

2019



Cap and Trade
Dollars at Work

ANNUAL REPORT

Cap-and-Trade Auction Proceeds



Annual Report to the Legislature on

California Climate Investments Using Cap-and-Trade Auction Proceeds

GREENHOUSE GAS REDUCTION FUND MONIES



March 2019

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Affordable Housing & Sustainable Communities

Affordable Housing and Sustainable Communities Program

STRATEGIC GROWTH COUNCIL (SGC)

Cumulative Funding¹⁷

How much funding has the program received?
\$1,121.8 million allocated.

How much has gone to implemented projects?
\$314.5 million implemented.

How much has been assigned for future projects?
\$257.5 million selected and awarded but not yet implemented.

Program Description

What type of projects are funded?

Affordable housing loans and other capital grants for housing-related infrastructure, sustainable transportation infrastructure, transportation-related amenities, and related programs.

How to access funds?

Competitive application process.

Who receives funds?

Local government agencies or districts (e.g., housing, transit, redevelopment, or planning), developers, university, college, or school districts, and federally recognized tribes.

How do funds reach priority populations?

At least 50 percent of funds go to projects benefiting disadvantaged communities; projects should fulfill an identified community need and the community should be involved in project development.

¹⁷ By statute, the AHSC program is appropriated 20% of the proceeds of each quarterly auction. SGC conducts competitive solicitations for AHSC funding awards on a 12 month cycle. This results in a temporary gap between appropriated and selected/awarded funds each year. The AHSC program is currently in another solicitation round and SGC plans to select approximately \$400 million in new projects in June 2019.

2018 OUTCOMES

FUNDING

\$166.1 M IMPLEMENTED

EXPECTED BENEFITS

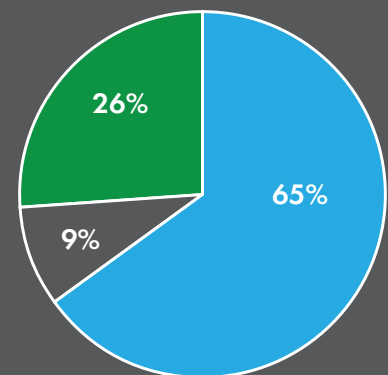
220,039
MTCO₂E GHG REDUCTIONS

1,409
HOUSING UNITS

1,247
AFFORDABLE HOUSING UNITS

FUNDING DISTRIBUTION

\$122.4 M
TO BENEFIT PRIORITY POPULATIONS



- disadvantaged communities
- low-income communities & households
- outside & benefiting disadvantaged communities
- other areas of California

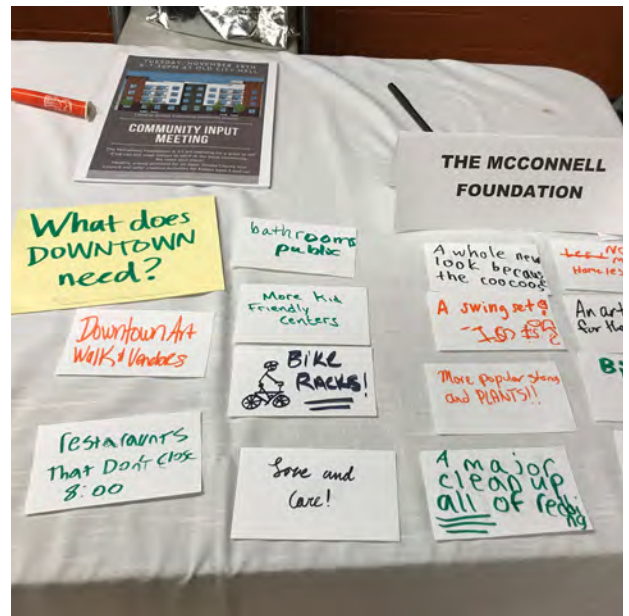


Affordable Housing and Sustainable Communities: New Housing & Retail Development in Redding

In June 2018, the City of Redding, located in northern California's Shasta County, was awarded \$20 million through the Strategic Growth Council's Affordable Housing Sustainable Communities (AHSC) Program to support the development of the Block 7 Net Zero Housing and Downtown Activation Project.

Developed by K2 Land and Investment, LLC, in collaboration with the City of Redding, the McConnell Foundation, Shasta Living Streets, and a number of other community organizations, this project will build 78 new homes and over 12,000 square feet of commercial retail space in downtown Redding. The project also includes almost 4 miles of bike lanes and over half a mile of sidewalks and urban greening elements that will complete a river trail connection from Turtle Bay Exploration Park to downtown. In addition, there will be a bikeshare program for the broader community, and funding for active transportation education.

The AHSC program supports developments that make it easier for Californians to drive less by ensuring housing and jobs are accessible by walking, biking, and transit—precisely what the Block 7 project is designed to do. Shasta County ranks sixth highest for levels of pedestrian death and bicycle collision in the US, and Redding community members lack convenient access to transit. By partnering with a variety of local organizations, the developer was able to engage community members to ensure that the project would address their most pressing needs. Around 130 community members attended the first outreach event, which was hosted by The McConnell Foundation. The Shasta Arts Council provided child care at the event and engaged young people by asking them to draw their visions for the project, including ideas for greenery, playgrounds, and parks.



At the second outreach event, community members filled out comment cards with requests for bike rentals, more bike racks, accessible public bathrooms, and downtown shopping centers. All of these suggestions were incorporated into the final project. Now that the award has been granted, the McConnell Foundation has these comment cards displayed as a visual reminder of the importance of engaging community members in the decisions that impact their lives. According to Rachel Hatch of the McConnell Foundation, this venture will finally allow community members to “make the healthy choice, the easy choice.”

Technical Assistance

STRATEGIC GROWTH COUNCIL (SGC)

Cumulative Funding

How much funding has the program received?

\$4.0 million appropriated.

How much has gone to implemented projects?

\$0.9 million implemented.

How much has been assigned for future projects?

\$2.3 million selected and awarded but not yet implemented.

Program Description

What type of projects are funded?

Application assistance, partnership development and capacity building activities for eligible California Climate Investments applicants.

How to access funds?

Program-specific solicitation process for administrators.

Who receives funds?

California Climate Investments applicants, especially those from disadvantaged and low-income communities.

How do funds reach priority populations?

95% of funds will be expended to assist applicants from disadvantaged and low-income communities.

2018 OUTCOMES

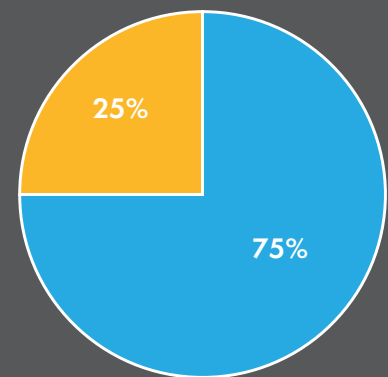
FUNDING





\$0.9 M IMPLEMENTED

FUNDING DISTRIBUTION

\$0.9 M

TO BENEFIT PRIORITY POPULATIONS



-  disadvantaged communities
-  low-income communities & households
-  outside & benefiting disadvantaged communities
-  other areas of California



Technical Assistance Program: Deep Dive Technical Assistance for the City of Santa Rosa and Sonoma County

In 2018, in the wake of the Tubbs Fire that burned in Napa, Sonoma, and Lake Counties, the Strategic Growth Council was able to extend technical assistance to the City of Santa Rosa and Sonoma County to look at the suite of California Climate Investments programs and provide assistance in pursuing funding to support wildfire recovery efforts.

A technical assistance (TA) team led by Enterprise Community Partners and Estolano Lesar Advisors participated in a kick-off meeting in Santa Rosa to gauge local recovery efforts and better understand community needs. From there, the TA team provided staff at both the city and county with a holistic overview of the California Climate Investments programs and worked on prioritizing programs based on community needs. The work culminated with an in-person stakeholder meeting in August focused on the Affordable Housing and Sustainable Communities Program and Urban Greening Program, where the TA team and state agency reps worked alongside county and city staff to brainstorm project components and create a plan for future applications.

Additionally, a representative from the McConnell Foundation in Redding was invited to give a profile on their efforts to build a more sustainable downtown Redding and offer best practices and a peer-to-peer exchange on how to participate successfully in California Climate Investments programs.

As a result of the meeting and peer-to-peer exchange, Redding and Santa Rosa staff have remained in close contact and have visited each other's cities to learn more about fire recovery and to share resources. Following the meeting, the TA team has been in touch for the current Affordable Housing and Sustainable Communities program round to assist with the submission of an application for much-needed affordable housing in Santa Rosa.



