File No. 260546 **Committee Item No.** 5
Board Item No. 22

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee **Date** June 3,2026
Board of Supervisors Meeting **Date** June 9. 2026

Cmte Board

☐	☐	**Motion**
☒	☒	**Resolution**
☐	☐	**Ordinance**
☐	☐	**Legislative Digest**
☐	☐	**Budget and Legislative Analyst Report**
☐	☐	**Youth Commission Report**
☐	☐	**Introduction Form**
☒	☒	**Department/Agency Cover Letter and/or Report**
☐	☐	**MOU**
☐	☐	**Grant Information Form**
☐	☐	**Grant Budget**
☐	☐	**Subcontract Budget**
☐	☐	**Contract/Agreement**
☐	☐	**Form 126 – Ethics Commission**
☐	☐	**Notice of Award/Award Letter**
☐	☐	**Application**
☐	☐	**Public Correspondence**

OTHER **(Use back side if additional space is needed)**

☒	☒	Program Guidelines 4/29/2026
☐	☐	
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Completed by: Brent Jalipa **Date** May 28, 2026
Completed by: Brent Jalipa **Date** June 4, 2026

[Apply for Grants - California Proposition 4 Grants - Climate Bond]

Resolution authorizing all City and County of San Francisco Departments to submit applications for all grants funded by the 2024 Climate Bond (California Proposition 4) for which they are eligible.

WHEREAS, California voters approved a $10 billion bond in 2024 to fund “projects that protect our communities from climate change impacts, from wildfire prevention and safe drinking water to biodiversity protection and expanded access to nature”; and

WHEREAS, The State of California and its agencies, the California Natural Resources Agency and the California Strategic Growth Council, among others, are responsible for distributing bond funds through competitive grant opportunities, of which there is over $4 billion available as of May 2026; and

WHEREAS, These agencies’ application procedures require, among other things, an applicant’s governing body to declare by Resolution certain authorizations related to the application and administration of the grant opportunity; and

WHEREAS, Grants that are awarded and fall within the thresholds of Administrative Code, Section 10.170-1, shall meet all requirements of the Administrative Code before the grant funds are accepted or expended, including receiving Board of Supervisors’ approval, if required; and

WHEREAS, The application procedures require these final authorizations to be in place at the time the application is submitted, and a forthcoming round of funding applications is due June 30, 2026; now, therefore, be it

RESOLVED, That all applicable City and County of San Francisco departments, including, but not limited to, the Department of the Environment, Department of Public Health,

Recreation and Park Department, Office of the City Administrator, are authorized to submit applications for any and all upcoming California Proposition 4 funding opportunities offered and for which they are eligible; and, be it

FURTHER RESOLVED, That Directors of the applicable City and County departments, or their designees, are authorized to execute all grant documents and materials necessary to secure the grant, if awarded; and, be it

FURTHER RESOLVED, That this authorization is effective until rescinded by this Board of Supervisors.

Recommended:

___/s/_____
Tyrone Jue, Director
Environment

Approved: ___/s/_____
Mayor Daniel Lurie

Transformative Climate Communities Program

Round 6 Program Guidelines

April 29, 2026

Final Guidelines

Program information can be accessed at: https://sgc.ca.gov/grant-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-lists" link at: http://sgc.ca.gov/

TCC At-A-Glance

What is the Transformative Climate Communities Program?

The Transformative Climate Communities Program (TCC):

- Empowers communities to choose their own strategies that achieve major environmental, health, and economic benefits while reducing greenhouse gas emissions.
- Prioritizes California's most disadvantaged communities.
- Develops a shared community vision through partnerships formed in the Collaborative Governance Structure.
- Funds community-led development and infrastructure projects, such as energy efficiency upgrades, solar installation, urban greening, affordable and sustainable housing developments, transit access and mobility, health equity, community microgrids, and more.
- Provides the opportunity for advance payment to eligible 501(c)3 nonprofits, Federally and non-federally recognized California Native American Tribes, and Tribally-owned nonprofits.

What activities does the TCC program fund?

TCC funds three grant types:

- Planning Grants
- Project Development Grants
- Implementation Grants

The number of awards per grant type and dollar amount will be determined in the Notice of Funding Availability.

How much funding is available?

Approximately $98.8 million from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, commonly known as the "Climate Bond," was set aside for TCC.

Who is eligible to apply?

Lead Applicants must be a public or local agency, nonprofit organization, special district, joint powers authority, Tribe, Tribally-owned nonprofit, public utility, local publicly owned utility, or mutual water company.

How do you apply?

Applicants submit Application Requirements, outlined in Section 10, through Submittable.

The tentative Round 6 timeline is:

- **Fall 2025:** TCC staff release Draft Guidelines for public comment
- **Spring/Summer 2026:** TCC staff release Final Guidelines and open applications
- **Spring/Summer 2027:** Awards announced

For more information:

- See Frequently Asked Questions in Appendix H of the Guidelines.
- Visit https://sgc.ca.gov/grant-programs/tcc/.
- Sign up for our email list at TCC mailing list.
- Contact Program Manager, Nicole Cartwright, nicole.cartwright@sgc.ca.gov.
- Email tcc@sgc.ca.gov.

Table of Contents

Transformative Climate Communities Program 1
TCC At-A-Glance 2
Table of Contents 4
How to Use This Document 9
Section 1. Program Overview 10
1.1 Background ⓅⒹⒾ 10
1.2 Program Summary ⓅⒹⒾ 12
1.3 Program Objectives ⓅⒹⒾ 14
1.4 Program Approach ⓅⒹⒾ 14
1.5 Investing in Priority Communities ⓅⒹⒾ 15
1.6 Funding Goals and Priorities ⓅⒹⒾ 17
Section 2. California Native American Tribes and Tribal Applicants 18
2.1 Important Terminology 18
2.2 Tribal Funding Goal ⓅⒹⒾ 18
2.3 Limited Waiver of Sovereign Immunity ⓅⒹⒾ 19
2.4 Leverage Funding Exemption Ⓘ 19
2.5 Modifications and Special Considerations ⓅⒹⒾ 19
2.6 Data Sovereignty ⓅⒹⒾ 20
2.7 Tribal Notification ⓅⒹⒾ 20
2.8 Technical Assistance ⓅⒹⒾ 21
Section 3. Eligibility 22
3.1 Eligible Applicants ⓅⒹⒾ 22
3.2 Collaborative Governance ⓅⒹⒾ 27
3.3 Project Area Eligibility ⓅⒹⒾ 33
Section 4. Planning Grants 39
4.1 Planning Grant Objectives Ⓟ 39
4.2 Eligible Planning Grant Activities Ⓟ 40
4.3 Planning Grant Timeline Ⓟ 40
4.4 Developing a Planning Grant Application Ⓟ 40
Section 5. Project Development Grants 42

5.1 Project Development Grant Objectives Ⓓ 42
5.2 Eligible Project Development Activities Ⓓ 42
5.3 Project Development Grant Timeline Ⓓ 43
5.4 Developing a Project Development Application Ⓓ 44
Section 6. Implementation Grants 45
6.1 Implementation Grant Objectives Ⓘ 45
6.2 Eligible Implementation Grant Activities Ⓘ 45
6.3 Vision Statement Ⓘ 45
6.4 Implementation Grant Framework Ⓘ 46
6.5 Implementation Grant Transformative Elements Ⓘ 47
6.6 Implementation Grant Timeline Ⓘ 47
6.7 Implementation Grant Phases Ⓘ 48
6.8 Developing an Implementation Grant application Ⓘ 50
Section 7. Transformative Elements 52
7.1 Transformative Elements Overview ⓅⒹⒾ 52
7.2 Grant Evaluation ⓅⒹⒾ 54
7.3 Community Engagement ⓅⒹⒾ 56
7.4 Displacement Avoidance ⓅⒹⒾ 60
7.5 Workforce Development and Economic Opportunities ⓅⒹⒾ 64
7.6 Climate Adaptation and Resilience ⓅⒹⒾ 69
7.7 Leverage Funding Ⓘ 70
Section 8. Program Costs 74
8.1 Eligible Costs ⓅⒹⒾ 74
8.2 Ineligible Costs ⓅⒹⒾ 78
8.3 Cost Categories and Caps ⓅⒹⒾ 79
Section 9. Application Overview 81
9.1 Award Amounts ⓅⒹⒾ 81
9.2 Application Submission Process ⓅⒹⒾ 82
9.3 Application Review Process Ⓘ 83
9.4 Funding Goals and Priority Points ⓅⒹⒾ 84
9.5 Planning Grants: Program Thresholds and Scoring Criteria Ⓟ 88

9.6 Project Development Grants: Program Thresholds and Scoring Criteria ❶ 92
9.7 Implementation Grants: Program Thresholds and Scoring Criteria ❶ 97
9.8 Close Scores Protocol ❶❶❶ 105
Section 10. Application Requirements 107
10.1 Application phases ❶❶❶ 107
10.2 Summary of Application Components ❶❶❶ 107
10.3 Early Application Components ❶❶❶ 111
10.4 Applicant Eligibility ❶❶❶ 112
10.5 Project Area ❶❶❶ 114
10.6 Prior Community Engagement ❶❶❶ 115
10.7 Financial Capacity ❶❶❶ 116
10.8 Management Capacity ❶❶❶ 117
10.9 Collaborative Governance ❶❶❶ 118
10.10 Work Plan and Budget ❶❶❶ 119
10.11 Additional Requirements for Specific Strategies – Implementation Grants Only ❶ 121
10.12 Leverage Funding ❶ 121
10.13 Site Control ❶❶ 122
10.14 California Environmental Quality Act ❶❶ 124
10.15 Permits ❶❶ 126
10.16 Operations and Maintenance Plans ❶❶ 127
10.17 Long-term Use and Ownership ❶❶❶ 127
10.18 Interviews ❶ 128
10.19 Program Policy Priorities ❶❶❶ 129
Section 11. Grant Administration and Program Expectations 134
11.1 Grant Terms ❶❶❶ 134
11.2 Lead Grantee, Partners, and Subcontractors ❶❶❶ 134
11.3 Strategic Growth Council and Department of Conservation ❶❶❶ 135
11.4 Post-Award Consultation Process ❶❶❶ 135
11.5 Disbursement and Accounting of Funds ❶❶❶ 135
11.6 Reporting Requirements ❶❶❶ 137
11.7 Check-ins and Monitoring ❶❶❶ 138

11.8 Prevailing Wage Requirements ❶❶❶ 139
11.9 Publicity Requirements ❶❶❶ 140
11.10 Audit and Record Retention ❶❶❶ 140
Section 12. Technical Assistance 142
12.1 Application Technical Assistance ❶❶❶ 142
12.2 Pre-Development Phase Technical Assistance ❶ 143
12.3 Implementation Technical Assistance ❶ 143
12.4 Evaluation Technical Assistance ❶ 143
Section 13. List of Appendices 145
Appendix A – Terms and Definitions 147
Appendix B – TCC-funded Projects by Strategy ❶ 157
Eligible Application Requirements 157
Strategy 1: Equitable Housing and Neighborhood Development 158
Strategy 2: Land Acquisition for Neighborhood Stabilization 164
Strategy 3: Transit Access and Mobility Strategy 168
Strategy 3.1: Active Transportation 169
Strategy 3.2: Transit and Rail Access 172
Strategy 3.3: Car Sharing and Mobility Enhancement 176
Strategy 4: Solar Installation, Energy Efficiency, and Appliance Electrification 178
Strategy 5: Water Efficiency and Resiliency 185
Strategy 6: Recycling, Composting, and Waste Reduction 189
Strategy 7: Urban Greening and Green Infrastructure 192
Strategy 8: Health Equity and Well-Being 195
Strategy 9: Indoor Air Quality 199
Strategy 10: Community Microgrids 203
Strategy 11: Brownfield Redevelopment 206
Strategy 12: Community Resilience Centers 211
Strategy 13: Other Climate Innovation 215
Appendix C – Transformative Elements ❶❶❶ 217
Appendix C-1: Community Engagement Plan Examples 217
Appendix C-2: Displacement Avoidance Plan Examples 219
Appendix C-3: Workforce Development and Economic Opportunities Plan Examples 223
Appendix C-4: Climate Adaptation and Resilience Examples 224

Appendix D – Collaborative Governance Structure ❶❶ 226
Governance and Conflict Resolution 226
Representation 226
Appendix E-1 – Post-Award Process and Policies – Planning Grants and Project Development Grants ❶❶ 228
Summary 228
Appendix E-2 – Post-Award Process and Policies – Implementation Grants ❶ 232
Summary 232
Appendix F – Air Pollution Reduction and Mitigation 239
Policies and Programs to Reduce or Mitigate Local Air Pollution 239
Appendix G – Close Scores Protocol Example 242
Appendix H – Frequently Asked Questions 244
Appendix I – Sample grant agreement 247

How to Use This Document

This Guidelines document governs Round 6 of the Transformative Climate Communities Program and provides resources and guidance for applicants. This document includes information on the three 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. It is important for past applicants to read the Guidelines, as requirements have changed from past funding rounds. This document is not the only source of information on TCC requirements. The forthcoming Notice of Funding Availability (NOFA), application, and application instructions contain additional requirements and pertinent information and resources for applicants.

If an applicant finds any ambiguity, conflict, discrepancy, omission, or other error in the TCC Guidelines, the applicant should immediately notify TCC staff of such error via email and request a corresponding change or clarification in the document. TCC staff, at its discretion, may provide changes or clarifications by amending the Guidelines, without divulging the source of the request. If other materials differ from the Guidelines, the Guidelines supersede. During the Application Period, SGC reserves the right to issue clarifications and minor modifications to the application instructions and requirements as needed. SGC shall not be responsible for failure to fix errors.

For the most current information, please reference the TCC webpage.

For ease of navigation, some section headers are accompanied by one or more icons indicating which grant type(s) that section applies to (P for Planning Grants, D for Project Development Grants, or I for Implementation Grants). If the icons and text differ, the text supersedes. Grant type sub-sections have been omitted and/or combined as appropriate. Sections that contain information on a mixture of grant types will be structured as follows:

All Grant Types P D I

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

Planning Grants P

Information that only applies to Planning Grants.

Project Development Grants D

Information that only applies to Project Development Grants.

Implementation Grants I

Information that only applies to Implementation Grants.

Section 1. Program Overview

Summary of Section 1:

- The Transformative Climate Communities Program (TCC) was established to fund community-led development and infrastructure projects that achieve major environmental, health, and economic benefits in California's most disadvantaged communities.
- TCC's Round 6 is expected to be funded by the Climate Bond for Planning, Project Development, and Implementation Grants. Funding amounts for each grant type will be announced in the Notice of Funding Availability (NOFA).

1.1 Background P D I

Budget and Legislative Background

The Transformative Climate Communities (TCC) Program funds community-led projects that reduce greenhouse gas (GHG) emissions while improving public health, economic opportunity, and environmental conditions.

The California Strategic Growth Council (SGC) launched TCC in 2016 as part of California Climate Investments, a statewide initiative that uses Cap-and-Invest (also known as Cap-and-Trade) dollars to reduce greenhouse gas emissions, strengthen the economy, and improve public health outcomes, particularly in disadvantaged communities. Cap-and-Invest-funded TCC Rounds 1, 2 and 3. The California General Fund supported Rounds 4 and 5.

In November 2024, California voters approved the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4), a $10 billion General Obligation Bond commonly known as the Climate Bond. The Climate Bond funds TCC Round 6 and supports projects that strengthen community resilience and provide economic, environmental, and health benefits.

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 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 also govern the TCC Program:

- ***Assembly Bill 32*** **(Nunez, Chapter 488, Statutes of 2006):** Requires California to reduce its GHG emissions to 1990 levels by 2020 and authorizes the cap-and-trade program.
- ***Senate Bill 535*** **(De León, Chapter 830, Statutes of 2012):** Requires that state and local agencies direct at least 25%of Greenhouse Gas Reduction Fund (GGRF) investments to benefit disadvantaged communities, as defined by the California Environmental Protection Agency (CalEPA).
- ***Senate Bill 32*** **(Pavley, Chapter 249, Statues of 2016):** Requires California to reduce GHG emissions to 40% below 1990 levels by 2030.
- ***Assembly Bill 1550*** **(Gomez, Chapter 369, Statutes of 2016):** Expands requirements for GGRF to include other Priority Populations based on income. In addition to SB 535 requirements, AB 1550 requires that at least 5% of funds benefit low-income households or communities statewide, and an additional 5% must benefit those located within one-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.
- ***Assembly Bill 3017 (Hart, 2024):*** Authorizes advance payment of grant funds to nonprofit organizations, and federally recognized Tribes.

1.2 Program Summary P D I

The California Strategic Growth Council (SGC) administers the TCC Program in partnership with the California Department of Conservation (DOC).

TCC Round 6 will fund three grant types: Planning, Project Development, and Implementation. All grants must align with the Program Objectives. SGC will determine award amounts and the number of awards in the Notice of Funding Availability (NOFA).

Applicants may apply for multiple funding programs for the same scope of work. However, awarded applicants will only be able to receive full funding from one award. If selected for more than one award, SGC will work with applicants to modify the scope of work to eliminate duplication of funding.

Planning Grants P

Grant purpose: Fund planning activities that prepare communities for future funding opportunities aligned with TCC Program Objectives.

Examples of eligible activities:

- Community engagement
- Climate Action Plan development
- Policy and code evaluation and updates
- Capacity building

Award amount: Up to $300,000

Grant term: Two years

Project area size: No size requirements

Special requirements:

- Application must address at least one Transformative Element (*see* Section 7 for more information).

For more information about Planning Grants, see Section 4.

Project Development Grants D

Grant purpose: Fund pre-development activities and water supply and wastewater infrastructure to support communities to meet their climate and community resilience goals.

Examples of eligible activities:

- All Planning Grant eligible activities
- Feasibility studies
- Remediation

- Permitting
- Pilot projects
- Implementation preparation

Award amount: Up to $5 million

Grant term: Two years

Project area size: No size requirements

Special requirements:

- Application must address two Transformative Elements below:
  - Community engagement
  - Climate adaptation and resilience

For more information about Project Development Grants, see Section 5.

Implementation Grants

Grant purpose: Fund neighborhood-level projects that include multiple, coordinated activities that reduce GHG emissions and achieve community benefits.

Examples of eligible activities:

- Infrastructure: affordable housing, bike lanes, transit services, urban greening
- Social programs: supportive services, food distribution, transit pass distribution
- Pre-development for construction activities

See Appendix B for all eligible project types for Implementation Grants.

Award amount: Up to $27.5 million. Applicants may request smaller amounts if it is relevant to their community's context and capacities.

Grant term: Six years total, including the following phases:

- Pre-Development: Nine months
- Administrative Transition: Three months
- Implementation: Four years
- Evaluation: One year

Project area size

- Up to five square miles for urban areas, and
- Up to 15 square miles for rural areas

Special requirements:

- Robust prior community engagement
- Two-phased application process
- Must address all six Transformative Elements listed below: (See Section 7)

1. Community Engagement
2. Displacement Avoidance
3. Workforce Development and Economic Opportunities
4. Climate Adaptation and Resilience
5. Leverage Funding
6. Grant Evaluation

For more information about Implementation Grants, see Section 6.

1.3 Program Objectives P D I

All applicants must consider the three TCC Program Objectives when designing their applications.

- Planning Grant and Project Development Grant applicants must describe how their proposed activities will support achieving these Objectives through future implementation.
- Implementation Grant applicants must comprehensively address how their proposed activities will achieve all three Objectives.

The Program Objectives are:

1. **Achieve significant reductions in greenhouse gas (GHG) emissions**
   Applicants must develop an application with integrated projects that will reduce GHG emissions and further the objectives of California Health and Safety Code Section 38566.
2. **Improve public health and environmental benefits**
   Applicants must describe how their projects will improve public health outcomes and achieve environmental benefits within the Project Area.
3. **Expand economic opportunity and shared prosperity**
   Applicants must describe how their projects will create economic opportunities for Project Area residents and ensure that benefits are accessible and equitable.

1.4 Program Approach P D I

Vision for Racial Equity

SGC is committed to achieving racial equity in its operations, investments, and policy initiatives and to achieving its vision that all people in California live in healthy, thriving, and resilient communities regardless of race. (See SGC Racial Equity Action Plan: 2023-2025)

Vision for Transformation

The TCC Program framework for achieving California's climate goals represents an evolution in the State's typical funding models in four significant ways.

1. ***Place-Based Approach:*** TCC invests in defined geographic areas to address multiple community needs at once. This approach empowers communities to identify priorities and propose solutions that address climate change and equity challenges at a neighborhood scale, while embracing their many strengths and assets.

2. ***Integrated Strategies and Projects:*** Implementing multiple integrated Strategies and Projects makes the whole of each grant greater than the sum of its parts. By integrating cross-sector activities within a single application, the State can maximize GHG reductions and deliver broader community benefits.
3. ***Transformative Elements:*** The TCC Program focuses on ensuring investments provide direct benefits to neighborhood residents. Robust community engagement and workforce development requirements ensure that TCC applications are designed to reflect community needs. Grant recipients must also implement measures to avoid the displacement of existing residents and businesses so they can benefit from the program's investments in the long run. Communities select projects that build resilience to current and future climate impacts affecting vulnerable populations and the built environment, including infrastructure and public spaces. The program also catalyzes local, multi-sector partnerships that leverage public and private funding to support long-term community revitalization and equitable development. Long-term grant evaluation allows the TCC Program to assess outcomes and apply lessons learned.
4. ***Developing Partnerships:*** The TCC Program supports the development of long-term partnerships at multiple levels. Applicants must establish Collaborative Governance Structures that bring together public agencies, nonprofit organizations, residents, and other local entities to advance a shared community vision. The TCC Program partners with applicants, Lead Grantees, and Partners through outreach and technical assistance to help build these networks. SGC has also fostered partnerships at the State level through coordination with multiple agencies during guideline development and application review.

1.5 Investing in Priority Communities PDI

The TCC Program prioritizes investments in communities most burdened by environmental, socioeconomic, and health inequities.

The following definitions that are marked with an asterisk (*) are income-based definitions of disadvantaged communities (DACs), severely disadvantaged communities (SDACs), and climate vulnerable populations. TCC will follow these definitions for reporting purposes in accordance with the Climate Bond to ensure that projects will provide meaningful and direct benefits to priority communities. These definitions do not determine eligibility. See Section 3.3 for information on TCC eligibility.

Disadvantaged Community (DAC)

Disadvantaged communities (DACs) include:

1. Census tracts disproportionately affected by pollution and environmental burdens
    a. The California Environmental Protection Agency (CalEPA) identifies these tracts using geographic, socioeconomic, public health, and environmental hazard criteria through the California Communities Environmental Health Screening Tool

(CalEnviroScreen or CES), a mapping tool developed by the Office of Environmental Health Hazard Assessment (OEHHA)[1]

b. A high CES percentile indicates that a community is disproportionately burdened by multiple sources of pollution, environmental degradation, socioeconomic stressors, and adverse health conditions

2. Federally recognized Native American Tribes or non-federally recognized Native American Tribes listed on the California Tribal Consultation List maintained by the Native American Heritage Commission
3. *Communities with a median household income of less than 80% of the area average or less than 80% of statewide median household income

*Severely Disadvantaged Community (SDAC)

A community with a median household income of less than 60% of the area average or less than 60% of statewide median household income.

*Vulnerable Population:

A subgroup population within a region or community that faces a disproportionately heightened risk or increased sensitivity to impacts of climate change and that lacks adequate resources to cope with, adapt to, or recover from such impacts. TCC will report Tribes as vulnerable populations in accordance with the Climate Bond.

TCC uses the Vulnerable Communities Platform (VCP), which combines climate hazard and social vulnerability data to assess five major climate hazards: wildfire, extreme heat, flooding, sea level rise, and drought. This tool helps staff verify that TCC investments will benefit communities most vulnerable to current and projected climate impacts.

Note on Terminology

Communities defined as “disadvantaged” often include populations with lower incomes and higher exposure to pollution and environmental hazards. Residents may experience elevated rates of health challenges, as well as increased socioeconomic and environmental vulnerability. These communities often face heightened risks from climate impacts while having fewer resources to cope with, adapt to, or recover from those impacts. These conditions are shaped by physical, social, political, and economic factors, including a history of inequitable land use, underinvestment, and a lack of meaningful engagement with community residents in planning and policy decisions.

SGC recognizes that the term “disadvantaged” does not reflect the full range of assets and strengths within these communities. The term is used to align with statutory requirements, not to define communities by their challenges. 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

[1] Health and Safety Code § 39711(a)

impacts of climate change. The TCC Program is designed to support residents, businesses, and local partners in building upon existing strengths, advancing community-led efforts, and ensuring they benefit from program investments.

1.6 Funding Goals and Priorities Ⓟ Ⓓ Ⓘ

TCC prioritizes priority communities and Project Areas through application scoring. Eligible applications representing Tribal applicants, disadvantaged unincorporated communities, or previous SGC or California Governor's Office of Land Use and Climate Innovation (LCI) grantees may receive additional points if they meet certain requirements.

Funding Goals

- **Tribal Funding Goal:** SGC intends to award at least one grant of each grant type to eligible applications from California Native American Tribes or Tribally-owned nonprofits.
- **Disadvantaged Unincorporated Community Funding Goal:** SGC intends to award one grant of each grant type to eligible applications with Project Areas in disadvantaged unincorporated communities.

Priority Points: Eligible applications representing Tribal applicants, disadvantaged unincorporated communities, or previous SGC or LCI grantees will receive additional points if they meet certain requirements. Please see Section 9.4 for more information.

Section 2. California Native American Tribes and Tribal Applicants

Summary of Section 2:

- Federally and non-federally recognized California Native American Tribes are eligible to apply as Lead Applicants or Co-Applicants and are encouraged to participate.
- SGC intends to fund at least one eligible Planning Grant, Project Development Grant, and Implementation Grant with a California Native American Tribe or Tribally-owned nonprofit as the Lead Applicant.
- Tribal applicants receive flexibility in certain program and application requirements and are eligible for technical assistance during both the application process and the grant term.

2.1 Important Terminology

- **"California Native American Tribe"** means either a federally recognized Native American Tribe or a non-federally recognized Native American Tribe listed on the California Tribal Consultation List maintained by the Native American Heritage Commission as of February 19, 2026.
- **"Tribal applicants"** refers to applicants whose Lead Applicant is a California Native American Tribe or a Tribally-owned nonprofit.
- **"Tribally-owned nonprofit"** refers to an organization exempt from taxation under Internal Revenue Code 501(c)(3) (26 U.S.C. § 501(c)(3)), a nonprofit incorporated under Tribal law, a California nonprofit public benefit corporation (Corp. Code, § 5110 et seq.), or an equivalent entity that has a majority Tribal-led board, is operated by a Tribe, and advances the Tribe's goals and priorities. A Tribal nonprofit is required to provide a Letter of Authorization or Resolution on behalf of the Tribe they represent.

See Appendix A for full definitions of "California Native American Tribe" and "Tribally-owned nonprofit," and Section 3 for additional information on applicant eligibility.

2.2 Tribal Funding Goal P D I

Federally and non-federally recognized California Native American Tribes are eligible to apply as either Lead Applicants or Co-Applicants and are encouraged to participate.

SGC intends to fund at least one eligible Planning Grant, Project Development Grant, and Implementation Grant with a California Native American Tribe or Tribally-owned nonprofit (as defined in Appendix A) serving as the Lead Applicant. California Native American Tribes, Tribally-owned nonprofits, and certain other nonprofits that serve Tribal communities will also receive Priority Points. See Section 9.4 for additional details.

2.3 Limited Waiver of Sovereign Immunity Ⓟ Ⓓ Ⓘ

If a Tribe is receiving TCC payments on a reimbursement basis from SGC, Tribes will not be required to sign a Limited Waiver of Sovereign Immunity. If a Tribe is receiving TCC payments via advance pay, SGC **may require** a Limited Waiver of Sovereign Immunity.

TCC is committed to working collaboratively with Tribes on tailoring the terms of a Limited Waiver of Sovereign Immunity to support Tribal priorities while also meeting the State's obligations under the law. Tribes who are Co-Applicants should work with their Lead Applicant to determine whether they will need to sign a Limited Waiver of Sovereign Immunity prior to submitting an application.

2.4 Leverage Funding Exemption Ⓘ

Applicants with a California Native American Tribe or Tribally-owned nonprofit serving as the Lead Applicant are exempt from the Implementation Grant leverage funding requirement.

Planning Grants and Project Development Grants do not have a leverage funding requirement. See Section 7.7 for more information on leverage funding.

2.5 Modifications and Special Considerations Ⓟ Ⓓ Ⓘ

SGC intends for the TCC Program to be accessible and relevant to Tribal applicants. Certain sections of these Guidelines provide flexibility for Lead Applicants who are California Native American Tribes or Tribally-owned nonprofits (as defined in Appendix A). These applicants may also request further modifications to specific requirements. Applicants must submit modification requests related to grant application requirements for pre-approval before the application due date. Final guidance on how to submit a Tribal modification request will be included in the NOFA.

In general, this flexibility applies only when the Lead Applicant is a California Native American Tribe or Tribally-owned nonprofit. Two of these modifications are also available when a California Native American Tribe or Tribally-owned nonprofit serves as a Co-Applicant, as noted in italics below. SGC may also consider extending modifications to applicants with a Tribal Co-Applicant if doing so would support meaningful Tribal participation.

The sections listed below describe special considerations and eligible modifications. Applicants should look for the bolded words "**Tribal applicants**", or a subsection titled "Tribal applicants" within each section for more details.

- **Public agency support:** Includes automatic flexibility (See Section 3.1)
- **Co-Applicant requirements and Collaborative Governance:** Includes some automatic flexibility; applicants can request further modifications (See Section 3.2)
- **Project Area requirements**: Includes some automatic flexibility; applicants can request further modifications (See Section 3.3)
- **Protecting data sovereignty in application materials and reporting** (See Section 7.2 and Section 11.6)

    - This modification is available to all California Native American Tribes and Tribally-owned nonprofits regardless of whether they are a Lead Applicant or Co-Applicant. It is not available to any other Lead or Co-Applicants involved in an application.
    - Includes automatic flexibility; applicants can request further modifications.
- **Displacement Avoidance Plan requirements:** Applicants can request modifications (See Section 7.4).
- **Workforce Development and Economic Opportunities Plan requirements:** Applicants can request modifications (See Section 7.5)
- **Leverage funding:** Includes automatic flexibility (See Section 7.7)
- **Indirect cost caps** (See Section 8.1)
    - This modification is available to all California Native American Tribes and Tribally-owned nonprofits regardless of whether they are a Lead Applicant or Co-Applicant. It is not available to any other Lead or Co-Applicants involved in an application.
    - Includes some automatic flexibility; applicants can request further modifications
- **Water supply and wastewater infrastructure cost caps:** Includes automatic flexibility (See Section 8.3)
- **Prohousing designation:** The Prohousing policy incentive does not apply to applications for projects located within federally recognized Tribal boundaries. These applications will receive maximum points in this category. (See Section 10.19)

2.6 Data Sovereignty PDI

SGC is committed to honoring Tribal data sovereignty, and the TCC Program reflects this commitment by collaborating with Tribal communities throughout all phases of program development. The Program seeks to align with the CARE Principles for Indigenous Data Governance (Collective Benefit, Authority to Control, Responsibility, and Ethics) to ensure that data pertaining to Tribal communities is governed in a manner consistent with Tribal rights and governance.

Tribal data and Traditional Ecological Knowledge may be excluded from project deliverables to protect confidentiality. SGC will work with the Lead Grantee to establish a clear process for excluding confidential Tribal data in the grant agreement.

Under California Government Code Section 8450, any record containing financial information submitted by Tribes to fulfill obligations as party to a grant agreement under this program will be confidential, will not be a public record, and will not be open to public inspection.

2.7 Tribal Notification PDI

To formally acknowledge the land and the Indigenous peoples where the grant application is proposed, applicants should notify surrounding Tribes of their project. Where appropriate and desired by all parties, applicants are encouraged to pursue consent-based collaboration that is flexible, equitable, culturally appropriate, and respectful during application development and throughout the grant term.

After applications are submitted, TCC staff will notify California Native American Tribes listed on the California Tribal Consultation List maintained by the Native American Heritage Commission as of February 19, 2026. Notification will be sent via email at least 60 days before the Strategic Growth Council considers award approvals. Tribes not currently on the NAHC list that wish to receive notifications may contact TCC staff at tcc@sgc.ca.gov.

The purpose of Tribal notification is to:

- Inform Tribes of proposed projects in their regions
- Ensure transparency in the application process
- Provide opportunities to raise comments or concerns
- Include Tribal input where ancestral lands are concerned
- Support coordinated efforts toward protection of the land and sensitive cultural sites
- Avoid impacts to cultural resources

These notifications will include the following project information:

- Brief project description
- Project location
- Requested funding amount
- Lead Applicant and Co-Applicants
- Contact information for Lead Applicant
- Instructions for contacting SGC or the Lead Applicant regarding a proposed project
- A timeline for submitting comments or concerns regarding an application to SGC to ensure that SGC can consider feedback and concerns before making award decisions

SGC will work with Tribes to address concerns raised within the constructs of the Guidelines and operating statutes. In cases where an unresolved conflict remains for an application recommended for funding, SGC will determine funding and next steps for the application on a case-by-case basis.

2.8 Technical Assistance P D I

SGC will provide technical assistance to all California Native American Tribes and Tribally-owned nonprofits serving as Lead Applicants during the application process. SGC also intends to provide Implementation Technical Assistance during the grant term, pending funding availability.

See Section 12 for more information.

Section 3. Eligibility

Summary of Section 3:

- Applications must include an eligible Lead Applicant and eligible Co-Applicants.
- Project Development Grants and Implementation Grants require that Lead Applicant and Co-Applicants engage in collaborative governance throughout the grant term.
- Applicants must select a Project Area where grant activities will take place. The Project Area must meet certain requirements, including population characteristics and size.

3.1 Eligible Applicants P D I

The Lead Applicant will collaborate with Co-Applicants.

Each application must include one Lead Applicant and one or more Co-Applicants (except in the case of certain Tribal applicants). The Lead Applicant submits a single application on behalf of the team. Together, the Lead Applicant and Co-Applicants are referred to as "applicants."

Lead Applicant Eligibility

A Lead Applicant must be based in California and be one of the following:

- California Native American Tribes
- Tribally-owned nonprofit
- IRC 501 (c)(3) tax-exempt nonprofit organization
- Public agency
- Local agency
- Special district
- Joint powers authority
- Public utility
- Local publicly owned utility
- Mutual water company

Private shareholder corporations (as defined in Appendix A) **are not eligible** as Lead Applicants or Co-Applicants.

Co-Applicant Eligibility and Partnerships

Applications should demonstrate strong, diverse partnerships rooted in the community. Applicants must submit a description of the partnership structure and roles and responsibilities of each Co-Applicant.

Tribal applicants (California Native American Tribes and Tribally-owned nonprofits as defined in Appendix A) are not required to include Co-Applicants in certain cases. See "Tribal applicants" in Section 3.2 for more information.

Any eligible Lead Applicant organization listed above is eligible to serve as a Co-Applicant. For Implementation Grants, Co-Applicants may also serve as eligible Project Leads for specific Strategies. (See Appendix B)

Private shareholder corporations **are not eligible** as Lead Applicant or Co-Applicants.

Corporate entities (as defined in Appendix A) may serve as Co-Applicants only for some Strategies. See Appendix B for strategy specific eligibility.

Minimum Co-Applicant Requirements by Grant Type

Tribal applicants (California Native American Tribes and Tribally-owned nonprofits, as defined in Appendix A) do not need Co-Applicants in certain situations. See "Tribal applicants" in Section 3.2 for more information.

Planning Grants P

Planning Grants**:** At least one Co-Applicant is required. TCC strongly encourages including more than one Co-Applicant.

Project Development Grants and Implementation Grants D I

Project Development and Implementation Grants: At least two Co-Applicants are required. TCC strongly encourages applications to include more than two Co-Applicants.

Public Agency Support P D I

Either the Lead Applicant or one of the Co-Applicants must be a public agency. In most cases, this will mean that:

- Applicants with **unincorporated** Project Areas need the relevant county or counties as Lead Applicant or Co-Applicant(s).
- Applicants with **incorporated** Project Areas need the relevant city or cities as Lead Applicant or Co-Applicant(s).
- Applicants with Project Areas on **federally recognized Tribal territories** need the relevant Tribal government(s) or Tribally-owned nonprofit(s) (as defined in Appendix A) as Lead Applicant or Co-Applicant(s).

Tribal applicants (as defined in Appendix A) applying for a Planning Grant or Project Development Grant on a Project Area outside of a federally recognized Tribal territory need Letters of Support from the relevant cities or counties. They do not need to include the city or county as a Co-Applicant.

Project Areas that Cross Boundaries

Applicants must demonstrate public agency support when a Project Area crosses:

- Municipal boundaries

- Federally recognized Tribal territory boundaries
- Similarly relevant jurisdictional boundaries

At a minimum, one of these public agencies must be a Co-Applicant. All public agencies who have jurisdiction over part of the Project Area but are not Lead Applicants or Co-Applicants must submit Letters of Support. Letters of Support and Letters of Commitment are defined in Appendix A.

Documentation of Support

If the Lead Applicant is a public agency, they must provide evidence of a passed, formal resolution that includes authorization to apply for and accept a TCC grant, and authority to execute all related documents if awarded.[2]

For Planning Grants, if a public agency is a Co-Applicant, the applicant must provide a Letter of Commitment from that agency. The letter must demonstrate the agency's support for the application and commitment to its proposed role. For Project Development Grants and Implementation Grants, public agency Co-Applicants may demonstrate support for the application and commitment to its proposed role through the Collaborative Governance Agreement. At a minimum, the agency should receive grant funding to engage in the TCC Collaborative Governance Structure and coordinate with Collaborative members.

If the TCC application does not include TCC funding for the public agency Co-Applicant, the agency must still be included in the work plan. The agency must also quantify and document the staff hours that it will donate or provide as leverage to the TCC Grant, if applicable. These staff hours must be documented in the budget as leverage funds and will be subject to all reporting requirements for leverage funding.

Tribal applicants (as defined in Appendix A) serving as Lead Applicant may provide a letter from a Tribal Chairperson instead of a passed, formal resolution. If the application is chosen for award, a formal resolution will be required before the grant can be executed.

Planning Grants and Project Development Grants P D

For Planning Grants and Project Development Grants, the most relevant public agency may differ from what's listed above. Depending on the proposed scope of activities, the agency may instead be a transportation agency, special district, community services district, regional air quality district, or another public agency as defined in Appendix A. Applicants must identify the most relevant agency or agencies to include as a Lead Applicant or Co-Applicant and demonstrate their support and involvement. The intent is to ensure that the application has the support and

[2] A lesson learned from previous grant cycles is to include this streamlining measure, which allows the Lead Applicant to execute agreements without the need to return the agreement to the Council or Board for approval. Otherwise, the final grant execution stage can extensively delay the grant term start date. If the authorization to execute the related documents is against the agency's policy, they may submit just a resolution to apply for and accept a TCC award. They would then need a second resolution before the grant agreement can be executed.

involvement of the public agency or agencies necessary to complete the grant activities and any related future implementation activities.

Implementation Grants

Implementation Grants must **always** include a city, county, or Tribal government as a Co-Applicant. Multiple public agencies may serve as Co-Applicants. If multiple departments within one public agency are involved in the grant, each department may participate as individual Co-Applicants or the entire public agency may participate as a single Co-Applicant. In either case, only one letter or resolution (whichever is applicable) per agency is required.

Past Grantees

- Previous TCC grantees are eligible to apply again.
- Lead Grantees (Lead Applicants) on previously awarded grants may apply as Lead Applicants or Co-Applicants to Round 6, if they demonstrate the capacity to administer both grants.
- Partners (Co-Applicants) on current grants may apply as Lead Applicants or be included as Co-Applicants.
- Organizations from the same jurisdiction as an existing TCC Implementation Grant are eligible to apply.
- Implementation Grant Project Areas may not overlap with a current or former TCC Implementation Grant.

Although past grantees may be eligible as described above, TCC will prioritize geographic diversity. Eligibility does not equal competitiveness. For example, an organization that was previously awarded a Planning Grant in a certain Project Area, may not be competitive for another Planning Grant in the adjacent area.

Partnership Requirement Summary Tables

Use the tables below to identify the required public agency involvement based on your Lead Applicant type and the characteristics of your Project Area (e.g., incorporated, unincorporated, or within federally recognized Tribal boundaries). These tables clarify whether a public agency must serve as a Lead Applicant or Co-Applicant, or whether a Letter of Support is sufficient.

Partnership Requirements for Non-Tribal Lead Applicants

If the Lead Applicant **is not** a California Native American Tribe or a Tribally-owned nonprofit acting on behalf of a Tribe, the following requirements apply:

Grant Type	Incorporated Area	Unincorporated Area	Area Within Federally Recognized Tribal Boundaries
Planning or Project Development Grant	Relevant public agency (typically the city) must be a Lead	Relevant public agency (typically the county) must be	A Tribe or Tribally-owned nonprofit must be a Lead Applicant or Co-Applicant. If a Tribally-owned nonprofit

	Applicant or Co-Applicant	Lead Applicant or Co-Applicant	serves in this role, the Tribe must also provide a Letter of Support.
Implementation Grant	City must be a Lead Applicant or Co-Applicant.	County must be a Lead Applicant or Co-Applicant.	A Tribe or Tribally-owned nonprofit must be a Lead Applicant or Co-Applicant. If a Tribally-owned nonprofit serves in this role, the Tribe must also provide a Letter of Support.

Partnership Requirements for Tribal Lead Applicants

If the Lead Applicant **is** a California Native American Tribe or a Tribally-owned nonprofit, different public agency and documentation requirements apply, as shown below:

Grant Type	**Incorporated Area**	**Unincorporated Area**	**Area Within Federally Recognized Tribal Boundaries**
Planning or Project Development Grant	Relevant public agency (typically the city) must provide a Letter of Support (not required to be a Co-Applicant)	Relevant public agency (typically the county) must provide a Letter of Support (not required to be a Co-Applicant)	The Tribe or Tribally-owned nonprofit must provide a letter from the Tribal Chairperson or a Tribal Council resolution authorizing the application. If the application does not include a Tribal Council resolution, the Tribal Council must adopt a resolution authorizing acceptance of the award before grant execution.
Implementation Grant	City must be a Lead Applicant or Co-Applicant	County must a Lead Applicant or Co-Applicant	The Tribe or Tribally-owned nonprofit must provide a letter from the Tribal Chairperson or a Tribal Council resolution authorizing the application. If the application does not include a Tribal Council resolution, the Tribal Council must adopt a resolution authorizing acceptance of the award before grant execution.

3.2 Collaborative Governance P D I

Partnerships and collaborative governance are core requirements for all TCC grants and are essential to achieving transformative outcomes.

The Collaborative Governance Agreement (formerly called the Partnership Agreement) defines the governance, organizational structure, and financial relationships of the Collaborative Governance Structure (formerly called the Collaborative Stakeholder Structure).

The Lead Applicant and all Co-Applicants must jointly develop and sign the Collaborative Governance Agreement. After award, the Lead Applicant becomes the Lead Grantee, and Co-Applicants become Partners.

At a minimum, the Collaborative Governance Structure must include:

- Lead Grantee
- Partners
- Community residents

Applicants should notify local and/or surrounding Tribes of their project to formally acknowledge the land and the Indigenous peoples of the land where the project is taking place. See Section 2.7 for Tribal notification requirements and procedures. If desired by all parties, applicants should engage in consent-based collaboration that is flexible, equitable, culturally appropriate, and respectful during the application development and throughout the grant term.

Requirements by Grant Type

All Grant Types P D I

The level of partnership formality varies by grant type. After award, all members of the Collaborative Governance Structure must participate in an SGC-led collaborative governance training focused on best practices.

Planning Grants P

Planning Grant applicants must describe the:

- Partnership structure
- Roles and responsibilities of each Co-Applicant

A formal Collaborative Governance Structure and Agreement are not required. Letters of Commitment from all Co-Applicants are required with the application. If the Project Area crosses jurisdictional boundaries, applicants must obtain a Letter of Support from a relevant public agency for each portion of the Project Area. Letters of Commitment and Letter of Support are defined in Appendix A.

Project Development Grants and Implementation Grants D I

Project Development Grant and Implementation Grant applicants must:

- Form a Collaborative Governance Structure with the Lead Applicant and Co-Applicants
- Develop and submit one combined application
- Submit a Collaborative Governance Agreement worksheet

Co-Applicants do not need to submit separate Letters of Commitment if their roles and commitments are clearly defined in the Collaborative Governance Agreement worksheet.

The Collaborative Governance Structure:

- Must include residents (required unless SGC approves a waiver due to extenuating circumstances)
- May include community-based organizations that are not Co-Applicants

Applications will be evaluated based on the extent of community leadership. Applicants are strongly encouraged to provide stipends for resident participation. These stipends are eligible costs under the Community Engagement Plan.

If the Project Area crosses multiple jurisdictions:

- Applicants must obtain a Letter of Support from a relevant public agency for each jurisdiction that is not a partner of the Collaborative Governance Agreement worksheet
- The Collaborative Governance Agreement worksheet must describe how relevant public agencies and Tribal governments will coordinate and implement the grant collectively

Lead Applicants that are California Native American Tribes or Tribally-owned nonprofits have additional flexibility in meeting Collaborative Governance requirements.

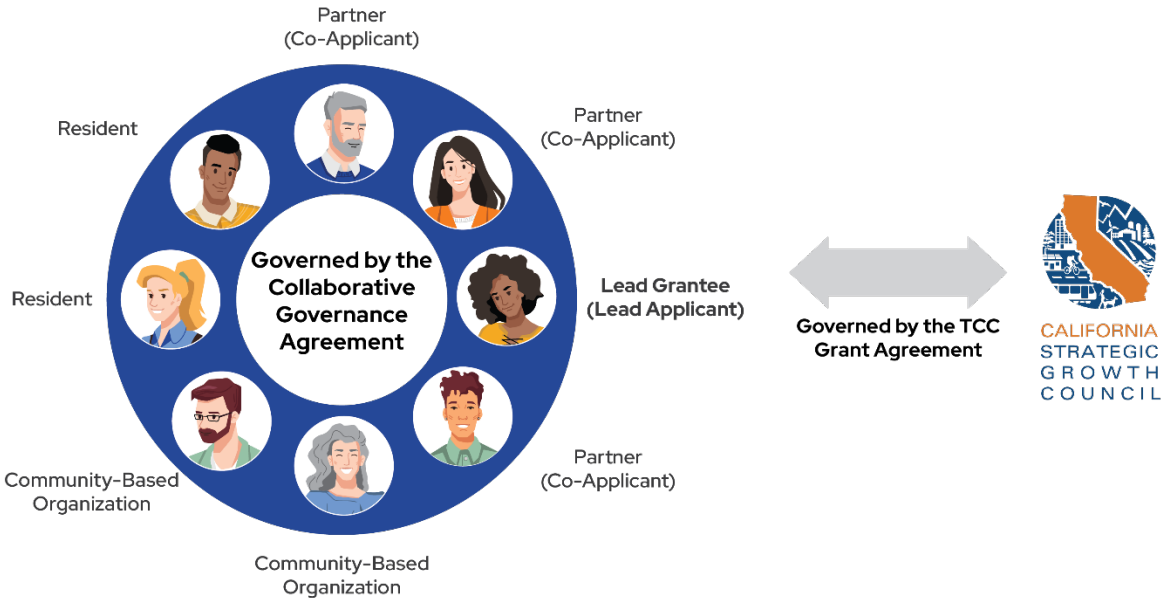
Collaborative Governance Agreement

Applicants must submit a Collaborative Governance Agreement worksheet signed by the Lead Applicant and all Co-Applicants.

Lead Applicants that are California Native American Tribes or Tribally-owned nonprofits without Co-Applicants may submit the Collaborative Governance for Tribes worksheet instead. (See Tribal applicants section below)

If awarded, SGC may require revisions to the Collaborative Governance Agreement worksheet during the Post-Award Consultation Process to be included in the final agreement. Awardees must finalize and execute the Collaborative Governance Agreement within 90 days of grant execution.

Collaborative Governance Structure



The Collaborative Governance Structure and Agreement govern implementation of the entire TCC grant. Applicants may design the structure and agreement to align with their needs; however, the Collaborative Governance Agreement must, at a minimum, include the following:

- Identification of the Lead Grantee (Lead Applicant) and Partners (Co-Applicants)
- Roles and responsibilities for the Lead Grantee (Lead Applicant), all Partners (Co-Applicants), residents, and any community-nominated members
- Governance procedures, including processes for dispute resolution and for adding, removing, or modifying members
- Legal and financial provisions, including liability, financial relationships between the Lead Grantee and Partners, reimbursement processes, and procurement procedures
- Transparent decision-making processes
- A non-discrimination clause
- Meeting procedures, including frequency, minimum number of meetings open to the public, methods for publishing agendas and notes, and accessibility
- A clear and transparent process for involving community representatives and community-based organizations in decision-making

For applications led by **Tribal applicants**, "public" meeting requirements and information sharing apply to the Tribal community, not the general public. If Tribal applicants are included as Lead Applicants or Co-Applicants, applicants must respect and uphold Tribal sovereignty in the

development of the Collaborative Governance Structure. The Collaborative Governance Agreement must also define measures to protect the confidentiality of Tribal data and Traditional Ecological Knowledge collected or shared as part of grant activities.

If the Project Area crosses multiple jurisdictions, the applicants must include the following in the proposed Collaborative Governance Agreement:

- The arrangement and commitment of full-time equivalent positions from each public agency and/or Tribal government to carry out the following TCC grant activities:
    - Implementing capital projects
    - Conducting planning activities
    - Developing and implementing policies
    - Participating in collaborative governance
- Systems to coordinate successful execution of the TCC grant for each entity:
    - Responsibilities
    - Expectations
    - Communication systems
    - Staffing plans
    - Budget
- Identification of the public agency or Tribal government responsible for leading coordination among entities and resolving challenges associated with multiple jurisdictions 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.

See Appendix D for more information on the Collaborative Governance Structure.

Tribal Applicants

Lead Applicants that are California Native American Tribes or ***Tribally-owned nonprofits have additional flexibility in the following areas.***

Co-Applicant Requirements P D I

A California Native American Tribe or Tribally-owned nonprofit (as defined in Appendix A) who is applying as a Lead Applicant is typically not required to have Co-Applicants.

However, Co-Applicants are required if:

- Other entities will lead specific components of the grant-funded work (such as Projects under an Implementation Grant). These entities, including any additional Tribes, must be included as Co-Applicants.
- The application is for an Implementation Grant, and the Project Area includes non-Tribal areas not under the control of federally recognized Tribes. In this case, a city or county must be included as a Co-Applicant.

If a Tribal Lead Applicant includes Co-Applicants for a Project Development Grant or Implementation Grant, the application must include a Collaborative Governance Structure and

Collaborative Governance Agreement that meet all standard requirements. If Tribal applicants are included as Lead Applicants or Co-Applicants, applicants must respect and uphold Tribal sovereignty in the development of the Collaborative Governance Structure. The Collaborative Governance Agreement must also define measures to protect the confidentiality of Tribal data and Traditional Ecological Knowledge collected or shared as part of grant activities.

Collaborative Governance Structure

Tribal Applicants with Co-Applicants
The Collaborative Governance Structure for California Native American Tribes or Tribally-owned nonprofit applicants should:

- Fit the unique circumstances and existing relationships of a community
- Meet the overall goals of collaborative governance and accountability to the relevant community
- Be appropriate for the dynamics within that community

Tribal Lead Applicants may request modifications to one or more requirements of the Collaborative Governance Structure and/or Collaborative Governance Agreement. Requests must include justification and demonstrate alignment with the overall intent of the requirements. SGC will evaluate requests on a case-by-case basis.

Tribal Applicants without Co-Applicants
If a California Native American Tribe or Tribally-owned nonprofit serves as the Lead Applicant for a Project Development Grant or Implementation Grant and does not include Co-Applicants:

- A formal Collaborative Governance Structure and Collaborative Governance Agreement are not required
- The applicant must complete the Collaborative Governance for Tribes worksheet
- Tribal applicants may use existing governance structures or create new ones

Applicants must demonstrate that they meet the intent of collaborative governance, including:

- Informing and involving the Tribal community in grant implementation
- Ensuring accountability and transparency to the Tribal community
- Providing a forum for community input and for raising concerns throughout the grant term
- Defining clear roles and responsibilities for all entities and individuals involved (e.g., Tribal departments)
- Establishing clear decision-making processes during the grant term
- Ensuring decisions are informed by Tribal community input

Collaborative Governance Summary Tables

Collaborative Governance requirements by grant type and Lead Applicant type

Scenario	Co-Applicants Required?	Formal Collaborative Governance Structure Required?	Collaborative Governance Agreement Required?	Key Notes
Planning Grant (Non-Tribal Lead Applicant)	Yes (at least 1)	No	No	Must describe partnership structure and roles. If Project Area crosses jurisdictions, Letters of Support required from each relevant public agency.
Planning Grant (Tribal Lead Applicant)	Not required	No	No	No additional governance requirements if no Co-Applicants. Letters of Support required if outside Tribal territory.
Project Development Grant (Non-Tribal Lead Applicant)	Yes (minimum 2)	Yes	Yes	Must include residents. Agreement defines governance, roles, and decision-making.
Project Development Grant (Tribal Lead Applicant, with Co-Applicants)	Yes (may request modification to requirements)	Yes	Yes	May request modifications to requirements. Must still meet overall intent.
Project Development Grant (Tribal Lead Applicant, no Co-Applicants)	No	No	No (use Tribal worksheet)	Must complete Collaborative Governance for Tribes worksheet and demonstrate community accountability.
Implementation Grant (Non-Tribal Lead Applicant)	Yes (minimum 2)	Yes	Yes	Must include residents. Required regardless of structure complexity.
Implementation Grant (Tribal Lead Applicant, with Co-Applicants)	Yes (may request modification to requirements)	Yes	Yes	May request modifications. Standard requirements apply if Co-Applicants are included.

Implementation Grant (Tribal Lead Applicant, no Co-Applicants)	No	No	No (use Tribal worksheet)	Must demonstrate governance intent through Tribal worksheet.

3.3 Project Area Eligibility P D I

All Grant Types P D I

To support TCC's place-based approach to investing in historically marginalized communities at a neighborhood scale, applicants must identify a specific Project Area where planning and project activities will occur.

Project Area Requirements

Project Areas:

- May be any shape
- Do not need to follow census tract boundaries
- May include eligible incorporated, unincorporated, and Tribal areas within federally recognized Tribal territories
- Must include a specific community and residential areas with demonstrated needs for planning and implementing integrated infrastructure and connectivity, areas in addition to the specific development location
- Must have a continuous boundary, except:
    - Tribal applicants are exempt and may have discontinuous boundaries (See Tribal applicants section below)
    - Applicants whose Project Areas are in rural areas who receive TCC approval for a discontinuous Project Area. See Section 10.3 for how to request an exception.

Applicants must submit a map of the Project Area that meets all Project Area requirements. Applicants can use the free TCC Mapping Tool to identify an eligible Project Area and generate a map for the application.[3]

Integrated Infrastructure and Connectivity

All Project Areas must have a specific community or neighborhood with demonstrated needs for planning and implementing integrated infrastructure and connectivity.

Integrated infrastructure refers to physical structures, facilities, or amenities that have a role among existing assets. Integrated connectivity refers to transit, walkways, bike paths, or other

[3] Round 6 version of the TCC Mapping Tool will be released with the Notice of Funding Availability and will be available to the public.

methods of mobility that connect to a broader network of transportation or mobility options that connect to a broader transportation network or to alternate modes of travel (existing assets).

Project Area Size

Planning Grants and Project Development Grants do not have Project Area size requirements. Applicants are encouraged to review the size restrictions for Implementation Grants and to consider their ability to align the focus area for future funding opportunities.

Implementation Grants are subject to maximum size limits for Project Areas**:**

- **Rural areas:** Up to 15 continuous square miles. Applicants may request exceptions to this requirement as part of the Pre-Proposal. Requests may be approved on a case-by-case basis (See Section 10.3)
- **Urban areas:** Up to 5 continuous square miles
- **Tribal applicants:** Are exempt from size requirements. Tribal applicants may propose non-continuous, non-adjacent Project Areas, provided they meet the requirements (See Tribal applicants)
    - Tribal applicants may also request additional modifications (See Tribal applicants)

Urban and Rural Designation

Project Area size limits for Implementation Grants depend on whether the area is classified as urban or rural.

Urban areas include:

- Areas designated as urbanized in the 2020 U.S. Census
- Census tracts within cities with populations greater than 50,000
- Census tracts within Metropolitan Statistical Areas (MSAs) (See list of California MSAs)

Rural areas include areas that are not designated an urbanized area by the United States Census Bureau in the 2020 U.S. Census, **OR meets either of the following**:

- An area that meets both of the following conditions:
    - An incorporated area of a city whose total population is 50,000 or less, and
    - Not part of a larger labor market area as indicated by the latest Rural-Urban Commuting Area Codes (RUCA) where the census tracts with a RUCA Code of 6 to 10 are considered rural areas (See RUCA Code information)
- Applicants in rural areas who pursue Strategy 1: Equitable Housing and Neighborhood Development or Strategy 12: Community Resilience Centers must use the definition of "rural area," as defined by the CA Health & Safety Code § 50199.21 (2024). See Appendix A for the full definition.

If a Project Area includes both urban and rural areas:

- It will be designated as "urban" if the majority of the Project Area is in urban areas.
- If an area can be designated as both urban and rural, TCC has the authority to make a final determination on the maximum Project Area size.

Overlap with Previously Awarded Project Areas P D I

To be considered an eligible Project Area,

- A proposed Implementation Grant Project Area ***may not*** overlap with any Project Areas from current or previous TCC Implementation Grant awards.
- A proposed Planning Grant or Project Development Grant Project Area ***may not*** overlap with any Project Areas from current or previous TCC Implementation Grant awards.
- A proposed Implementation Grant Project Area ***may*** overlap with previous TCC Project Development Grant and Planning Grant awards.
- A proposed Project Development Grant Project Area ***may*** overlap with previous TCC Planning Grant awards.

Applicants can find previous awards and award maps on the TCC website.

Please contact tcc@sgc.ca.gov if you are unsure if there has been a previously awarded TCC grant in your desired location.

Project Area Priority Populations Requirements P D I

Disadvantaged communities (DACs) are geographic areas most burdened by socioeconomic, public health, and environmental hazards, making them more sensitive to pollution. The minimum required proportion of disadvantaged communities in each Project Area is 51%. The remainder of the Project Area must include areas with low-income communities or households, pursuant to Section 39713 of the Health and Safety Code.

The following sections describe when incorporated, unincorporated, and Tribal areas are designated as disadvantaged.

DAC Eligibility by Area Type

Incorporated Areas

- Census tracts with a CalEnviroScreen (CES) 4.0 score at or above the 75th percentile, or
- Census tracts with CES pollution burden scores at or above the 95th percentile (if overall CES score is unavailable)

Tribal Areas

Areas within federally recognized Tribal boundaries are eligible Project Areas.[4]

Unincorporated Areas

Applicants may demonstrate DAC designation and eligibility of an unincorporated area using one or more of the following: methods:

1. Prior designation through a TCC Planning or Project Development Grant

[4] All areas within federally recognized Tribal boundaries in California, particularly Tribal areas 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.

- Unincorporated areas that are within the Project Area boundaries of a previously awarded TCC Planning Grant or Project Development Grant that established eligibility as a disadvantaged unincorporated community

2. Verification by the Local Agency Formation Commission (LAFCo) or another equivalent public agency, **AND**
    - Census tracts have a CES score at or above the 75th percentile, **OR**
    - Census tracts with CES cumulative pollution burden scores at or above the 95th percentile (if overall CES score is unavailable)
3. Where there is no verified disadvantaged unincorporated community status through a LAFCo or equivalent public agency, an unincorporated area that meets **ALL** the following criteria:
    - Census tracts have a CES score at or above the 75th percentile, **OR** census tracts with CES cumulative pollution burden scores at or above the 95th percentile (if overall CES score is unavailable)
    - Project Area contains at least one cluster of unincorporated parcels at a density of 250 parcels per square mile **OR** at least one Census Designated Place with a total population of at least 250 residents
    - Hard-to-count census block group (score of 57 or higher) per the California Hard-to-Count Index
4. Self-identified disadvantaged unincorporated communities may provide local data demonstrating that the community has all of the following:
    - Pollution or environmental burden
    - Socioeconomic factors designating the community as disadvantaged
    - At least one cluster of unincorporated parcels at a density of 250 parcels per square mile, or a total population of at least 250 residents

    Local data may be quantitative, qualitative, or both. Examples of local data include, but are not limited to any combination of the following:

    - Designation as a disadvantaged unincorporated community or DAC in the county's Environmental Justice or Land Use Element of the General Plan
    - Qualitative description of environmental or pollution burdens, exposures, and their effects on the community
    - CalEnviroScreen (CES) pollution burden indicators at or above the 75th percentile (See CES Indicators)
    - Healthy Places Index 3.0 scores at or below the 25th percentile (See Healthy Places Index 3.0)
    - Population estimates from Oak Ridge National Laboratory's LandScan tool (See Oak Ride National Laboratory LandScan)
    - Local climate and environmental quantitative data
    - Local climate action plans
    - Peer-reviewed academic journals and articles
    - Data and mapping tools available through the Vulnerable Communities Platform, including resources for identifying current and projected climate hazards

Local data approval

- Applicants may request pre-approval of local data during the Application Period. (See Section 10.3)
- SGC approval of disadvantaged community status for unincorporated areas confirms that minimum eligibility requirements have been met. It does not indicate the competitiveness of the proposed Project Area.

Multiple Jurisdictions

A Project Area may include a combination of incorporated, unincorporated, and Tribal areas if all of the following criteria are met:

- Each area type meets its applicable eligibility requirements, including that at least 51% of each area type qualifies as disadvantaged
- Each area is represented by the appropriate public agency or Tribal government (e.g., city, county, local agency, or Tribal government)
- Applicants demonstrate in their application that they have identified and are prepared to address coordination challenges associated with a multi-jurisdictional Project Area

Tribal Applicants

If the Lead Applicant is a California Native American Tribe or a Tribally-owned nonprofit (as defined in Appendix A), flexibility is available for certain Project Area requirements.

Maximum Project Area Size

Lead Applicants that are California Native American Tribes or Tribally-owned nonprofits are not subject to the 5- or 15-square mile Project Area limits for Implementation Grants. Project Areas may be any size for all grant types, provided all eligibility requirements are met.

Non-continuous Project Area

Lead Applicants who are California Native American Tribes or Tribally-owned nonprofits may propose non-contiguous Project Areas consisting of multiple, non-adjacent areas. This allows one or more Tribes to participate in a single application.

Non-continuous Project Areas must meet the following requirements:

- All areas must be located within the same region and close enough to support regular in-person collaboration during the grant term
- If multiple Tribes are submitting a single application, at least some proposed activities must involve and directly benefit all Tribes participating in the application

A non-continuous Project Area is eligible whether one or multiple Tribes are involved in an application.

There is no scoring advantage for multi-Tribe applications. See Section 10.9 for collaborative governance requirements for multi-entity applications.

Applicants are encouraged to consult with the Application Technical Assistance provider or contact TCC staff at tcc@sgc.ca.gov during the Application Period to confirm that a proposed non-continuous Project Area meets these requirements.

Additional Modifications

Lead Applicants who are California Native American Tribes or Tribally-owned nonprofits may request modifications to Project Area requirements, including priority population requirements.

Modification requests must be submitted before the application due date and will be considered if all of the following conditions are met:

- The proposed Project Area aligns with TCC Program Objectives and supports effective implementation
- The application includes all entities necessary for project implementation and any resulting activities
- If the Project Area includes areas outside Tribal authority:
    - Planning Grants require Letters of Support from the relevant city (incorporated areas) or county (unincorporated areas) if they are not a Co-Applicant
    - Project Development Grants require Letters of Support from the relevant city (incorporated areas) or county (unincorporated areas) if they are not a Co-Applicant or have not signed the Collaborative Governance Agreement worksheet
    - Implementation Grants require the relevant public agency to be included as a Co-Applicant. (*See Section 3.1*)

Please see Section 3.1 for more information on this requirement. Applicants may work with technical assistance providers and TCC staff during the Application Period to define a compliant Project Area.

Section 4. Planning Grants

Summary of Section 4:

- Planning Grants fund preparation work for future programs to benefit communities.
- Eligible activities include capacity-building, writing policies and plans, community engagement, and more.
- Leverage funding is not required for Planning Grants.
- The grant term is two years.

4.1 Planning Grant Objectives Ⓟ

Planning Grants support planning activities that prepare low-income, disadvantaged, and Tribal communities for future implementation of programs aligned with TCC Program Objectives. Planning activities should address community priorities and directly benefit these communities.

Planning Grant Application Requirements

1. Applicants must explain how the proposed planning activities will advance the objectives prioritized in local, adopted plans and support TCC Program Objectives. (See Section 1.3)
2. Applicants must explain how the planning process furthers a neighborhood's ability to address one or more of the Transformative Elements (See Section 7). Specifically, applicants will describe how engaging in a particular task will:
    a. Evaluate displacement vulnerability and identify policies or programs to prevent displacement of residents and small businesses
    b. Design or enhance meaningful community engagement practices that incorporate input from community members, local agencies, community-based organizations, workforce development boards, and other partners
    c. Identify economic development needs and career pathways, and plan for workforce development and training programs
    d. Increase readiness to secure leverage funding for future implementation (e.g., identifying funding sources and partnerships)
    e. Identify projects that reduce greenhouse gas emissions and support California Health and Safety Code Section 38566
    f. Assess how climate change and pollution will impact the community, including vulnerable populations, infrastructure, and natural systems, and identify strategies to adapt and respond to those impacts
3. Applicants must demonstrate consistency with the State Planning Priorities (Government Code Section 65041.1), which promote equity, economic strength, environmental protection, and public health and safety across urban, suburban, and rural communities.

4.2 Eligible Planning Grant Activities Ⓟ

Some examples of eligible planning activities include:

- Building internal and partner capacity to support collaborative partnerships that align land use with environmental, economic, and social justice priorities
- Evaluating, updating, and streamlining policies and codes administered by the Planning Department and other local departments (e.g., public works, health and safety, fire, parks, and open space)
- Conducting fiscal analyses to assess long-term service costs of future development and inform fee structures
- Preparing climate action and climate adaptation plans
- Conducting inclusive community engagement that incorporates input from local residents and supports and prepares for the future development of innovative and meaningful programs and practices
- Preparing for future funding opportunities, including TCC Implementation Grants or similar programs, through activities such as community needs assessments, community health needs assessments, partnership development, engagement to inform project selection, and development or formalization of a shared governance structure (e.g., a Collaborative Governance Structure)
    - Activities that support development of a Collaborative Governance Structure are strongly encouraged for applicants anticipating a future TCC Implementation Grant
- Defining Health Equity and establishing related goals for the Project Area using available resources from the California Department of Public Health and other place-based sources
- Identifying and preparing project sites for future community-serving uses, including feasibility studies, site identification (e.g., community land trusts or climate resilience projects), and planning for project implementation

4.3 Planning Grant Timeline Ⓟ

Anticipated timeline:

- Post-Award Consultation Process: approximately three to six months following award
- Grant term: Two years

4.4 Developing a Planning Grant Application Ⓟ

Applicants should begin by identifying the partnerships and planning activities that they would like to include in their application. 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 application. Please note that the Planning Grant can prepare applicants to apply for multiple sources of implementation funding, not just TCC.

Application Technical Assistance recipients can work with their state-funded technical assistance provider to understand the TCC Implementation Grant requirements and identify supportive planning activities. Applicants who are not eligible for 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. Please see Section 9 and Section 10 for more information on Planning Grant applications and scoring criteria. Visit the SGC website for past examples of awarded Planning Grants.

Section 5. Project Development Grants

Summary of Section 5:

- Project Development Grants bridge the gap between Planning Grants and Implementation Grants to help move projects to implementation.
- Eligible Project Development Grant activities include demonstration projects and pre-development activities.
- Leverage funding is not required.
- The grant term is two years.

5.1 Project Development Grant Objectives Ⓓ

Project Development Grants fund pre-development activities that advance community climate and resilience goals and prepare projects that align with TCC Program Objectives for future implementation funding.

These grants are intended for communities that have completed prior planning and identified priority projects but require additional development to advance those projects toward implementation. This grant type addresses the gap between Planning Grants and Implementation Grants.

Applicants must demonstrate the following:

1. **Alignment with prior planning and TCC objectives**
   Applicants must explain how proposed Project Development activities build on previous community planning efforts and advance TCC Program Objectives.
2. **Advancement of climate and community resilience**
   Applicants must explain how proposed activities strengthen the neighborhood's ability to develop climate-resilient infrastructure and social resilience by addressing two TCC Transformative Elements, Community Engagement and Climate Adaptation and Resilience, at a minimum.
3. **Consistency with State Planning Priorities**
   Applicants must demonstrate consistency with the State Planning Priorities (Government Code Section 65041.1), which promote equity, economic strength, environmental protection, and public health and safety across urban, suburban, and rural communities.

5.2 Eligible Project Development Activities Ⓓ

Eligible Project Development activities include, but are not limited to:

- Pre-development activities, including:
  - Community engagement
  - Feasibility studies
  - Market analysis

    - Environmental assessments
    - Land and project management surveys
    - Remediation
    - Site and development plans
    - Project designs
    - Permitting
    - Financial planning (e.g., preliminary budget and construction financing)
- Infrastructure pre-development and development of its long-term operations and maintenance plans for clean water supply systems and wastewater infrastructure
- Developing or initiating pilot or demonstration projects
    - These are small-scale, preliminary tests of a project designed to evaluate its feasibility, effectiveness, and potential challenges before committing to full-scale implementation. These projects should be used as opportunities to gather data, refine processes, and make informed decisions for future full-scale implementation.
- Other project planning and pre-development activities that lead to basic transportation infrastructure, such as: planning 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.
- Supporting capacity building for Project Leads and Partners, including:
    - Staff development and training
    - Funding new or critical positions
    - Access to tools and resources that support project planning and implementation
    - Organizational capacity activities (e.g., financial services, legal review)
    - Participation in, or partnerships with, workforce programs
    - Providing or securing technical assistance for partners

The proposed grant activities must include community engagement activities and address climate resilience. Applicants may also address other Transformative Elements such as displacement avoidance and workforce development, if applicable.

Ineligible Project Development Activities

The following project development activities are not eligible:

- Site acquisition
- Construction costs (except for water supply and wastewater infrastructure or pilot projects)
- Purchase of equipment

5.3 Project Development Grant Timeline Ⓓ

Anticipated timeline:

- Post-Award Consultation Process: Approximately three to six months following award

- Grant Term: Two years

5.4 Developing a Project Development Application Ⓓ

Applicants should begin by identifying the Project Area, community planning and project priorities, and partnerships to include in the application. Applicants should then identify the key threshold requirements needed to pursue climate resilience implementation funding such as TCC's policy priorities, project feasibility and capacity thresholds.

Project Development Grants can help applicants address some of the threshold requirements and prepare for a range of future implementation funding opportunities.

Project Development Grants do not require leverage funding. Please see Section 9 and Section 10 for more information on Project Development Grant applications and scoring criteria. Visit the SGC website for past examples of awarded Project Development Grants.

Section 6. Implementation Grants

Summary of Section 6:

- Implementation Grants fund multiple projects in a neighborhood to support climate resilience and community needs.
- Eligible projects must fulfill at least three strategies from a provided list. All projects must reduce greenhouse gas emissions or improve public health.
- Implementation Grants must include all 6 Transformative Elements, one of which is leverage funding.
- The Pre-Development Phase of the Implementation Grant is nine months. The Implementation Phase is four years.

6.1 Implementation Grant Objectives ❶

Implementation Grants fund neighborhood-scale applications that include multiple, coordinated projects to reduce greenhouse gas emissions and deliver broader community benefits. These grants support climate resilience projects and infrastructure that respond to community-identified needs in Tribal, disadvantaged, and low-income communities.

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

6.2 Eligible Implementation Grant Activities ❶

Implementation Grant applications must address all three TCC Program Objectives and include the following interrelated components: Vision Statement, Strategies, Projects, Transformative Elements, and all applicable Program Policy Priorities.

Implementation Grant applicants should read all applicable sections of these Program Guidelines closely to understand grant objectives and requirements. Visit the SGC website for past examples of awarded Implementation Grants.

6.3 Vision Statement ❶

Implementation Grant applicants must develop a shared Vision Statement that is specific to the community and aligns with the TCC Program Objectives.

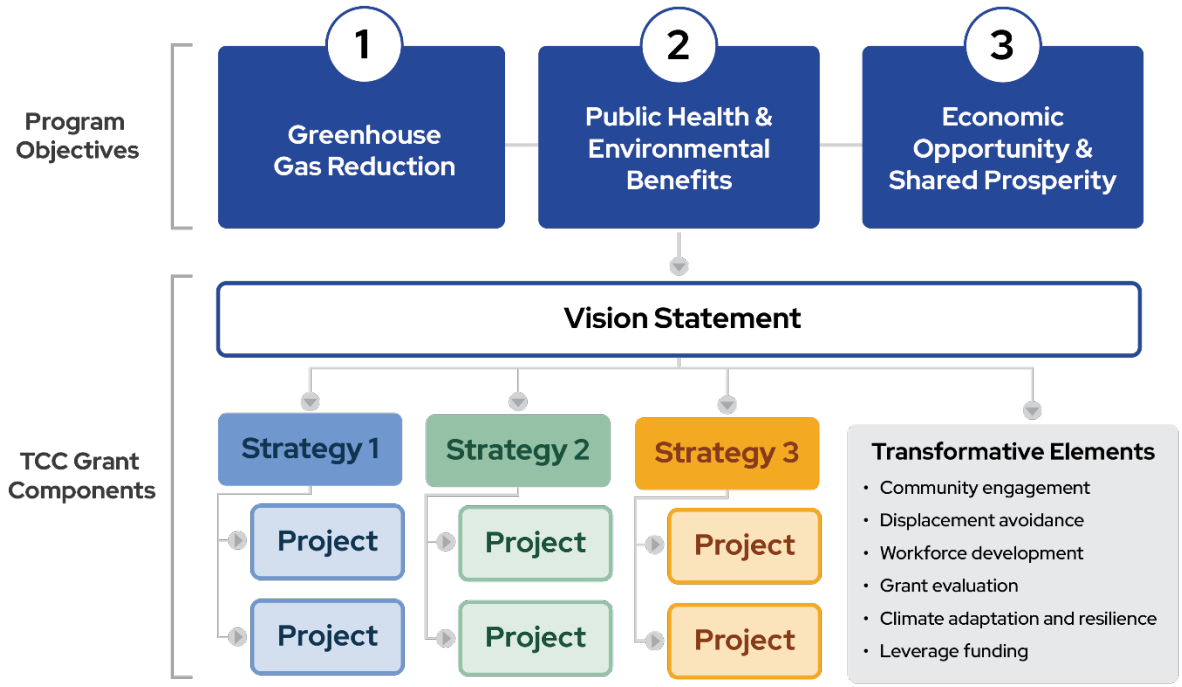
The Vision Statement serves as the investment framework. The applicant must clearly articulate how the proposed Strategies, Projects, and Transformative Elements will be coordinated and

integrated to achieve neighborhood-scale transformation. The Applicant must also describe the community's assets, resources, and characteristics that demonstrate readiness for Implementation Grant funding.

6.4 Implementation Grant Framework

The Program framework establishes the structure for all TCC Implementation Grant applications.

Implementation Grant Program Framework



Implementation Grant Strategies

Applicants must select at least three 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.

Eligible activities for funding for each Strategy are outlined in Appendix B. At least 51% of the TCC grant award must 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
12. Community Resilience Centers
13. Other Climate Innovation

Implementation Grant Projects

Applicants must develop Projects using eligible activities outlined for each Strategy in Appendix B. Applicants may propose multiple Projects under a single Strategy, as long as the application includes Projects from at least three Strategies. There is no maximum number of Projects or Strategies that may be included.

Applicants also must ensure Projects meet the following requirements:

- **All Projects** must meet all Pre-Development Requirements by the end of the Pre-Development Phase (the first nine months of the grant term, though shorter timelines are also acceptable) in order to access funds for implementation. (See Section 6.7 for more information on grant phases)
- **All Projects** must be completed within the four-year Implementation Phase. Shorter timelines are also acceptable.
- There must be **at least three Projects** and **at least three Strategies**.
- **At least one Project** must directly reduce greenhouse gas emissions. **All Projects** must either directly reduce greenhouse gas emissions or contribute directly to meaningful public health benefits.

6.5 Implementation Grant Transformative Elements

Implementation Grants must include six required Transformative Elements. These requirements and their minimum funding amounts are described in detail in Section 7. They are:

1. Grant Evaluation
2. Community Engagement
3. Displacement Avoidance
4. Workforce Development and Economic Opportunities
5. Climate Adaptation and Resilience
6. Leverage Funding

6.6 Implementation Grant Timeline

All anticipated timelines are approximate and will be finalized by the Notice of Funding Availability:

1. Post-Award Consultation Process: Approximately two to three months following award
2. Grant Term: Six years total
    - Pre-Development Phase: up to nine months from grant execution
    - Administrative transition from the Pre-Development to Implementation Phase: approximately three months
    - Implementation Phase: A least four years after Pre-Development Phase. Ends no more than five years after grant agreement execution
    - Evaluation Phase and Close Out: One year from Implementation Phase

6.7 Implementation Grant Phases ℹ

The Implementation Grant process has been modified in Round 6 to include a funded Pre-Development Phase. The intent of the Pre-Development Phase is to:

- Reduce the burden of applying and engaging in the competitive award process
- Provide more funding and support for pre-development activities

Implementation Grants now consist of the phases described below. All timelines are approximate and will be finalized by the Notice of Funding Availability.

Application Period (4-5 months)

Applicants complete and submit all required documentation during the Application Period. Only applications that meet all Application Requirements will be considered for award. See Section 9.7 for an overview of program threshold and application requirements. TCC Program staff will recommend awards to the Council based on application scores and TCC Funding Goals. (See Section 9.4 for more information)

Post-Award Consultation (PAC) Process (2-3 months)

The Post-Award Consultation (PAC) Process begins following the Strategic Growth Council's award announcement. During this period, awarded applicants work with SGC staff to finalize and execute the grant agreement and ensure the scope of work meets program requirements.

Activities during the PAC Process include:

- Refining the scope of work, and developing a detailed work plan and budget for the Pre-Development Phase
- Refine grant agreement and accompanying attachments to comply with administrative, statutory, and TCC program requirements
- Revising budget to eliminate any ineligible costs
- Incorporating TCC staff recommendations to scope of work

The grant agreement will divide the scope of work into two phases:

- **Pre-Development Phase:** Includes a detailed work plan and budget. Lead Grantees may access Pre-Development funds upon execution of the grant agreement

- **Implementation Phase**: Lead Grantees may access Implementation funds only after completing the Pre-Development Phase, meeting all Pre-Development Requirements, and amending the grant agreement to include a detailed work plan and budget for the Implementation Phase.

Pre-Development Phase (up to 9 months)

The Pre-Development Phase begins when the grant agreement is executed. Lead Grantees must complete all Pre-Development Requirements before proceeding to the Implementation Phase.

During this phase, Lead Grantees may use grant funds to support:

- Staff time
- Pre-development activities as outlined in the detailed work plan
- Continued community engagement to refine Project plans and prepare for Implementation Phase

Work completed during the Pre-Development Phase will include:

- Developing a detailed work plan and budget for the Implementation Phase
- Executing a grant agreement amendment to include the Implementation Phase work plan and budget

Lead Grantees have up to nine months to complete the Pre-Development Phase but may complete it earlier if all requirements are met. Once SGC verifies completion, Lead Grantees may begin the Implementation Phase and retain the remaining grant term for project delivery.

Once all Pre-Development Requirements are completed by month nine, SGC will initiate an approximately three-month Administrative Transition to the Implementation Phase. During this period, Lead Grantees and Partners may bill for staff time needed to finalize and execute the amended grant agreement.

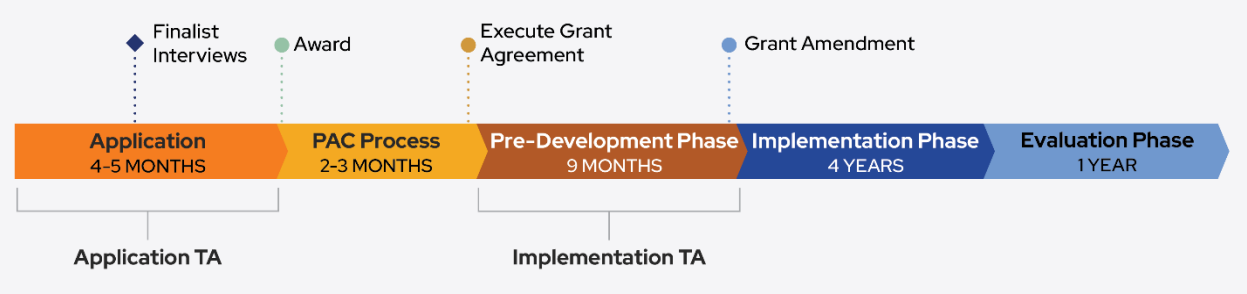
Implementation Phase (4 years)

Lead Grantees must complete all implementation activities in accordance with their approved work plans and budgets, TCC Program Guidelines, and grant agreement requirements.

Evaluation Phase (up to 1 year)

No project implementation activities may occur during the Evaluation Phase. However, Lead Grantees, Partners, and the Evaluation Partner can continue to access funds for evaluation and reporting.

Implementation Grant Phases



6.8 Developing an Implementation Grant application

Implementation Grants have the most extensive requirements of the three grant types. These requirements include:

- **Application Requirements**: Items that must be completed by the application due date
- **Pre-Development Requirements**: Items will be developed during the nine-month Pre-Development Phase but must be completed before Lead Grantees and Partners can implement Projects

See Section 10 Application Requirements for more information.

Applicants considering an Implementation Grant should begin planning early and should expect to invest significant time in the application process. Applicants should start with a community planning and visioning process to identify community needs and Projects that respond to those needs. As part of this process, applicants should assess existing community assets and resources that can be strengthened and integrated into proposed Projects.

Strong applicants will have already completed this visioning, project identification, approximate budget estimates, and initial project scoping through a robust community engagement and planning process prior to the Application Period. Applicants who have not yet completed this process should consider applying for a Planning Grant or Project Development Grant instead.

Applicants should also review Implementation Grant threshold requirements. (See Section 9.7) Applicants are strongly encouraged to collaborate with community members and organizations to develop innovative, impactful Projects, including those that span multiple Strategies. Project and activity selection should be driven by community priorities.

Please see Sections 9 and Section 10 for more information on Implementation Grant applications and scoring criteria.

Leverage Funding

Implementation Grants require leverage funding. Leverage funding requirements vary by community type:

- Applicants who qualify for the Disadvantaged Unincorporated Community Funding Goal as described in Section 9.4 must leverage additional funding sources that equal a minimum of 25% of the total requested grant funds.
- Applicants who qualify for the Tribal Funding Goal (those who have a Lead Applicant that is a California Native American Tribe or a Tribally-owned nonprofit, as defined in Appendix A) do not have to provide any leverage funding.
- All other applicants must secure additional funding equal to at least 50% of the total requested grant amount.

Applicants must complete a leverage funding worksheet as part of the Application Requirements. Leverage funding does not need to be secured by the application due date. Awarded applicants secure leverage funding during the nine-month Pre-Development Phase.

Section 7. Transformative Elements

Summary of Section 7:

- TCC includes six Transformative Elements:
  - Grant Evaluation
  - Community Engagement
  - Displacement Avoidance
  - Workforce Development and Economic Opportunities
  - Climate Adaptation and Resilience
  - Leverage Funding
- All applicants must address at least some of the Transformative Elements; requirements vary based on grant type. Implementation Grant applicants must address all of the Transformative Elements.

7.1 Transformative Elements Overview P D I

Transformative Elements are critical to furthering the TCC Program Objectives and supporting the implementation of Strategies and Projects.

Planning Grants P

Planning Grant applicants must explain how the planning process furthers a neighborhood's ability to address **one or more** of the six Transformative Elements described below. Please see Section 4 for more information on Planning Grant requirements.

Project Development Grants D

Project Development Grant applicants must address **Community Engagement** and **Climate Adaptation and Resilience** as described below**.** All other Transformative Elements are optional. Please see Section 5 for more information on Project Development Grant requirements.

Implementation Grants I

Implementation Grant applicants must address **all** six Transformative Elements as detailed below. Please see Section 6 for more information on Implementation Grant requirements.

All Grant Types P D I

The six Transformative Elements are:

1. Grant Evaluation
2. Community Engagement
3. Displacement Avoidance

4. Workforce Development and Economic Opportunities
5. Climate Adaptation and Resilience
6. Leverage Funding

A brief description of the goals and expectations for each Transformative Element is below. Specific information about eligible activities, eligible costs, and additional requirements can be found in Appendix C.

Three of the Transformative Elements are called Transformative Plans and require designated work plans and budgets. These Plans can also be integrated within Strategies and Projects, as appropriate. For example, workforce development and community engagement could be components of most Projects.

- Some Transformative Elements may be paid with grant funds, while others are integrated into application components or require leverage funding.
- For **Implementation Grants**, all Transformative Elements must last the entire four-year Implementation Phase. Applicants must consider this in work plans and budgets for all Transformative Plans.

Transformative Elements Percentage Breakdown Required for Implementation Grants

Transformative Elements	**Percent of TCC Grant Award (Total = Up to 16% of TCC Grant Award)**
Grant Evaluation	3% required for 3rd party evaluator
Community Engagement Plan	Up to 5%*
Displacement Avoidance Plan	Up to 3%*
Workforce Development and Economic Opportunities Plan	Up to 5%
Climate Adaptation and Resilience	Threshold requirement – No additional TCC grant funds may be allocated**
Leverage Funding***	None – Lead Grantee and Partners must meet leverage funding requirements as stated in Section 7.7 Leverage Funding

**Funding requests that exceed the 5% CEP cap and 3% DAP cap will be reviewed on a case-by-case basis during the Pre-Development Phase.*

*** No TCC grant funds will be allocated for the Climate Adaptation and Resilience Transformative Element as this is a requirement to have completed at application. Applicants must incorporate adaptation and resilience measures into their proposed projects.*

**** Applicants with a Lead Applicant that is a California Native American Tribe or a Tribally-owned nonprofit (as defined in Appendix A) are exempt from the Implementation Grant leverage funding requirement.*

7.2 Grant Evaluation (P) (D) (I)

Planning Grants and Project Development Grants (P) (D)

Planning Grants and Project Development Grant applicants that choose to address this Transformative Element do not have to allocate a minimum or maximum amount of the budget for Grant Evaluation.

Implementation Grants (I)

Applicants must allocate 3% of their grant budget for a third-party Evaluation Partner. The evaluator will assist with tracking and documenting the TCC Projects' progress and outcomes. (See Section 12.4)

Program Evaluation Goals

TCC Implementation Grant recipients are required to identify and work with a third-party Evaluation Partner during grant implementation. The role of the Evaluation Partner is:

1. Evaluate the *overall* TCC grant.
    a. Create a program evaluation framework to measure, track, and assess the progress and outcome of the overall TCC grant.
    b. Perform a holistic evaluation of the environmental, economic, health, and social impacts of TCC's community investment.
2. Provide technical assistance to Lead Grantee and Partners.
    a. Create reporting tools and a technical assistance plan for Lead Grantee and Partners.
    b. Provide technical assistance during data collection that helps facilitate the process and helps achieve shared impact tracking goals with all TCC Partners.

Indicator Tracking Plan

Grant recipients are responsible for gathering and reporting data according to the Indicator Tracking Plan. In addition, you must participate in other evaluation activities. The Evaluation Partner will support you with creating an Indicator Tracking Plan, coordinate data collection, provide technical assistance, process data, and deliver all required reports to SGC. Reporting is required during key stages of the grant cycle, as outlined below.

The Indicator Tracking Plan will include data indicators required by the TCC Program and identified by Lead Grantee and Partners. SGC has worked with academic institutions to develop indicators to track overall impact of TCC investments. The Evaluation Partner will work with you to apply and develop other indicators relevant to the TCC grant goals. A list of specific indicators will be finalized by the TCC Evaluation Partner in the first quarter of the Implementation Phase.

The Indicator Tracking Plan and Evaluation Plan will be due during the Pre-Development Phase.

Resources
A sample list of suggested indicators can be found in the sample grant agreement in Appendix K.

Reporting Timeline

Staff will provide final guidance for the required deliverables and timeline for Round 6 after awards are made.

- During the **Pre-Development Phase:**
  - Site-specific Evaluation Plan: Provides an overall methodological framework for holistically evaluating the environmental, economic, social, and health impacts of the awarded TCC grant[5]
  - Program Indicator Tracking Plan: Provides list of specific indicators the Evaluation Partner will be tracking (Appendix K)
  - Reporting tools and technical assistance plan
- Provided **annually or biannually** within the Implementation Phase**:**
  - Case studies
  - Reports on the TCC grant
  - Process evaluations of the TCC grant

In addition to these reports conducted by the TCC Evaluation Partner, the Lead Grantee is also required to conduct reporting in the form of check-in meetings with TCC staff. See Section 11.6 for reporting requirements for the Lead Grantee.

TCC Evaluation Partner Selection and Contract

During the PAC process, the Evaluation Partner identified by the applicant will enter a direct contract with SGC. Applicants may propose a TCC Evaluation Partner during the PAC process or select from a list of pre-qualified TCC Evaluation Partners. The proposed TCC Evaluation Partner will submit a qualifications package to SGC staff for review and approval. The TCC Evaluation Partner must have the following qualifications:

- Expertise in urban planning, climate resilience infrastructure, and public policy research
- Expertise in conducting both quantitative and qualitative research methods including, but not limited to, interviews, focus groups, surveys, socio-economic data analysis, and greenhouse gas emissions quantification
- Expertise in communicating technical findings in plain language targeted at a broad audience
- Experience conducting socio-economic, environmental, transportation, and health data collection and program evaluation, or related technical assistance

[5] The TCC 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.

- Experience providing technical assistance to Tribes and disadvantaged, low-income, and/or underserved communities in California
- Experience coordinating with public, private, and nonprofit organizations
- Experience with data collection and entry for required governmental program reporting
- Demonstrated organizational capacity with a sound project management structure and approach

Confidentiality of Tribal Data (Data Sovereignty)

During the PAC Process, SGC will work with each awarded Tribe and their TCC Evaluation Partner 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.

7.3 Community Engagement P D I

Planning Grants P

If Planning Grant applicants choose to address this Transformative Element, they do not have to allocate a minimum or maximum amount of their budget for community engagement.

Project Development Grants D

Project Development Grant applicants must include community engagement as part of their proposed activities. There is no minimum or maximum budget requirement for community engagement.

Applicants must use proven methods of engagement to facilitate direct participation of community residents throughout the grant term, including:

- Providing translation and interpretation for meetings and materials
- Scheduling meetings at times that are convenient to community members
- Engaging community members in both outreach and information gathering

See Appendix C for a list of recommended activities to ensure meaningful community engagement.

Implementation Grants I

Implementation Grants may allocate up to 5% of their budget for eligible community engagement and outreach activities and displacement avoidance during grant implementation. SGC recognizes that many effective strategies for conducting community engagement and outreach are cost intensive. SGC will review requests that exceed the 5% cap on a case-by-case basis during the Pre-Development Phase.

To ensure that grant funds provide direct and meaningful benefits to disadvantaged communities, applicants must engage residents, businesses, and partners in the Project Area throughout all phases of application development and implementation. Applications must reflect community needs identified through a documented outreach and engagement process.

Applicants must use proven methods of engagement to facilitate direct participation of community residents throughout the grant term, including:

- Providing translation and interpretation for meetings and materials
- Scheduling meetings at accessible times and locations
- Engaging community members in information gathering and outreach

See Appendix C for recommended engagement activities.

Community Engagement Plan Requirements

All Implementation Grant applications must include a Community Engagement Plan with two components:

1. Description of community engagement during application development

Priority will be given to TCC applications that meaningfully include residents and key partners during application 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.

Applicants must describe how community input informed the application, including:

- Key community priorities identified through community engagement and how input informed project and application development
- Engagement activities conducted within the past five years, centered around issues related to climate impact and community development
- Description of the most impactful/successful engagement activities
- Identification of systemic and local barriers to community participation and how barriers were addressed

Applicants may also submit an optional Prior Community Engagement Log for reference. The log will be used to further inform community engagement efforts but will not be scored or have any impact on application scoring.

2. Description of plans for future community engagement

Applicants must describe how they will engage the community during the Pre-Development and Implementation Phases, including:

- Strategies and methods that will be used to engage residents and key partners during the Pre-Development Phase and into the Implementation Phase.
- Applications that include a robust governance structure and combination of activities to meaningfully engage community members will score higher.

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
- Anticipated timeline of 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, Workforce Development and Economic Opportunities, and Community Engagement Plans
- The ways in which community will provide feedback on implementation of the grant
- How community feedback will be collected and incorporated
- How the Collaborative Governance Structure and Agreement will support implementation of the Community Engagement 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 grant activities
- Activity is located within the defined TCC Project Area
- Activity is focused on meaningfully engaging community members 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 to community outreach and education
- Translation and interpretation for meetings or written materials
- Creating and distributing communication materials in multiple languages to further broaden engagement for future events, including printed and digital materials, radio, television, or promoted social media coverage
- Hiring professional or consultation services that aid in reaching priority populations that may be non-organized, non-English speaking, such as health clinics or farmers markets, which can aid a grantee in reaching these groups
- Educational events and training programs that develop public awareness of the TCC Projects
- TCC-branded materials for program staff to attend community engagement events, such as table banners, t-shirts for staff, or stickers. Check with TCC staff for pre-approval.
- 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. Participant compensation is not available to members of the public otherwise compensated through the grant

    - Examples of participant compensation may include, but is not limited to, stipends, "TCC Project Name" branded reusable merchandise (shirts, bandanas, totes, water bottles, stickers), trees (as part of volunteer tree-planting day, for example).
        - Note about stipends – Partners may distribute stipends as checks, or as cash gift cards to allow access for residents without banking access. These must not be specific to any specific store, service or product, no gas cards, etc.
        - None of these items may be provided as a "door prize" to simply draw attendance to meetings, but instead must be provided as compensation for work contributed toward grant implementation.
    - Examples of community work products and deliverables include, but are not limited to, documentation of attendance/participation, along with documentation of the product contributed to (such as summary of community feedback, written surveys, interactive checklists to learn more about projects/plans, completion of workshop/training, canvassing volunteer logs, etc.)
        - Note that deliverable documentation will often include a combination of these examples to demonstrate that participants contributed to a work product that supports the grant implementation, and were not just attending an event (in which case compensation would be ineligible)
- Provision of transportation services for community residents, such as a vanpool, that increases access to community engagement activities to benefit the project and public. Eligible events include public meetings, volunteer events, educational tours, etc.
- 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
    - Grantee staff time or third-party provider to provide childcare services during a public community event being held for TCC
    - Offering children's activities during a public community event being held for TCC. Ideally these items would be reusable and used throughout the grant term including but not limited to arts and craft materials, sports equipment, board games, etc.
    - Note that in line with general community engagement costs, childcare-related costs may not include "giveaway" items for children with TCC funding (such as stuffed animals, prizes, etc.)
- Food and refreshments (excluding alcoholic beverages) that are determined to be an integral part of public community engagement events. Examples of eligible events include, but are not limited to, public engagement meetings, design charrettes, events to solicit feedback, or volunteer workdays (such as tree planting days)
    - The intent of food or refreshments is to support public participation. Food and refreshments are not eligible for internal coordination meetings. This includes meetings with partners who are receiving stipends or other forms of compensation. Events considered to encourage public participation would be advertised to the community and open to members of the public.
- Event-related costs:

- Renting a facility or venue for a specific public engagement event, especially to make the event more accessible to targeted populations
- Hiring a third-party facilitator to lead and facilitate community outreach and engagement events
- Logistical costs deemed necessary for successful public events, such as permits, security services, traffic control, emergency services, rental chairs/tables, etc.
- For major milestone events related to the TCC grant: provision of emcees, cultural art performances, and other placemaking activities within reasonable cost

Ineligible Costs

- Direct cash benefits or subsidies to participants
- Alcoholic refreshments
- General meetings that do not specifically discuss or advance implementation of the TCC grant
- Food and refreshments that are not for public-facing community engagement events. This includes meetings among TCC Partners and meetings with individuals who are receiving stipends or other forms of compensation. Events considered to encourage public participation would be advertised to the community and open to members of the public. (See Eligible costs above)
- Covering the cost of food or incidental reimbursement related to travel for programmatic work, namely per diem
- Incentives, giveaway items, or providing participant compensation without participant contribution toward a community work product
- Providing cash subsidies to secure private transportation services. For example, Taxi/Uber/Lyft, personal mileage, gas cards
    - Exception for reimbursement for transportation in rural areas where public transit is not accessible. In these cases, partners may provide mileage reimbursement to support attendance of key community meetings. Supporting documentation (maps with start/end points, meeting descriptions/roles) will be required.
- Offering sponsorships for events or organizations where expenses cannot be directly tied to eligible program costs
- Covering parking fees of attendees at a community meeting

7.4 Displacement Avoidance P D I

Planning Grants and Project Development Grants P D

If Planning or Project Development Grant applicants choose to address this Transformative Element, they do not have to allocate a minimum or maximum amount of their budget for displacement avoidance.

Implementation Grants I

Implementation Grant applicants may allocate up to 3% of the total TCC Grant Award to support displacement avoidance activities. SGC will review requests to exceed the 3% cap on a case-by-case basis during the Pre-Development Phase.

TCC Implementation Grant applications must include a Displacement Avoidance Plan (DAP) that details the actions Lead Applicant and Partners will take to establish policies and programs to avoid the displacement of existing households and small businesses within the Project Area. DAPs must be directly informed by robust community engagement. Applicants will describe how their Displacement Avoidance Plan 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.

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 existing policies or programs that will be updated and improved, or 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 new or updated policies or programs to prevent the displacement of very low and low-income households
    - At least two new or updated 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 Partners
- 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
- 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

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

Applicants should choose activities that are appropriate for their community and align with the criteria above, even if they are not listed in Appendix C.

SGC understands that a jurisdiction cannot commit in advance to actions that require votes from elected officials. Applicants must provide work plans and timelines for any actions that require approval from elected officials (just as they must provide work plans and timelines for all other proposed actions). For example, if part of the Displacement Avoidance Plan is to develop and implement a specific policy that requires the approval of the City Council or Board of Supervisors, the application work plan and budget would include the specific steps and budget items needed to conduct research, do community engagement, develop a draft policy, coordinate with all relevant City/County departments and external entities, present the policy to the relevant Board or Council for adoption, and implement the policy. These actions would need to fit within the budget and grant term of the proposed TCC activities.

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 Project Area
- 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
- Transportation subsidies (including public transportation passes and vanpool) for low-income, disabled, or other participants with accessibility or transportation challenges
- Provision of transportation services for community residents, such as a vanpool, that increases access to community engagement activities to benefit the project and public

- 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
    - Grantee staff time or third-party provider to provide childcare services during a public community event being held for TCC
    - Offering children's activities during a public community event being held for TCC
        - Ideally, activity materials would be reusable and used throughout the grant term, including but not limited to arts and craft materials, sports equipment, board games, etc.
    - Note that in line with general community engagement costs, childcare-related costs may not include "giveaway" items for children with TCC funding such as stuffed animals, prizes, etc.
- Food and refreshments (excluding alcoholic beverages) that are determined to be an integral part of community engagement events. Examples of eligible events include, but are not limited to, public engagement meetings, design charrettes, or events to solicit feedback

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
    - Ineligible transportation subsidies: gas cards
- Alcoholic refreshments
- Incentives, giveaway items, or providing participant compensation without participant contribution toward a community work product

Tribal Applicants

California Native American Tribes and Tribally-owned nonprofits (as defined in Appendix A) who are Lead Applicants with Project Areas that falls mostly within federally recognized Tribal boundaries may request modifications to the Displacement Avoidance Plan requirements. Please see Section 2 for more information on requesting a modification.

7.5 Workforce Development and Economic Opportunities P D I

Planning Grants and Project Development Grants P D

If Planning or Project Development Grant applicants choose to address this Transformative Element, they do not have to allocate a minimum or maximum amount of their budget for workforce development and economic opportunities.

Implementation Grants I

Implementation Grant applicants may allocate up to 5% of their budget to support Workforce Development and Economic Opportunities Plan.

TCC Implementation Grant applicants must develop a Workforce Development and Economic Opportunities Plan that works toward the two goals below. Applicants must include workforce development training programs and/or partnerships that prepare Project Area residents for high-quality career pathways in the region, with a focus on preparing residents for careers in a future net-zero economy. Applicants must also develop an economic opportunities plan to create local, high-quality jobs in the Project Area or region. This may include targeted hiring on TCC projects and/or regional planning for workforce and economic development.

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 training programs and/or partnerships to provide 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 grant 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 partners, 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
- Address critical skill issues emerging as industry faces challenges of climate change and environmental sustainability

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 North America's Building Trades Unions 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. Organizations should 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, 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 application 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 Objectives.

In Project Areas that do not have training programs or clear career pathways to support, applications may include tasks to assess and plan for such workforce development activities. This might include development or strengthening of local partnerships to specifically identify and create training program needs for potential career pathways in the Project Area or surrounding region (which must be accessible to residents of the Project Area).

Applicants' proposed workforce development planning and training programs must meet *all* of the following criteria:

- Reduce barriers to participation through the training program design and recruitment strategy
- 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
- 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
- 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 application.

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. Applicants should use regional labor market data to demonstrate the current or projected labor demand and skill needs for proposed plans.

Applicants should 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 nonprofit 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 Lead 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.

Eligible Activities

- Workforce Training programs
- Recruitment and outreach
- On-the-Job Training, Earn-and-Learn training opportunities
- Coordination to develop or align training programs with local or regional career pathways
- Job placement
- High-quality job creation
- Entrepreneurship and incubation programs with high-quality career pathways

Additional Requirements

Workforce development and training programs must meet all of the following criteria:

- 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).
- 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), 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.
    - Where appropriate, is endorsed by a nationally recognized trade association or organization representing a significant part of the industry or sector. (See ACTE credentials)
- 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, public 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.

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 partnership frameworks, 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 months of benefits or no more than 1040 hours for on-the-job training programs
- 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 resulting in recognized credentials
    - Sufficient completion of training programs for stipend reimbursement is defined as trainees completing 85% or more of the committed training
- Credential expenses, including but not limited to the education, testing, and registration costs of attaining credentials such as certificates, degrees, licenses, and certifications
- Cost of tools, materials, work appropriate clothing or personal protective equipment (PPE) 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 or mobility 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
- Coordination of partnerships to strengthen workforce development activities

Ineligible Costs

- Training programs that do not include clear career pathways for residents of the Project Area or committed partnerships for high-quality job placement.
- Training 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) including gift cards or gas cards.
- Food and refreshments.

Tribal Applicants

California Native American Tribes and Tribally-owned nonprofits (as defined in Appendix A) may request modifications to Workforce Development and Economic Opportunities Plan requirements. SGC will consider requests on a case-by-case basis during the application process. Please see Section 2.5 for more information on requesting a modification.

7.6 Climate Adaptation and Resilience P D I

Planning Grant P

If Planning Grant applicants choose to address this Transformative Element, they do not have to allocate a minimum or maximum amount of their budget for Climate Adaptation and Resilience.

Project Development and Implementation Grants D I

This element is required for both Project Development and Implementation Grants. No grant funds may be allocated as Climate Adaptation and Resilience provisions, but they must be integrated into the Vision Statement, Strategies, Projects, and Transformative Plans of the TCC application.

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 hazard 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 hazard exposures on vulnerable populations, biodiversity, and natural habitat loss
- Anticipated impacts of climate hazard exposures on the built environment, such as extended power outages, road damage, erosion, disrupted wastewater treatment, and house integrity

Based on the risks and anticipated impacts, applicants will describe the processes and community collaboration and engagement approach they will use to identify and prioritize adaptation measures to:

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

Eligible Costs

Climate Resilience and Adaptation must be integrated into the Projects, other Transformative Plans, and Vision. No specific costs are allowed for this Transformative Element.

7.7 Leverage Funding Ⓘ

Planning Grants and Project Development Grants ⓅⒹ

Planning and Project Development Grant applicants do not have to meet a leverage funding requirement.

Implementation Grants Ⓘ

Implementation Grants require leverage funding. Leverage funding requirements vary by community type:

- Applicants who qualify for the Disadvantaged Unincorporated Community Funding Goal as described in Section 9.4 must leverage additional funding sources that equal a minimum of 25% of the total requested grant funds
- Applicants who qualify for the Tribal Funding Goal (those who have a Lead Applicant that is a California Native American Tribe or a Tribally-owned nonprofit, as defined in Appendix A) do not have to provide any leverage funding. See more information at the end of this section
- All other applicants must secure additional funding equal to at least 50% of the total requested grant amount

Leverage funding does not need to be formally committed by the application due date. During the Application Period, applicants must identify potential sources equal to the required total and submit a leverage funding worksheet. Applicants must secure final commitments for the full leverage amount during the Pre-Development Phase. If Lead Grantees and Partners cannot meet the leverage funding requirement during the Pre-Development Phase, SGC will decide what to do on a case-by-case basis.

If the applicant has leverage funding committed at the time of application, that can count towards the Leverage Funding requirement. Applicants must provide proof of commitment in the form of, but not limited to a grant award letter, council resolutions, letter from the leadership of an organization committing the funds to a specific project and identifying their source, or provision of operating budgets, identifying the Project as part of the operating budget.

Leverage funding must be spent within the TCC Project Area and for the purposes of the TCC grant. Leverage funding must clearly support the implementation of the Strategies and Projects selected to achieve the TCC Program Objectives. (*See Section 1.3*) At least half of the required leverage funding must contribute directly to budgets of TCC grant-funded Projects or Transformative Plans. The remaining funds may come from stand-alone leverage projects that are not funded by Transformative Climate Communities Program and are considered new investments in the Project Area. Leverage funds may come from a variety of sources, such as federal, state, local public, private and/or philanthropic. The specific leverage funds and projects that will count towards the requirement for the grant will be subject to review and approval during the Pre-Development Phase.

Leverage funding expenditures and progress will be reported on an annual basis.

Leverage Funding Timing

Expenditure of leverage funding will count towards the grant only if it occurs after the grant has been awarded by Strategic Growth Council and within the grant term.

In addition, leverage funding expended within the year prior to the TCC grant application due date may count towards the purpose of meeting up to half of the total leverage requirement, if the previously expended leverage funds projects meet all of the following requirements:

- Leverage projects are aligned with the TCC Program Objectives and the Community Vision
- Leverage projects resulted from a TCC community planning process connected to the development of the TCC application
- Leverage projects comply with the TCC Program requirements for meaningful community engagement

As part of the application, applicants will be required to submit information related to the community-engaged process that led to these leverage funds. This information will be reviewed by TCC staff to determine eligibility on a case-by-case basis.

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 funds
    - Including current TCC Planning Grants and Project Development Grants
    - Only the amount spent one year before the application due date will count towards the leverage requirement
- Private capital
- Foundation grants
- Low-income housing tax credit equity contributions and tax-exempt bonds in connection with 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 application, 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 the Pre-Development Phase.

Eligible Stand-alone Leverage Projects

- Stand-alone leverage projects must be clearly integrated into the overall TCC application, aligned with the TCC application timeline, and within the TCC Project Area. Applicants must demonstrate that the investment is a result of the community planning process that led to the TCC application.
    - Stand-alone investments on-going investments (i.e. standard maintenance, repair, or operations) and were not a result of the community planning process that led to the TCC application will not count towards the leverage requirement
    - Applicants will describe existing stand-alone investments that make the Project Area ready for an Implementation Grant that will achieve TCC Program Objectives in the application narrative, and that will be scored under the "Vision for Transformation" criteria
- To ensure that stand-alone leverage projects are committed and implemented during the project timeline, applicants are required to include the leverage partners and scope of work in the TCC Project's overall Collaborative Governance Agreement

Tribal Applicants

Applicants with a Lead Applicant that is a California Native American Tribe or a Tribally-owned nonprofit, as defined in Appendix A, are exempt from the Implementation Grant leverage funding requirement. However, these applicants are encouraged to secure leverage funding in order to amplify the impact of their work. If these applicants do include leverage funding (including in-kind contributions) in their application to make projects feasible, they will need to follow the same reporting requirements for that leverage funding as all other applicants, including:

- Quantifying the committed leverage funding in their application and grant agreement
- Providing adequate documentation that the leverage funding is committed to the project

Leverage Funding Example

The table below illustrates how the leverage funding requirements may be met for a hypothetical $100 Implementation Award.

- Applicants may exceed the required leverage but will not receive additional points for a higher leverage amount.

Example Leverage Funding Threshold Breakdown

Eligible Projects or Plans	Incorporated Applicants: Total dollar amount for hypothetical $100 TCC award at 50%	Unincorporated Applicants: Total dollar amount for hypothetical $100 TCC award at 25%
Leverage funding for TCC Grant-funded projects or Transformative Plans	$25	$12.50
Stand-alone leverage projects	$25	$12.50
Total	$50	$25

$100 (TCC award) + $50 (leverage funds) = $150 total investment in the Project Area for incorporated applicants

$100 (TCC award) + $25 (leverage funds) = $125 total investment in the Project Area for unincorporated applicants

Section 8. Program Costs

Summary of Section 8:

- Eligible and ineligible costs vary by grant type.
- Depending on the grant type, eligible costs may include direct costs (such as personnel costs, subcontracts, equipment, supplies, translation or interpretation, and travel expenses) and indirect costs.
- Each grant type has caps on the types of costs that are eligible.

8.1 Eligible Costs P D I

All Grant Types P D I

Direct Costs

Direct costs are defined as costs directly tied to the implementation of the grant agreement. Direct costs incurred within the grant term and as specified in the grant agreement will be eligible for reimbursement. These include, but are not limited to, the following:

- Personnel costs for project management, Project or Transformative Plan implementation, and grant administration
- Subcontractors
- Costs for equipment, supplies, translation or interpretation, peer-to-peer learning opportunities, or travel expenses

Lead Grantees and Partners must adhere to the following additional requirements for direct costs:

- Travel reimbursement costs must follow the rates and conditions established on the CalHR website[6], except for "incidentals" and out-of-state travel, which are not reimbursable under this grant
- Subcontractor procurement processes must adhere to local requirements

Lead Grantee and Partners' personnel costs may include:

- Staff salary at an hourly rate or full-time equivalent (FTE) basis, and may include benefits, taxes, and leave, or "fully burdened rates"
- Grant funds may be used to support existing staff or to hire new staff within the grant term Staff may be full-time or part-time employees
- Grant funds may also be used to pay stipends to volunteers, interns, elders, or fellows

[6] California Department of Human Resources. *Travel Reimbursements*. http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx

TCC recognizes that public participation in community engagement activities is a benefit to the project and the public. See Section 7 and Appendix C-1 for more details on eligible costs to increase access and accountability to disadvantaged communities.

SGC strongly recommends budgeting for the following costs for **all grant types:**

- **Personnel costs** that include an adequate budget to cover benefits, raises, promotions, and professional development opportunities within the grant term
- **Contingency**. For Implementation Grant applications, between 5% and 10% of each Project, Plan, and Grantee Costs budget **must** be reserved for contingency. Planning and Project Development applicants **may** include up to 10% contingency.
- **Peer-to-peer learning.** TCC will aim to host two to four virtual and in-person peer-to-peer opportunities per year. Applicants should also factor in personnel time and travel costs associated with these opportunities. These would fall under grant administration costs.

Additionally, SGC strongly recommends including the following costs for **Implementation Grants:**

- **Community resource center or other shared space in the Project Area:** Many previous grantees have found it beneficial to have a physical space in the Project Area for multiple Projects and Plans to use. Applicants can choose to budget for this space as a Community Resource Center under Strategy 8 (Health Equity and Well-Being), under Grantee Costs, or as components of one or more Projects or Plans. Eligible costs include rent, operating costs, and any other necessary costs. Since these costs can be significant, applicants should only propose this type of space if the costs are reasonable, it provides a benefit to the community, and they have a plan for how it will be utilized and managed. Applicants are encouraged to utilize existing spaces (such as Lead- or Co-Applicant-owned spaces) when possible.
- **Annual strategic planning day:** Many previous grantees have found it beneficial to have an annual strategic planning day for the Lead Grantee (Lead Applicant), all Partners (Co-Applicants), and other appropriate individuals and organizations (such as members of the Collaborative Governance Structure). This day can strengthen relationships, celebrate successes, identify areas for improvement in grant implementation, and plan for the upcoming year. SGC recommends budgeting for an external facilitator and other necessary costs, such as space rental. These costs should be included in the Grantee Costs budget.

Pre-development Costs

Pre-development costs are a type of direct cost. These may account for up to 20% of Implementation Grant applications. There is no limitation for Planning or Project Development Grant applications. Pre-development costs include but are not limited to the items below:

- Community engagement costs to prepare projects for implementation
- Soft costs for activities such as construction 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 easements

Water Supply and Wastewater Infrastructure Costs

Water supply and wastewater infrastructure costs are a type of direct cost. Costs include infrastructure (new or remedial) that supports clean water supply and wastewater infrastructure. These may include both consolidated and dispersed systems. These may account for up to 10% of an Implementation Grant application or any amount of a Project Development Grant application.

For **Tribal applicants** (Lead Applicants who are California Native American Tribes and Tribally-owned nonprofits as defined in Appendix A)**,** costs may account for up to 25% of an Implementation Grant application.

For unincorporated communities, requests for more than 10% and for non-water/wastewater infrastructure will be considered on a case-by-case basis.

Indirect Costs

Lead Grantees (Lead Applicants) and Partners (Co-Applicants) may charge indirect costs at a rate of up to 15% of direct costs with two exceptions. Indirect rates may not be applied to capital costs, and equipment purchases with a per unit cost of $5,000 or more.

This applies to all entities including the University of California (UC) and California State University (CSU). See "Tribal applicants" below for an exception to this cap.

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 indirect cost rate must be retained by the Lead Grantee and Partners for audit purposes.

Tribal Applicants

California Native American Tribes and Tribally-owned nonprofits (as defined in Appendix A) may use a higher indirect cost rate. SGC will accept an applicant's federally negotiated rate that is current at the time of application. If the Tribe does not have a federally negotiated rate, they may request a modification to receive a rate higher than 15%. For more information on how to request a modification, see Section 2.5.

This modification is available to all California Native American Tribes and Tribally-owned nonprofits regardless of whether they are a Lead Applicant or Co-Applicant. It is not available to any other Lead or Co-Applicants involved in an application.

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 costs, consideration must be given to the following:

- If the costs are typical or necessary for running the organization or for fulfilling the grant agreement effectively
- The requirements set by factors such as sound business practices, arm's-length bargaining, laws at various levels (federal, state, local, Tribal), and terms and conditions of the grant agreement.
- The market prices for similar goods or services for the geographic area
- If those involved acted wisely given their responsibilities to employees, the public at large, and the State
- Whether the costs significantly differ from the organization's practices and policies for incurring costs

Investment in the Project Area

TCC investments must take place inside the Project Area and directly benefit Project Area residents. In certain circumstances, SGC may allow a small percentage of household-level investments (such as from Strategies 4 and 5) to take place near the Project Area but outside its boundaries if it improves program delivery for Project Area residents. These investments would be subject to the same eligibility requirements, including income restrictions, and would be capped at a maximum percentage of overall households. Lead Grantees and Partners may not conduct any TCC work or invest any TCC funds outside of the Project Area without explicit prior approval from SGC staff. SGC will issue further guidance on the eligibility of these investments after grant award.

Land Acquisition

Land acquisition is a type of direct cost. Land acquisition is an eligible Implementation Grant cost only if it is necessary to implement a Project within a Strategy and will directly result in development of the site. 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.

SGC may require that land acquired with TCC funds be subject to a recorded deed restriction, Memorandum of Unrecorded Grant Agreement, or other mechanism to ensure long-term use of the facility in accordance with the TCC-funded work. Specific details of any land restrictions would be a part of the grant agreement and would be tailored by SGC and the Lead Grantee to achieve the objectives of the grant.

8.2 Ineligible Costs P D I

The following costs are ineligible under the TCC Program:

- Exceeding cost caps for pre-development, water supply and wastewater infrastructure, indirect costs, and Transformative Plans.
- The following costs associated with community engagement and outreach:
    - Direct cash benefits or subsidies to participants
    - Alcoholic refreshment
    - Food and refreshments that are not for public-facing community engagement events
    - 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
    - Costs associated with community or publicity events which are unrelated to specific project work products as outlined in the work plan in the TCC grant agreement
- Lobbying
- Direct lobbying for the passage of specific bills or local propositions
- Commission fees
- Ongoing operational, maintenance, or staffing costs beyond the grant term
- Mitigation activities that are already mandated by local or state governing bodies or agencies
- 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 or commission based compensation related to the acquisition or disposition of real property
- Stewardship of legal defense funds
- Fees associated with persistent late payment of services
- Costs associated with automobile or motorcycle parking (excluding electric vehicle charging infrastructure that may be located at a parking spot)
- Costs that would supplant other committed funds for any element of the application, including capital projects, programs and services
- Acquisition and/or maintenance of fossil-fuel powered appliances and infrastructure, such as diesel generators and gas-powered appliances

The following project characteristics will result in ineligibility:

- Projects that cannot demonstrate site control
- 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)
- Projects that do not provide GHG reduction, public health, environmental, and economic benefits to the Project Area through the grant term and the life of the Project
  Projects without logical termini[7] or independent utility[8]
- Projects that are acquisition only[9]
- 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 disadvantaged unincorporated community or Tribal boundaries[10]

8.3 Cost Categories and Caps P D I

Planning Grants and Project Development Grants P D

Planning Grants and Project Development Grants may include indirect costs at a rate of up to 15% of direct costs with two exceptions. Indirect rates may not be applied to capital costs, or equipment purchases with a per unit cost of $5,000 or more. See Section 8.1 for information on higher indirect cost rates for California Native American Tribes and Tribally-owned nonprofits (as defined in Appendix A). Applicants may budget for up to 10% of the grant award for Contingency.

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:

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[7] 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:

[8] 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.

[9] Projects that include eligible land acquisition costs must demonstrate that grant funds will also be used to complete a TCC project. Projects being completed under the Land Acquisition for Neighborhood Stabilization Strategy, 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.

[10] With the exception of projects under Strategy 1: Equitable Housing and Neighborhood Development, which are subject to 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 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.

Implementation Grants Cost Breakdown

Eligible Costs	Percent of Grant Award
Direct Costs for Pre-Development Phase	Up to 20% (20% of each individual Project)
Direct Costs for Projects during Implementation Phase* (including water supply and wastewater infrastructure and construction contingency)	At least 51% (Up to 10% of overall TCC Grant Award may go to water supply and wastewater infrastructure**) (5-10% must be reserved for Contingency)
Direct Costs for Transformative Elements during Implementation Phase	Up to 16% (*See Section 7 Transformative Elements*) (5-10% must be reserved for Contingency)
Indirect Costs	May include an indirect cost rate of up to 15% of direct costs excluding capital costs and equipment purchases with a per unit cost of $5,000 or more***
TOTAL	**100%**

** Eligible direct costs are defined for each Strategy in Appendix B.*

*** For California Native American Tribes and Tribally-owned nonprofits, water supply and wastewater infrastructure costs may account for up to 25% an Implementation Grant application. For unincorporated communities, requests for more than 10% for water/wastewater infrastructure will be considered on a case-by-case basis.*

**** See Section 8.1 for information on higher indirect cost rates for California Native American Tribes and Tribally-owned nonprofits (as defined in Appendix A).*

The Lead and Co-Applicants must ensure sufficient resources are allocated to grant administration, which includes:

- Grant invoicing and reporting
- Regular meetings with TCC staff (twice a month for Implementation Grantees and monthly for Planning and Project Development Grantees)
- Engaging with the Evaluation Partner by gathering and reporting data, participating in focus groups, surveys, and interviews
- Peer-to-peer learning opportunities hosted by TCC (virtually and in-person) approximately two-to-four times per year

Section 9. Application Overview

Summary of Section 9:

This section outlines the Round 6 timeline, funding targets, application process, and scoring criteria. The application due date will be provided on the Notice of Funding Availability (NOFA).

All Grant Types P D I

Grant applications will be evaluated and awarded through a competitive process. Applications will be submitted electronically on Submittable, an electronic application platform. SGC will provide instructions on how to apply with the Notice of Funding Availability (NOFA) and with application materials.

All applications and submitted materials will be treated in accordance with Public Records Act requirements. Per the California Public Records Act (CPRA), (GOV 7920a.000 et seq.) materials provided by applicants in response to a NOFA from SGC, subject to specific exceptions, will generally be deemed public records subject to production under a properly filed CPRA request subsequent to grant award. Applicants shall refrain from including sensitive personal identifying information.

Under California Government Code Section 8450, any record containing financial information submitted by Tribes to fulfill obligations as party to a grant agreement under this program will be confidential, will not be a public record, and will not be open to public inspection.

Staff recommendations including a summary of applications received will be made available for public review ten days prior to SGC's public meeting where the Council Members will make final awards.

9.1 Award Amounts P D I

All Grant Types P D I

SGC received funding to implement Round 6 of the TCC Program including grant awards, staff support, and technical assistance. Because the program seeks to serve a diverse set of communities, applicants have the flexibility to request the amount of funding needed to carry out the work described in their application for the grant term.

Applicants should request the amount of funding needed to carry out the proposed work in their application (up to the caps listed below). The final number of awards per grant type and dollar amount will be determined in the NOFA. For Round 6, the number of awards and amounts are **approximately**:

- 3 Planning Grants, up to $300,000

- 3 Project Development Grants, up to $5 million
- 3 Implementation Grants, up to $27.5 million

Exact award amounts are contingent on the competitive selection process. SGC retains the right to make partial awards and to reallocate funds between TCC Round 6 grant types.

Lead Applicants may only apply to one TCC grant type. Only one application may be submitted for a proposed scope (i.e., the same set of organizations cannot apply to a second grant type with a similar Project Area but with a different organization serving as the Lead Applicant.) Organizations may be Co-Applicants on multiple applications.

9.2 Application Submission Process P D I

All Grant Types P D I

All applications will be submitted online using the SGC application platform identified in the Notice of Funding Availability (i.e., Submittable). Once the NOFA is announced, the application will open. The application due date will be provided on the NOFA. Below is an overview of the application process.

1. Final Round 6 TCC Program Guidelines adopted by Strategic Growth Council
2. NOFA is announced and the Application Period begins. The following items will have due dates during the Application Period which will be stated in the NOFA:
    - Tribal modification requests (optional)
    - Application Technical Assistance Request Form (optional, Implementation Grants only)
    - Disadvantaged unincorporated communities local data submission for pre-approval (if applicable)
    - Other Climate Innovation proposals for pre-approval (optional, Implementation Grants only)
    - Pre-Proposals (required, Implementation Grants only)
3. All **applications** due
4. Application review completed by Interagency Review panel and TCC staff
5. Staff present recommendations to the Council for final grant awards

Staff will publish final guidance on how to submit a Tribal modification request, local data submission, and Other Climate Innovation proposals in the NOFA.

During the Application Period, SGC reserves the right to issue clarifications and minor modifications to the application instructions and requirements as needed.

Technical assistance is available to help eligible applicants develop their application, through the completion of the Technical Assistance Request Form. (See below and Section 12 for details)

Technical Assistance Request Form

Following the release of these Guidelines, staff will release the Technical Assistance Request Form on our website, which is part of the first phase of the application process. Applicants should

fill out the form as soon as they are able so that TCC staff can connect eligible applicants to technical assistance services. Applicants who complete the Technical Assistance Request Form will describe their overall TCC application, willingness to participate in technical assistance, and types of technical assistance requested.

TCC staff and the Application Technical Assistance provider will review the Technical Assistance Request Form to match prospective applicants with Technical Assistance as appropriate. Since Technical Assistance availability is limited, SGC staff will prioritize Tribal Lead Applicants and Lead Applicants whose Project Area consists of disadvantaged unincorporated communities for Application Technical Assistance for all grant types.

Implementation Grants I

Pre-Proposal

Implementation Grant applicants are required to submit a Pre-Proposal using the form provided by SGC. The Pre-Proposal is an opportunity for applicants to provide a broad overview of their implementation concept, proposed Projects and Plans, and overall vision to receive feedback from TCC staff. TCC staff will review all Pre-Proposal submissions to assess whether an applicant is likely to meet the Application Requirements by the application due date. All applicants who submit a Pre-Proposal may submit an application regardless of the feedback they receive.

9.3 Application Review Process I

All Grant Types P D I

Application Review

All applications that are complete and meet Application Requirements will be scored by an interagency review panel using the Scoring Criteria, with the support of TCC staff. Interagency panelists are sourced from state agencies who have a background in TCC objectives, Visions, and Strategies. TCC staff will finalize and prepare award recommendations to present to the SGC Council.

Planning Grants and Project Development Grants P D

Applicants will receive a single score out of 105 points. TCC staff will recommend awards based on these scores and the Funding Goals. See Section 9.6 and Section 9.7 for more information.

Implementation Grants I

Applicants will receive a single score out of 220 points. In addition to submitting applications, top-scoring applicants will participate in an interview with TCC staff and members from the interagency review panel. Interviews will be conducted during standard work hours and will be

coordinated between applicants and TCC staff. See Section 9.7 for more information on Implementation Grant scoring.

9.4 Funding Goals and Priority Points P D I

Tribes, disadvantaged unincorporated communities, and previous SGC or Governor's Office of Land Use and Climate Innovation (LCI) grantees may be eligible for prioritization through the following mechanisms:

- **Tribal Funding Goal:** SGC intends to award at least one grant of each grant type to eligible applications from California Native American Tribes or Tribally-owned nonprofits
- **Disadvantaged Unincorporated Community Funding Goal:** SGC intends to award one grant of each grant type to eligible applications with Project Areas in unincorporated communities
- **Priority points:** Eligible applications representing Tribal communities, disadvantaged unincorporated communities, or previous SGC or LCI grantees will receive additional points if they meet certain requirements

Tribal Funding Goal I

SGC intends to fund a minimum of one eligible Implementation Grant, one eligible Project Development Grant, and one eligible Planning Grant where the Lead Applicant is a California Native American Tribe or a Tribally-owned nonprofit. See Appendix A for definitions of California Native American Tribe and Tribally-owned nonprofit.

If SGC does not receive an eligible application from a California Native American Tribe or Tribally-owned nonprofit for a given grant type, SGC will release the unused funds to the general applicant pool for that grant type.

Unless stated otherwise, the applicant must meet all TCC grant Application Requirements. Only applications that are complete and meet all TCC eligibility requirements will be eligible for the Funding Goal. If multiple California Native American Tribes or Tribally-owned nonprofits apply for a given grant type, the Council will apply the scoring criteria from these Guidelines to rank the applications. The top-ranked application will be awarded under the Council's Tribal Funding Goal, and the remaining application(s) will compete with all other submitted applications.

If the highest-scoring application that qualifies for the Funding Goal for a given grant type receives a score high enough to be awarded in the general pool, that award will satisfy the Tribal Funding Goal for that grant type and no additional Funding Goal awards will be made for that grant type. The exception is if the highest-scoring Tribal applicant is awarded significantly less funding than the maximum funding amount, as described below.

If the Council awards a grant using the Funding Goal and the awarded amount is less than the maximum, SGC will allocate the remainder in the following way:

If the next highest-scoring application for that grant type that qualifies for the Tribal Funding Goal can be **fully funded** by the remaining funds, that application will receive an award. The same will be true for additional awards of that grant type until no more full (not partial) awards can be made.

When no more full funding awards can be made for that grant type, the remaining grant funds will be returned to the general pool and awarded at the direction of the Council according to the terms laid out in the Notice of Funding Availability (NOFA).

An application will be eligible for the Tribal Funding Goal if **either** of the following conditions are met:

- The Lead Applicant is a **California Native American Tribe**, defined as a federally recognized Native American Tribe or a non-federally recognized Native American Tribe listed on the California Tribal Consultation List maintained by the Native American Heritage Commission on February 19, 2026).
- The Lead Applicant is a **California Native American Tribally-owned nonprofit** defined as an organization exempt from taxation under Internal Revenue Code 501 (c)(3) (26 U.S.C. § 501(c)(3)), nonprofit organization incorporated under Tribal law, California nonprofit public benefit corporation (Corp. Code, § 5110 et seq.), or equivalent that is fully controlled and operated by a California Native American Tribe and serve to advance the goals and priorities of a California Native American Tribe. This term does not include nonprofit organizations owned or controlled by individuals who are Native American or individual member(s) of a California Native American Tribe when the organization is not associated with a California Native American Tribe.

Applicants whose Lead Applicant is a California Native American Tribe or Tribally-owned nonprofit are referred to as “Tribal applicants” throughout the Guidelines.

There is no cap on the total number of awards that can be made to Tribal applicants in Round 6.

Disadvantaged Unincorporated Community Funding Goal Ⓓ

SGC intends to fund a minimum of one eligible Implementation Grant, one eligible Project Development Grant, and one eligible Planning Grant to disadvantaged unincorporated communities.

If SGC does not receive an eligible application from a disadvantaged unincorporated community for a given grant type, SGC will release the unused funds to the general applicant pool for that grant type.

Unless stated otherwise, the application must meet all TCC grant Application Requirements. Only applications that are complete and meet all TCC eligibility requirements will be eligible for the Funding Goal. If multiple disadvantaged unincorporated communities apply for a given grant type, the Council will apply the scoring criteria from these Guidelines to rank the applications. The top-ranked application will be awarded under the Council’s Disadvantaged Unincorporated Community Funding Goal, and the remaining application(s) will compete with all other submitted applications.

If the highest-scoring application that qualifies for the Funding Goal for a given grant type receives a score high enough to be awarded in the general pool, that award will satisfy the Disadvantaged Unincorporated Community Funding Goal for that grant type and no additional Funding Goal awards will be made for that grant type. The exception is if the highest-scoring disadvantaged unincorporated community applicant is awarded significantly less funding than the maximum funding amount, as described below.

If the Council awards a grant using the Funding Goal and the awarded amount is less than the maximum, SGC will allocate the remainder in the following way:

1. If the next highest-scoring application for that grant type that qualifies for the Funding Goal can be **fully funded** by the remaining funds, that application will receive an award. The same will be true for additional awards of that grant type until no more full (not partial) awards can be made.
2. When no more full funding awards can be made for that grant type, the remaining grant funds will be returned to the general pool and awarded at the direction of the Council according to the terms laid out in the Notice of Funding Availability (NOFA).

An application will be eligible for the Disadvantaged Unincorporated Community Funding Goal if **all of the following** conditions are met:

- More than 75% of the Project Area is unincorporated
- More than 75% of Project Area residents live in disadvantaged unincorporated communities as defined by the TCC Guidelines
- At least 75% of the TCC funds and at least 75% of overall project funds (TCC funds + leverage funding) are for projects in the disadvantaged unincorporated community as defined by the TCC Guidelines. These funds can go towards a combination of:
    - Fixed-location projects in disadvantaged unincorporated communities
    - Projects or programs serving residents of disadvantaged unincorporated communities
        - If an activity (such as a Project of an Implementation Grant or a task in a Project Development Grant) is serving 40% residents of disadvantaged unincorporated areas and 60% residents of incorporated areas, only 40% of those funds would count towards the 75% requirement

There is no cap on the total number of awards that can be made to applicants from disadvantaged unincorporated communities in Round 6.

Priority Points P D I

The following applicants will receive additional points.

Priority Communities

An application that meets one or more of the following will receive 4 points (Planning Grant or Project Development Grant) or 8 points (Implementation Grant):

- The Lead Applicant qualifies for the Tribal Funding Goal

- The Lead Applicant qualifies for the Disadvantaged Unincorporated Community Funding Goal

Alternatively, if a Lead Applicant does not qualify for the Tribal Funding Goal or the Disadvantaged Unincorporated Community Funding Goal but the following two statements are true, then the an application will receive 1 point (Planning Grant or Project Development Grant) or 2 points (Implementation Grant):

- The Lead Applicant is a nonprofit whose mission is primarily focused on serving Tribal communities
- The proposed grant activities are primarily focused on serving Tribal communities

An applicant can receive a maximum of 4 points (Planning Grant or Project Development Grant) or 8 points (Implementation Grant) in the priority communities' category.

Previous SGC and LCI Grantees

Applications that directly further previous SGC- or Governor's Office of Land Use and Climate Innovation (LCI)-funded work will receive 1 point (Planning Grant or Project Development Grant) or 2 points (Implementation Grant). The intent of these additional points is to support communities through the project pipeline and make implementation funds available to grantees who have completed SGC- or LCI-funded planning and project development work. To receive these points, the application must meet the following requirements:

- The Project Area is located in the same area as the previous SGC- or LCI- funded work
- At least one Lead Applicant or Co-Applicant was a Lead Applicant or Co-Applicant on the previous grant
- The work is a direct continuation of the previously funded work
    - For example: a previous recipient of a TCC Planning Grant or Project Development Grant or a Regional Climate Collaboratives Grant is applying for a TCC Implementation Grant to implement the results of their previous work

Priority Points Available

	Planning or Project Development	Implementation
Applicants who are eligible for Tribal Funding Goal or Disadvantaged Unincorporated Community Funding Goal	4 points	8 points
Nonprofits focused on serving Tribal communities who are not eligible for the Tribal Funding Goal or Disadvantaged Unincorporated Community Funding Goal	1 point	2 points
Previous SGC or LCI grantees	1 point	2 points

9.5 Planning Grants: Program Thresholds and Scoring Criteria Ⓟ

Planning Grant Program Thresholds

General Completeness

- ☐ Application materials are complete and are sufficient to assess the feasibility of the proposed grant activities and the application's compliance with the TCC Program and Application Requirements
- ☐ Application documents are properly labeled, stored in the proper file structure, and are easily accessible
- ☐ Work plan adheres to the two-year grant term and contains sufficient detail
- ☐ Budget contains sufficient detail and is accompanied by all necessary supporting documentation

Applicant Eligibility

- ☐ Lead Applicant is an eligible organization type (See Section 3.1)
- ☐ Application contains at least one Co-Applicant
- ☐ Co-Applicants are all eligible organizations. All Co-Applicants submitted Letters of Commitment
- ☐ At least one Lead Applicant or Co-Applicant are an appropriate public agency and have provided the necessary authorization for the application
- ☐ An application with a Project Area that crosses jurisdictional boundaries must have the support of a relevant public agency for each portion of the Project Area, demonstrated by a Letter of Support

Project Area Eligibility

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

Planning Grant Scoring Criteria Summary

SCORING CRITERIA	POINTS
Objectives and Vision	35 Points
Transformative Elements and Project Identification	45 Points
Capacity	20 Points
Priority Points	5 Points
TOTAL	**105 POINTS**

Please see Section 9.4 for information on Priority Points and Funding Goals for Tribes, disadvantaged unincorporated communities, and previous SGC or LCI grantees.

Please see Section 9.8 for information on how SGC will use a "Close Scores Protocol" to award Planning Grants that score within 0.5 points of each other.

Priority Points

The following applicants will receive additional points.

Priority Communities

An application that meets one or more of the following will receive 4 points:

- The Lead Applicant qualifies for the Tribal Funding Goal
- The Lead Applicant qualifies for the Disadvantaged Unincorporated Community Funding Goal

Alternatively, if a Lead Applicant does not qualify for the Tribal Funding Goal or the Disadvantaged Unincorporated Community Funding Goal but the following two statements are true, then the application will receive 1 point:

- The Lead Applicant is a nonprofit whose mission is primarily focused on serving Tribal communities.
- The proposed grant activities are primarily focused on serving Tribal communities.

An applicant can receive a maximum of 4 points in the priority communities category.

Previous SGC and LCI Grantees

You may receive **1 point** if your application builds on work previously funded by SGC or the Governor's Office of Land Use and Climate Innovation (LCI). These points support continuity across the project pipeline and prioritize applicants advancing previously funded planning or

project development work. To receive these points, the application must meet the following requirements:

- The Project Area is located in the same area as the previous SGC- or LCI- funded work.
- At least one Lead Applicant or Co-Applicant was a Lead Applicant or Co-Applicant on the previous grant.
- The work is a direct continuation of the previously funded work. For example: a previous recipient of a TCC Planning Grant or Project Development Grant or a Regional Climate Collaboratives Grant is applying for a TCC Implementation Grant to implement the results of their previous work.

Planning Grant Scoring Criteria Details Ⓟ

OBJECTIVES AND VISION	***35 POINTS TOTAL***

1. The applicant provides a clear Vision Statement that is specific to the community and aligns with the TCC Program Objectives. (5 points)
2. The proposed activities address the Vision Statement and are aligned with all TCC Program Objectives. (5 points)
3. The Project Area includes community resources, assets, local characteristics, and history that make it ready for a Planning Grant that will achieve TCC Program Objectives. (5 points)
4. The proposed activities reflect the unique local conditions and context of the Project Area and will improve outcomes for Project Area residents. (5 points)
5. The proposed activities will advance health equity and racial equity in the Project Area. (5 points)
6. The applicant clearly explains the selected Project Area boundary and shows an understanding of the community's needs. (5 points)
7. Applicant describes how the proposed activities will advance the State Planning Priorities, which include promoting infill development, preserving agricultural lands, and encouraging location and resource-efficient new development. Applicant explains how their long-term vision considers these priorities within the context of local needs and capacities. (5 points)

TRANSFORMATIVE ELEMENTS AND PROJECT IDENTIFICATION	***45 POINTS TOTAL***

Applications are not required to address all of the TCC Implementation Grant Transformative Elements. SGC will award points based on the number of Transformative Elements addressed and how well they are addressed and integrated into the planning activities.

1. The proposed planning activities will prepare the applicants to meet the TCC Implementation Grant Transformative Elements related to: (25 points)
    a. Community Engagement: The proposed activities demonstrate that the applicant will conduct meaningful and inclusive engagement to gather the input and expertise of residents and community partners, including local public agencies, community-based organizations, workforce development boards, and others.

b. Displacement Avoidance: The proposed activities will support the development of policies and programs to avoid displacement of existing residents and businesses.
c. Workforce Development and Economic Opportunities: The proposed activities will allow the applicant to identify economic development needs and opportunities to create pathways to high-quality jobs in the Project Area.
d. Climate Adaptation and Resilience: The proposed activities will support the applicant in identifying climate hazards to people, infrastructure, and natural systems and solutions to address those hazards.
e. Leverage Funding: The proposed activities include identifying and pursuing future funding sources to support implementation.

2. Applicant demonstrates a strong and meaningful process to identify projects for future implementation. Project identification is based on the community's needs. Projects are prioritized based on feasibility and potential for community transformation. (20 points)

CAPACITY ***20 POINTS TOTAL***

1. The applicant demonstrates the capacity to lead a high-quality planning process that prepares for pre-development and successful implementation. (10 points)
2. The applicant proposes strong, diverse, and committed partnerships for implementing the planning activities – including all relevant public agency partners, community members and community-based organizations. (10 points)

9.6 Project Development Grants: Program Thresholds and Scoring Criteria Ⓓ

Project Development Grant Program Thresholds

General Completeness

- ☐ Application materials are complete and are sufficient to assess the feasibility of the proposed grant activities and the application's compliance with the TCC Program and Application Requirements
- ☐ Application documents are properly labeled, stored in the proper file structure, and are easily accessible
- ☐ Work plan adheres to the two-year grant term and contains sufficient detail
- ☐ Budget contains sufficient detail and is accompanied by all necessary supporting documentation

Applicant Eligibility

- ☐ Lead Applicant is an eligible organization type (See Section 3.1)
- ☐ Application contains at least two Co-Applicants
- ☐ 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

Capacity

- ☐ Lead Applicant has submitted financial capacity documentation as described in Section 10.7. Lead Applicant has basic financial infrastructure, systems, and cash flow to manage state funds, including supporting Co-Applicants through the reimbursement model or the optional advance pay model. The Lead Applicant has no unresolved audit findings in the last five years. If nonprofit, Lead Applicant has proper 501(c)(3) documentation.
- ☐ Lead Applicant has submitted management capacity documentation as described in Section 10.8

Collaborative Governance Structure

- ☐ Signed Collaborative Governance Agreement worksheet for the Collaborative Governance Structure or signed Collaborative Governance for Tribes worksheet meets all requirements as described in Section 3.2
- ☐ Applicants with a Project Area that overlaps multiple jurisdictions have submitted a Collaborative Governance Agreement worksheet that meets all requirements described in Section 3.2

Project Area Eligibility

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

Priority Policies

- ☐ Local Planning Consistency: Applicant has submitted a letter(s) signed by the local jurisdiction's Planning and Public Works Departments verifying that the application is consistent with land use designations, building intensity, density, applicable goals, policies and programs, climate adaptation plans, and growth and conservation planning elements

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
Priority Points	5 Points
TOTAL	**105 POINTS**

Please see Section 9.4 for information on Priority Points and Funding Goals for Tribes, disadvantaged unincorporated communities, and previous SGC or LCI grantees.

Please see Section 9.8 for information on how SGC will use a "Close Scores Protocol" to award Project Development Grants that score within 0.5 points of each other.

Priority Points

The following applicants will receive additional points.

Priority Communities

Applicants will receive additional points if your application meets one or more of the following conditions. You will receive **4 points** if:

- The Lead Applicant qualifies for the Tribal Funding Goal
- The Lead Applicant qualifies for the Disadvantaged Unincorporated Community Funding Goal
- Alternatively, if the Lead Applicant does not qualify for either Funding Goal, you will receive **1 point** if both of the following conditions are met:

- The Lead Applicant is a nonprofit whose primary mission is to serve Tribal communities.
- The proposed grant activities primarily serve Tribal communities.

An applicant can receive a maximum of 4 points in the priority communities category.

Previous SGC and LCI Grantees

Applicants will receive **1 point** if your application builds on work previously funded by SGC or the Governor's Office of Land Use and Climate Innovation (LCI). These points support continuity across the project pipeline and prioritize applicants advancing previously funded planning or project development work. To receive this point, your application must meet all of the following requirements:

- The Project Area is located in the same area as the previous SGC- or LCI- funded work.
- At least one Lead Applicant or Co-Applicant was a Lead Applicant or Co-Applicant on the previous grant.
- The work is a direct continuation of the previously funded work. For example: a previous recipient of a TCC Planning Grant or Project Development Grant or a Regional Climate Collaboratives Grant is applying for a TCC Implementation Grant to implement the results of their previous work.

Project Development Grant Scoring Criteria Details Ⓓ

OBJECTIVES AND VISION	***30 POINTS TOTAL***

1. The applicant provides a clear Vision Statement that is specific to the community and aligns with the TCC Program Objectives. (5 points)
2. The proposed activities address the Vision Statement and are aligned with all TCC Program Objectives. (5 points)
3. The Project Area includes community resources, assets, local characteristics, and history that make it ready for a Project Development Grant that will achieve TCC Program Objectives. (5 points)
4. The proposed activities reflect the unique local conditions and context of the Project Area and will improve outcomes for Project Area residents. (5 points)
5. The proposed project development activities will further the Project Area's ability to build future climate resilient infrastructure and social resilience. (5 points)
6. Applicant describes how the proposed activities will advance the State Planning Priorities, which include promoting infill development, preserving agricultural lands, and encouraging location and resource-efficient new development. Applicant explains how their long-term vision considers these priorities within the context of local needs and capacities. (5 points)

TRANSFORMATIVE ELEMENTS	***20 POINTS TOTAL***

Applications are not required to address the entire list of TCC Transformative Elements but must address Community Engagement and Climate Adaptation and Resilience, at a minimum. Applications will be evaluated based on the strength and integration of Transformative Elements.

1. Applicant describes a history of inclusive, culturally appropriate, and community-driven planning efforts. Applicant describes how community input directly informed the selection of project(s) proposed in the application. (5 points)
2. The proposed Project Development activities directly address or prepare the applicants to address the TCC Transformative Elements related to: (15 points)
    a. Community Engagement: Application presents an inclusive process to meaningfully engage the community during the grant term. Applicant will use effective and meaningful community engagement programs and practices to gather the input and expertise of community members, including local public agencies, community-based organizations, workforce development boards, and other partners.
    b. Displacement Avoidance: The proposed activities support development of policies and programs to prevent displacement of current residents and small businesses.
    c. Workforce Development and Economic Opportunities: The proposed activities identify economic development needs and support pathways to high-quality jobs in the Project Area.
    d. Climate Adaptation and Resilience: Applicant identifies the top two or three climate hazard impacts that will affect the Project Area over the next 25 years and analyzes the impact of these exposures on the most vulnerable community members and on the built environment. Proposed activities provide climate adaptation and resilience benefits to the community.
    e. Leverage Funding: Applicant's proposed activities will assist in identifying and securing potential funding sources to implement their work.

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

1. The proposed projects respond to community needs and include appropriate scope, scale, and components. The projects provide multiple community benefits. (15 points)
2. The proposed activities advance health equity and racial equity in the Project Area. (5 points)
3. Work plans include clear timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility. (5 points)
4. The proposed activities will prepare the community to receive and implement future funding opportunities. (5 points)

CAPACITY ***20 POINTS TOTAL***

1. Lead Applicant demonstrates organizational capacity to carry out proposed project development activities and work collaboratively toward implementation. Applicant may demonstrate capacity through prior experience with similar programs, strong relationships with Co-Applicants, and/or demonstrated ability to deliver community-based initiatives. Lead Applicant must show they can responsibly manage Project Development Grant funds

and support all Co-Applicants in complying with TCC financial and administrative requirements. (10 points)

2. 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: (3 points)
    a. disadvantaged communities
    b. Tribal communities
    c. housing and community development
    d. economic development
    e. environmental
    f. public health issues.
3. Collaborative Governance Structure is composed of a diverse representation of resident voices, local leadership, and key partners, which will be scored within the context of their local community. Tribal Lead Applicants will not be evaluated on the inclusion of non-Tribal entities or the following list of partners. Tribal Lead Applicants will receive full points if they have broad support and involvement from entities and individuals within the Tribe. (3 points)
    a. labor unions
    b. nonprofits
    c. faith-based groups
    d. community-based organizations
    e. academics
    f. economic development institutions
    g. workforce development groups
    h. businesses
    i. representatives from local School District, Community College District, and others
    j. incorporates robust resident and community leadership.
4. Collaborative Governance Agreement or Collaborative Governance for Tribes worksheet is signed by all Lead- and Co-Applicants (if applicable) and meets all requirements in Section 3.2. Worksheet clearly outlines methods of governance and decision-making that are: (4 points)
    a. transparent
    b. accountable
    c. inclusive
    d. community-centered

9.7 Implementation Grants: Program Thresholds and Scoring Criteria ❶

Implementation Grant Program Thresholds

General Completeness

- ☐ The application is complete and provides enough information to assess feasibility and compliance with the TCC Program and Application Requirements
- ☐ Application documents are properly labeled, stored in the proper file structure, and are easily accessible
- ☐ Work plan adheres to the four-year Implementation Phase and an up to 9-month Pre-Development Phase and includes sufficient detail
- ☐ Budgets contain sufficient detail for each task and are accompanied by all necessary supporting documentation. All costs must be within designated cost caps

Applicant Eligibility

- ☐ Lead Applicant is an eligible organization type (See Section 3.1)
- ☐ Application contains at least two Co-Applicants
- ☐ Co-Applicants are all eligible organizations
- ☐ Lead Applicant or Co-Applicant is an appropriate public agency as described in Section 3.1. The public agency has provided the necessary authorization for the application

Capacity

- ☐ Lead Applicant has submitted financial capacity documentation as described in Section 10.7. Lead Applicant has basic financial infrastructure, systems, and cash flow to manage state funds, including supporting Co-Applicants through the reimbursement model or the optional advance pay model. The Lead Applicant has no unresolved audit findings in the last five years. If nonprofit, Lead Applicant has proper 501(c)(3) documentation.
- ☐ Lead Applicant has submitted management capacity documentation as described in Section 10.8
- ☐ Co-Applicants have submitted management capacity documentation as described in Section 10.8

Collaborative Governance Structure

- ☐ Signed Collaborative Governance Agreement worksheet for the Collaborative Governance Structure or signed Collaborative Governance for Tribes worksheet meets all requirements as described in Section 3.2
- ☐ Applicants with a Project Area that overlaps multiple jurisdictions have submitted a Collaborative Governance Agreement worksheet that meets all requirements described in Section 3.2

Project Area Eligibility

- □ Project Area is no greater than five square miles (urban area) or fifteen square miles (rural area, unless an exception is granted by SGC)
- □ Project Area meets all requirements
- □ Applicant has submitted a Project Area Map in all required formats

Strategies and Projects

- □ Applicant has selected at least three Strategies and proposed at least three Projects
- □ At least one Project must directly reduce GHG emissions
- □ All Projects must either directly reduce GHG emissions or contribute directly to meaningful public health benefits

Priority Policies

- □ Local Planning Consistency Letter: Applicant has submitted a letter(s) signed by the local jurisdiction's Planning and Public Works Departments verifying that the TCC Implementation application is consistent with land use designations, building intensity, density, applicable goals, policies and programs, climate adaptation plans, and growth and conservation planning elements
- □ High-Speed Rail (HSR): For applicants with planned HSR stations located along "Silicon Valley to Central Valley Line," the applicant has submitted:
    - Map of existing and proposed:
        - Multi-modal connectivity to the HSR station area
        - Affordable and mixed-income housing that is connected and accessible to the High-Speed Rail station area
    - A Community Engagement Plan that includes tasks on supporting station area design and implementation
- □ Water supply and wastewater infrastructure: Applicant has submitted documentation of existing access to water supply and wastewater infrastructure that serves residents of the Project Area and long-term operations and maintenance plans, or a developed plan to obtain and maintain water supply and wastewater infrastructure
- □ Transit connectivity: Applicant has submitted documentation of existing transit connectivity to regional service hubs and major job centers, or has demonstrated that the TCC application includes affordable, clean transportation projects to provide connectivity

Implementation Grant Scoring Criteria Summary

SCORING CRITERIA	POINTS
Objectives and Vision	40 Points
Capacity	30 Points
Transformative Elements	60 Points
Projects	60 Points
Priority Points	10 Points
INCENTIVE POINTS	
Prohousing Policy Incentive	5 Points
Air Pollution Reduction/Mitigation Incentive	5 Points
TOTAL	**210 POINTS**
Interviews (for finalists only)	10 Points
TOTAL INCLUDING INTERVIEWS	**220 POINTS**

Please see Section 9.4 for information on Priority Points and Funding Goals for Tribes, disadvantaged unincorporated communities, and previous SGC or LCI grantees.

Please see Section 9.8 for information on how SGC will use a "Close Scores Protocol" to award Implementation Grants that score within 1 point of each other.

Priority Points

The following applicants will receive additional points.

Priority Communities

You may receive additional points if your application meets one or more of the following:

You will receive **8 points** if:

- The Lead Applicant qualifies for the Tribal Funding Goal
- The Lead Applicant qualifies for the Disadvantaged Unincorporated Community Funding Goal

Alternatively, you may receive **2 points** if both of the following apply:

- The Lead Applicant is a nonprofit whose primary mission is to serve Tribal communities.
- The proposed activities primarily serve Tribal communities.

You may receive a maximum of **8 points** in this category.

Previous SGC and LCI Grantees

You may receive **2 points** if your application builds on work previously funded by SGC or the Governor's Office of Land Use and Climate Innovation (LCI). These points support continuity across the project pipeline and prioritize applicants advancing previously funded planning or project development work. To receive this point, your application must meet all of the following requirements:

- The Project Area is located in the same area as the previous SGC- or LCI- funded work.
- At least one Lead Applicant or Co-Applicant was a Lead Applicant or Co-Applicant on the previous grant.
- The work is a direct continuation of the previously funded work. For example: a previous recipient of a TCC Planning Grant or Project Development Grant or a Regional Climate Collaboratives Grant is applying for a TCC Implementation Grant to implement the results of their previous work.

Implementation Grant Scoring Criteria Details

OBJECTIVES AND VISION	***40 POINTS TOTAL***

Vision for Transformation (20 Points)

1. Applicant has provided a clear Vision Statement that is specific to the community and aligns with the TCC Program Objectives. (3 points)
2. Projects and Plans address the Vision Statement. (2 points)
3. Projects and Plans will achieve all TCC Program Objectives. (2 points)
4. Projects and Plans are integrated with one another and with existing community assets to amplify the impact of the TCC investment. (3 points)
5. The Project Area has community resources, assets, local characteristics, and history that make it ready for an Implementation Grant that will achieve TCC Program Objectives. (4 points)
6. Proposed Projects and Plans have been designed to fit the unique local conditions and context of the Project Area. (3 points)
7. Proposed grant activities have been designed to maximize short-term benefits and improve long-term outcomes for Project Area residents. (3 points)

Prior Community Engagement (20 Points)

This section can refer to community planning and engagement specifically undertaken to inform the TCC Round 6 application, and/or to community planning and engagement that took place prior to TCC Round 6 but which directly informed the application.

1. Applicant provides a brief summary of inclusive and culturally appropriate community engagement efforts conducted in the Project Area in the last five years around issues related to climate impacts and community development. (5 points)

2. Applicant identifies the community priorities that surfaced from outreach and engagement activities. (5 points)

3. Applicant describes how community input is incorporated into the development of the TCC application. (5 points)
4. Applicant identified and minimized barriers to community participation to facilitate meaningful community engagement. (5 points)

CAPACITY	30 POINTS TOTAL

Management and Organization (15 Points)

1. Lead Applicant demonstrates experience and capacity to implement the TCC application (e.g., has experience managing similar programs and/or long-term grant implementation). Lead Applicant must show they can responsibly manage Implementation Grant funds and support all Co-Applicants in complying with TCC financial and administrative requirements. (10 points)
2. Co-Applicants demonstrate experience and capacity to support Lead Applicant in implementation of the TCC application. (5 points)

Collaborative Governance Structure (15 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: (5 points)
    a. disadvantaged communities
    b. Tribal communities
    c. housing and community development
    d. economic development
    e. environmental
    f. public health issues.
2. Collaborative Governance Structure is composed of a diverse representation of resident voices, local leadership, and key partners, which will be scored within the context of their local community. Tribal Lead Applicants will not be evaluated on the inclusion of non-Tribal entities or the following list of partners. Tribal Lead Applicants will receive full points if they have broad support and involvement from entities and individuals within the Tribe. (5 points)
    a. labor unions
    b. nonprofits
    c. faith-based groups
    d. community-based organizations
    e. academics
    f. economic development institutions
    g. workforce development groups
    h. businesses
    i. representatives from local School District, Community College District, and others
    j. incorporates robust resident and community leadership.
3. Collaborative Governance Agreement or Collaborative Governance for Tribes worksheet is signed by all Lead- and Co-Applicants (if applicable) and meets all requirements in Section

3.2. Worksheet clearly outlines methods of governance and decision-making that are: (5 points):

a. transparent
b. accountable
c. inclusive
d. community-centered

TRANSFORMATIVE ELEMENTS	***60 POINTS TOTAL***

Community Engagement (15 Points)

1. Applicant includes descriptions and anticipated timelines of diverse and appropriate community engagement activities and methods that will be used throughout the duration of the grant. These can include how the public, residents, and broader community will be engaged, invited to participate, provide input, and kept informed on grant activities. (5 points)
2. Applicant presents an inclusive process to receive feedback from a diverse community. Describes outreach and trust-building strategies that will ensure participation and incorporate the voice of groups typically underrepresented in planning processes. The Community Engagement Plan builds, strengthens, and sustains local leadership and grassroots engagement in civic and community development, and climate resilience awareness and activities. (5 points)
3. Work plans include feasible timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility, including adequate resources and funding for a Collaborative Governance Structure and includes accountability measures to ensure that community input and concerns will be taken into consideration throughout grant implementation. (5 points)

Displacement Avoidance (20 Points)

1. Applicant provides a comprehensive description of displacement vulnerabilities among existing households and small businesses. Application describes which population groups within the community are most at risk and provides the data informing this understanding. (2 points)
2. Applicant identifies existing policies and actions that aim to prevent the displacement of existing households and small businesses. (3 points)
3. Proposed policies and actions address specific displacement vulnerabilities in the Project Area to avoid the displacement of existing households with a combination of policies and actions with short-term and long-term outcomes. (3 points)
4. Proposed policies and actions address specific displacement vulnerabilities in the Project Area to avoid the displacement of existing small businesses with a combination of short-term and long-term policies. (3 points)
5. Application includes actions that are intended to result in long-term policy change. (3 points)
6. Application includes actions that are not contingent on political processes. (3 points)
7. Work plans include feasible timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility. (3 points)

Workforce Development and Economic Opportunities (15 Points)

1. Application demonstrates an understanding of the local labor market, including its barriers and opportunities, and community needs. Applicant demonstrates how the plan addresses current and projected labor demand and skill needs in a net zero economy. Includes data, targeted partnerships agreement, and labor market insights that inform the plan. (3 points)
2. Application includes a workforce development plan to build a skilled workforce and prepare Project Area residents, especially individuals with employment barriers, to pursue healthy, safe, sustaining, and high-quality career pathways in a future zero carbon economy that are resilient to current and future climate impacts. The proposed workforce development and training programs will lead to industry-recognized credentials, career pathways, and high-quality jobs for residents of the Project Area and individuals with employment barriers. (4 points)
3. Application includes an economic opportunities plan for the creating local, high-quality jobs for residents of the Project Area and individuals with employment barriers. Application details which sectors are being targeted and how the plan supports entrepreneurship, small business growth, and local procurement. (4 points)
4. Work plans include feasible timelines, discrete tasks, and detailed deliverables. Budgets have adequate detail and demonstrate financial feasibility. (4 points)

Climate Adaptation and Resilience (10 Points)

1. Applicant identifies the top two or three climate impacts that will impact the Project Area over the next 25 years. (2 points)
2. Applicant analyzes the impact of these climate hazard exposures on the most vulnerable community members and on the built environment. (2 points)
3. Applicant describes the characteristics, policies, programs, or other factors that make community resilient to the climate impacts described. (3 points)
4. Application describes how TCC investments will contribute to climate resilience in the Project Area. (3 points)

PROJECTS ***60 POINTS TOTAL***

Project Design (10 Points)

1. Projects are designed to meet the community's needs. This includes, but is not limited to, appropriate Strategy selection, scope, scale, components, etc. The proposed project is clear, relevant, and appropriate, given the local context, Vision Statement, and Program Objectives. (10 points)

Project Feasibility (35 Points)

1. Work plans, budgets, and narrative questions include a clear and feasible plan that prepares the applicant well to meet all Pre-Development Requirements within the nine-month Pre-Development Phase. (10 points)
2. Applicants' current progress towards meeting Pre-Development requirements prepares them well to meet all Pre-Development Requirements within the nine-month Pre-Development Phase. (10 points)

3. Work plans, budgets, narrative questions, and supporting documentation demonstrate that the proposed activities during the Implementation Phase are feasible to accomplish within the grant term and demonstrate adequate allocation of resources. (5 points)
4. Projects include clear plans for long-term operations, maintenance, and ownership, including coordination with appropriate responsible parties. Applicant discusses responsibility for ongoing upkeep and monitoring, including the funding source. (5 points)
5. The applicant has high degree of likelihood of securing their necessary leverage funding during the Pre-Development Phase. This will be scored based on the leverage funding identified at the time of application and the applicant's plan for securing remaining leverage funding. (5 points)

Project Impact (15 Points)

1. Applicant describes how climate hazards will impact the Project Area and how the Project is designed to be resilient to those hazards. (5 points)
2. Projects provide multiple community benefits to the Project Area (e.g., education, health benefits, economic opportunities). Details how the benefits were identified as priorities by the community. (5 points)
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 where appropriate. Provides clear justification if no negative impacts are anticipated. (5 points)

PROHOUSING POLICY INCENTIVE — *5 POINTS*

Prohousing Policy (5 Points)

Maximum points (5 points) will be awarded to applications whose Project Area are in jurisdictions designated as Prohousing jurisdictions by the TCC application due date. Partial points (2 points) are available to applicants whose Project Areas are in jurisdictions that have applied for Prohousing designation by the TCC application due date and are awaiting designation from HCD.

If the Project Area crosses multiple jurisdictions, the Prohousing score will be based on the jurisdiction that constitutes the majority of the Project Area.

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

AIR POLLUTION REDUCTION AND MITIGATION INCENTIVE — *5 POINTS*

Maximum points will be awarded to applicants from a Project Area or jurisdiction that has demonstrated and proposes direct localized air pollution reduction and mitigation policies and programs, which includes reduced community exposure to particulate matter and toxic air contaminants. 2 points are available for existing actions, and 3 points are available for actions proposed though TCC. See Appendix F for eligible policies and programs and the point value of each policy.

1. Applicant has demonstrated substantial progress towards preventing, reducing, or mitigating existing sources of local air pollution through policy adoption, enforcement programs, land use planning, etc. (2 points)
2. Applicant has proposed policies and programs that will make substantial progress towards preventing, reducing, or mitigating existing sources of local air pollution through TCC-funded Projects/Plans. (3 points)

Interviews	***10 POINTS TOTAL***

Project Design and Community Relevance (2 points)
Maximum points will be given to an application with strong alignment with TCC Objectives, clear reasoning for projects based on community input, and general understanding of community needs.

Project Feasibility and Implementation Readiness (2 points)
Maximum points will be given for an application with a strong feasibility plan, clear understanding of risks, and demonstrated capacity.

Collaborative Governance Structure and Partnerships (2 points)
Maximum points will be given for an application with a strong and inclusive structure with shared leadership and meaningful community representation.

Transformative Plans (2 points)
Maximum points will be given for an application with culturally responsive and meaningful Transformative Plans.

Application-Specific questions (2 points)
You will be asked one or two questions related to your application. These will be shared with you at least 72 hours before the interview. Maximum points will be given for clear and specific responses that address perceived gaps or concerns.

9.8 Close Scores Protocol P D I

SGC will round total scores to two decimal places and rank applications by score. SGC will designate the highest-scoring applications for award until the remaining funding is not enough to fully fund the next highest-scoring application. SGC does not intend to make partial awards.

If scores are close, SGC will use the following tiebreaker process to determine which application or applications receive awards:

1. **Identify tied applications.**
   Applications are tied if they are:
   - less than **0.5 points apart** for Planning Grants or Project Development Grants; or
   - less than **1 point apart** for Implementation Grants, and one application would otherwise be awarded while the other would not.

   Applications are **not** tied if the difference is exactly:
   - **0.5 points** for Planning Grants or Project Development Grants; or

- **1 point** for Implementation Grants, or greater.

2. **Use the Objectives and Vision score as the first tiebreaker.**
   If applications are tied under Step 1, SGC will compare their scores in the **Objectives and Vision** section. SGC will round those section scores to one decimal place.

   Applications will remain tied at this step if their Objectives and Vision scores are within:

   - **0.5 points** for Planning Grants or Project Development Grants; or
   - **1 point** for Implementation Grants.

3. **Use raw total scores as the final tiebreaker.**
   If two or more applications are still tied after comparing the Objectives and Vision score, SGC will use the **raw total scores** for those applications as the final tiebreaker.

The tiebreaker process may result in a different number of awards if tied applications request substantially different funding amounts. Appendix G includes an example of how the Close Scores Protocol applies to an Implementation Grant.

Section 10. Application Requirements

Summary of Section 10:

- This section details the Application Requirements for all grant types. Specific application materials and instructions will be provided with the Notice of Funding Availability.
- Implementation Grants have additional requirements, called Pre-Development Requirements, which must be met by the end of the nine-month Pre-Development Phase.

10.1 Application phases P D I

All grant types P D I

The Application Period consists of Early Application components and Application Requirements. Early application components will have a due date prior to the application due date. Due dates will be provided with the Notice of Funding Availability.

Planning Grants and Project Development Grants P D

Planning Grants and Project Development Grants do not have a two-phased application process. All Application Requirements outlined in Section 10.2 are due by the application due date.

Implementation Grants I

For Implementation Grant applicants, there will be two phases (See Section 6.7). Some items are due by the application due date, which are called **Application Requirements**. Other items will be developed after award, and during the nine-month Pre-Development Phase, which are called **Pre-Development Requirements.**

10.2 Summary of Application Components P D I

This section summarizes the Application Requirements. The Application Requirements are described in greater detail in each subsection. TCC staff will provide more information on the specific requirements in the application materials.

All Grant Types P D I

1. Optional Tribal modification requests (if applicable) (See Section 2.5)
   - *Early application component - will have a due date prior to the application due date.*
2. Optional local data submission for disadvantaged unincorporated communities (if applicable) – see Section 3.3 Project Area eligibility
   - *Early application component - will have a due date prior to the application due date.*

3. Applicant eligibility:
    - A signed Letter of Commitment from the Lead Applicant and each Co-Applicant outlining roles and responsibilities
        - Note: For Project Development Grants and Implementation Grants, Letters of Commitment are not needed from the Lead Applicant or Co-Applicants if they have signed the Collaborative Governance Agreement worksheet.
    - If the Lead Applicant is a **public agency**, a passed formal resolution authorizing the agency to apply, accept, and execute documents if awarded, or
    - If the Lead Applicant is a **California Native American Tribe**, a letter from a Tribal Chairperson to the same effect as a resolution. If the application is chosen for award, a passed formal resolution will be required before the grant can be executed.
    - If a **Tribally-owned nonprofit** is a Lead or Co-Applicant, and the Project Area contains federally recognized tribal boundaries, and the relevant Tribe(s) is not a Lead or Co-Applicant, the Tribe(s) must provide a Letter of Support.
4. Threshold documentation:
    - Demonstration of local planning consistency: Letter(s) signed by the Planning and Public Works Departments, or equivalents
    - Map of proposed Project Area boundary, see Section 3.3 Project Area eligibility:
        - Project Area map in PDF form, and
        - Project Area map geospatial data file, and
        - Disadvantaged unincorporated communities supporting documents (if applicable), such as LAFCo verification, or local data as outlined in Section 3.3.
5. Narrative application questions about:
    - The community-informed vision for transformation
    - How the grant activities will address TCC Program Objectives, Transformative Elements, and TCC Policy Priorities
    - The Project Area, community assets, and community priorities
    - Climate hazard exposures to the Project Area, as well as adaptation and resilience measures
    - Financial and organizational management capacity
    - Prior community engagement efforts, if any

Planning Grants Ⓟ

In addition to the above, the following application components are required for Planning Grant applications:

- Descriptive work plans with clear timelines, discrete tasks, and deliverables
- Budget broken down by task that addresses the following:
    - Accounts for additional staff to be hired, employee benefits and salary adjustments, and professional development opportunities within the grant term.
    - Contingency (optional for Planning Grants)
    - Indirect costs up to 15%

- See Section 8.1 for additional flexibility for California Native American Tribes and Tribally-owned nonprofits

Project Development Grants Ⓓ

In addition to the above, the following application components are required for Project Development Grant applications:

- Documentation that demonstrates the Lead Applicant's financial capacity
- Documentation that demonstrates the Lead Applicant and Co-Applicant's management capacity
- If including water supply or wastewater infrastructure projects or pilot projects, require narrative descriptions of:
  - Status of CEQA, site control, permits, operations and maintenance plan, project designs, and other requirements to implement the projects, and
  - Current access or plan for access to water supply and wastewater infrastructure
- Signed Collaborative Governance Agreement worksheet describing Lead and Co-Applicant roles and responsibilities in the Collaborative Governance Structure OR a signed Collaborative Governance for Tribes worksheet
- Descriptive work plans with clear timelines, discrete tasks, and deliverables
- Budget broken down by task that addresses the following:
  - Accounts for additional staff to be hired, employee benefits and salary adjustments, and professional development opportunities within the grant term.
  - Contingency (optional for Project Development Grants)
  - Indirect costs up to 15%
    - See Section 8.1 for additional flexibility details for California Native American Tribes and Tribally-owned nonprofits

Implementation Grants Ⓘ

Application Requirements are due by the application due date. Pre-Development Requirements will be developed during the nine-month Pre-Development Phase. Refer to the Implementation Grant Phases in Section 6.7 for more information.

Application Requirements

In addition to the above, the following application components are required for Implementation Grant applications:

- Other Climate Innovation proposals for pre-approval, if applicable (*Early application component* - will have a due date prior to the application due date). Refer to Strategy 13 for more information.
- Pre-Proposal (*Early application component* - will have a due date prior to the application due date):
  - Climate Bond screening questions
  - Applicant eligibility

  - Community vision
  - Project Area eligibility
  - Brief status of project feasibility
  - Brief status of Collaborative Governance Structure Worksheet
  - Brief description of prior community engagement
  - Brief description of how the Pre-Proposal addresses each of the following:
    - Each Transformative Element
    - Existing water supply and wastewater infrastructure or plans to obtain and maintain them
    - Regional connectivity
    - High-Speed Rail (if applicable)
- Final Application:
  - Detailed final versions of the Pre-Proposal items from above.
  - PDF map and geospatial files of the Project Area (See Section 3.3)
    - If applicable, the map must also include existing and proposed multi-modal connectivity to the High-Speed Rail station area.
  - Documentation that demonstrates the Lead Applicant's financial capacity (See Section 10.7)
  - Documentation that demonstrates the Lead Applicant and Co-Applicant's management capacity (See Section 10.8)
  - Signed Collaborative Governance Agreement worksheet describing Lead and Co-Applicant roles and responsibilities in the Collaborative Governance Structure OR a signed Collaborative Governance for Tribes worksheet
  - Summary Budget that identifies the total requested grant amount
  - Leverage funding worksheet
  - Additional narrative application questions about:
    - Integration of Strategies, Projects, and Transformative Elements
    - Policy priorities
  - For each Project and Transformative Plan (excluding Grant Evaluation, which will be completed during the Pre-Development phase, if awarded):
    - Narrative questions
    - Descriptive work plan with discrete tasks, deliverables, and estimated timeline
    - Descriptions of progress of Pre-Development Requirements
  - Budgets for Grantee Costs, Projects, and Plans broken down by task that addresses the following:
    - Accounts for additional staff to be hired, employee benefits and salary adjustments, and professional development opportunities within the grant term
    - Contingency
      - Between 5-10% of the Project/Plan budget
    - Indirect costs up to 15%
      - See Section 8.1 for additional flexibility details for California Native American Tribes and Tribally-owned nonprofits.

Pre-Development Requirements

- Final Summary Budget
- Detailed work plans and budget for each Project/Plan, including Grant Evaluation
- Approval of grant agreement language
- Final Eligibility and Thresholds Documentation:
    - Signed Collaborative Governance Agreement
    - Final Project Area boundary (PDF, geospatial data file)
    - Pre-Development Requirements for each Project and Plan, including Strategy-specific requirements described in Appendix B (operations and maintenance plans, final project designs, etc.)
    - Commitment of all leverage funding
    - Map of existing and/or planned transit connectivity to regional service hubs and major job centers (if applicable)
    - Map of High-Speed Rail connectivity and connected affordable and mixed-income housing (if applicable)
    - Final selection of air pollution reduction and mitigation policies the Lead Grantee and Partners are committing to addressing through the grant (if applicable)

10.3 Early Application Components P D I

These items will have a due date prior to the application due date.

Pre-Proposal I

Planning Grants and Project Development Grants P D

Pre-Proposals are not required for Planning Grants and Project Development Grants.

Implementation Grants I

All potential Implementation Grant applicants **must** submit a Pre-Proposal. **Applicants who do not submit a Pre-Proposal cannot submit a final application**. All applicants who submit a Pre-Proposal, regardless of the feedback they receive on it, may submit an application.

Applicants with Project Areas that include predominantly rural areas may request exceptions to the Project Area requirements within their Pre-Proposal.

Other Climate Innovation Strategy Proposals

Other Climate Innovation proposal requests must be submitted in advance of the Pre-Proposal, by a date to be specified in the NOFA. Applicants using this Strategy will submit a narrative response and supporting documentation that demonstrates proof of concept and community engagement efforts that led to the proposal. Staff will publish guidance on how to submit the Other Climate Innovation proposal as a supplemental application resource.

Disadvantaged Unincorporated Community Local Data

All Grant Types P D I

Self-identified disadvantaged unincorporated communities may provide local data as a method of establishing Project Area eligibility. SGC can pre-approve submissions during the Application Period so that applicants can be sure that their local data submission satisfies the requirements. See Section 3.3 for more information. Staff will publish final guidance on how to submit local data for pre-approval in the Notice of Funding Availability (NOFA).

Tribal Modification Requests

All Grant Types P D I

Staff will publish final guidance on how to submit a Tribal modification request in the Notice of Funding Availability (NOFA). (See Section 2.5)

SGC intends for the TCC Program to be accessible and relevant to Tribes. Some sections of these Guidelines contain greater flexibility for Lead Applicants who are California Native American Tribes or Tribally-owned nonprofits (as defined in Appendix A). These applicants may also request further modifications to certain requirements. Applicants must submit modification requests related to Application Requirements for pre-approval before the application due date.

10.4 Applicant Eligibility P D I

Planning Grants and Project Development Grants P D

Application Requirement

Each Lead and Co-Applicant must provide a signed Letter of Commitment and describe the full or part-time staff that will be dedicated to the grant in the proposed work plan and budget. For Project Development Grants, Letters of Commitment are not needed from the Lead Applicant or Co-Applicants if they have signed the Collaborative Governance Agreement worksheet.

Planning Grants must have at least one Co-Applicant. Project Development Grants must have at least two Co-Applicants.

There must be at least one public agency partner serving as the Lead or Co-Applicant. For Tribal applicants, the relevant Tribal government(s) or Tribally-owned nonprofit must be a Lead or Co-Applicant. (See Section 3.1: Eligible applicants)

If the Lead Applicant is a public agency, they must submit an adopted resolution that includes an authorization to apply for and accept a TCC award, including the authority to execute all related

documents.[11] If the Lead Applicant is a California Native American Tribe, they must submit a letter from a Tribal Chairperson to the same effect of a resolution. If the application is chosen for award, a passed formal resolution will be required before the grant can be executed.

If a Tribally-owned nonprofit is a Lead or Co-Applicant, and the Project Area contains federally recognized tribal boundaries, and the relevant Tribe(s) is not a Lead or Co-Applicant, the Tribe(s) must provide a Letter of Support.

Implementation Grants

Application Requirement

Each Project and Plan must have a Project/Plan Lead, which may be the Lead Applicant or Co-Applicant. Each Lead and Co-Applicant must demonstrate their support of and commitment to the application by signing the Collaborative Governance Agreement worksheet, with the intention to sign and execute the Collaborative Governance Agreement that complies with Section 3.2, if the application is selected for an award.

There must be at least one public agency partner. There must be at least two Co-Applicants. (See Section 3.1: Eligible Applicants)

If the Lead Applicant is a public agency, they must include an adopted resolution that includes authorization to apply for and accept a TCC award, including the authority to execute all related documents.[12]

If the Lead Applicant is a California Native American Tribe, they must submit a letter from a Tribal Chairperson to the same effect of a resolution. If the application is chosen for award, a passed formal resolution will be required before the grant can be executed.

If a Tribally-owned nonprofit is a Lead or Co-Applicant, and the Project Area contains federally recognized tribal boundaries, and the relevant Tribe(s) is not a Lead or Co-Applicant, the Tribe(s) must provide a Letter of Support.

[11] A lesson learned from previous grant cycles is to include this streamlining measure, which allows the Lead Applicant to execute agreements without the need to return the agreement to the Council or Board for approval. Otherwise, the final grant execution stage can extensively delay the grant term start date. If the authorization to execute the related documents is against the agency's policy, they may submit just a resolution to apply for and accept a TCC award. They would then need a second resolution before the grant agreement can be executed.

[12] A lesson learned from previous grant cycles is to include this streamlining measure, which allows the Lead Applicant to execute agreements without the need to return the agreement to the Council or Board for approval. Otherwise, the final grant execution stage can extensively delay the grant term start date. If the authorization to execute the related documents is against the agency's policy, they may submit just a resolution to apply for and accept a TCC award. They would then need a second resolution before the grant agreement can be executed.

Pre-Development Requirement

The work plans and budgets must have more clearly defined commitments, including finalized full or part-time staff hours and budget, and staff to be hired. The work plans and budgets must have clear public agency responsibilities.

10.5 Project Area P D I

Applicants must submit a map that demonstrates that the proposed Project Area meets the eligibility requirements described in Section 3.3. See Section 2 for information on how these requirements apply to Tribal applicants.

1. **Project Area map:** Submit a PDF map of the Project Area that clearly identifies the following elements:
    a. A Project Area boundary
    b. Major streets or landmarks within the Project Area
    c. CalEnviroScreen 4.0 top 25% disadvantaged communities census tracts
    d. Low-income census tracts
    e. Disadvantaged unincorporated areas *(if applicable)*
    f. Areas within federally recognized Tribal boundaries *(if applicable)*
2. **Project Area Boundary File**: Submit a zip file that contains the .shp, .shx, .dbf, and .prj or other similar file format that comprises the proposed Project Area geospatial information.
3. **Supporting Documentation for disadvantaged unincorporated community designations *(if applicable)*:**
    a. Verified disadvantaged unincorporated communities status through a Local Agency Formation Commission (LAFCo) or local data as described in Section 3.3

All Grant Types P D I

Application Requirement

The policies above are required for all applicants.

Implementation Grants P D I

Pre-Development Requirement

During the Pre-Development Phase, applicants may refine the Project Area boundary using the decision-making process outlined in the Collaborative Governance Agreement. The Project Area eligibility requirements still apply. Applicants must submit a map that demonstrates the final Project Area boundary and submit a zip folder of the shapefile or another similar geospatial data file.

10.6 Prior Community Engagement P D I

Planning Grants P

Application Requirement

Many applicants use Planning Grants to conduct community engagement. While Planning Grant applications are encouraged to be informed by the community, having community input prior to the grant application is not required.

Applicants must answer narrative questions about how the proposed activities will address their chosen Transformative.

Project Development Grants D

Application Requirement

Community Engagement and Climate Adaptation and Resilience are the two required Transformative Elements that Project Development Grants must address. Applicants must have conducted some prior community engagement that informed the project selection and the application. Applicants must answer narrative questions and describe activities planned for the grant term in the work plan.

Implementation Grants I

Application Requirement

Applicants must have conducted robust community engagement to inform the project selection and projects proposed in the application. Applicants must answer narrative questions and indicate the community engagement activities planned for the grant term in the work plan.

Pre-Development Requirement

The Plan Lead of the Community Engagement Plan must continue to conduct robust community engagement involving community residents and leaders throughout the Pre-Development Phase and Implementation Phase. Community engagement during these phases is meant to refine the implementation plan for the selected projects and encourage community participation. For example, if the applicant determined that there is a need for electric vehicle charging stations through prior community engagement, the engagement during the Pre-Development Phase would help determine where the chargers should be installed.

The optional Prior Community Engagement Log may be used as a log of previously completed engagement activities. A template will be provided along with the application materials.

10.7 Financial Capacity P D I

All Grant Types P D I

Advance Payment

In addition to the requirements in this section, applicants who are requesting advance payment must submit additional documentation prior to receiving advance payment. (See Section 11.5: Disbursement and accounting of funds)

Tribal Applicants

California Native American Tribes and Tribally-owned nonprofits are exempt from submitting any financial management information that violates their data sovereignty. An applicant who 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. Application Technical Assistance providers can support the Tribal applicant in identifying and submitting alternative forms of documentation. SGC will determine whether the submitted documentation sufficiently meets this requirement and will work with the Tribal applicant to identify mutually agreeable documentation.

Planning Grants P

Application Requirement

Lead Applicants must answer narrative questions related to financial capacity. There is no additional documentation required.

Project Development Grants D

Application Requirement

Lead Applicants must submit:

- Current annual organizational budget
- Recent financial statements
- Any audit findings from the last five years
- Most recent Federal Form 990 (nonprofits only)
- IRS 501(c)(3) Tax Determination Letter (nonprofits only)

The Lead Applicant must also answer narrative questions related to financial capacity.

Co-Applicants do not need to submit this information.

Implementation Grants (I)

Lead Applicants must possess the financial capacity to adhere to the reimbursement processes of the TCC Program as defined by the Collaborative Governance Agreement. See Section 11.5 for details about the reimbursement process.

Application Requirement

Lead Applicants must submit:

- Current annual organizational budget
- Recent financial statements
- Any audit findings from the last five years
- Most recent Federal Form 990 (nonprofits only)
- IRS 501(c)(3) Tax Determination Letter (nonprofits only)

The Lead Applicant must also answer narrative questions related to financial capacity.

Co-Applicants do not need to submit this information.

Pre-Development Requirement

There is no Pre-Development Requirement for financial capacity. All items are due at application.

10.8 Management Capacity (P) (D) (I)

Planning Grants (P)

Application Requirement

Lead Applicants must answer narrative questions related to management capacity. There is no additional documentation required.

Project Development Grants (D)

Application Requirement

The Lead Applicant must demonstrate the ability to oversee, manage, and implement large infrastructure projects by following these requirements.

The Lead Applicant must:

- Submit documentation and a narrative explanation of having successfully completed similar work in California within the last 10 years. This could be in the form of annual reports, project close-out reports, or other similar documents.
- Describe the full or part-time staff dedicated to implementation in the work plan and budget.

- Provide the contact information of one reference who can speak to their quality and timeliness of work.

In addition, the Lead Applicant must address narrative questions on management capacity.

Co-Applicants do not need to submit supporting documentation, but must also answer narrative questions.

Implementation Grants I

It is essential for the Lead and Co-Applicants to have previous experience overseeing, managing, and implementing projects such as transportation, affordable housing, and green infrastructure projects. The Lead and Co-Applicants also must collectively possess the capacity to implement the partner coordination, community outreach, evaluation, and reporting on components critical to the grant.

Application Requirement

Both the Lead and Co-Applicants must:

- Submit documentation and a narrative explanation of having successfully completed similar work in California within the last 10 years for the Project, Plan, or grant component they are proposing to lead. This could be in the form of annual reports, project close-out reports, or other similar documents.
- Describe the full or part-time staff that will be dedicated to the grant.
    - Based on the experiences of previous TCC grantees, the Lead Applicant should allocate **at least two full-time staff** dedicated to managing the TCC grant. Co-Applicants should allocate sufficient capacity to grant administration and coordination depending on the size and complexity of the project.
- Provide the contact information of one reference who can speak to their quality and timeliness of work.

Pre-Development Requirement

There is no Pre-Development Requirement for management capacity. All items are at application.

10.9 Collaborative Governance P D I

Refer to Section 3.2 for full details of what is required in the Collaborative Governance Structure and Collaborative Governance Agreement. Section 3.2 also contains information applicable to **Tribal applicants**.

Planning Grants P

Application Requirement

Planning Grant applicants must describe the processes the Lead and Co-Applicants will use to collaborate and make decisions throughout the grant term through narrative questions. **Letters of**

Commitment from all Co-Applicants are required with the application. An application with a Project Area that crosses jurisdictional boundaries must have the support of a relevant public agency for each portion of the Project Area, demonstrated by a **Letter of Support**.

Project Development and Implementation Grants D I

Application Requirement

Applicants must submit a worksheet that addresses all the requirements of the Collaborative Governance Agreement as listed in Section 3.2. TCC will provide this worksheet.

All Lead and Co-Applicants will need to sign the worksheet. The signatories for each organization should be individuals who will have the authority to sign the final Collaborative Governance Agreement (such as an Executive Director or City Manager).

During the Post-Award Consultation Process, applicants will turn the worksheet into a final Collaborative Governance Agreement. SGC must approve the final Collaborative Governance Agreement before it is executed. Any major decisions made before the execution of the final Collaborative Governance Agreement will be governed by the terms of the worksheet submitted at the time of application.

An application with a Project Area that crosses jurisdictional boundaries must have the support of a relevant public agency for each portion of the Project Area. All public agencies who have jurisdiction over part of the Project Area but are not Lead Applicants or Co-Applicants must submit **Letters of Support**.

Tribal Applicants
A Lead Applicant who is a California Native American Tribe or a Tribally-owned nonprofit applying without any Co-Applicants should instead complete a Collaborative Governance for Tribes worksheet.

10.10 Work Plan and Budget P D I

Planning Grants and Project Development Grants P D

Application Requirement

Applicants must submit a detailed work plan and budget. The work plan must have descriptions of each task, clear timelines, and deliverables. The budget must detail all costs by task and line item. The budget shall address the following when applicable:

- All staff that would be dedicated to the grant, including future hires, employee benefits, promotions, and salary adjustments throughout the grant term, and professional development opportunities
- Travel expenses directly tied to the grant activities
- Office supplies and equipment expenses (e.g laptops)
- Participant compensation

- Peer-to-peer learning opportunities
- Optional contingency up to 10% of the total budget
- Indirect costs up to 15%
    - See Section 8.1 for additional flexibility details for California Native American Tribes and Tribally-owned nonprofits.

These work plans and budgets will be refined after award. Please see Appendix E-1 for information on the Post-Award Process and Policies.

Implementation Grants

Application Requirement

Applicants will submit a single summary budget, and for each Project and Transformative Plan, a detailed work plan and budget allocations for the Pre-Development Phase, and a high-level work plan and budget allocations for each task for the Implementation Phase. These do not need to be fully finalized but must not exceed the cost caps outlined in Section 8.3.

- Summary budget that identifies the total requested grant amount.
- Work plans and budgets for each Project and Plan (except for Grant Evaluation) that include:
    - Narrative description of each task
    - Distinct activities during the Pre-Development Phase
    - Distinct activities during the Implementation Phase
    - Estimated timeline to completion

Applicants should consider including the following when designing the budgets:

- One task designated explicitly for all personnel time required for grant administration, project management, invoicing, reporting, and engaging with third-party program evaluation
- A budget that accounts for additional staff that may be hired in the future, promotions, employee benefits and salary adjustments throughout the grant term, and professional development opportunities
- Travel expenses that are directly tied to the grant activities
- Equipment expenses
- Participant compensation
- Contingency (5-10% required) for each Project and Plan budget
- Indirect costs up to 15%
    - See Section 8.1 for additional flexibility details for California Native American Tribes and Tribally-owned nonprofits.

Applicants must set aside 3% of the total TCC budget for Grant Evaluation, but they do not need to submit a Grant Evaluation work plan or budget during the Application Period. They also do not need to select an Evaluation Partner. All other Transformative Plans must follow the requirements above.

Pre-Development Requirement

During the Pre-Development Phase, Lead Grantees and Partners will work with TCC staff and the TA provider to refine and provide additional details to their work plan and budgets, project schedules, and budget details. This includes the following where applicable:

- Detailed budgets with expenses itemized (quantity and cost per unit):
  - Per personnel, a labor rate that may include benefits and leave (unit in hours or FTE)
  - Grant-required travel (unit in miles)
  - Other direct costs, such as subcontractors, project designs, permitting, materials, and supplies
  - Meeting expenses such as translation and interpretation services, space rental, and audio and visual rental
  - Participant compensation, such as stipends or trainee wages
  - Expenses to hire a training provider or facilitator
  - Equipment
- Project schedules with anticipated completion timelines at the month-level.
- Work plans including tasks and subtasks.
  - Detailed description of the subtasks
  - Indicate the entity responsible for completing the subtask
- Deliverables and milestones that are:
  - Clear, specific, and relate directly to the subtask
  - Quantified where relevant
  - Identify what type of supporting documentation will fulfill deliverables

Applicants must provide quotes for the purchase of any electronics and equipment above $5,000 and for subcontractors above $100,000.

For the Grant Evaluation Plan, the Lead Grantee and Partners will identify an Evaluation Partner and develop a work plan and budget.

After all tasks and subtasks are reviewed and approved, TCC staff will convert the detailed application materials into a simplified scope of work (timeline, budget, and deliverables) for Exhibit B of the grant agreement. Please see Appendix E-2 for information on the Post-Award Process and Policies.

10.11 Additional Requirements for Specific Strategies – Implementation Grants Only ❶

Each Strategy has additional Application and Pre-Development Requirements. This includes project maps, project designs, and other granular details. Please see Appendix B for these requirements.

10.12 Leverage Funding ❶

See Section 7.7 for detailed information on leverage funding. Tribal applicants are not required to provide leverage funding.

Planning Grants and Project Development Grants (P) (D)

Application Requirement

Leverage funding is not required for Planning Grants or Project Development Grants.

Implementation Grants (I)

Application Requirement

Implementation Grants require leverage funding. Leverage funding requirements vary:

- Applicants who qualify for the Disadvantaged Unincorporated Community Funding Goal as described in Section 9.4 must leverage additional funding sources that equal a minimum of 25% of the total requested grant funds.
- Applicants who qualify for the Tribal Funding Goal (those who have a Lead Applicant that is a California Native American Tribe or a Tribally-owned nonprofit, as defined in Appendix A) do not have to provide any leverage funding. See more information at the end of this section.
- All other applicants must secure additional funding equal to at least 50% of the total requested grant amount.

Leverage funding **does not** need to be formally committed by the application due date, but applicants must identify potential sources and submit a leverage funding worksheet. Along with the worksheet, leverage funding should be included in Project/Plan work plans and budgets. Stand-alone leverage projects must be documented with their own work plan and budget. Applicants who have committed leverage funds at application should provide supporting documents for each secured funding source to be favorably considered when scoring.

Pre-Development Requirement

Applicants must secure the full leverage amount and provide supporting documentation before the Implementation Phase. If the Lead Grantee and Partners cannot meet the leverage funding requirement before the Implementation Phase, SGC will decide what to do on a case-by-case basis.

10.13 Site Control (D) (I)

"Site Control" means the Lead Applicant or Co-Applicant has control of property through one or more of the following:

1. Fee title
2. A leasehold or other interest in the property with provisions that enable the interest-holder 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 program requirements

3. An option contract or legally enforceable Letter of Commitment from the property owner to sell or lease the property, which shall extend through the anticipated date of the Program award
4. An executed disposition and development agreement, right of way, or irrevocable offer of dedication to a Public Agency
5. An executed encroachment permit for construction of improvements or facilities within the public right-of-way or on public land
6. 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
7. A land sales contract or enforceable agreement for acquisition of the property
8. Other forms of site control that give SGC assurance (equivalent to 1-7 above) that the applicant will be able to complete the Project in a timely manner and in accordance with all the requirements of the TCC Program

Planning Grants Ⓟ

Application Requirement

There are no eligible Planning Grant activities that require site control.

Project Development Grants Ⓓ

Application Requirement

Site control is required for any infrastructure projects, including water supply and wastewater infrastructure and pilot projects. The Lead Applicant must demonstrate site control.

Implementation Grants Ⓘ

Please see Appendix B for the Strategy-specific Application and Pre-Development Requirements.

Application Requirement

Applicants that want to establish facilities or expand existing facilities on property not owned by a Lead or Co-Applicant must demonstrate site control as defined above. For all properties owned by the Lead or Co-Applicant, the Lead or Co-Applicant must provide a letter committing the property to its proposed use.

For Projects with multiple project sites that will be secured within the grant term,[13] site control will be secured during implementation (e.g. for tree planting, solar installation, or other distributed

[13] Examples of projects with multiple project sites that will be secured within 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

projects). At application, applicants must describe their process for working with property owners to secure site control agreements.

Pre-Development Requirement

If the Lead Grantee or Partners are unable to demonstrate site control, the Project may be deemed infeasible. For Projects with multiple project sites that will be secured within the grant term, Lead Grantees and Partners will finalize their process for working with property owners to secure site control agreements.

10.14 California Environmental Quality Act Ⓓ Ⓘ

California Environmental Quality Act (CEQA)

Before submitting an Application, Lead Applicants and Co-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.

The Lead Applicant and/or Co-Applicants must demonstrate and provide documentation showing that the project is CEQA compliant or report on the project's CEQA status. They must demonstrate that any pending environmental review will be completed by the end of the first year of the grant term.

CEQA Documentation

The Lead and Co-Applicants must submit the following documentation for projects that are categorically exempt, statutorily exempt, or are 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 or does not require CEQA, 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 administrator of the approving entity (e.g., Planning Director)

A file-stamped Notice of Determination is required for all other projects.

Enhancement Strategy). These projects are instead required to describe their site control plan at application.

Statutes of Limitation

SGC will notify Lead Grantees that they may begin work on a project once all Pre-Development 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

Lead Grantees and Partners 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 11.7 of the Guidelines.

Tribal Applicants

SGC, Tribal applicants, and Application Technical Assistance providers will determine CEQA requirements on a project-by-project basis in accordance with all applicable laws and regulations. Tribal applicants should submit the CEQA documentation described above. If proposed projects are within federally recognized Tribal boundaries, this should be noted in application materials. It is not the intention of SGC to impose any additional requirements on Tribal applicants beyond what is required by existing laws and regulations.

Planning Grants Ⓟ

Application Requirement

There are no eligible activities under Planning Grants that would require CEQA.

Project Development Grants Ⓓ

Application Requirement

CEQA documentation is required for any infrastructure projects, including water supply and wastewater infrastructure projects and pilot projects. The Lead Applicant must submit CEQA documentation.

Implementation Grants Ⓘ

Please see Appendix B for the Strategy-specific CEQA requirements.

Application Requirement

For most Strategies, CEQA documentation is not required at the time of application, but the Lead and Co-Applicants must identify the CEQA requirements and describe the timeline for obtaining CEQA documentation during the Pre-Development Phase to demonstrate project feasibility. For

Strategies or Projects with a capital improvement component, CEQA document will be required at application. See Appendix B for specific requirements.

Pre-Development Requirement

CEQA documentation is required before the Implementation Phase can begin. If the Lead Grantee and Partners cannot obtain CEQA documentation, the Project may be deemed infeasible.

10.15 Permits D I

Planning Grants P

There are no eligible activities under Planning Grants that would require permits.

Project Development Grants D

Application Requirement

Permits are required for any infrastructure projects, including water supply and wastewater infrastructure, and pilot projects. Applicants must identify all timelines to obtain the required permits or a notice of exemption.

Implementation Grants I

Please see Appendix B for the Strategy-specific permit requirements.

Application Requirement

Applicants must identify all permits required to implement the Projects and the timelines for obtaining them or a notice of exemption.

Pre-Development Requirement

Relevant permits must be obtained before the implementation can begin. For example, if permits for construction are required, but the Lead Grantee or Partner would not be doing construction right away in the Implementation Phase, then this is not considered a relevant permit at the time. It would be OK to not have that permit yet as long as the applicant has identified the permit, when it is needed, and a plan and timeline for obtaining it. If the Lead Grantee or Partner cannot obtain permits, the project may be deemed infeasible.

10.16 Operations and Maintenance Plans (D) (I)

Planning Grants (P)

There are no eligible Planning Grant activities that require operations and maintenance plans. Planning Grants are unlikely to have components of the grant that extend beyond the TCC grant term.

Project Development Grants (D)

Application Requirement

For Project Development Grants that include the construction of infrastructure, applicants must submit an operations and maintenance plan. This includes identifying and coordinating with the appropriate responsible parties.

Implementation Grants (I)

Application Requirement

Applicants must identify the party responsible and funding source for the long-term operations, maintenance, and ownership of all of the components of the grant that will extend beyond the TCC grant term. This includes facilities, vehicles, urban greening, infrastructure, transportation improvements, community resilience centers, etc. Applicants must attest to being accountable for securing and coordinating with the entity who is responsible for long-term operations, maintenance, and ownership of each component in their application.

Full operations and maintenance plans are not required at application. If an applicant has this information ready, providing it could help improve an applicant's score in Project Feasibility.

Pre-Development Requirement

All Projects will need to provide documentation of a clear and full plan for long-term operations and maintenance.

If a Project does provide documentation of the long-term operations and maintenance plan, the Project may be deemed infeasible.

10.17 Long-term Use and Ownership (P) (D) (I)

The following section outlines the long-term governing principles for ownership of Project equipment, vehicles, or infrastructure funded by the TCC grant.

Equipment

The Lead Grantee, Partner, or Subcontractor must be the sole owner on the title of any equipment purchased or built with funds that are reimbursable as a direct cost of the TCC Project, as

determined by SGC. During the Implementation Phase, 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 Lead 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. The Lead 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 Lead Grantee, Project/Plan Lead, 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 within 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 Lead Grantee, Project/Plan Lead, 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 Lead Grantee may be required to reimburse the State in a manner determined by SGC.

10.18 Interviews I

Planning Grants and Project Development Grants P D

Interviews are not required for Planning or Project Development Grant applicants.

Implementation Grants I

After application review and scoring, top-scoring applicants will be invited to a required interview. The interview replaces the site visit used in earlier rounds and gives applicants the opportunity to share key elements of their Vision, Strategies and Projects, and community partnerships that may not have been fully captured in their written application. Interview scores will be combined along with the written application scores to help determine final ranking.

Interview Scheduling, Format, and Scoring

Interview Scheduling

- Interviews will be scheduled for the top-scoring applicants who meet all threshold criteria.
- The Lead Applicant will be contacted to coordinate availability, and TCC staff will provide a calendar invitation in advance.
- The Lead Applicant will receive all interview questions, including any application-specific questions, at least 72 hours before their scheduled interview.

Interview Format

- The interview will be conducted through an online format, such as Zoom or Microsoft Teams.
- Total time: Approximately 45-60 minutes.
    - First 10–20 minutes: Applicant has the option to present. The Lead and Co-Applicants may use slides, but they are not required. The presentation will not be scored. The Lead and Co-Applicants will not be penalized if they choose not to provide a presentation.
    - Next 20–40 minutes: Review panel will ask five questions (four standard questions for all applicants and one question specific to the application).
- The interview will be conversational and focused on substance, not formality.
- TCC staff and interagency review panelists will participate as interviewers. Interpreter support will be available by request.
- The Lead Applicant must include at least one representative. Co-Applicants are strongly encouraged to attend. Contractors and consultants may not attend.

Interview Scoring and Evaluation

- The interview will be scored out of 10 points, which will be added to the total score.
- There are five categories, each worth up to 2 points. (See Section 9.7: Scoring criteria)

10.19 Program Policy Priorities P D I

Consistency with Existing Local Land Use and Transportation Plans P D I

All applications must be consistent with relevant local or regional plans such as:

- General plans
- Local hazard mitigation plans
- Climate action plans
- Tribally-led and created plans

- Zoning
- Building intensity and density requirements
- Design guidelines
- Other applicable plans, goals, policies, designations, and programs

Planning Grant applications may also include efforts to revise land use plans consistent with the jurisdiction's goals and policies.

Planning Grants and Project Development Grants P D

Application Requirement
Applicants must provide a letter signed by the local jurisdiction's Planning and Public Works Departments, or equivalents, to verify that the application is consistent with all of the items listed above.

Implementation Grants I

Application Requirement
Applicants must provide a letter signed by the local jurisdiction's Planning and Public Works Departments, or equivalents, to verify that the application is consistent with all of the items listed above. Additionally, this letter should certify that the Planning and Public Works Department will work with the applicant during the Pre-Development Phase to make sure the final application is still consistent.

Pre-Development Requirement
The Lead Grantee must have a final letter signed by the jurisdiction's Planning and Public Works Departments verifying that the final TCC Projects are consistent with existing local land use and transportation plans.

High-Speed Rail Connectivity – Implementation Grants Only I

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, and ensure that economic benefits, job opportunities, and environmental improvements result 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 application:

- Multimodal connectivity to the High-Speed Rail station area, including pedestrian, active transportation, and complete streets improvements that encourage dense mixed-use development within the station area

- Affordable and mixed-income housing (if proposed) is connected and accessible to the High-Speed Rail station area
- Support community engagement on station area design and implementation

Planning Grants and Project Development Grants P D

High-Speed Rail connectivity requirements do not apply to and are not required for Planning Grants and Project Development Grants. However, if Planning and Project Development applicants eventually want to apply for an Implementation Grant in future rounds, they should be aware of what the High-Speed Rail connectivity requirements are. Preparing for these requirements is an eligible activity in their Planning or Project Development application.

Implementation Grants I

Application Requirement
Applicants must submit a map of existing and proposed multi-modal connectivity to the High-Speed Rail station area. If affordable and mixed-income housing is proposed, applicants must demonstrate on the map that it is connected and accessible to the High-Speed Rail station area. The Community Engagement Plan must also include tasks on supporting station area design and implementation. They must also answer narrative questions on how these elements will connect to the High-Speed Rail.

Pre-Development Requirement
Applicants must submit a final Project Area map that demonstrates multi-modal connectivity to the High-Speed Rail station area and the location of affordable and mixed-income housing that is connected and accessible to the High-Speed Rail station area via active transportation, complete streets, or transit.

The Community Engagement Plan must describe how it will support engagement on High-Speed Rail station area design and implementation.

Water Supply and Wastewater Infrastructure, and Transit Connectivity - Implementation Grants Only I

Applicants must demonstrate that residents in the proposed TCC Project Area have existing access or have developed plans and secured funding to implement:

- **Water supply and wastewater infrastructure**, with long-term operations and maintenance plans, in compliance with State Water Board clean drinking water standards.
- **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. Applicants can request up to 10% (25% for California Native American Tribes and Tribally-owned nonprofits) of requested TCC funds to support projects connecting residents to water supply and wastewater infrastructure (new or remedial connections). For disadvantaged

unincorporated communities, requests for more than 10% will be considered on a case-by-case basis. For Tribal and disadvantaged unincorporated community applicants, requests for non-water/wastewater infrastructure will be considered on a case-by-case basis.

Application Requirement

Applicants must answer narrative questions on the Project Area's existing access to water supply and wastewater infrastructure and long-term operations and maintenance plans, or a developed plan to obtain and maintain water supply and wastewater infrastructure.

Applicants must also answer narrative questions on the existing or proposed transit connectivity to regional service hubs and major job centers.

Pre-Development Requirement

Applicants must submit any additional verification or final plans that TCC staff and TA providers deem necessary.

Air Pollution Reduction and Mitigation - Implementation Grants Only

The TCC Program will incentivize Implementation Grant 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.

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.
- 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 and programs are listed in Appendix F.

Application Requirement

Applicants who are seeking these incentive points must answer narrative questions about their existing and proposed air pollution prevention and mitigation policies and programs.

Pre-Development Requirement

Applicants who were awarded incentive points must finalize air pollution reduction and mitigation policies and programs they are committing to address through the grant and develop concrete implementation plans.

Prohousing Policies - Implementation Grants Only

The TCC program will provide maximum points for applications located in jurisdictions awarded Prohousing Designation by the Department of Housing & Community Development (HCD) by the TCC application due date.[14] Partial points are available to applicants whose Project Areas are in jurisdictions that have applied for Prohousing designation by the TCC application due date and are awaiting designation from HCD.

The Prohousing policy incentive will not apply to applications located within federally recognized Tribal boundaries. These applications will receive maximum points in this category.

Application Requirement

Applicants must answer narrative questions regarding their Prohousing policies.

Pre-Development Requirement

Applicants who were awarded partial incentive points must provide SGC with evidence of the final Prohousing designation.

[14] https://www.hcd.ca.gov/planning-and-community-development/prohousing-designation-program

Section 11. Grant Administration and Program Expectations

Summary of Section 11:

This section contains a brief description of the grant administration responsibilities and expectations for the TCC Program.

- Grant terms are two to six years, depending on grant type.
- Awarded applicants will go through a Post-Award Consultation Process before executing a grant agreement.
- Advance payment may be available in certain circumstances.
- Lead Grantees and Partners must comply with reporting and monitoring requirements.
- Lead Grantees and Partners must comply with other requirements, including those related to Prevailing Wage, publicity, and audit and record retention.

For additional information, refer to Appendix I – Sample grant agreement.

11.1 Grant Terms P D I

Planning and Project Development grant terms are two years, with the option to extend an additional year on a case-by-case basis.

Implementation Grant terms are six years:

- Up to nine-month Pre-Development Phase
- Approximately three-month administrative transition from the Pre-Development Phase to the Implementation Phase
- Four-year Implementation Phase
- One-year Evaluation Phase when outcomes will be monitored, and grant close-out activities will conclude

11.2 Lead Grantee, Partners, and Subcontractors P D I

The grant agreement will only be executed between SGC and the Lead Applicant. SGC will not enter any contractual relationship with any Co-Applicants or subcontractors.

Once the grant has been awarded, the Lead Applicant will be referred to as the "Lead Grantee" and Co-Applicants will be referred to as "Partners." SGC strongly recommends the Lead Grantee enter contractual and legally binding subagreements with each Partner. These subagreements, along with the Collaborative Governance Agreement, will help govern the relationship between the Lead Grantee and Partners.

11.3 Strategic Growth Council and Department of Conservation P D I

The TCC Program is administered by the Strategic Growth Council in partnership with the Department of Conservation (DOC). Grant agreements will be executed between the Lead Grantee and SGC, but Lead Grantees will work closely with DOC during grant implementation.

11.4 Post-Award Consultation Process P D I

Applicants selected for award will be required to participate in a Post-Award Consultation Process (PAC Process) prior to finalizing the grant agreement, which outlines the grant terms. During the PAC Process, the State will assist the awardee in refining the grant agreement and all accompanying attachments to comply with administrative, statutory, and TCC Program requirements. Awardees will be required to meet with TCC staff and provide all required documentation related to Pre-Development Requirements, work plans, budgets, and other requested documentation during that time. Failure to complete the review and to sign the grant agreement may result in SGC rescinding the grant award. Appendix E details the process from receiving the award to having a fully executed grant agreement with a detailed work plan and budget.

For Planning Grants and Project Development Grants, the Lead Grantee and Partners will only participate in the Post-Award Consultation Process and will not participate in a Pre-Development Phase.

For Implementation Grants, the Lead Grantee and Partners will participate in the Post-Award Consultation Process phase and the Pre-Development Phase. The Pre-Development phase will last up to nine months. Please see Section 6.7 for information on these phases.

11.5 Disbursement and Accounting of Funds P D I

All Grant Types P D I

- Lead Grantees and Partners cannot request advance payment or reimbursement for any costs that were incurred or any work that was completed before the grant was executed.
- 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

State legislation authorizes SGC to provide certain Lead Grantees advance payments of TCC grant awards. As of September 2025, only Tribes and 501(c)(3) nonprofits are authorized by law to receive advance payment through TCC. SGC may provide advance payments to other organizations if they become eligible. SGC may approve advance payments under this grant at its sole discretion. All requests for advance payments shall be submitted to SGC in writing (Advance

Pay Request Form to be provided), along with complete documentation of the Lead Grantee's eligibility for advance payments in accordance with Government Code sections 11019.1 and 11019.3. Any material changes to the request form must be reported to SGC within 30 days. All advance payments and the amount of any advance payment are subject to SGC's policies and discretion and satisfactory submittal of information through the Advance Pay Request Form. Any qualifying entity receiving advance payment will be required to demonstrate the ability to meet statutory requirements regulating the provision of advance payment.

All Native American Tribes eligible for TCC may also be eligible for advance pay. A Limited Waiver of Sovereign Immunity may be required to receive advance payment.

Disbursement Process

Disbursement of funds will occur in accordance with the terms outlined in the grant agreement and applicable state laws, including the California Prompt Payment Act. Lead Grantees must submit complete and accurate invoices or reimbursement requests, along with any required supporting documentation, to initiate payment. Upon receipt of a properly submitted and undisputed invoice, the State will process payment within 45 calendar days via check, in compliance with the California Prompt Payment Act. Payment delays may occur if invoices are incomplete, disputed, or submitted outside of agreed-upon reporting schedules. Interest penalties may apply for late payments as specified under the Prompt Payment Act. SGC encourages Lead Grantees and Partners to maintain clear documentation and adhere to all reporting and invoicing requirements to ensure timely disbursement.

Planning Grants and Project Development Grants P D

- Lead Grantees may request reimbursement from SGC on a quarterly basis (every three months).
- SGC will retain the last 5% of the grant funds, to be paid once the State has determined that the grant terms have been fulfilled.

For reimbursement payments, Partners (Co-Applicants during the Application Period) must invoice the Lead Grantee (Lead Applicant during the Application Period) before the Lead Grantee submits an invoice to SGC. The Lead Grantee will be responsible for compiling all invoices, supporting documentation, and reporting materials for themselves and their Partners into a single package. Once SGC approves the package for payment, funds will be disbursed to the Lead Grantee. The Lead Grantee is responsible for disbursing payment to their Partners.

Implementation Grants I

- Lead Grantees may request reimbursement from SGC on a bimonthly basis (every two months).
- SGC will retain the last 5% of each Project and Plan budget, to be paid once the State has determined that the grant terms have been fulfilled.

For reimbursement payments, Partners (Co-Applicants during the Application Period) must invoice the Lead Grantee (Lead Applicant during the Application Period) before the Lead Grantee submits

an invoice to SGC. The Lead Grantee will be responsible for compiling all invoices, supporting documentation, and reporting materials for themselves and the Partners into a single package. Once SGC approves the package for payment, funds will be disbursed to the Lead Grantee. The Lead Grantee is responsible for disbursing payment to their Partners.

11.6 Reporting Requirements P D I

Planning Grants and Project Development Grants P D

Lead Grantees and Partners are responsible for the following reporting:

Progress Reports

- Lead Grantees and Partners must submit a joint Quarterly Progress Report with each invoice to track the work completed during the reporting period, including tracking of expended advance payment funds and interest earned, as applicable.
- Advance payment 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.
- Lead Grantees and Partners must submit a joint Final Report on the overall status of the grant, including lessons learned, barriers, and success stories.

TCC staff will input information from these reports into two systems for collecting and reporting program and project data to meet bond requirements and other statutory requirements: the Agency Bonds Consolidated Reporting System (ABCRS) and the Resources Agency Project Tracking and Reporting (RAPTR) System.

Lead Grantees and Partners may need to comply with additional reporting requirements to comply with Climate Bond requirements.

Implementation Grants I

Lead Grantees and Partners are responsible for four categories of reporting:

- Progress Reports
- Budget Reports
- Grant Evaluation
- Implementation Phase Reports

Progress Reports

- Lead Grantees and Partners must submit a joint Bimonthly Progress Report with each invoice and/or budget report to track the work and deliverables completed during the reporting period, including tracking of expended advance payment funds and interest earned, as applicable.

- Lead Grantees and Partners must submit a joint Annual Progress Reports to report on the overall status of the grant. They will include high-level questions not captured in the bimonthly updates.

Budget Reports

- Lead Grantees and Partners will report expenditures of leveraged funds annually (once per year) and at the end of the grant term.
- Lead Grantees and Partners will report an inventory of purchased equipment annually (once per year) and at the end of the grant term.
- Lead Grantees and Partners will revise detailed work plans and budgets, including tracking of expended advance payment funds, on a regular basis, typically alongside grant agreement modifications or amendments. These documents will contain more detail than the grant agreement and will be used as administrative tracking tools between the Lead Grantee, Partners, and SGC.
- 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.

Grant Evaluation

- Lead Grantees and Partners must comply with the stages of Grant Evaluation, as described in Section 7.2 Grant Evaluation.

Implementation Phase Reports

- Project/Plan Leads will submit Project Completion Reports as each Project and Plan completes all deliverables in its work plan.
- Lead Grantees and Partners will submit a joint Final Report at the end of the grant term.

TCC staff will input information from these reports into two systems for collecting and reporting program and project data to meet bond requirements and other statutory requirements: the Agency Bonds Consolidated Reporting System (ABCRS) and the Resources Agency Project Tracking and Reporting (RAPTR) System.

Lead Grantees and Partners may need to comply with additional reporting requirements to comply with Climate Bond requirements.

11.7 Check-ins and Monitoring P D I

TCC staff will monitor progress throughout the grant term through invoicing and reporting, evaluation, and regular check-ins with Lead Grantees (twice a month for Implementation Grants and monthly for Project Development and Planning Grants). Throughout the grant term, Partners should promptly elevate challenges, anticipated delays, or other issues that may affect the success of the grant to the Lead Grantee. Lead Grantees should promptly elevate these issues to TCC staff.

Each Partner will meet at least twice a year with TCC staff and the Lead Grantee to provide a detailed update on their progress. TCC staff and Partners may request additional meetings outside of this schedule.

The goal of these meetings is to actively explore opportunities and areas where Partners can thrive with additional support. During these discussions, Partners will share their progress, celebrate successes, tackle challenges, and express their needs in a collaborative environment. TCC staff, the Lead Grantee, and the Partner will strategize, adjust, find a resolution, and take appropriate action.

Performance P D I

To ensure the Lead Grantee is on track, regular performance evaluations and progress assessments will be necessary to monitor compliance with the grant agreement and identify areas requiring improvement. SGC has sole discretion to determine if the Lead 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 the Lead Grantee, in writing, if non-performance is determined, and will provide instructions and a timeline to rectify all cases of non-performance.
- The Lead 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 Lead Grantee to re-perform any actions defined in this grant agreement if determined not to have been performed in accordance with the grant agreement. SGC may withhold any payments due to the Lead Grantee until the Lead 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 Lead 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 Lead Grantee. If applicable, SGC reserves the right to issue a Stop Work Order if there is a breach in the leverage funding commitments that put components of the Project at risk of not being completed.
- Both SGC and the Lead Grantee have the right to terminate the grant agreement throughout the grant term upon thirty (30) calendar days of written notice. The written notice must specify the reason for early termination and may permit SGC or the Lead Grantee to rectify any deficiencies prior to the termination date.

11.8 Prevailing Wage Requirements P D I

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 more than $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. The Lead Grantee can identify additional stipulations and exceptions under Cal. Labor Code § 1720 et seq.

The Lead Grantee must ensure the following on public works activities under this grant agreement:

- Prevailing Wages are paid.
- The Project budget and invoices for labor reflect Prevailing Wage requirements, or if exempt, provide the applicable exemption to SGC with the Project budget.
- 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.

The Lead Grantee shall ensure that its Partners and Subcontractors, if any, also comply with Prevailing Wage requirements. The Lead 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's prevailing wage law.

- The Lead Grantee can identify the rates for prevailing wage on the DIR website (*See http://www.dir.ca.gov)*. The Lead Grantee may contact DIR for a list of covered trades and the applicable prevailing wage.
- If the Lead 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 the Lead Grantee has questions about this contractual requirement, recordkeeping, apprenticeship, or other significant requirements of California Prevailing Wage law, it is recommended the Lead Grantee consult DIR and/or a qualified labor attorney.

11.9 Publicity Requirements PDI

TCC Lead Grantees and Partners are encouraged to use SGC and the Department of Conservation (DOC) names and/or logos for all publications, websites, signage, invitations, and other media-related and public-outreach products related to the TCC grant. Lead Grantees and Partners are required to adhere to the Climate Bond publicity requirements outlined in the grant agreement, as detailed in the TCC Publicity Guidelines attachment.

11.10 Audit and Record Retention PDI

All records, physical and electronic, must be adequately protected from loss, damage, or destruction for possible audit(s). The Lead 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, the Lead 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.

- The Lead 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 within 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 Lead 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 Lead Grantee agrees to include a similar right of the State to audit records and interview staff of any subcontract related to performance of this grant agreement.

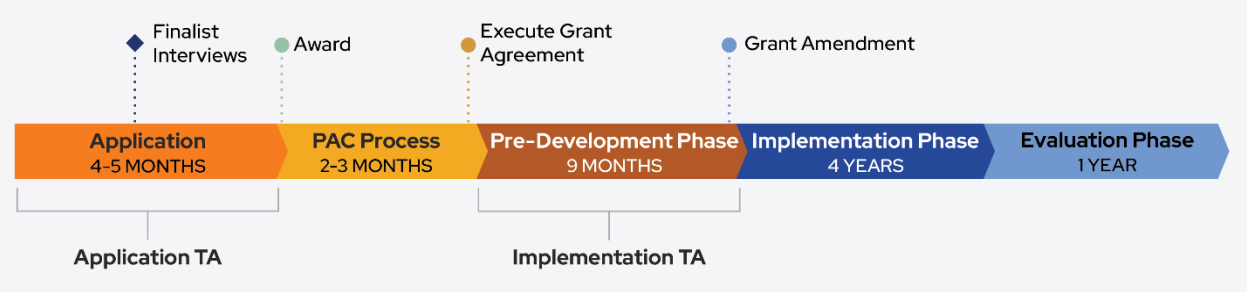
Section 12. Technical Assistance

Summary of Section 12:

Technical assistance (TA) will be available to eligible applicants to support the following grant phases:

- Application
- Pre-Development Phase
- Implementation Phase
- Evaluation Phase

SGC will prioritize applicants to all grant types from Tribal communities and disadvantaged unincorporated communities to receive Technical Assistance.



12.1 Application Technical Assistance P D I

To support the development of competitive applications, SGC will offer Application Technical Assistance from third-party technical assistance providers to eligible applicants for TCC Implementation, Project Development, and Planning Grants. **Receiving Application Technical Assistance does not guarantee that an applicant will be awarded a grant**.

SGC will prioritize Lead Applicants that are California Native American Tribes or Tribally-owned nonprofits or applicants whose Project Areas are in disadvantaged unincorporated communities for Technical Assistance for all grant types. Application Technical Assistance services may be available to additional applicants depending on funding availability and third-party technical assistance provider capacity. SGC will make decisions on a case-by-case basis. SGC encourages all applicants interested in receiving Application Technical Assistance to submit the Technical Assistance Request Form.

Unfortunately, third-party Technical Assistance is not currently available for all applicants. Application Technical Assistance may be available for additional applicants on a case-by-case basis based on third-party technical assistance provider capacity. SGC staff will provide general Application Technical Assistance to all applicants by offering application webinars and distributing supportive materials as needed which could include recorded videos, samples, or other written materials. Applicants may apply for Technical Assistance using the Technical Assistance Request

Form. All applicants, regardless of Application Technical Assistance eligibility status, may submit questions regarding guidelines and application materials to program staff at tcc@sgc.ca.gov.

Application Technical Assistance activities may include, but are not limited to:

- Direct application development 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 feasibility
- Geographic Information System (GIS) mapping assistance

The information you provide to technical assistance providers will not influence your application's competitiveness. Only your application score will influence the award selection.

12.2 Pre-Development Phase Technical Assistance ❶

During the Pre-Development Phase, SGC will provide Pre-Development Technical Assistance to Implementation Grant Lead Grantees and Partners through TCC staff and a third-party technical assistance provider. Pre-Development Technical Assistance is designed to support Lead Grantees and Partners as you work towards meeting all Pre-Development Requirements.

Technical assistance providers will provide support and guidance in the following areas:

- Setting up grant management systems and procedures
- Refining detailed work plans and budgets for all Projects and Plans
- Meeting all other Pre-Development Requirements (See Section 10)

12.3 Implementation Technical Assistance ❶

Representatives of SGC, DOC, and other state entities will provide Implementation Technical Assistance and other support throughout the implementation of your TCC grant award.

Depending on available funding, SGC may fund third-party technical assistance for Implementation Grantees and will prioritize Tribal Lead Grantees who receive Implementation Grants.

Additional support conducted by SGC may include but is not limited to:

- Assistance in attracting and leveraging additional financing
- Assistance in implementing Projects and Transformative Plans
- Assistance strengthening organizational capacity to integrate implementation efforts

12.4 Evaluation Technical Assistance ❶

Applicants awarded Implementation Grants are required to allocate 3% of the awarded grant funds to be put toward hiring of a pre-qualified, third-party Evaluation Partner to assist with grant evaluation throughout grant implementation. Please see Section 7.2 for more information on Grant Evaluation.

During the Post-Award Consultation Process and Pre-Development Phase, you will select your Evaluation Partner. The Evaluation Partner will enter into direct grant agreement with SGC.

Evaluation Partners will support Lead Grantees and Partners with tracking and documenting the Project's progress and impact through the following:

- Development of a Site-Specific Evaluation Plan to assess the holistic impacts of the Project
- Development of an Indicator Tracking Plan to assess the specific indicators for each Project
- Development of reporting tools and a technical assistance plan to support Lead 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
- Case studies to communicate TCC stories with the public and external partners
- Process Evaluation Memos providing feedback on the TCC program design and implementation process
- Presentation of evaluation findings
- Reports on TCC Projects

Reporting is required during key stages of the grant cycle:

- Annually or biannually during the Implementation Phase
- Final Report during Evaluation Phase

TCC staff will provide final guidance for the required deliverables and timeline for Round 6 after awards are made.

Section 13. List of Appendices

Appendix A – Terms and definitions 147
Appendix B – TCC-funded Projects by Strategy ❶ 157
Eligible Application Requirements 157
Strategy 1: Equitable Housing and Neighborhood Development 158
Strategy 2: Land Acquisition for Neighborhood Stabilization 164
Strategy 3: Transit Access and Mobility Strategy 168
Strategy 3.1: Active Transportation 169
Strategy 3.2: Transit and Rail Access 172
Strategy 3.3: Car Sharing and Mobility Enhancement 176
Strategy 4: Solar Installation, Energy Efficiency, and Appliance Electrification 178
Strategy 5: Water Efficiency and Resiliency 185
Strategy 6: Recycling, Composting, and Waste Reduction 189
Strategy 7: Urban Greening and Green Infrastructure 192
Strategy 8: Health Equity and Well-Being 195
Strategy 9: Indoor Air Quality 199
Strategy 10: Community Microgrids 203
Strategy 11: Brownfield Redevelopment 206
Strategy 12: Community Resilience Centers 211
Strategy 13: Other Climate Innovation 215
Appendix C – Transformative Elements ❶❶❶ 217
Appendix C-1: Community Engagement Plan Examples 217
Appendix C-2: Displacement Avoidance Plan Examples 219
Appendix C-3: Workforce Development and Economic Opportunities Plan Examples and Resources 223
Appendix C-4: Climate Adaptation and Resilience Examples 224
Appendix D – Collaborative Governance Structure ❶❶ 226
Governance and conflict resolution 226
Representation 226
Appendix E-1 – Post-Award Process and policies – Planning Grants and Project Development Grants ❶❶❶ 228
Summary 228

Appendix E-2 – Post-Award Process and policies – Implementation Grants ❶ 232
Summary 232
Appendix F – Air pollution reduction and mitigation 239
Policies and programs to reduce or mitigate local air pollution 239
Appendix H – Frequently asked questions 244
Appendix I – Sample grant agreement 247

Appendix A – Terms and Definitions

Applicant(s)
Lead Applicants and Co-Applicants are collectively referred to as "applicants." See definitions for "Lead Applicant" and "Co-Applicant."

Application
A submittal comprised of responses and supporting documents to apply for an Implementation, Project Development, or Planning Grant.

Application Requirement
Application Requirements are items that are due by the application due date. This is different from Pre-Development Requirements, which are items that are not due by the application due date but must be completed during the nine-month Pre-Development Phase, and before the grant is implemented. See "Pre-Development Requirement."

Awarded
The Strategic Growth Council has voted to make an award to an applicant and commits funding to the proposed project(s).

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 "California Native American Tribe" is a federally recognized Native American Tribe or a non-federally recognized Native American Tribe listed on the California Tribal Consultation List maintained by the Native American Heritage Commission on February 19, 2026).

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, 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 planning and developing sustainable communities.
- Award and manage 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.[15]

Climate Bond
In November 2024, California voters passed Proposition 4, a $10 billion General Obligation Bond called the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024. It is also commonly known as the "Climate Bond." This bond will provide funding to support TCC's Round 6 work through projects that "provide local economic, environmental, and health benefits, and improve the resilience of priority populations."

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.[16]

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."

Collaborative Governance Agreement
A Collaborative Governance 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 Governance Structure. Applicants whose Project Area crosses municipal boundaries, federally recognized Tribal territory boundaries, or similarly relevant jurisdictional boundaries must include additional requirements in the Collaborative Governance Agreement.

[15] Glossary of Climate Change Terms. Office of Air and Radiation/Office of Atmospheric Programs/Climate Change Division. September 9, 2013

[16] Rodin, Judith. 2014. The Resilience Dividend: Being Strong in a World Where Things Go Wrong. Philadelphia: Perseus Books Group

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.[17]

Community-serving facility
A community-serving 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-serving facility 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.[18]

Corporate entity
A corporate entity is a business or organization recognized by law as having a separate legal existence from its owners or members. This means it can enter into contracts, own property, sue or be sued, and conduct business in its own name. Essentially, it's a legal "person" created by law, distinct from the individuals who own or run it.

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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[17] U.S.C. § 9101(6).

[18] U.S. Department of Health and Human Services, June 2011. Principles of Community Engagement.

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
- 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.[19]

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).

Enforceable Funding Commitments
A funding requirement for affordable housing project. Please see **Appendix B, Strategy 1** and the AHSC Round 9 Guidelines for more information.

Governor's Office of Land Use and Climate Innovation (LCI)
The State's comprehensive planning agency charged to accelerate innovation and implementation of various intersectional initiatives that support California For All.

Grant Agreement
Arrangement between the State and Lead Grantee specifying the payment of funds to be used for grants by the State for the performance of specific TCC Program Objectives within a specific grant term by the Lead Grantee.

Greenhouse Gases (GHG)
Any gas that absorbs infrared radiation in the atmosphere. Greenhouse gases include, but are not limited to, water vapor, carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), 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

[19] Adapted from Grier and Grier (1978) and Marcuse (1986) and included in the Urban Displacement Project found at urbandisplacement.org.

framework is an initiative of the California Workforce Development Board: https://cwdb.ca.gulaov/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 leave 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 applications, 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.; 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.); and tuition/fee remission for qualifying personnel to the extent that such costs are provided for by University policy. This definition supersedes any definition of indirect costs provided by other Climate Bond programs.

In-Kind Goods and Services
Non-cash donations from governmental or private sources, and include volunteer labor, materials, and services.

Lead Applicant
An entity that enters a partnership with other organizations for the purpose of applying for a TCC grant and has been designated as the lead organization for the partnership.

Lead Grantee
Designated Lead Applicant that has an agreement for grant funding with the State.

Letters of Commitment
A Letter of Commitment identifies proposed responsibilities for an organization or body and commits the organization or body to executing those responsibilities if awarded.

Letters of Support
A Letter of Support is a letter from any organization that will be involved in or impacted by the proposed grant activities. This letter states that the entity is aware and supportive of the application and would like to see the project funded.

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.

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 decision making processes.

Partner
Entities other than the Lead Grantee that enter into a partnership with the Lead Grantee and other organizations for the purpose of implementing TCC grant activities. Referred to as "Co-Applicants" during the application stage.

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

Post-Award Consultation Process (PAC Process)
Prior to execution of the grant agreement, the period during which terms and conditions of the grant agreement are determined and finalized.

Pre-Development Requirement
Pre-Development Requirements are items that are *not* due by the application due date but must be completed during the nine-month Pre-Development Phase, and before the grant is implemented. This is different from an Application Requirement, which are items due by the application due date. See "Application Requirement."

Private shareholder corporation
A business entity organized in corporate structure as defined by California Corporate Code Section 100-2319, where the ownership, represented by shares of stock, is sold, in the form of stock, to raise funds or capital and the agents and officers of the corporation have a fiduciary duty to maximize profits for the shareholders.

Program Objectives
Program Objectives are statements that describe the desired outcomes of the program. The TCC Program includes the following 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.

Project Development Grant
Funding for pre-development activities and water supply and wastewater infrastructure 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 an application or scope of work. Projects proposed must include one or more TCC fundable activities. See Appendix B for TCC fundable activities.

Project/Plan Lead
The Lead Applicant or Co-Applicant responsible for leading the implementation of a specific Project or Plan.

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 Section 54952 of the California Government Code.

Rural Area
Any non-metropolitan area or area not designated as urban by the U.S. Census Bureau that typically has low population density, limited access to healthcare facilities, economic opportunities, healthy foods, or mobility options, and greater instances of food insecurity.

For the Equitable Housing and Neighborhood Development and Community Resilience Centers Strategies, “rural area” is as defined by the CA Health & Safety Code § 50199.21, which includes areas that satisfy any of the following criteria:

(1) The area is eligible for financing under a multifamily housing program pursuant to Section 3560.1(a)(a) of Title 7 of the Code of Federal Regulations as it read on January 1, 2023, or successor program, of the United States Department of Agriculture Rural Development.

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

(3) The area is any of the following:

(A) an incorporated city having a population of 40,000 or fewer as identified in the most recent Report E-1 published by the Demographic Research Unit of the Department of Finance, provided that the area is not located within a census block designated as an urban area by the United States Census Bureau in the most recent decennial census.

(B) An unincorporated area that adjoins a city having a population of 40,000 or fewer, provided that the adjoining unincorporated area is not located within a census block designated as an urban area by the United States Census Bureau in the most recent decennial census.

(C) An unincorporated area that does not adjoin a city and is not located within a census block designated as an urban area by the United States Census Bureau in the most recent decennial census.

The department shall assist in determinations of eligibility pursuant to paragraph (3) of subdivision (a) upon request. With respect to areas eligible under paragraphs (2) and (3) of subdivision (a), the committee may rely upon the recommendations made by the department. Any inconsistencies between areas eligible under subdivision (a) shall be resolved in favor of considering the area a rural area. Eligible and ineligible areas need not be established by regulation.

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, the 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, including Application Technical Assistance and Implementation Technical Assistance.

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

- Grant Evaluation
- Climate Adaptation and Resilience
- Leverage Funding

Tribal Applicants
Applicants whose Lead Applicant is a California Native American Tribe or Tribally-owned nonprofit are referred to as "Tribal applicants" throughout the Guidelines.

Tribally-owned Nonprofit
A California Native American Tribally-owned nonprofit (also referred to as a Tribally-owned nonprofit) refers to an organization exempt from taxation under Internal Revenue Code 501 (c)(3) (26 U.S.C. § 501(c)(3)), nonprofit organization incorporated under Tribal law, California nonprofit public benefit corporation (Corp. Code, § 5110 et seq.), or an equivalent entity that has a majority Tribal-led board, is operated by a Tribe, and advances the Tribe's goals and priorities. This term does not include nonprofit organizations owned or controlled by individuals who are Native American or individual member(s) of a California Native American Tribe when the organization is not associated with a California Native American Tribe.

Urban Area
A densely developed and settled area with residential, commercial, and non-residential urban land uses.

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 application will be coordinated and integrated to achieve all three of the TCC Program Objectives

Vulnerable Communities/ Populations
Vulnerable communities or vulnerable populations are a subgroup population within a region or community that faces a disproportionally heightened risk or increased sensitivity to the impacts of climate change and that lacks adequate resources to cope with, adapt to, or recover from such impacts. Vulnerable populations often also face 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)

Water supply and wastewater infrastructure

Implementation Grant applicants can request up to 10% (25% for California Native American Tribes and Tribally-owned nonprofits) of requested TCC funds to support projects connecting residents to water supply and wastewater infrastructure (new or remedial connections). For disadvantaged unincorporated communities, requests for more than 10% will be considered on a case-by-case basis. For Tribal and disadvantaged unincorporated community applicants, requests for non-water/wastewater infrastructure will be considered on a case-by-case basis. Project Development Grant applicants can request grants to fund these items in their entirety.

Appendix B – TCC-funded Projects by Strategy

This appendix is only applicable to Implementation Grants. Planning Grants and Project Development Grants do not require TCC Strategies and Projects.

Summary: The first section of Appendix B describes the Implementation Grant application and implementation strategy requirements applicable to all projects. The remainder of Appendix B outlines the eligible project types and activities, eligible costs, and requirements for each Strategy. There may be additional requirements outlined in the TCC Implementation Grant Agreement. (*See Appendix I sample grant agreement*)

Eligible Application Requirements

Applicants must select a combination of at least three Projects from at least three Strategies. At least one Project must directly reduce greenhouse gas emissions, and all Projects must directly reduce greenhouse gas emissions or contribute directly to meaningful public health benefits.

Applicants may propose projects that combine fundable elements from multiple Strategies. Such projects will be referred to as Multi-Strategy Projects and must demonstrate substantive use of multiple distinct Strategies within a clearly defined site. Multi-Strategy Projects will have one Project/Plan Lead, with the option to add other organizations as Partners.

All projects must meet the Application and Pre-Development Requirements outlined in Section 10 Application Requirements to demonstrate the Project can be feasibly implemented within the grant term. Application and Pre-Development 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.

Application and Pre-Development Requirements must be completed prior to beginning project implementation. Projects will be carefully vetted during the application review to ensure the feasibility of each project. Additional documents may be requested from applicants in advance of the Round 6 awards.

Strategy 1: Equitable Housing and Neighborhood Development

TCC will fund the development of affordable housing and related transit infrastructure and programs, according to Affordable Housing and Sustainable Communities Program (AHSC) requirements. Below are the general requirements, eligible project types and fundable activities, applicant requirements, eligible project costs, Application and Pre-Development Requirements, and Strategy-specific 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 10 Guidelines (*See https://sgc.ca.gov/grant-programs/ahsc/*). A summary of AHSC guidelines is included below. The AHSC Round 10 Guidelines document contains further details 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. TCC-funded AHSC Projects are funded by a grant, not a loan.

However, please note that 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 in accordance with the application review and scoring process set forth in the TCC Round 6 Guidelines (Section 9.7). 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 application.

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 a minimum include one of the following vehicle miles traveled (VMT)-reducing components to fulfill AHSC's threshold of reducing GHG emissions through fewer VMT:

- New or expanded transit services (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 accessible to residents of the proposed housing development and be connected to other proposed or existing transit or active transportation systems. This transportation project should be included in the Equitable Housing and Neighborhood Development Strategy. If it meets the requirements of TCC Strategy 3: Transit Access and Mobility, it can also count toward the requirement to have Projects from three different Strategies.

Applicant Requirements

Lead Applicant 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)[20]

Applicants must demonstrate experience by providing evidence of at least two completed projects that are similar in scope and size to each proposed AHSC capital project, where the applicant was the developer in the past 10 years. If an applicant relies upon the experience of its Principal to

[20] For AHSC projects an Indian Tribe as defined under USC Section 4103(13)(B) of Title 25; or a Tribally-Designated Housing Entity under 25 USC 4103(22), or 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 65352.3. Eligible Tribal projects are outlined in the AHSC Guidelines, Appendix B. Tribal Eligibility.

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.

Application Requirements

Proposed projects must meet Application Requirements according to 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 are 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 due date.

Site Control

Applicants must demonstrate site control at application. The eligible applicant 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 the California Department of Housing and Community Development (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 of at least 50 years
    - An attorney's opinion regarding chain of title and current title status is acceptable in lieu of a title report

Enforceable Funding Commitments

Enforceable Funding Commitments are defined as a letter or other document evidencing, to the satisfaction of the AHSC Program and the California 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 U.S. 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 (*See* *https://sgc.ca.gov/grant-programs/ahsc/*), 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 due date. 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. HCD 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 grant agreement.

Financial Feasibility

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

Other Required Documentation Demonstrating that the Project:

- Is consistent with State Relocation Assistance Law
- Has been granted all necessary discretionary land use approvals, excluding design review
- Is consistent with State and Federal Fair Housing requirements including duties to affirmatively further fair housing
- 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
- Is consistent with state planning priorities
- Applicant and/or project is not party to or subject of a lawsuit
- Is consistent with local public works department, or other responsible local agency requirements
- Application contains an estimated project milestone schedule
- Construction has not yet commenced
- Contains Housing Element that is in substantial compliance by the date of award recommendation, as demonstrated by a letter from HCD

Pre-Development Requirements

Other requirements required before the end of the Pre-Development Phase include, but are not limited to the following:

- Documentation of completed CEQA and NEPA, if applicable on all non-housing components

- Documentation of completed environmental compliance such as those prompted by rental and/or operating subsidies
- 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
- 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 HCD Uniform Multifamily Regulations and Multifamily Housing Program Guidelines
- 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-serving facility (defined in Appendix A). Below are the general requirements, eligible project types and fundable activities, applicant requirements, Application and Pre-Development Requirements, and project specific 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-serving facility must provide a letter of commitment establishing the proposed community-serving facility land use. Applicants are required to purchase or lease the land and ensure development of the land within the grant term, otherwise the State will need to be reimbursed for the investment.

See Section 8.1 Eligible costs for more information on land acquisition requirements.

Eligible Project Activities

Project Type: Land Acquisition

Eligible activities include but are not limited to:

- Land and property acquisition
- Fees associated with acquisition, such as:
    - Legal fees
    - 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
- Obtaining a ground lease, deed of trust, deed restriction, 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 term)
- 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

Project Type: Outreach and Implementation

TCC activities 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

Eligible Project Costs

Eligible costs include, but are not limited to:

- Land acquisition that will result in affordable housing or a community facility on the acquired land
- Fees associated with land acquisition, including:
    - Legal fees
    - Escrow fees and transfer taxes
    - Building permit fees
    - Impact fees
    - Other fees
    - Environmental impact reports and assessments
- Financing costs, including:
    - Pre-development interest/holding cost (interest accumulated from a loan for development costs)
    - Loan fees
    - Rehabilitation, 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, deed restriction or covenant
- Outreach and implementation
- Community Land Trust administrative capacity building

Applicant Requirements

Lead Applicant 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
- California Native American Tribes

- Tribally-owned nonprofits
- 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

Application Requirements

The following are required at the time of Application:

- Letter of commitment from the seller to sell the property, which shall extend through the anticipated date of the Program award
- Identify CEQA requirements and timeline to obtain compliance
- Permits identified or attestation that agency is self-permitting
- Draft scope of work and budget
- Evidence of land value for requested acquisition, such as an appraisal
- If the site is not secured:
    - Describe the possible sites that have been identified
    - Describe the steps to complete the Preliminary Scoping Plan requirement during the Pre-Development Phase
    - Describe the steps to complete the Preliminary Title Report requirement during the Pre-Development Phase
    - Description of the permitted land use for each potential site and steps to obtain the zoning documentation requirement during the Pre-Development Phase
- If the site is acquired:
    - Zoning documentation to demonstrate that the proposed use is consistent with the permitted land use
    - 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.
    - Preliminary title report including parcel numbers, acreage, and willing seller information (entity type, name, and size; e.g., private property owner, developer, government agency, nonprofit, etc.), and whether the is property subject to any right of way or easement
- Community Land Trust projects must 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: Rehabilitation, Construction, and Permanent Financing (as applicable)
    - Phase 4: Conversion to Resident Ownership, Rental Housing, or Community-serving Facility
    - Phase 5: Long-Term Stewardship
- Letter of commitment that demonstrates a commitment to establish a restriction on land use for the proposed community-serving facility during the Pre-Development Phase
- Plan for acquiring deed restrictions for developing very low, low, and/or moderate-income affordable housing
- Letter of support for acquisition of the property for affordable housing or community-serving 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

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- Final scope of work and budget
- CEQA Notice of Determination, Notice of Exemption, or documentation of compliance
- 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
- Final title report if not provided at application
- Zoning documentation if not provided at application
- A recorded instrument (e.g., a deed of trust) or documentation of a deed restriction that reverts the real property interest to a participating local government in the case of discontinued operation to protect the community-serving use element.
- Final approved appraisal of land value
- Permits obtained (or notice of exemption)
- Operations and maintenance plan

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 the transit access and mobility Strategies as part of their application. Each sub-strategy of Strategy 3 will count towards the requirement of three unique Strategies. For example, if an applicant chooses Strategy 3.1 and 3.2, this will count for two of the required three Strategies.

Each section below lists the eligible project types and fundable activities, applicant requirements, eligible project costs, and Application and Pre-Development 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).[21]
- Bikeway upgrades from Class II to Class IV
- 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, Expanded, or Enhanced 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:
    - Lighting installation
    - Installation of signage and way-finding markers
    - Other related amenities for pedestrians, cyclists and transit riders
- Installation of new/improved pedestrian crossings, over-crossings, and/or accessible signals.
- Benches or “street furniture”
- Traffic calming infrastructure, including, but not limited to:
    - Curb extensions
    - Roundabouts
    - Median islands / road diets
    - Lane narrowing projects

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, expanded, or pilot bike share or bike library program
- Publicly accessible bicycle parking
- Bicycle repair kiosks
- Bicycle carrying structures on public transit

[21] Functional classification, travel forecasts, levels of service, purpose and transportation need, environment, safety, place audit are among the factors that defines context sensitive bikeways.

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 publicly accessible 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
- Operational costs
- Program costs associated with education, outreach and training for active transportation or transit ridership
- Costs associated with bike sharing (including electric bicycles):
    - Bicycle purchase costs
    - Locking station purchase and installation costs
    - Helmets for bicycle sharing participants
    - Safety course costs
    - Insurance costs
    - Maintenance costs

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 acquisition costs

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
- Tribally-owned nonprofits
- Private or nonprofit organizations
- Other entities with oversight of transportation or recreation trails

Application Requirements

The following are required at the time of application:

- Site control

- CEQA:
    - Capital infrastructure projects: Notice of Exemption, Notice of Determination, or documentation of compliance
    - Small infrastructure projects where Notice of Exemption can be routinely obtained during project implementation (e.g. bike parking, new bus shelters, etc.):
        - Identify CEQA requirements and timeline to obtain compliance
- Permits identified or attestation that agency is self-permitting
- Draft scope of work and budget
- Project design for capital improvement projects (15%-30%) including a cross-section for bicycle and pedestrian improvements
- Project map that shows transit routes and major activity centers in the Project Area

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- CEQA Notice of Exemption, if applicable
- Final scope of work and budget
- Permits obtained (or notice of exemption)
- Program implementation policies and roll-out plan for bicycle sharing, library, and repairs
- Operations and maintenance plan
- 100% Design Plans, Specifications, and Estimates (PSE)

Strategy 3.2: Transit and Rail Access

Eligible Project Activities

Project Type: New or Expanded Service

Eligible activities include but are not limited to:

- New, enhanced, expanded, or pilot transit service through:
  - Bus or rail service, intercity commuter service, or water-borne transit (ferry)
  - Operation of alternative transportation services
  - Microtransit
- Construction of facilities in support of new, expanded, or enhanced transit service

Project Type: Technology Conversion for Transit Service

Eligible activities include but are not limited to:

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

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 public transportation vouchers for free or reduced transit fares or other mobility subsidies
- Improvements that result in increased ridership for existing routes, including project elements that increase service levels, reliability, or decrease travel time, such as:
  - Multimodal integration implementation, such as:
    - Integrated ticketing/scheduling systems and related capital investments (California Integrated Travel Project – dot.ca.gov/cal-itp)
    - Enabling/enhancing shared-use corridors without net air pollution increases
    - Related planning efforts focused on integrated service without requiring major capital investment
  - Bus rapid transit or rail service and other bus and ferry transit investments
    - Vanpool, shuttle, or microtransit services operated as public transit

- Improvements to existing rail service effectiveness with a focus on improved operating agreement, schedules, and capital investments that increase rider experience
- 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:

- Construction and equipment cost for enhancing access and rider experience
- Operational expenditures that increase transit mode share or transit access, including public safety improvements
- Other capital project costs required as a condition of local approval for the capital project, as approved by the State
- New or expanded programs to provide education, outreach, or training to encourage active transportation, transit ridership, or mode share
- Equipment acquisition, fueling, maintenance, and other costs to operate new, enhanced, or expanded transit service or facilities
- 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 and administration of traveler surveys
- 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 acquisition costs

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
- Tribally-owned nonprofits
- For profit companies that specialize in transit and rail access

Application Requirements

The following will be required at the time of application:

- Site control
- CEQA:
    - Capital infrastructure projects: Notice of Exemption, Notice of Determination, or documentation of compliance
    - Small infrastructure projects where Notice of Exemption can be routinely obtained during project implementation (e.g. bike parking, new bus shelters, etc.):
        - Identification of CEQA requirements and timeline to obtain Notice of Exemption
- Permits identified or attestation that agency is self-permitting
- Draft scope of work and budget
- Documentation of the project's coordination with other transit services and plans
- Project map showing transit routes and major activity centers in the Project Area
- Project design for capital improvement projects (15%-30%)
- Letters of support from:
- Local or regional agency or agencies
- A Metropolitan Planning Organization's (MPO's) indication of whether the project is consistent with an adopted Sustainable Communities Strategy, or in non-MPO regions, a regional plan to reduce greenhouse gas emissions

Pre-Development Requirements

The following will be required before the end of the Pre-Development Phase:

- CEQA Notice of Exemption, if applicable
- Agreements with key partners that will be responsible for implementing the project (e.g., agreement with rail operators)
- Final scope of work and budget
- Procurement schedule
- Projections for the project's effect on ridership due to new routes or expanded services
- Permits obtained (or notice of exemption)
- 100% Design Plans, Specifications, and Estimates (PSE), if applicable
- Operations and maintenance plan

Strategy 3.3: Car Sharing and Mobility Enhancement

TCC will fund the purchase or lease of zero-emission vehicles and the purchase and installation of support facilities and infrastructure for the zero-emission technology for the purpose of expanding or enhancing mobility options for the entire Project Area.

Eligible Project Activities

Project Type: Purchase or Lease of Zero-emission Vehicle Technology Types to be Used for Car Sharing, Vanpooling, Ride-sharing, Microtransit, and Other Mobility Options

Eligible activities include but are not limited to:

- Purchase, construction, and/or installation of infrastructure, equipment, or facilities to support zero-emission technology vehicles. Advanced technologies may include but are not limited to:
    - Battery electric vehicles
    - Fuel cell electric vehicles
    - Hydrogen fuel cell 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.

Project Type: New, Expanded, or Pilot Car Sharing, Microtransit, or Vanpooling Service

Eligible activities include but are not limited to:

- Distribution of universal transportation fares or mobility wallets that provide transportation services and reduce VMT
- Operations and operations improvements

Eligible Project Costs

Eligible costs include but are not limited to:

- Operational costs: details of allowable operational costs/structures will depend on the proposed shared mobility model
- Community outreach and education, including preparation of materials, travel, printing, mailing, education classes, and other expenses directly tied 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 and EVSE maintenance costs
- Vehicle, driver, passenger, and facilities insurance costs

- Reservation system development and on-going maintenance costs during the grant term.
- Fare media (physical and digital/virtual)
- 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 may include education, outreach and training.

Ineligible Costs

- Fuel and electricity costs
- Fare subsidies for car sharing (if TCC is funding operations)
- Operations for car sharing (if TCC is funding fare subsidies)

Applicant Requirements

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

- Local public agency
- Nonprofit organizations
- California Native American Tribes
- Tribally-owned nonprofits
- For-profit companies that specialize in carsharing and mobility enhancement projects

Application Requirements

The following will be required at the time of application:

- Site control
- Identify CEQA requirements and timeline to obtain compliance
- Permits identified or attestation that agency is self-permitting
- Draft scope of work and budget
- Project design for capital improvement projects (15%-30%)

Pre-Development Requirements

The following will be required before the end of the Pre-Development Phase:

- CEQA Notice of Determination, Notice of Exemption, or documentation of compliance
- Permits obtained (or notice of exemption)
- Final scope of work and budget
- Project map of proposed mobility sharing service area
- Program implementation policies and roll-out plan
- Operations and maintenance plan
- 100% Design Plans, Specifications, and Estimates (PSE), if applicable

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

TCC will fund the installation of solar photovoltaic (PV) systems, energy efficiency retrofits, cool roofs, and replacement of natural gas fueled appliances with all-electric energy efficient equivalents under this Strategy. Eligible locations include qualifying low-income residences and community-serving facility. Below are the eligible project types and fundable activities, applicant requirements, eligible project costs, Application and Pre-Development Requirements, and project-specific requirements for Strategy 4.

Eligible Project Activities

Project Type: 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
- 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

- Cool roofs, utilizing rated roofing products[22]

Project Type: 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
- New stove hoods in conjunction with eligible stove retrofits or replacements above

Eligible Project Costs

Eligible costs include but are not limited to:

- Direct costs: costs associated with and necessary for the installation of qualified fundable activities under this Strategy, including:
    - Labor, materials, permitting, and subcontractors.
    - Limited new infrastructure in conjunction with qualified fundable activities under this Strategy, including but not limited to electrical panels and electrical circuits.
    - Proposed energy efficiency measures beyond what is listed under this Strategy must be in accordance with California Department of Community Services and Development Low-Income Weatherization Program (CSD LIWP) Measure standards, standards used in the California Energy Commission Equitable Building Decarbonization Program, Database of Energy Efficiency Resources (DEER), or other similar State energy efficiency programs and standards as approved by TCC staff.
    - Support Costs (e.g., site assessment, project management, training and technical assistance needs, customer education).
- Limited repair costs for projects with solar PV installation: Costs necessary to facilitate the installation of qualified fundable activities in this Strategy are capped at 20% of the total overall TCC-funded project budget. Repair budgets may be increased beyond 20% of the total TCC-funded portion of the project budget only with prior written approval from TCC staff. Repairs for solar PV installation must be cost effective per the Savings to Investment Ratio (SIR) – described below.
    - Eligible repair measures may include, but are not limited to:
        - Dry rot repair, water heater platform repair, remediation of electrical hazards, construction needed to create physical space for decarbonization

[22] 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.

measures, repair of roof or envelope leaks/damage, remediation of galvanized pipe, lead paint, asbestos, and/or mold, installation of smoke and carbon monoxide alarms, ventilation, and other work needed to bring property up to code.

Ineligible Costs:

- Installation of new high-efficiency equipment that is not a replacement of low-efficiency equipment.
- Household EV chargers.
- Home repair costs that are not necessary for or part of the installation of a qualified fundable activity listed in this Strategy.

Applicant Requirements

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

- Local public agencies
- Joint powers authorities
- Nonprofit organizations
- California Native American Tribes
- Tribally-owned nonprofits
- Community-based organizations

Application Requirements

The following are required at the time of application:

- Draft scope of work and budget
- Draft list of installation measures
- Community-serving facility:
    - Site Control
    - Letter of commitment for community-service use
    - Permits identified or attestation that agency is self-permitting
    - Project design for capital improvement projects (15%-30%)
- Lead or Co-Applicant must demonstrate three 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

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- Final scope of work and budget
- Final list of installation measures

- For residential properties: final homeowner installation agreement and homeowner training
- Community-serving facilities:
    - 100% Design Plans, Specifications, and Estimates (PSE), if applicable
    - Final property owner agreement
    - Permits obtained (or notice of exemption)
    - Deed restriction, if applicable
    - Property owner training
    - Operations and maintenance plan
- Outreach plan
- Implementation plan
- Documentation of site assessments
- Proof of maintaining an active Class B, General Contractor License, issued by the California Contractors License Board throughout the life of the project implementation

Strategy-specific 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. A 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. Solar photovoltaic installation projects must be cost-effective using the following calculation and meet the SIR of 1.

SIR Calculation (calculated by residence or facility):

$$SIR = \frac{Lifetime\ Savings}{Investment}$$

$$SIR = \frac{(First\ Year\ kWh\ Savings^{23} \times Customer\ Cost\ per\ kWh \times 27.7941\ Years)}{[(Contracted\ Cost\ Per\ Watt \times \#\ Watts\ Installed)\ OR\ (Total\ Project\ Cost) + Repair\ Costs] - Leveraged\ Funding}$$

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 Non-residential Solar PV Projects:

Eligible non-residential properties:

- Community-serving facility (defined in Appendix A)
- Public community infrastructure, including water supply and wastewater infrastructure, 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:

- For solar PV installation, participants must own the property and must have a household income at or below 80% of the county's Area Median Income (AMI), or 80% of the State Median Income (SMI), whichever is higher.
- For all other Strategy 4 project types, participants may be either property owners or tenants that have a household income at or below 80% of the county's Area Median Income (AMI), or 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.[24]
- Single-family property owners with tenant participants will be subject to program participation agreements specified in the grant agreement, and include the following elements: rent increase limitations, eviction protections, information for tenants and property owners on rights and responsibilities under the program, and requirements related to project work and temporary displacement.

Multi-family properties:

- Participants must demonstrate that at least 66% of the dwelling units in a building are occupied by households with incomes at or below 80% of the county's AMI, or 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 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

[24] 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

equal 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 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 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:

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 with 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).

Cost Effectiveness for Energy Efficiency and Appliance Electrification Projects:

1. Required Measures

All building retrofits conducted by the program will, at a minimum, include the following elements:

a) Replace existing gas-fired heating equipment with a heat pump for space heating and cooling or replace an existing gas-fired water heater with a heat pump water heater.
b) At the conclusion of the retrofit, at least two of the following four end uses in the building must be electric: space heating, water heating, cooking, and clothes drying. Full building electrification is encouraged but not required.

2. Electrical Upgrades

Upgrades to a building's electrical system and upsizing of the electrical panel are eligible measures. However, TCC encourages building retrofits that avoid the need for electrical panel upgrades when appropriate. While electrical panel upgrades will be needed in some homes, avoiding unnecessary panel upgrades will allow projects to be completed more quickly and at lower cost. Administrators shall encourage contractors to utilize strategies to avoid unnecessary panel upgrades, such as:

- Use of the load calculation methodology described in California Electrical Code Section 220.87 to determine whether a panel upgrade is needed.
- Selection of low-power appliances, such as 120V heat pump water heaters and heat pump clothes dryers, where appropriate.
- Installation of automatic circuit sharing devices as an alternative to upgrading the electrical panel, where appropriate.
- Avoiding the installation of space heating and water heating systems that have resistance heating elements, where appropriate.
- Use of sub-panels to facilitate the addition of new circuits or when there are not enough open slots to accommodate new circuits in the existing panel.

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 facility under this Strategy. Below are the eligible project types and fundable activities, 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 disadvantaged unincorporated 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
- Tribally-owned nonprofits

Application Requirements

The following are required at the time of application:

- Draft list of installation measures
- Draft scope of work and budget
- For community-serving facilities:
    - Site control
    - Letter of commitment for community-service use

    - Permits identified or attestation that agency is self-permitting
    - Project design for capital improvement projects (15%-30%)
- Lead or Co-Applicants must demonstrate three years of experience administering and performing water efficiency installations
- Lead or Co-Applicants must be in good standing with all appropriate local and state oversight and licensing authorities

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- Final list of installation measures
- Final scope of work and budget
- For residential properties: final homeowner installation agreement and homeowner training
- For community-serving facilities:
    - 100% Design Plans, Specifications, and Estimates (PSE), if applicable
    - Final property owner agreement
    - Permits obtained (or notice of exemption)
    - Deed restriction, if applicable
    - Property owner training
    - Operations and maintenance plan
- Outreach plan
- Implementation plan
- Documentation of site assessments

Strategy-specific Requirements

Eligibility Requirements for All Projects:

Single family properties:

- Participants (property owners or tenants) must have a household income at or below 80% of the county's Area Median Income (AMI), or 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.[25]
- Single-family property owners with tenant participants will be subject to program participation agreements specified in the grant agreement, and include the following elements: rent increase limitations, eviction protections, information for tenants and

[25] 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

property owners on rights and responsibilities under the program, and requirements related to project work and temporary displacement.
    - 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 60 days following the completion of weatherization services.

Multi-family properties:

- Participants must demonstrate that at least 66% of the dwelling units in a building are occupied by households with incomes at or below 80% of the county's AMI, or 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 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 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 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.

Community-serving facility:

- Eligible nonresidential properties must meet the definition of a community-serving facility (defined in Appendix A)
- 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 activities, applicant requirements, eligible project costs, and Application and Pre-Development 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 to promote a circular economy including but not limited to:
    - Composting of organics
    - 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 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
- 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 organic reutilization facilities
- Residential or commercial compost, anaerobic digestion, and/or recycling collection equipment or programs
- 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, except for those listed below as ineligible

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 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
- Tribally-owned nonprofits
- 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)

Application Requirements

The following are required at the time of application:

- Site control
- Identify CEQA requirements and timeline to obtain compliance
- Permits identified or attestation that agency is self-permitting
- Draft scope of work and budget
- Draft project design

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- Final scope of work and budget
- Operations and maintenance plan
- CEQA Notice of Determination, Notice of Exemption, or documentation of compliance
- Final project design
- Material flow charts (and supporting documentation)
- Feedstock certification, as applicable
- Permits obtained, including the following, 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 activities, applicant requirements, and Application and Pre-Development 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:

- Tree planting
- Tree and plant establishment care
- Planting site preparation
- Vegetation planting

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 within the grant term

Ineligible Costs

- Projects not in accordance with CALFIRE 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 (according to the California Model Water Efficient Landscape Ordinance)
- 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 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
- Tribally-owned nonprofits
- Public agency
- Nonprofit organization
- Joint powers authority
- Special districts (including, but not limited to school, park, recreation, water, and local taxing districts)

Application Requirements

The following are required at the time of application:

- Site control
- Draft scope of work and budget
- CEQA:
    - Capital infrastructure projects (e.g. park renovations, etc.): Notice of Exemption, Notice of Determination, or documentation of compliance
    - Small infrastructure projects where Notice of Exemption can be routinely obtained during project implementation (e.g. tree planting, etc.): timeline to obtain Notice of Exemption
- Draft project map of proposed greening sites
- Project design for capital improvement projects (15%-30%)
- Permits identified or attestation that agency is self-permitting
- Operations and maintenance plan to be followed during grant term

- Long term tree care and maintenance commitment

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- CEQA Notice of Exemption, if applicable
- Final scope of work and budget
- Permits obtained (or notice of exemption)
- Final project map of greening sites
- 100% Design Plans, Specifications, and Estimates (PSE), if applicable
- Detailed tree and plant species list approved by a certified expert (e.g., Regional Urban Forester, certified arborist, landscape architect). Tree and plant species must be climate appropriate for the selected sites.
- Demonstration of sustainable water use. 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.
- Lead Grantees and Partners 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. 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 at least 5 years, beyond the grant term. 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 under this Strategy include access to community resource centers, supportive services, healthy food, parks, open space, recreation, and extreme heat resilience. Below are the eligible project types and fundable activities, applicant requirements, eligible project costs, and Application and Pre-Development Requirements for Strategy 8.

Eligible Project Activities

Project Type: Community Resource Centers that Provide Access to Social Programs and Services, including Capital Projects Associated with Permanent Physical Space

Eligible activities include but are not limited to:

- Construction of a new community resource center
- Provide improvements or renovations to existing community spaces that will enhance access or programs for community members

Project Type: Food Access

Eligible activities include but are not limited to:

- Urban agriculture, including front yards, back yards, rooftop gardens, food forests, roadside urban fringe agriculture, livestock grazing in open space, and indoor hydroponic or aquaculture facilities[26]
- Community gardens [27]
- School gardens
- Community kitchen
- Food cooperatives
- Community-based food distributors or community food hubs - Alternative food distribution mechanisms such as Community Supported Agriculture boxes or other methods of food distribution from local or regional sourced food[28]
- Agricultural and healthy food education opportunities for children and adults
- Increasing access to culturally important foods

[26] Operations may range from community-scale gardening to commercial production on a larger scale.

[27] 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.

[28] For more information and resources on community-based food cooperatives and distribution programs, see the CDFA - Farm to Community Food Hubs Grant Program Request for Application (p. 5).

Project Type: Park, Open Space, and Recreation Access

This project type is typically paired with elements of nature-based solutions through Strategy 7 (Urban Greening). This section clarifies eligible stand-alone elements that may be integrated into other projects or funded individually. Eligible activities include but are not limited to:

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

Project Type: Extreme Weather Mitigation and Resilience

This project type may be paired with elements of other project types or Strategies. This section clarifies eligible stand-alone elements that may also be integrated into other projects or funded individually. Eligible activities include but are not limited to construction, maintenance, and repair of:

- Efficient drinking water fountains for people and pets
- Efficient splash pads, misting systems and other public water features [29]
- Transit shelters (shade and cooling enhanced) (Strategy 3.2)
- Shade structures in community spaces
- Active and passive cooling infrastructure in key community buildings and resilience hubs (Strategy 12)
- Cool and smart surfaces, including cool pavement (sidewalk and road resurfacing)
- Cool corridor projects
- Cool building retrofits (retrofitting existing public buildings, such as schools and libraries, with energy-efficient technologies, passive cooling techniques, cool roofs and other surfaces, and/or cooling systems) (Strategy 4 and Strategy 12)
- Installing passive and active solutions across households to protect families during extreme heat, such as solar control ventilation, insulation, fans, swamp coolers, and air conditioning
- Rain gardens specifically designed to reduce local air and surface temperatures
    - Rather than only managing stormwater, these “cooling” rain gardens focus on lowering temperatures through natural processes like evapotranspiration and strategic shading.
- Extreme heat resilience related projects based in Traditional Ecological Knowledge
- Other nature-based solution projects listed in the California Natural & Working Lands Climate Smart Strategy

[29] Efficient systems include those using recirculating systems, eco-friendly materials, and incorporating water conservation features like automatic shut-off valves or timers.

Eligible Project Costs

Eligible costs include but are not limited to:

- Direct project costs, including staff and benefits
- Support costs for job-related training, technical assistance, marketing, outreach
- Support costs for community engagement, education, and participation related to healthy food access
- Land acquisition and funding access to water for establishing and maintaining community resource centers, small scale community gardens, urban agriculture, community-based food distributors, or community farms[30]
- New construction or retrofit costs for community resource centers or community-based food distributors, including the cost of facilities and accompanying campus amenities
- Costs associated with resources that support health equity in the Project Area
- Costs associated with developing business plans for the startup and operations of urban farms, community-based food distributors or food cooperatives
- Efficient irrigation systems that include timers on valves, pumps, sprinklers, etc.
- Community Needs Health Assessment[31] to track food access and other health needs of the community

Ineligible Costs

- Inefficient irrigation systems or water features, or overly costly and elaborate irrigation systems or water features, according to the California Model Water Efficient Landscape Ordinance (MWELO)
- Remediation needed for the Project Area (e.g., soil, land, etc.)
- Infrastructure projects that do not include greening components or nature-based solutions

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
- Tribally-owned nonprofits
- Locally operating health system, hospital, clinic, health plan
- Nonprofit organizations with expertise in health, food access, or urban farming

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[30] For water use to be an eligible cost, grantees must ensure water access is available for residents of the community.

[31] Community Health Needs Assessment Toolkit, American Hospital Association https://www.aha.org/resources/community-health-assessment-toolkit

- UC, CSU, or other public universities and colleges

Application Requirements

The following are required at the time of application:

- Site control
- Identify CEQA requirements and timeline to obtain compliance
- Draft scope of work and budget
- Project design for capital improvement projects (15%-30%)
- Permits identified or attestation that agency is self-permitting
- For food hubs:
    - If the site is secured, zoning documentation to demonstrate that the proposed use is consistent with the permitted land use
    - If the site is not secured, description of the permitted land use for each potential site and steps to obtain zoning documentation once the site is secured

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- Final scope of work and budget
- CEQA Notice of Determination, Notice of Exemption, or documentation of compliance
- Permits obtained (or notice of exception)
- 100% Design Plans, Specifications, and Estimates (PSE), if applicable
- Zoning documentation if not provided at application
- Operations and maintenance plan
- Business plans for the startup and operations of urban farms, community-based food distributors, or food cooperatives that defines the marketing, operations, and financial strategies

Strategy 9: Indoor Air Quality

TCC will fund indoor air filtration projects for low-income residences and community-serving facility under this Strategy. Below are the eligible project types and fundable activities, applicant requirements, eligible project costs, and Application and Pre-Development 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 community-serving facility such as residences, schools, 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-serving facility

Applicant Requirements

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

- Local public agencies
- Joint powers authorities
- Nonprofit organizations
- Community-based organizations
- California Native American Tribes
- Tribally-owned nonprofits

Application Requirements

The following are required at the time of application:

- Draft scope of work and budget
- Permits identified or attestation that agency is self-permitting
- Community-serving facility:
    - Site control
    - Letter of commitment for community-service use
    - Permits identified or attestation that agency is self-permitting
    - Project design for capital improvement projects (15%-30%)
- For indoor air filtration projects involving work on central heating, ventilation, and air conditioning:
    - Lead or Co-Applicants must demonstrate three years of experience administering and performing indoor air filtration improvements
    - Lead or Co-Applicant must be in good standing with all appropriate local and state oversight and licensing authorities

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

    - Final scope of work and budget
- For residential properties: final homeowner installation agreement and homeowner training
- For community-serving facilities:
    - 100% Design Plans, Specifications, and Estimates (PSE)
    - Final property owner agreement
    - Permits obtained (or notice of exemption)
    - Deed restriction, if applicable
    - Property owner training
    - Operations and maintenance plan
    - Outreach plan
    - Implementation plan
    - Documentation of site assessments

Strategy-specific Requirements

Household Eligibility Requirements for All Projects:

Single family properties:

- Participants (property owners or tenants) must have a household income at or below 80% of the county's Area Median Income (AMI), or 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.[32]

Multi-family properties:

- Participants must demonstrate that at least 66% of the dwelling units in a building are occupied by households with incomes at or below 80% of the county's AMI, or 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 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 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 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 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 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.

[32] 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

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 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. Projects must be located at a community-serving facility that provides critical services to the residents of the Project Area such as cooling or heating centers, and community food access. Below are the eligible project types and fundable activities, applicant requirements, eligible project costs, and Application and Pre-Development 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 a critical community-serving facility (defined in Appendix A)

Eligible Project Costs

Eligible costs 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-serving facility

Applicant Requirements

Lead or Co-Applicant must include one of the following:

- Local public agencies
- Joint powers authorities
- Nonprofit organizations
- Community-based organizations

- California Native American Tribes
- Tribally-owned nonprofits

Application Requirements

The following are required at the time of application:

- Site control
- Draft scope of work and budget
- Letter of commitment for community-service use
- Identify CEQA requirements and timeline to obtain compliance
- Permits identified or attestation that agency is self-permitting
- Project map demonstrating project site is within a Tier 2 or 3 High Fire Threat District and located at a community-serving facility
- Documentation of Public Safety Power Shutoff (PSPS) events or power outages due to extreme weather events
- If applicable, draft Clean Power Transition Plan 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).
- Microgrid feasibility study for the project site, including analysis of energy use history and potential generation and storage capacity.
- Preliminary microgrid system design (15-30%)
- Letter of commitment from key implementing partners which describes their roles
- 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 such as:
    - Completing similar microgrid projects
    - Certification in Energy Storage & Microgrid Training & Certification (ESAMTAC)
    - Receiving recognized credentials with similar content, or that otherwise demonstrate the relevant capacities.
- Additional Letters of Support that demonstrate alignment with any existing Hazards Mitigation Plans, need for a resiliency center, or other Project features from Project partners, regional agencies, local utility company, or the community choice aggregator

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- Final scope of work and budget
- Final operations and maintenance plan
- CEQA Notice of Determination, Notice of Exemption, or documentation of compliance
- Permits obtained (or notice of exemption)
- Microgrid System Design (100%) and Plans, Specifications, and Estimates (PSE)
- Final Clean Power Transition Plan, if applicable

- 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
- A recorded instrument (e.g., a deed of trust) or documentation of a deed restriction that reverts the real property interest to a participating local government in the case of discontinued operation to protect the community-serving use element
- Documentation of community-serving facility that provides critical services to the residents of the Project Area such as cooling or heating centers, and community food access

Strategy 11: Brownfield Redevelopment

TCC will fund community-serving Brownfield Redevelopment projects under this Strategy. Below are examples of eligible project types and fundable activities, applicant requirements, eligible project costs, and Application and Pre-Development 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), water boards, or a local agency 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-serving facility subject to approval by SGC.

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.

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. Environmental Protection Agency) 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.

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: Development Phase

Eligible projects in this phase should have met the elements outlined in the *Strategy-Specific 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-serving facility 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-serving facility

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
    - The combined cost of environmental remediation and project construction must not exceed 10% of total TCC Grant funds
- Construction and/or substantial rehabilitation of affordable housing, mixed-use, green space, health clinics, cultural institutions, or other community-serving facility 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

- Site or land acquisition costs (may be eligible under Strategy 2: Land Acquisition for Neighborhood Stabilization)
- Construction or development of industrial type uses
- Projects that do not serve a community-serving facility
- Costs associated with the abandonment of oil wells or mine features
- Redevelopment 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
- Nonprofit organizations
- Community-based organizations
- California Native American Tribes
- Tribally-owned nonprofits
- 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.

Application Requirements

The following are required at the time of application:

- Site control
- Draft scope of work and budget
- Identify CEQA requirements and timeline to obtain compliance
- Permits identified or attestation that agency is self-permitting
- Zoning documentation to demonstrate that the proposed use is consistent with the permitted land use
- Project design for capital improvement projects (15%-30%)
- Letter of commitment that demonstrates a commitment to establish a land use restriction for the proposed community-serving facility
- All Projects must demonstrate 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
    - For 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 confirm that no plans are required related to site clean-up and remediation nor oversight by an appropriate government agency or third-party entity.
- For contaminated sites (based on initial site investigations): Projects whose site investigations do identify contamination will be subject to the requirements that establish the types of investigation, government agency or approved third-party oversight, and clean-up plans necessary for Brownfield Redevelopment projects to permitted to proceed to Implementation 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, documentation of sufficient site testing and to determine the extent of contamination and the estimated cost of clean-up exploration must be submitted with the application.
        - 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.
- Final Scoping Plan containing:
    - A completed community engagement plan
    - A development plan with schematic design and pro forma (project financing model)
    - Narrative justification of the requested costs
    - Timeline and community process for the brownfield clean-up and/or proposed (community-serving facility) project

- 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.

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- Final scope of work and budget
- CEQA Notice of Determination, Notice of Exemption, or documentation of compliance
- Permits obtained (or notice of exemption)
- 100% Design Plans, Specifications, and Estimates (PSE)
- Operations and maintenance plan
- A recorded instrument (e.g., a deed of trust) or documentation of a deed restriction that reverts the real property interest to a participating local government in the case of discontinued operation to protect the community-serving use element

Brownfield Redevelopment Resources

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

Strategy 12: Community Resilience Centers

TCC will fund the new construction and upgrades of facilities to serve as Community Resilience Centers, as well as services and programs that build overall community resilience, according to the Community Resilience Centers Program (CRC) requirements. Below are the general requirements, eligible project types and fundable activities, applicant requirements, eligible project costs, Application and Pre-Development Requirements, and strategy-specific requirements for Strategy 12.

If an application includes a project under this Strategy, the project must conform to the required thresholds of the Community Resilience Centers Program as outlined in their Round 2 Guidelines (https://sgc.ca.gov/grant-programs/crc/). A summary of the Program Guidelines is included below. The CRC Round 2 Guidelines document contains further detail and will be the authority in the event of any discrepancies in threshold requirements.

TCC will not use the CRC scoring criteria to determine project eligibility or competitiveness. TCC will review and score projects according to the application review and scoring process set forth by the TCC Round 6 Guidelines. Projects proposed under a TCC application will be evaluated according to their alignment with the TCC program and objectives.

General Requirements

CRC projects have the following objectives:

- Create multi-benefit, community-serving spaces that are resilient to climate hazards and emergencies.
- Deliver year-round essential services and programs to local communities, including during disasters, emergencies, and disruption events.
- Grow community-driven partnerships and programming to increase climate resilience, expand economic opportunities, enhance social cohesion, and reduce health, environmental, and social inequities across California.
- Build, strengthen, and sustain local leadership and grassroots engagement in civic and community development, and climate resilience awareness and activities.

The CRC Program intends to balance both shorter-term emergency response needs, as well as longer-term ongoing community needs and services.

Proposed projects should include capital improvements or services and programming aligned with at least four of the CRC Strategies listed below:

- Energy Resilience
- Water Resilience
- Air Quality and Public Health
- Nature-Based Solutions and Food Security
- Emergency Preparedness and Critical Communications
- Mobility and Access
- Workforce Development, Education, and Training

Applicants can review the CRC Program Guidelines for suggested project ideas and examples.

Applicant Requirements

Lead or Co-Applicant must include one of the following:

- California Native American Tribe
- Tribally-owned nonprofit
- IRC 501(c)(3) tax-exempt nonprofit organization
- Public agency
- Local agency
- Special district
- Joint powers authority
- Public utility
- Local publicly owned utility
- Mutual water company

Application Requirements

The following are required at the time of application:

- Project includes at least four (4) CRC Strategies within the Project Area and applicant describes how they will advance community-identified priorities, especially for priority populations and other vulnerable residents
- Site control
- Permits identified or attestation that agency is self-permitting
- Identify CEQA requirements and timeline to obtain compliance
- Draft scope of work and budget
- Zoning documentation to demonstrate that the proposed use is consistent with the permitted land use
- Letter of commitment for use as a community-serving facility
- Documentation of consultation with local emergency service providers about site location
- Draft floor plan of the proposed facility
- Documentation of consultation and/or copy of Notice of Intent to Apply to the local County Office of Emergency Services (when none of the Co-Applicants are the local county)
- Draft CRC Emergency Plan using SGC template
- Draft Community Resilience Plan using SGC template

Pre-Development Requirements

The following are required before the end of the Pre-Development Phase:

- Final scope of work and budget
- Site Control obtained
- Final floorplan
- Construction schedule

- Permits obtained (or notice of exemption)
- Deed restriction or Memorandum/Notice of Unrecorded Grant Agreement for community-serving use
- For existing facilities, a Facility Condition Assessment no more than 5 years old and completed by a licensed professional
- Construction cost estimates created by a third-party for the Lead Entity that provides cost estimates for the total proposed Capital Project
- Final facility floor plans that detail space for features identified in the application (e.g. seating, storage of emergency supplies, potential battery storage)
- Operations and Maintenance Plan
- Final Emergency Plan
- Final Community Resilience Plan

SGC may request additional documentation to assess site feasibility and progress towards meeting Pre-Development Requirements. All Projects must align with applicable local/regional plans and regulations.

Strategy-specific Requirements

Projects must involve a physical building. TCC will not fund only upgrades to an outdoor space, although improvements to an outdoor space may be eligible in combination with the physical facility, like a local community center. By the end of the grant term, all facilities under this Strategy must meet the required functions and features below.

All facilities must be:

- Open and accessible to the public and offer Community Resilience Services and Programs year-round to community members
- Able to be activated seven days per week for heat waves and other climate emergencies that do not require overnight sheltering
- Able to be activated for overnight-shelter 24/7 during larger-scale climate emergencies OR able to coordinate transport of community members to an identified nearby evacuation shelter

Facilities must provide the following functions:

a. Space and supplies needed for people to sleep
b. Pet-sheltering*
c. Food distribution or space for food preparation and storage
d. Showers and ADA-compliant showers*
e. Refrigeration for medicines
f. Laundry*
g. Portable restrooms in the event of water disruptions*

These requirements can be met through:

a. Inclusion of these functions on-site at the facility itself, OR

b. Inclusion of these functions off-site, through pre-identified and planned local partnerships. These functions could be stationed at a site nearby or through portable means, brought in during an emergency. They may be funded through this project.

Projects led by California Native American Tribes or Tribally-owned nonprofits and/or projects located in rural communities for whom these requirements present a hardship may request modifications, with justification, for asterisked (*) functions or features above.

The facility serving as the resilience center should have **capabilities and features** that enable the site to be activated for a range of climate and other emergencies. These include:

- ADA-compliant facilities (See ADA Checklist for Emergency Shelters)
- Gender-neutral restrooms
- Heating, Ventilation, and Air Conditioning (HVAC) System
- Air filtration system (MERV 13 at minimum)
- Broadband access
- Backup power generation and/or battery storage
- Device charging capabilities for cell phones, personal communications devices, medical devices, power wheelchairs, and other assistive devices and technology
- Drinking water stored on-site with a plan for re-supply

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

- The facility must remain dedicated to use as a Community Resilience Center for a minimum of 15 years and provide official commitment through deed restriction or other documentation.
- Project Leads must offer Community Resilience Services and Programs until the completion of the grant term.

Strategy 13: Other Climate Innovation

The TCC Program is guided by an iterative approach, continually shaped by feedback from applicants, grantees, and the community. We recognize that not all transformative solutions can be anticipated in advance. To support community visions and provide flexibility, TCC will accept Other Climate Innovation proposals that align with TCC objectives but fall outside of existing eligible Strategies.

Other Climate Innovation proposals must be submitted in advance of the Pre-Proposal, by a date to be specified in the NOFA.

TCC staff will review and approve proposals on a case-by-case basis. Applicants will be notified if they can include the proposed strategy when they receive the Pre-Proposal feedback.

General Requirements

Other Climate Innovation proposals must:

- Align with TCC Program Objectives
- Meet a critical community-identified need (identified through demonstrated community engagement) that is related to the community vision, or
    - Be critical to the overall success of the larger TCC application, or
    - Be an innovative project type that is not already covered by one of the existing TCC Strategies.
- Make up no more than 10% of the overall TCC Budget

Applicants may only include one Project from the Other Climate Innovation Strategy in the application.

Eligible Costs

- Acceptable costs are those clearly defined in the grant agreement as deliverables and direct costs and costs that are already eligible under the TCC Guidelines.

Special Requirements

- Narrative proposal must be submitted ahead of the Pre-Proposal submission due by a date to be specified in the NOFA.
- Supporting documents must be provided to demonstrate the concept of the project, which may include but is not limited to:
    - Guidelines from another State Program or (non-State program) that funds work similar to the proposed project
    - Research or data demonstrating the viability of the project
    - Examples of similar projects that have been successfully implemented in other communities
    - Previous pilot projects
- Applicants must provide evidence of the community engagement that led to the proposal.

- Applicants must complete all Pre-Development Requirements deemed necessary by TCC staff based on the scope of the proposal.

Appendix C – Transformative Elements

Transformative Elements focus on the needs of residents 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.

See Section 7 for information on how Transformative Elements apply to each grant type.

Appendix C-1: Community Engagement Plan Examples

Key Considerations and Recommended Activities

Key considerations for community engagement include, but are not limited to, the following:

Robust

Requires comprehensive strategy that aligns clearly with overall objectives throughout every phase (design, application, implementation, and evaluation). Consider frequency, type, and depth of engagement activities.

Meaningful

Delivers clear benefits and outcomes to local community members. Ideally builds local knowledge on issues, supports local priorities, and demonstrates impact of community engagement.

Culturally Appropriate

Demonstrates clear understanding of local community members, their communication needs and preferences, and adjusts accordingly. Translates as needed, simplifies technical language, and employs a mix of approaches that most effectively connect with local community members.

Accessible

Activities and events contain accommodations to ensure all members of a community are able to participate. Any limitations to participation are acknowledged and rectified. Activities and events occur at various times to accommodate a variety of work schedules and commitments/responsibilities. Transportation, childcare, and food is provided if possible, and events are at no cost to the community. Seating, wheelchair access, captions, and other accommodations are made available.

Recommended Activities to Ensure Meaningful Community Engagement

Activities to Inform Community Members and to Solicit Community Input

- Public workshops/meetings/design charettes
- 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 Members in Development of TCC Application

- Design charrettes
- Community-based participatory research
- Participatory budgeting[33]
- 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 members have an opportunity to influence the TCC application development

Activities to Ensure Community Engagement During Implementation of TCC Project

- Public workshops/meetings/design charettes
- 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 members an opportunity to influence the TCC application development
- Maintain community engagement throughout the TCC Implementation Plan

[33] See Appendix A for the definition of Participatory Budgeting. See also the Community Engagement Resources section of this Appendix C-1 for additional information.

Appendix C-2: Displacement Avoidance Plan Examples

Example Policies and Actions to Avoid the Displacement of Very Low and Low-income Households

*Indicates policies and actions that require local municipal participation to implement

Production of Affordable Housing (Long-term Policies and Actions)

- 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 and Actions)

- 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 and Actions)

- 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 nonprofits
- 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 and Actions)

- 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 and Actions to Avoid the Displacement of Local and Small Businesse

*Indicates policies that require municipal participation to implement

Protections for Small Businesses (Short-term Policies and Actions)

- Implementation of an overlay zone designed to protect and assist local and small businesses*
- Creation and maintenance of a small business alliance, vendor coalition, commercial corridor organization, or business or community improvement districts

- Increased outreach by the jurisdiction's small business assistance programs
- Local hiring ordinances and purchasing 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
- Development of property tax abatement programs for small businesses
- Technical assistance such as financial literacy training, mentoring, loan application assistance, marketing, and language assistance
- Construction disruption assistance such as technical assistance, marketing support, new signage, grants or forgivable loans, or legal assistance
- Creation of Community Benefits Agreements between community groups and developers

Business Stabilization and Wealth Building (Long-term Policies and Actions)

- 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
- Nonprofit stabilization programs and rental subsidy programs that prevent the displacement of nonprofits from a neighborhood*
- Establishment of legacy business programs by local jurisdictions, business associations, or community-based organization designed to preserve longtime businesses through grants, technical assistance, and marketing and branding services
- Development of neighborhood business incubators
- Development of real estate transfer and vacancy taxes
- Development of zoning and form-based codes by municipal parties, such as:
    - Store size caps
    - Neighborhood-serving zones
    - Formula business ordinances
    - Affordable workspace policies
    - Streamlined permitting and licensing
- Creation of Commercial Community Land Trusts
- Creation of Community Investment Trusts, that allow neighborhood residents or other partners to pool resources to purchase community-owned real estate

- Creation of commercial property acquisition funds that help small businesses overcome barriers to commercial property ownership by providing low- or no interest loans or grants

Appendix C-3: Workforce Development and Economic Opportunities Plan Examples

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 nonprofits, 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

Appendix C-4: Climate Adaptation and Resilience Examples

To identify the climate change hazard 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:

- The Vulnerable Communities Platform, an adaptation planning tool that can help identify which populations are most vulnerable to climate change: https://vcp.lci.ca.gov/
- Cal-Adapt.org, an online platform that can help identify, map and model specific climate change exposures: https://v2.cal-adapt.org/
- Using the results of a local or regional vulnerability assessment or action plan that includes the Project Area
- 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 hazard 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
- 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
- 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 https://resilientca.org/rap-map/

Appendix D – Collaborative Governance Structure D I

The Collaborative Governance Structure should be designed to fit the unique circumstances and existing relationships of a community. The Collaborative Governance Structure should be designed to meet the overall goals of collaborative governance and stay accountable to your specific community and be appropriate for the specific dynamics within that community.

Governance and Conflict Resolution

Critical to the success of the Collaborative Governance Structure is the creation of and adherence to effective strategies around governance and conflict resolution. Applicants should establish clear and collectively agreed structures and processes to guide the operation of the Collaborative Governance Structure including, but not limited to:

- Leadership and governance
- Shared power
- Transparency and accountability
- The addition or removal of members
- Amendments to the overall work plan and budget
- Transition and turnover
- Decision making

Conflict is a natural element of collaborative action and collective impact. Applications should include clear strategies for conflict resolution within the Collaborative Governance Agreement and should reflect best practices, recognition of power imbalances, and value for diverse opinions and theories of change.

Representation

Collaborative Governance Structures should include a diverse set of participants and organizations that represent the broader community. Applicants should strive to include representation across sectors, subject matter expertise, lived experience, and inter-generational perspectives to most effectively serve local communities in a culturally sensitive manner while informing project decision-making. Collaborative Governance Structures must include local residents and community-based organizations in governance and decision-making.

Given the scope and objectives of TCC Grants, Collaborative Governance Structures should consider, but are not limited to, the following:

- California Native American Tribes
- Community-based organizations
- Direct service organizations
- Service providers
- Emergency management agencies and organizations

- Operators and responders
- Public agencies
- Community residents
- Consultants
- Workforce development organizations
- Other organizations that represent and serve priority populations and other historically excluded communities

SGC recommends anticipating additional training, orientation, and support to ensure adequate and meaningful participation from each entity, given traditional power imbalances facing local residents, community-based organizations, and lower-capacity organizations.

Please refer to Section 3.2 for all requirements for the Collaborative Governance Structure and Collaborative Governance Agreement.

Appendix E-1 – Post-Award Process and Policies – Planning Grants and Project Development Grants (P) (D)

Summary

Applicants selected for award will be required to participate in a Post-Award Consultation Process (PAC Process) to finalize the grant agreement. During this PAC Process, TCC staff will assist the Lead Grantee and Partners to refine the grant agreement and all accompanying attachments to comply with administrative, statutory, and TCC Program requirements.

The Lead Grantee and TCC staff should finish all reviews related to the PAC Process within **six months** from the time the Strategic Growth Council made the TCC grant award announcement. Lead Grantees will be required to meet with TCC staff and submit all required documents, such as work plans and budgets, during this period. **Failure to complete the review and to sign the grant agreement may result in the award returning to the Council.**

Goals for the Post-Award Consultation (PAC) Process

The PAC Process is intended to review the grant agreement terms with Lead Grantees and evaluate the current condition, feasibility, and eligibility of the awarded TCC application by:

- Gathering any additional information or details necessary for any component of the application
- Removing ineligible activities or costs
- Incorporating recommended improvements from specialists and/or the staff report

Once all parts of the TCC application are reviewed and approved, TCC staff will work with the Lead Grantee to turn the application into a scope of work. This scope will include the timeline, budget, and deliverables for the grant agreement.

Post-Award Consultation Process Overview

After the Council announces the awards, TCC staff will prepare a grant agreement outlining the grant terms and conditions. Then, Lead Grantees will follow these steps:

1. TCC staff will send the grant agreement template to the Lead Grantee. If the Lead Grantee needs any further approvals, such as Council or Board approvals, they should let SGC know.
2. The Lead Grantee will ask TCC staff any questions related to the general terms of the grant agreement. TCC staff will answer those questions and make any necessary changes to the agreement.

3. TCC staff will review the application to make sure it follows the TCC Guidelines, grant agreement, and feedback from reviewers and program staff. TCC staff will create a review package and ask the Lead Grantee and Partners for any extra information, documents, or application components.
4. TCC staff will set up meetings with the Lead Grantee and Partners to discuss the requested information and answer any questions.
5. Lead Grantee and Partners will send the additional information and documents to TCC staff for review.
6. TCC staff will review the new information and documents submitted. If more information is needed, they may ask for it and schedule additional meetings to clarify any issues.
7. TCC staff will finalize the scope of work, timeline, and budget, which will be included in the final grant agreement.
8. The Lead Grantee and Partners will review the final scope of work, timeline, and budget.
9. TCC staff will send the final grant agreement package to the Lead Grantee for the grant execution.
    a. Lead Grantee should notify SGC if they need any additional resolution or council/board review prior to executing the agreement.

Governing Policies and Processes

Any changes to the proposed work plans and budgets from the awarded application must be reviewed by TCC staff and SGC legal counsel to ensure they align with TCC Program Guidelines and the grant agreement.

If Lead Grantees or Partners do not update their application to meet the TCC Guidelines and the grant agreement, the PAC Process will be put on hold. TCC staff will then report this to the Council to decide what to do next.

If any part of the grant, like the work plan, budget, or Project Area, becomes infeasible and needs to be changed after grant execution, the Lead Grantee and Partners must involve the community in the process. Any changes that could affect the original application's requirements or competitiveness will require Council approval.

TCC Program Compliance

If any component of the TCC grant does not follow TCC Guidelines and the grant agreement:

1. TCC staff will inform the Lead Grantee in writing about which specific part is not eligible, which changes are needed, and a timeline and approval process. Significant changes to the scope that would result in changes to the categories below will require approval from the TCC Program Manager:
    - Quantity of deliverables, such as the number of solar panels installed, trees planted, or community bike ride events
    - Beneficiary or location of the tasks
2. If the work plan does not meet the TCC Guidelines and the grant agreement cannot accommodate the changes proposed by TCC staff, then:

- Option 1: TCC staff may suggest moving the funds to a **different** task that is a better fit for the initial proposed scope of work. This will require written approval of the TCC Program Manager.
- Option 2: If the Lead Grantee and Partners want to create a **new** task instead of moving the funds, they must submit a request to re-use the funds. SGC will review requests on a case-by-case basis. If approved, it will require written approval from SGC Leadership.

Ineligible Costs and Budget Modifications

If the TCC application has expenses or activities that are not in compliance with the TCC Guidelines or grant agreement:

1. Ineligible costs must be removed from the proposed scope of work for TCC funding. SGC cannot provide funds for ineligible costs.
2. Ineligible costs may be moved to other eligible costs within the **same** task, up to the total amount of the original budget request, with written approval from TCC staff.
3. Ineligible costs in one task may be transferred to other eligible costs in another task with the written approval from TCC staff.
4. With written agreement from the Lead Grantee and Partners, ineligible costs associated with any task may be reduced or eliminated from the total amount of the original budget before signing the grant agreement.

Amendments and Modifications

After the grant is executed, if the Lead Grantee needs to change any TCC task, then:

1. Lead Grantee and Partners must provide written justification for the changes.
2. Lead Grantee and Partners must propose a new plan that still aims to meet the original Project goals. Revisions require written approval from the TCC Program Manager.
3. TCC staff will review the application and may request more information if needed. TCC staff will communicate issues and recommendations as described in the “TCC Program Compliance” section above.
4. If approved, TCC staff will send written approval to the Lead Grantee.
5. If a new plan isn’t possible, parts of the original TCC application may be removed with the written approval of the Lead Grantee, Partner, and TCC Program Manager.

Key Documentation Notes for Post-Award Consultation Process and TCC Task Changes

Once all tasks and subtasks are reviewed and approved, TCC staff will create a simplified work plan and budget for Exhibit B of the grant agreement from the detailed application materials. However, Lead Grantees and Partners must keep the final detailed Excel scope of work and budget from the PAC Process as a project management tool. This tool should be used throughout the grant term and updated regularly. If the Lead Grantee or Partner wishes to modify any grant

activities after execution, through an Amendment or Modification, they must submit the revised Excel work plan and budget for review and finalization before updating the grant agreement.

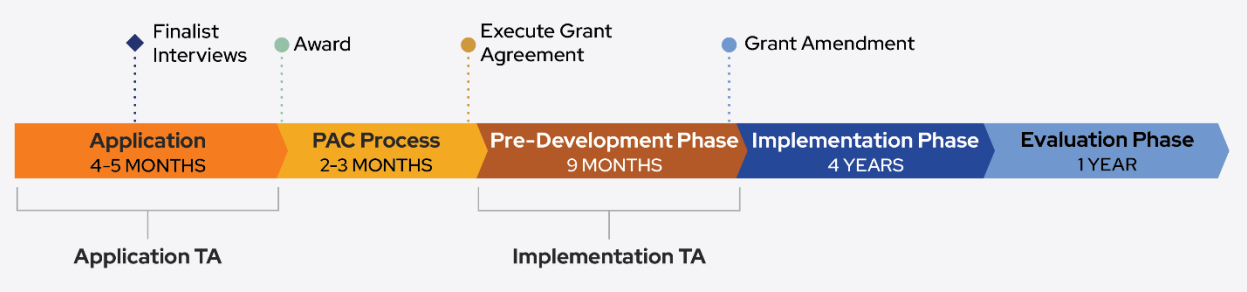
Appendix E-2 – Post-Award Process and Policies – Implementation Grants I

Summary

Applicants selected for award will be required to participate in a **Post-Award Consultation Process** (PAC Process) and **Pre-Development Phase** prior to finalizing the grant agreement that outlines the grant terms. During these processes, the State will assist the Lead Grantee and Partners to refine the grant agreement and all accompanying attachments to comply with administrative, statutory, and TCC Program requirements. Starting in Round 6, the timeline is as follows **for Implementation Grants only**:

1. Post-Award Consultation Process: 2-3 months
2. Pre-Development Phase: up to 9 months
3. Administrative transition from the Pre-Development to Implementation Phase: approximately 3 months
4. Implementation Phase: 4 years
5. Evaluation Phase: 1 year

Grantees will be required to meet with TCC staff and submit all required documents related to Implementation Requirements, work plans, budgets, and other requested documents. **Failure to complete the review and to sign the grant agreement may result in the award returning to the Council.**



The Council approved these policies, formerly known as the Post-Award Consultation Policies, on December 20, 2018.

Goals for the Post-Award Consultation (PAC) Process

The purpose of the PAC Process is to refine the work plan and budget for the Pre-Development Phase. The Lead Grantee will also review the final grant agreement terms. The PAC Process will take place over the course of 2-3 months. This is a simpler work plan and budget compared to one that will be created during the Pre-Development Phase to be used during the Implementation Phase.

After the Council announces the awards, TCC staff will provide a grant agreement template that defines the grant terms and conditions. You will then undergo the following process:

1. Lead Grantee will send any questions related to the grant terms and conditions to TCC staff.
    a. Lead Grantee should notify SGC if they need any additional resolution or council/board review prior to executing the agreement.
2. TCC staff will respond to questions about the grant agreement and, in extenuating circumstances, may consider requested amendments to the grant agreement template.
3. Lead Grantee will refine the Pre-Development Phase work plan and budget they developed as part of their TCC application, explaining how funds will be used during the Pre-Development Phase.
4. Staff will execute the grant agreement.
5. Pre-Development Phase can begin after Lead Grantee receives a formal notice to proceed from SGC's contracting office. You cannot be reimbursed for any costs incurred prior to the date of final signature.

This will also be the opportunity where the Lead Grantee and Partners develop and sign the Collaborative Governance Agreement.

A full guidance document on the PAC Process will be provided after award.

Goals for the Pre-Development Phase

The purpose of the Pre-Development Phase is to get all Projects and Transformative Plans ready to begin implementation and to create a final, fully detailed budget and schedule of deliverables (Exhibit B of the grant agreement) by:

- Refining the work plans and budgets submitted in the application
- Meeting all Pre-Development Requirements
- Obtaining additional information/detail needed for any component of the Project
- Removing any ineligible activities or costs
- Incorporating recommended improvements from specialists and/or TCC staff

After all revised application components are reviewed and approved, TCC staff will convert them into a summarized scope of work for Exhibit B of the grant agreement.

The Pre-Development Phase is funded based on the budget you propose for the Pre-Development Phase in your application, as outlined in the Round 6 Guidelines. **The Lead Grantee and Partners cannot spend more than 20% of the grant during the Pre-Development Phase.**

The maximum timeline is as follows:

- **By Month 1:** Lead Grantee and Partners begin all activities related to the Pre-Development Phase.
- **By Month 6:** TCC staff and TA providers will determine which Projects are not feasible and will likely not meet the Pre-Development Requirements by the 1-year mark.

- **By Month 9:** All Pre-Development Requirements are met. Lead Grantee and Partners will review the final scope of work, timeline, and budget. TCC staff will initiate the amendment process with SGC Contracts.
- **By Month 12:** Amendment is executed. Lead Grantee and Partners can begin the Implementation Phase after receiving a Notice to Proceed from SGC's contracting office.

The Implementation Phase may begin sooner if the full year is not required. The Pre-Development Phase is not to extend beyond one year to ensure adequate time for the Implementation Phase.

After the PAC Process is complete, the grant agreement is executed, and Pre-Development Phase begins, the Lead Grantee and Partners will undergo the following process:

TCC Application Review

1. TCC staff, along with technical assistance providers, will review the Application based on consistency with the TCC Guidelines, grant agreement, application reviewer feedback, and program staff feedback. TCC staff will provide a review package with a request for additional information, documents and/or revisions to all TCC application components including:
    a. Funded Projects
    b. Leverage Projects
    c. Transformative Plans
    d. Collaborative Governance Agreement
2. TCC staff will schedule meetings to go over requested information with the Lead Grantee and Partners and address any questions. We expect to meet with the Lead Grantee bi-weekly throughout the PAC Process and Pre-Development Phase.
3. The Lead Grantee and Partners will send additional information and documents to TCC staff for review.
4. The Lead Grantee and Partners will perform pre-development work necessary to meet the TCC Pre-Development Requirements, including any necessary tasks listed in the application, such as:
    a. Remove and replace any Projects that are determined to be infeasible based on available time and budget.
    b. Create final, detailed work plans and budgets for each Project, Plan and Grantee Costs.
    c. Secure leverage funding.
    d. Make minor changes to the Project Area if requested by Lead Grantee and Partners
    e. Create a finalized Vision Statement.
    f. Fully define Partner roles, including clearly delineated responsibilities and staffing committed.
    g. Further community engagement if needed to refine Project scopes and work plans.
    h. Select and hire contractors.

i. Create Project-specific maps and designs, Project schedules, operational and maintenance plans.
j. Draft a plan for working across multiple jurisdictions including relevant agency contacts within the Collaborative Governance Agreement for signature.

Please note that this is not an exhaustive list. **Generally, Lead Grantees and Partners cannot conduct any Implementation Phase work during the Pre-Development Phase.** The only exception to this rule is noted below in "Implementation work during Pre-Development Phase."

5. TCC staff will review the submitted information and documents then finalize the scope of work, timeline and budget to be inserted as an **amendment** in the already-executed grant agreement.

Implementation Work During Pre-Development Phase

In rare cases, Lead Grantees and Partners may begin Implementation work on certain grant components prior to meeting all the Pre-Development Requirements for all grant components and officially entering the Implementation Phase. Beginning implementation work during the Pre-Development Phase will only be allowed if all the following requirements are met and the grantee has received formal notification of approval from SGC:

- The Lead Grantee and all Partners have executed a final Collaborative Governance Agreement that has been approved by TCC staff.
- All required leverage funding has been secured (Pre-Development Requirement has been met).
- All Transformative Plans have met all Pre-Development Requirements and are ready for implementation.
- At least three of the Projects proposed in the Application have met all Pre-Development Requirements and are ready for implementation.
- All Projects are on track to complete all Pre-Development Requirements by Month 9 of the Pre-Development Phase.
- The Indicator Tracking Plan has been finalized and approved.
- The TCC Program Manager has recommended the Lead Grantee and Partners be allowed to begin implementation on certain elements.

Amending the Grant Agreement

1. During the three months prior to the Implementation Phase, Lead Grantee and Partners will review and approve the final scope of work, timeline and budget.
2. TCC staff will execute an amendment to the grant agreement to insert the final scope of work, timeline, and budget.
3. Once the Lead Grantee receives a Notice to Proceed from SGC's contract office, they may begin implementation work.

Governing Policies & Processes

The following policies and processes will govern TCC staff actions during the Pre-Development Phase regarding the work plans and budgets for the Implementation Phase. They will also be used to make determinations for proposed changes (Amendments and Modifications) within the grant term.

Any 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 staff and SGC legal counsel to ensure they align with TCC Guidelines and the grant agreement.

If Lead Grantees or Partners do not update their application to meet the TCC Guidelines and the grant agreement, the PAC Process will be put on hold. TCC staff will then report this to the Council to decide what to do next.

If the Lead Grantee and Partners fail to meet all Pre-Development Requirements after the nine-month Pre-Development Phase, TCC staff will need to return to the Council to determine the best pathway forward. Additionally, if the final Projects are too different than what was proposed at the time of application, they may need to be reviewed by Council.

If any part of the grant, like the work plan, budget, or Project Area, becomes infeasible and needs to be changed after grant execution, the Lead Grantee and Partners must involve the community in the process. This should be done through the Community Engagement Plan and/or the Collaborative Governance Structure. Any changes that could affect the original application's requirements or competitiveness will require Council approval.

TCC Program Compliance

If any TCC Grant Component is not in compliance with the TCC Guidelines and grant agreement:

1. TCC staff will inform the Lead Grantee in writing about which specific part is not eligible, which changes are needed, and a timeline and approval process. Significant changes to the scope that would result in changes to the categories below will require approval from the TCC Program Manager:
    a. Quantity of deliverables, such as the number of solar panels installed, trees planted, community bike rides
    b. Beneficiary or location of the Project or Plan
    c. Project or Plan Leads
2. Budget transfer between Projects or Plans. If the project or the work plan doesn't meet the TCC Guidelines and the grant agreement can't accommodate the changes proposed by TCC staff, then:
    a. Option 1: TCC staff may suggest moving the Project to a new Strategy that is a better fit for the initial proposed scope of work. This will require written approval of the TCC Program Manager.

   b. 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. Lead Grantees and Partners 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 SGC Leadership.
3. During the Pre-Development Phase, Lead Grantee and Partners are expected to pursue and secure leverage funding. If the Lead Grantee and Partners cannot secure leverage funding after trying in good faith, then:
   a. Option 1: Lead 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.
   b. Option 2: If an alternative leverage commitment is not feasible, TCC staff may suggest removing the leverage funding from the funded Project, Transformative Plan, or leverage Project of the TCC application. Removal of leverage funding will require written approval of SGC Leadership.

Ineligible Costs

If any TCC grant component includes budget line items or activities not eligible per the TCC Guidelines or grant agreement:

1. Ineligible costs must be eliminated from the proposed scope of work for TCC funding. SGC cannot provide grant funds for ineligible costs.
2. Ineligible costs may be moved 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 or Plan, with written approval of TCC staff.
3. Reallocated budget items within the same Project must be for costs under the *same* Strategy as the originally proposed Project.
4. The budget for the ineligible costs in one Project or Plan may be transferred to other Projects or Plans, with written approval of the TCC Program Manager.
5. Upon written consent of the Lead Grantee, Project Lead, and SGC Leadership, eligible costs associated with any Project or Plan may be reduced or eliminated from the total amount of the original budget before signing the grant agreement. The foregoing notwithstanding, no Project or Plan may be eliminated that is needed to remain eligible for TCC funding per the TCC Program Guidelines.

Amendments and Modifications After Pre-Development Phase

If the Lead Grantee and Partners need to request any changes to any TCC grant components included in the executed grant agreement, then:

1. Lead Grantee and Partners must provide written justification for the changes.

2. Lead Grantee and Partners must propose a new plan that still aims to meet the original project goals and is supported by the Collaborative Governance Structure. Revisions require written approval of the TCC Program Manager.
3. TCC staff will evaluate the proposed changes based on the TCC Guidelines. If more information or revisions are needed, TCC staff will communicate the key issues and suggestions for remediation as described in the "TCC Program 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 Lead Grantee.
5. If a new scope of work isn't possible, parts of the original TCC application may be removed with the written approval of the Lead Grantee, Partner, and SGC Leadership.

Key Documentation and Notes for Post-Award Consultation, Pre-Development Phase, and Project Changes

After all Plans and Projects are reviewed and approved, TCC 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, Project/Plan Leads must retain the final detailed Excel work plan and budgets from this Pre-Development Phase as a project management tool. This tool should be used throughout the grant term and updated regularly. If the Lead Grantee proposes changes to a Project or Plan after grant execution, through an Amendment or Modification, they must submit the revised Excel detailed work plans and budgets for review and finalization before updating the grant agreement.

Appendix F – Air Pollution Reduction and Mitigation

The TCC Program will award incentive points to Implementation Grant 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 and programs that qualify applicants for partial incentive 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 reducing, preventing, or mitigating, localized air pollution.

As stated in the Scoring Criteria in Section 9.7 applicants can receive up to 2 points for the first scoring criteria (which refers to previous actions) and up to 3 points for the second scoring criteria (which refers to proposed TCC activities). See Section 10.19 and Section 9.7 for more information on air pollution reduction and mitigation scoring and requirements.

Policies and Programs to Reduce or Mitigate Local Air Pollution

Category: Air Pollution Reduction and Prevention

Tier 1 – Direct – Reduction and Prevention (2 points each)

- 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
- 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
- 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 (1 point each)

- 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 and/or environmental justice representatives
- Data accessibility/community notification programs
- Good Neighbor agreements between facilities and adjacent facilities that provide a channel for public participation and citizen oversight
- Robust community education campaigns and training on air quality and regulation using culturally appropriate materials

Tier 3 – Indirect – Air Quality Co-benefits (0.5 points each)

- 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 (1 point each)

- 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-routes 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 (0.5 points each)

- 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 G – Close Scores Protocol Example

These tables and explanation demonstrate how the Close Scores Protocol will work for a hypothetical Implementation Grant result.

Prior to close scores protocol

Applicant	Raw total score	Awarded or unawarded prior to tiebreaker	Does tiebreaker apply?
A	98	Awarded	No
B	93.5	Awarded	Tiebreaker applies, within 1 point of opposite outcome (93.5 - 1 = 92.5)
C	93	Awarded	Tiebreaker applies, within 1 point of opposite outcome (93 - 1 = 92)
Cutoff prior to tiebreaker			
D	92.9	Unawarded	Tiebreaker applies, within 1 point of opposite outcome (92.9 + 1 = 93.9)
E	92.75	Unawarded	Tiebreaker applies, within 1 point of opposite outcome (92.75 + 1 = 93.75)
F	91.7	Unawarded	No
G	90	Unawarded	No
H	85	Unawarded	No
I	82.5	Unawarded	No
J	80	Unawarded	No

Applying close scores protocol

Applicant	Raw total score	Objectives and Vision (O&V) score	Awarded or unawarded (final)	Explanation
B	93.5	5	Unawarded	Has a low O&V score with at least one point separating

C	93	8.5 (tied with E since within 1 point)	Awarded	O&V score is tied with E, so raw total score is used to determine ranking
D	92.9	10	Awarded	Has a high O&V score with at least one point separating
E	92.75	9 (tied with C since within 1 point)	Unawarded	O&V score is tied with D, so raw total score is used to determine ranking

In the example above:

- Since these are Implementation Grants, the close scores protocol occurs when there is a tie within 1 point.
- Prior to using the tiebreaker, applications A, B, and C would be awarded (Table 10).
- The red box (Table 10) indicates that applications B, C, D, and E are considered tied because there is less than one point difference between each of them.
- After using the tiebreaker, only applications A, C, and D would be awarded (Table 11):
    1. Application A is awarded because it scored high enough that a tiebreaker is not needed.
    2. Application D is awarded because it has the highest Objectives and Vision score among the tied applications, and the next highest Objectives and Vision score is not considered tied since it is at least one point behind it.
    3. Application E has the next highest Objectives and Vision score, but its Objectives and Vision score is within one point of Application C's, so those Objectives and Vision scores are considered tied. The raw total scores of those two applications will be used to determine which one is awarded. Since application C has the higher raw total score, it is awarded.
    4. Application B is not awarded even though it had the highest raw total score of the four. Its low Objectives and Vision score meant it placed last in the tiebreaker.

Appendix H – Frequently Asked Questions

What is the Transformative Climate Communities Program (TCC)?

TCC is a grant program under the CA Strategic Growth Council (SGC). It was established in 2016 and we have awarded five rounds of funding to date.

In general, TCC funds neighborhood-level, transformative, community climate plans and projects. In practice, this means:

- Projects that reduce greenhouse gas emissions or contribute to public health benefits
- Projects that have multiple benefits, including economic, environmental and health benefits; along with anti-displacement
- Projects in underserved communities
- Projects that are created and led by the community

What is the two-phased application model? Does it apply to all grant types?

We are introducing a two-phased application process in Round 6 for Implementation Grants. Planning Grants and Project Development Grants have a one-phased application process. In other words, all application items are due by the application due date for those grant types.

For Implementation Grants, there are Application Requirements that are due by the application due date, and Pre-Development Requirements that will be developed after award during the Pre-Development Phase and before Implementation can begin. This is meant to make the application less onerous and allow us to fund more pre-development work. See Section 6.7 on these Implementation Grant phases.

I tried to apply for a grant in the past. Do I have to resubmit my application?

Yes, you must submit a new application. Please note that requirements change from round to round. Please double-check Round 6 requirements before submitting materials you have used in past application cycles. See Section 9 Application overview and Section 10 Application Requirements.

I am an individual. Can I apply for TCC? I would also like to use this grant to improve my home. Can I do that with TCC?

As an individual, you are not an eligible applicant. Please see Section 3.1 on Eligible applicants. These grants are also meant to transform communities, rather than be applied to specific, individual homes. Please see the eligible activities section under each grant type, namely Section 4.2, Section 5.2, and Section 6.2. However, you may be an eligible participant in a TCC project if SGC awards a grant in your area.

Can I do infrastructure projects with the Project Development Grant?

The only infrastructure projects allowed under this grant type are water supply and wastewater infrastructure and pilot projects. These projects will require additional documents, including financial and management capacity documents, proof of site control, CEQA documentation,

permits, project designs, and operations and maintenance plans. See Section 5 for more information on Project Development Grants and Section 10 for specific Application Requirements.

What is TCC doing in Round 6 to support unincorporated and Tribal communities?

You can read about the full list of improvements we have made for unincorporated and Tribal communities in the staff report. In general, we've made the following improvements:

- New two-phased application process for Implementation Grant applicants, designed to make the application less onerous and better prepare Lead Applicants and Co-Applicants for the Implementation Phase
- Funding Goals for both unincorporated and Tribal communities
- Keeping the Project Development Grant that was piloted in Round 5 that was designed for Tribal and unincorporated communities
- Adding Priority Points in scoring for these communities
- Prioritizing these communities for technical assistance
- For unincorporated communities, keeping the option to submit local data for their Project Area eligibility
- For Tribal communities, keeping and expanding the option to request modifications to certain requirements

What is the process to apply for a TCC grant?

Section 10.1 outlines which items are due during the Application Period, by the application due date (Application Requirements), and which items will be developed during the Pre-Development Phase (Pre-Development Requirements).

What grant types are available?

Round 6 has three grant types: Planning, Project Development, and Implementation Grants. Section 1.2 summarizes the key differences.

How do I know which grant type is the best for my organization and community?

We encourage you to use the summary of the key differences outlined in Section 1.2 for a quick glance of the three grant types. A deep understanding of what the community needs should inform which activities you would want to pursue in your application, and therefore which grant type you should apply for. Past applicants have also considered other factors, such as financial and management capacity and the Application Requirements for each grant type.

Is technical assistance available to me?

Section 12.1 outlines Application Technical Assistance. In general, Tribal and unincorporated communities will receive technical assistance, regardless of grant type. Please make sure to fill out the Technical Assistance Request Form, which will be posted on our website.

Can more than one organization in the same Project Area apply for separate TCC grants?

Yes, this is technically allowed. However, TCC values collaboration and partnerships, and so we encourage organizations to collaborate and submit one application per Project Area. As we also

consider geographic diversity during scoring, it would be unlikely that we would award more than one application in the same Project Area.

I applied and won a previous TCC grant. Can I apply again for the same grant type?

Yes, you can apply for the same type of grant. However, Planning Grants and Project Development Grants are designed to prepare communities for Implementation Grants. Additionally, Implementation Grants prioritize previous Planning and Project Development grantees and grantees from other SGC programs. We also consider geographic diversity during application scoring. Please note that just because something is eligible does not necessarily mean it is competitive. Please see Section 3 for more information on previous grantees and project eligibility.

I have turned in all the application materials. How likely is it that I will receive a grant? When will I hear back?

TCC's application is highly competitive. Your likeliness to receive a grant may be impacted by a few factors, including but not limited to: community type; geographic diversity; grant type you are applying for; past Planning, Project Development, and other SGC grants; the number of applicants; how much funding applicants are requesting relative to the available funding; and other factors.

You can expect to hear from TCC about 4-6 months after the Application Period closes. Section 9.2 outlines the application timeline.

Will there be future rounds of TCC?

We currently only have funding available for Round 6.

Appendix I – Sample grant agreement

OFFICE OF THE MAYOR
SAN FRANCISCO

DANIEL LURIE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Dexter Darmali, Legislative & Ethics Secretary
RE: Apply for Grants - California Proposition 4 Grants - Climate Bond
DATE: May 19, 2026

Resolution authorizing all City and County of San Francisco Departments to submit applications for all grants funded by the 2024 Climate Bond (California Proposition 4) for which they are eligible.

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org

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