housing development in Panorama City on Feb. 8.
- SGC staff attended several in-person events as part of BOOST Imperial Valley, including an Electric Vehicle charger installation ribbon cutting on Jan. 22 and Thriving Salton Sea Roundtable on Feb. 3. Staff is developing an inventory of state agency activities in Imperial Valley to identify potential new stakeholders to involve in coordination efforts.
- SGC Connecting Communities team and LCI staff are planning a series of day-long regional convenings in 2025 as a continuation of the commitments made at the 2023 and 2024 Catalyst Conferences. The Catalyst Convenings will kick off on Tuesday, Mar. 25, in the San Diego region followed by the Los Angeles region on Wednesday, Mar. 26. Each event will include three main agenda components, which were informed by a virtual planning session held in December:
  - Sharing state and regional resources, including funding opportunities, incentives and upcoming engagement opportunities.
  - o **Region-led discussions** on current issues and opportunities.
  - o **Roundtable workshop** to identify consensus on topics identified by each region.
  - Registration will open the week of Feb. 10 for local governments and other regional partners including tribal governments, community-based organizations (CBO) and assistance providers.



### **Investment Program Updates**

Affordable Housing and Sustainable Communities Program (AHSC)

Staff: Amar Cid, Jessica Lopez, Marc Caswell, Shep Wilbun, Justin DeWaele, Brianne Logasa, Ella Manashil and HCD Staff Team

- The AHSC team is presenting the AHSC Round 9 Final Guidelines to Council for adoption at the February Council Meeting. Draft guidelines were released Nov. 7, 2024, followed by an extensive 30-day public comment period. Throughout early December 2024, the AHSC program staff held three public workshops—in Stockton, San Bernardino and virtually, for a statewide audience. Additionally, the team hosted three optional office hours. In total, over 175 people participated in either a workshop or office hours.
- Public comment was due Dec. 11, 2024. The program received over 30 public comment letters, with over 400 action items to consider. Since then, the team has worked with partner agencies to review and address comments while ensuring the program meets the State's and Council's ambitious goals.
- At the December 2024 Council meeting, Council requested additional information in response to multiple parties who sought developer fee alignment between the AHSC Round 8 Guidelines and recent Tax Credit and Allocation Committee (TCAC) developer fee limits. The following is research from staff:
  - Context: Developer fee represents payment for the developer's services and at least a portion of the fee is includable in Eligible Basis, which is the basis for determining how much tax credits the housing project can leverage.
  - o Timeline: AHSC Round 8 Guidelines and Notice of Funding Availability (NOFA) referenced the 2017 Uniform Multifamily Regulations. In response to increased costs incurred by housing developers (e.g. inflation, increase in project size, etc.) TCAC increased developer fee limits in the Apr. 3, 2024 regulations. This update came between AHSC application due date (March 2024) and AHSC Round 8 awards (August 2024).
  - Impact of change for AHSC awardees: Of the 24 projects awarded, 17 projects may be eligible if requirements of other funding sources do not further restrict their developer fee request.
  - o Financial impact of change: Increased developer fee for Round 8 awarded projects would not result in additional AHSC (or HCD) funding. In general, the total amount of developer fees from Round 8 could increase roughly \$30 million. Developers requesting authorization for this increased fee have not identified a source of funds, but it is expected that one significant source would be project cash flow, which becomes available once the project is built and occupied.
  - To note: Proposed AHSC Round 9 Guidelines have been updated to align with TCAC developer fee limits for projects awarded under the upcoming Round 9 NOFA.



#### Transformative Climate Communities Program (TCC)

Staff: Amar Cid, Nicole Cartwright, Jennifer Kim, Sarah Newsham, Jess Ison, Chynell Freeman, Noni Ifyefobi, Joyce Tse and California Department of Conservation (DOC) Staff Team

- Staff continued conducting the Post-Award Consultation process with the 11 grantees
  who were awarded a total of \$98.1 million during the December 2023 Council Meeting.
  To date, three Planning Grants, four Project Development Grants and one
  Implementation Grant have been fully executed. The remaining three implementation
  grants are all in the contracting process and are expected to be executed in the next few
  weeks.
- Staff continue to process advance pay requests and provide assistance for Round 4 and Round 5 grantees as authorized by AB 156 (2022), AB 590 (2023) and AB 3017 (2024). To date, staff have submitted four advance pay requests to LCI Accounts Payable.
- Staff has initiated work planning in anticipation of Proposition 4 funding.
- Staff hosted the first TCC Grantee Feedback Work Group Meeting on Feb. 3. The inaugural work group, consisting of current grantees and partners, aims to gather input from grantees to improve program effectiveness, focusing on areas like peer-to-peer learning and grantee resources. The group will meet quarterly over the course of a year to review initiatives, provide feedback, and help shape future projects.
- The City of Richmond was awarded a \$9.5 million Reconnecting Communities Program grant from the California Department of Transportation to support their TCC Complete Streets work.
- TCC staff Joyce Tse attended a site visit on Feb. 5 for Round 3 Implementation Grantee, City of Oakland, to discuss project closeout and meet with Partners.
- Round 4 Implementation Grantee City of Stockton and Partners and TCC staff member Sarah Newsham spoke with FEMA's National Resilience Guidance team for an interview as the subject of a case study.

#### Sustainable Agricultural Lands Conservation Program (SALC)

Staff: Amar Cid, Shanna Atherton-Bauer Department of Conservation (DOC) and DOC Staff

- SALC closed its Round 10 planning and acquisition pre-proposal period on Jan. 31. We
  received 109 acquisition pre-proposals totaling \$343 million in request. On average, the
  program usually receives 40 pre-proposals per cycle, with a max of 62 in Round 6. The
  program received six planning pre-proposals.
- Staff reported three easements closing between Nov. 26, 2024 and Feb. 6. These projects have conserved approximately 2,125 acres of grazing land in three counties.
- Between Nov. 26, 2024 and Feb. 6, SALC staff submitted 46 invoices totaling \$4.38 million to DOC Accounting for payment. This includes three acquisition invoices, payments for associated costs related to acquisition transactions, payments for capacity and project work, and payments for planning work.



- Staff are processing grant agreement extensions for: one Round 6, seven Round 7 and eleven Round 8 grant agreements, as approved by the SGC ED per the program Guidelines.
- The ED has approved an award increase of \$45,353.55 for the Fort Reading project based on appraised easement value that came in higher than the project value estimated at the time of award.

#### Climate Change Research Program (CCR)

Staff: Hoi-Fei Mok, Elizabeth Grassi and Natalie Obaldia

 The CCR team continues to lead the engagement efforts of California's Fifth Climate Change Assessment and the development of the Assessment more broadly. SGC staff's end of year efforts focused on the development of the Assessment's 2025 Engagement Strategy.

### Community Resilience Centers (CRC) Program

Staff: Amar Cid, Anna Jane Jones, Dora Monterroza, Jessica Cervantes, Jess McCool and Jin Zhang

- The CRC Program has executed nine Round 1 Planning Grants, three Project
  Development Grants and two Round 1 Implementation Grants. The remaining ten
  awardees, including two Planning, one Project Development and seven Implementation
  awards, are engaged in the Post-Award Consultation process and are set to be executed
  soon.
- Planning grantees with executed grant agreements attended a program orientation on Dec. 4, 2024. A second orientation session was held Feb. 13.
- Program Staff are undertaking a variety of engagement and capacity building opportunities with CRC Round 1 applicants (both unawarded and awarded). In January, Staff attended an Inland Regional Energy Network (I-REN) convening to discuss the CRC program and best practices for implementing resilience centers.
- Staff are working closely with LCI's Extreme Heat and Community Resilience Grants
  Program to develop a cross-program legislative reporting framework and supported the submission of the first report to the Legislature on Feb. 1.

## Technical Assistance and Capacity Building

Community Assistance for Climate Equity (CACE)

Staff: Hoi-Fei Mok, Ena Lupine, Blanca Escobedo, Markie Price and Nancy Cheng

• Regional Climate Collaboratives (RCC) Program: CACE staff is working with the RCC Implementation Technical Assistance (TA) contractor team to plan for the remaining peer learning sessions for RCC grantees and partners. The next session is scheduled for Apr. 9 over zoom. Staff is also working with the TA team to plan the last in-person peer learning session, which is the Fall Convening on Oct. 1 - 2 of this year in Rancho Cucamonga. This event will bring the grantees together one last time before the end of their grant terms in 2026 to share how they have built capacity in their respective



regions and identify strategies to keep the Collaboratives active after their grant term ends.

- Tribal Capacity Building Pilot Program: All six Tribal Capacity Building Pilot Program grantees have signed and executed their grant agreements and have now officially begun their grant terms in the first week of February. The first Tribal Capacity Building Pilot Program peer learning session will be held virtually on Feb. 13. The session will be hosted by the Program's TA Provider team, and it will be the first time the tribal grantee cohort will gather virtually to inaugurate their two-year grant term. The TA Provider team is also scheduling individual kick-off meetings with each grantee to conduct a needs assessment that outlines the tribes' priorities, objectives and goals for the grant term as well as their capacity building needs and gaps to better support them throughout the grant term.
- Advance Pay: Staff are organizing a virtual interagency convening on Feb. 27 around advance pay to bring together state practitioners working on advance pay programs. The convening will feature a panel of advance pay grantees discussing their experiences and SGC TCC staff presenting their resource templates, and include breakout room discussions of current practices, needs, gaps and questions. Staff are working with an interagency planning team to organize the convening.

### Collaborative Policy Initiatives

Health and Equity Program (HEP)

Staff: Hoi-Fei Mok, Fabián Pérez-Gove and Michael Jimenez

Health in All Policies (HiAP)

Staff: SGC partners with the California Department of Public Health (CDPH) to staff the Health in All Policies Task Force. The Task Force brings together over 30 agencies, departments and commissions to integrate into programs and policies that advance State priorities.

- **HEP Recruiting Resilient Community Policy Associate.** HEP is in the process of filling the vacant Associate Governmental Program Analyst role. The application period closed on Jan. 30, and the HEP team has been conducting interviews with candidates. HEP aims to make an offer in March and fill the position by early April.
- HiAP Evaluation Process and Key-Informant Interviews. HEP has been collaborating
  with CDPH on developing interview and survey questions to evaluate the HiAP Task
  Force. The HEP team began conducting key-informant interviews with Task Force
  members from 7-10 agencies and will distribute a survey to all HiAP members with
  similar questions. The HEP team and partners will utilize the findings to determine if any
  adjustments to agendas or activities are needed. The main purpose of this effort is to
  collect impact stories from members and develop a short report on HiAP efforts, wins
  and challenges throughout 2025.
- HiAP Presents on Task Force Activities to the Office of Community Partnerships and Strategic Communications (OCPSC) State Agency Working Group. On Feb. 13, HEP



presented on behalf of the HiAP Task Force during the OCPSC State Agency Working Group (SAWG), a collaborative of over 40 state agencies who leverage subject matter expertise and disseminate resources. HEP shared the history, mission and vision of HiAP and how the work overlaps with SAWG. HEP invited members of the SAWG to join future HiAP meetings and a HEP team member will be periodically joining the SAWG meetings to remain informed on similar efforts occurring around the state.

HiAP Task Force hosts quarterly interagency convening. On Dec. 18, HEP hosted a
quarterly interagency convening of the Health in All Policies Task Force. As the fourth
and final quarterly meeting for 2024, HiAP focused on reflection of progress to date and
work to come in the year ahead. A key focus of this hybrid (in-person, in Sacramento
and virtual) meeting included a presentation from a researcher at Wilfrid Laurier
University, who has led research and evaluation of HiAP at the California State and
global scale.

Staff: HEP and SGC Program and Administrative Managers

- Development of the Workforce Experience Survey. The HEP team is collaborating with Thomas Cameron, Chief Deputy ED, to develop the 2025 Workforce Experience Survey. The survey will be available to all SGC staff to share their experiences at SGC. Results will be used to determine new organizational priorities for 2026-28. The survey will be distributed to SGC staff. In addition, HEP will facilitate collaborative meetings with each SGC program in March to discuss implementation progress and begin developing strategic programmatic commitments and priorities for 2026-28.
- SGC and LCI Convene Tribal-Serving Staff and Initiatives. To better coordinate tribal-serving initiatives and programs at SGC and LCI, programmatic staff leading tribal initiatives have begun to convene in a joint space. This effort builds on prior internal staff workgroups that have collaborated around emerging successes, challenges, and opportunities for tribal engagement and affairs. SGC and LCI will jointly discuss forthcoming programmatic initiatives serving tribes, opportunities for collaboration and more. HEP is supporting LCI's Tribal Liaison in the facilitation of this effort.

# Natural and Working Lands

California Agricultural Land Equity Task Force

Staff: Sean Kennedy, Camille Frazier, Tessa Salzman and Caleb Swanson

• The sixth quarterly Task Force meeting occurred Feb. 12 - 13 in Coachella. The meeting included guest presentations on land markets, regional experiences with land access and tenure and working sessions for Task Force members to review and discuss a preliminary draft of the Task Force's report and recommendations. On Feb. 11, two Task Force members, SGC staff and a local CBO hosted a community engagement session in Coachella to hear from farmworkers about their land access and tenure experiences. The information from this session was shared with the Task Force at the meeting on Feb. 12 - 13.



- Five of the six subcommittees met in December 2024 and January 2025. Members discussed updates on research requests, heard from guest speakers and considered draft language for the report.
- To assist the Task Force in refining its draft recommendations, SGC staff are
  convening an Advisory Committee to the Task Force and an interagency review panel
  inclusive of Council agencies. Staff anticipate hosting introductory meetings with both
  groups in March. The reviewers participating in these processes are serving in an
  advisory capacity and do not have decision-making authority. Staff will consolidate
  feedback received for review and discussion by Task Force members.

### Federal Funding Initiatives

**Connecting Communities** 

Staff: Adrienne Moretz and Aatisha Singh

The Connecting Communities team is providing support to communities the Initiative provided TA to in 2024. The Initiative provided assistance for nearly 30 federal applications from every region in the State. Seven applicants were selected as award recipients, and several have executed agreements for their respective federal programs. The Connecting Communities' TA contractor is supporting awardees with executed agreements to maintain grant compliance and is sharing available resources more broadly to communities who have submitted applications.

### **Energy Investments**

Factory-Built Housing Pre-Development Pilot Program

Staff: Sean Kennedy, Justin DeWaele, Shep Wilbun and Kenna Davis

- The second round of applications for the Factory-Built Housing Pre-Development Pilot Program was due on Jan. 2. SGC received one application by the submission deadline that did not meet the program's threshold requirements. There was no interagency review required for this round.
- The Program is put on hold as research is being conducted to find ways the program can be more beneficial in addressing California's housing needs.
- The Program guideline updates will be presented to the Council during the June meeting.

Virtual Power Plants for Community Resilience

Staff: Sean Kennedy and Kenna Davis

- The Virtual Power Plants (VPPs) for Community Resilience program, initiated by SGC, aims to enhance neighborhood climate resilience and reduce energy costs through the development of VPPs. A Virtual Power Plant (VPP) allows energy that is produced and stored remotely to be used to stabilize the wider energy grid during peak demand periods and be used on-site for energy backup during local emergencies.
- SGC has partnered with King Energy to explore the feasibility of Virtual Power Plants as a path to lower-cost energy resilience across California.



 In October 2024, the program began outreach to previous applicants of the CRC grant program as well as California Department of Food and Agriculture (CDFA) fairground sites around the state. Throughout January and February 2025 there have been introductory meetings with SGC, King Energy and two sites with more to come in the following months.

## Prop 4 - Climate Bond

Proposition 4 – Climate Bond was approved by voters in November 2024. In the bond, TCC, CRC, and the Agricultural Land Equity Task Force are approved for legislative appropriation. TCC is authorized to receive up to \$150 million and CRC \$60 million. LCI and SGC are working closely with the Department of Finance (DOF), California Natural Resources Agency (CNRA) and the Governor's Office (GO) as we progress through this budget year to develop the program funding rounds.

## News Media Clips

#### **Transformative Climate Communities**

• "Stockton Rising: A \$35 million project for a greener city" (Stocktonia) Dec. 17, 2024: Highlights include the group, Stockton Rising, which is funded by SGC's TCC program. Stockton Rising is a group that is composed of CBOs which work together to plan for the future of Stockton's environment since 2016.

