



CITY COUNCIL AGENDA STATEMENT



February 18, 2020

File ID: 20-0045

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AUTHORIZING STAFF TO APPLY FOR AND ACCEPT A TRANSFORMATIVE CLIMATE COMMUNITIES PLANNING GRANT AND TO IMPLEMENT PROJECTS FUNDED BY THE GRANT

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

The Transformative Climate Communities (TCC) Program is part of California Climate Investments, a statewide program that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities. Administered by the California Strategic Growth Council (SGC) in partnership with the California Department of Conservation, the Transformative Climate Communities Program funds the implementation of neighborhood-level proposals with multiple, integrated projects; empowers communities to choose their own strategies for reducing greenhouse gas emissions and achieving community benefits; and prioritizes California’s most disadvantaged communities – neighborhoods ranked in the top 10 percent (10%) of CalEnviroScreen.

Staff is seeking Council authorization for the City Manager or Designee to apply for Round 3 of the Strategic Growth Council’s Transformative Climate Communities Planning Grant and execute documents necessary to implement projects funded by the TCC Planning Grants, for a period of two (2) years from the date of the grant award.

ENVIRONMENTAL REVIEW

The proposed activity has been reviewed for compliance with the California Environmental Quality Act (CEQA) and it has been determined that the activity is not a “Project” as defined under Section 15378 of the state CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Notwithstanding the foregoing, it has also been determined that the activity qualifies for an Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable

DISCUSSION

The Transformative Climate Communities (TCC) Program is part of the California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy and improving public health and the environment — particularly in disadvantaged communities.

Assembly Bill (AB) 2722 (Burke, Chapter 371, Statutes of 2016) established the TCC Program to “...fund the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated greenhouse gas emissions reduction projects that provide local economic, environmental and health benefits to disadvantaged communities as described in Section 39711 of the Health and Safety Code” (Pub. Resources Code § 75240).

In addition to reducing greenhouse gas (GHG) emissions in disadvantaged communities, AB 2722 includes the following goals:

- Maximize community benefits: “Projects shall maximize climate, public health, environmental, workforce and economic benefits.”
- Avoid displacement: “In adopting the guidelines, SGC shall consider whether eligible plans and projects avoid economic displacement of low-income disadvantaged community residents and businesses.”
- Comprehensive community engagement: “SGC shall award grants for projects that demonstrate community engagement in all phases.”
- Leverage additional funds: “By making such comprehensive public investments, it is the intent of the Legislature that private resources can be more effectively catalyzed to support innovative community and climate transformation in disadvantaged communities;” and “SGC and all funded entities shall endeavor to identify additional public and private sources of funding to sustain and expand the program.”
- Technical assistance: “SGC shall fund technical assistance providers to assist in application development and project development and implementation.” In addition to AB 2722, the following legislation governs the TCC Program:
 - Assembly Bill 32: Requires California to reduce its greenhouse gas (GHG) emissions to 1990 levels by 2020 and tasks the California Air Resources Board with creating a Scoping Plan, enabling the development of the cap-and-trade program.
 - Senate Bill 32: Requires California to reduce GHG emissions to 40 percent (40%) below 1990 levels by 2030.
 - Senate Bill 535 (De León, Chapter 830, Statutes of 2012) directs State and local agencies to invest in California's “disadvantaged communities,” – as defined by CalEnviroScreen 3.01 – by spending a minimum of 25 percent (25%) of Greenhouse Gas Reduction Funds (GGRF) to benefit these communities.
 - Assembly Bill 1550 (Gomez, Chapter 369, Statutes of 2016) expands requirements for GGRF to include other Priority Populations based on income. In addition to the 25 percent (25%) of the proceeds required by SB 535, AB 1550 requires an additional minimum of five percent (5%) of funds be invested in projects that benefit low-income households or communities statewide; and an additional five percent (5%) be invested in projects that benefit low-income households or

communities that are within a half-mile of a disadvantaged community. Together, SB 535 and AB 1550 prioritize investments to disadvantaged and low-income communities and households in need of assistance.

The Strategic Growth Council (SGC) administers the TCC Program in partnership with the California Department of Conservation (DOC). A \$60 million FY 2019-2020 budget appropriation from the Greenhouse Gas Reduction Fund supports Round 3 of the TCC Program, which will award two (2) types of grants:

Implementation Grants

- Implementation Grants fund neighborhood-level proposals that include multiple, coordinated projects that reduce greenhouse gas emissions and achieve other community benefits.
- \$56,400,000 is available for two (2) grant awards of \$28,200,000 each.
- Grant terms are seven (7) years: a five (5) year Project Completion Period, followed by a two (2) year Performance Period, during which project outcomes will be monitored.

Planning Grants

- Planning Grants fund planning activities to prepare disadvantaged communities for future funding opportunities in programs that align with the TCC Program's objectives.
- \$600,000 is available for three (3) awards of \$200,000 each.
- Grant terms are two (2) years.

If authorized by City Council, City staff will apply for Round 3 of the Strategic Growth Council's Transformative Climate Communities Planning Grant due February 28th, 2020. The City will request up to \$200,000 in funding to update its Climate Action Plan (CAP) to reflect the needs of local disadvantaged communities (DACs). The City of Chula Vista drafted the first CAP in the region, approved by City Council in 2000, then named a Carbon Dioxide Reduction Plan. The City also created a Climate Mitigation Plan in 2008, a Climate Adaptation Plan in 2011 and a new CAP in 2017. These plans were developed by City staff with extensive guidance by the Climate Change Working Group, a stakeholder group comprised of Chula Vista residents, businesses and community organizations. For the TCC Planning grant application, the City of Chula Vista will propose a partnership with South Bay Community Services (co-applicant) to work directly with residents of DACs to gather and analyze information that will inform the next CAP update. The proposed update will identify CAP impacts on DACs and propose next steps that will help meet the needs of DAC residents during future climate adaptation implementation projects. Funds received as part of this planning grant will support related work by City staff and South Bay Community Services.

South Bay Community Services (SBCS) has served the South Bay area since 1971, working to transform communities to support the well-being and prosperity of children, youth and families. Through comprehensive coordinated services and supports, SBCS assists all individuals and all communities in reaching their fullest potential. Among its community-facing programs, the SBCS facilitates the Resident Leadership Academy, a 16-week curriculum that educates disadvantaged community residents on local advocacy issues, policy development and civic engagement. The City plans to investigate adding at least one more local community partner from the Chula Vista region to the proposed project, depending on funding.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under Political Reform Act (Cal. Gov't Code § 87100, et. seq.)

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

There will be no direct fiscal impact to the General Fund. All grant-related activities will be reimbursed through this grant.

ONGOING FISCAL IMPACT

There will be no ongoing fiscal impact to the General Fund. All grant-related activities will be reimbursed through this grant.

ATTACHMENTS

1. *Notice of Funding*
2. *Grant Guidelines*

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