

# California Climate Investments: Investment Targets for Agencies Administering FY 2018-19 Funds



## Purpose

This document identifies program investment targets to benefit disadvantaged communities, low-income communities, and low-income households, collectively referred to as “priority populations,” for agencies that administer California Climate Investments programs funded in Fiscal Year (FY) 2018-19.<sup>1</sup> The California Air Resources Board (CARB), in conjunction with the Administration, develops program-level targets to drive investments that achieve direct, meaningful, and assured benefits to priority populations.<sup>2</sup>

## Background

In 2016, Assembly Bill (AB) 1550 (Gomez, Chapter 369, Statutes of 2016) amended the investment minimums for disadvantaged communities introduced in Senate Bill (SB) 535 (De León, Chapter 830, Statutes of 2012) and established new investment minimums for low-income communities and low-income households. AB 1550 requires the available monies for California Climate Investments be minimally allocated as:

- 25 percent to projects located within the boundaries of, and benefiting individuals living in, disadvantaged communities<sup>3</sup>;
- 5 percent to projects that benefit low-income households or to projects located within the boundaries of, and benefiting individuals living in, low-income communities located anywhere in the State; and
- 5 percent to projects that benefit low-income households that are outside of, but within ½-mile of, disadvantaged communities, or to projects located within the boundaries of, and benefiting individuals living in, low-income communities that are outside of, but within ½-mile of, disadvantaged communities.

AB 1550 defines low-income communities as those census tracts with: 1) median household incomes at or below 80 percent of the statewide median income or 2) median household incomes at or below the threshold designated as low income by California Department of Housing and Community Development’s (HCD) list of State income limits.<sup>4</sup> AB 1550 defines low-income households as those with: 1) a household income at or below 80 percent of the statewide median income, or 2) a household

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<sup>1</sup> A summary of the FY 2018-19 funding is available at:

[www.arb.ca.gov/cc/capandtrade/auctionproceeds/summary\\_appropriation\\_table\\_8\\_31\\_18.pdf](http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/summary_appropriation_table_8_31_18.pdf).

<sup>2</sup> A map of areas designated as priority populations is available at:

[www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm](http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm).

<sup>3</sup> CalEPA designated the 25 percent highest scoring census tracts in CalEnviroScreen 3.0 as disadvantaged communities. More information is available at:

[www.calepa.ca.gov/EnvJustice/GHGInvest/](http://www.calepa.ca.gov/EnvJustice/GHGInvest/).

<sup>4</sup> California Department of Housing and Community Development. “State and Federal Income, Rent, and Loan/Value Limits: Official State Income Limits for 2016.” [www.hcd.ca.gov/grants-funding/income-limits/index.shtml](http://www.hcd.ca.gov/grants-funding/income-limits/index.shtml).

income at or below the threshold designated as low-income by HCD's list of State income limits. The AB 1550 percentage requirements apply to the overall appropriation from the Greenhouse Gas Reduction Fund (GGRF), rather than to each agency appropriation. As a result, individual investment targets for each program are established to help ensure the overall AB 1550 investment minimums are met.

### Investment Targets

Table 1 identifies the program investment targets for each of the FY 2018-19 programs. While the programs with targets included in Table 1 are particularly well-suited to implement projects that directly address community needs, other programs may also fund projects that provide benefits to priority populations. Therefore, programs without specified targets are shown as "---" and as agencies fund projects that benefit priority populations, those benefits will be documented through the reporting process. Therefore, implementation of the FY 2018-19 funds are expected to exceed the investment targets listed here.

Administering agencies must follow the requirements in CARB Funding Guidelines<sup>5</sup> to demonstrate benefits under AB 1550.<sup>6</sup> The Funding Guidelines require an analysis of each project to determine if the project meets the criteria for providing direct, meaningful, and assured benefits and addresses an important community need.

Implemented projects are displayed on the project map.<sup>7</sup> The project map shows project level information on California Climate Investments projects, as well as allows users to overlay priority population and political boundaries.

### Other Statutory Requirements

In addition to AB 1550 investment minimums, SB 862 and SB 859 require specific disadvantaged community investment targets for some programs, including:

- Transit and Intercity Rail Capital Program: at least 25 percent of funding to projects benefiting disadvantaged communities.
- Low Carbon Transit Operations Program: for those operators with disadvantaged communities in their service areas, the operators must direct at least 50 percent of funding to benefit disadvantaged communities.<sup>6</sup>
- Affordable Housing and Sustainable Communities Program: at least 50 percent of funding to projects benefiting disadvantaged communities.
- Urban Greening Program: at least 75 percent of funding to projects that are located in, and that provide benefits to, disadvantaged communities.<sup>8</sup>

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<sup>5</sup> The Funding Guidelines can be found at: [www.arb.ca.gov/cci-fundingguidelines](http://www.arb.ca.gov/cci-fundingguidelines).

<sup>6</sup> SB 1119 waives this requirement if the recipient transit agencies expend the funding provided on certain transit activities.

<sup>7</sup> The Project Map can be found at: <https://webmaps.arb.ca.gov/ccimap/>.

<sup>8</sup> Statute defines disadvantaged community for this program only as a community identified pursuant to SB 535 or a community with a median household income less than 80% of the statewide average.

**Table 1. Investment Targets to Benefit Priority Populations for FY 2018-19 Funds**

Continuous Appropriations										
Agency	Program Name	Continuous Appropriation (%)	Investment Targets <sup>1</sup>							
			Disadvantaged Communities		Low-income Communities or Households Anywhere in State		Low-income Communities or Households Within 1/2-mile of a Disadvantaged Community <sup>2</sup>		Total	
			%		%		%		%	
Department of Transportation	Low Carbon Transit Operations Program	5%	55%		5%		20%		80%	
High-Speed Rail Authority	High-Speed Rail	25%	-		-		-		-	
State Transportation Agency	Transit and Intercity Rail Capital Program	10%	30%		10%		15%		55%	
Strategic Growth Council	Affordable Housing and Sustainable Communities Program; Sustainable Agricultural Lands Conservation Program	20%	60%		10%		5%		75%	
<b>Subtotal for Continuous Appropriations</b>		<b>60%</b>	<b>30%</b>		<b>5%</b>		<b>6%</b>		<b>41%</b>	
FY 2018-19 Appropriations										
Agency	Program Name	FY 2018-19 Appropriation (\$M)	Investment Targets <sup>1</sup>							
			Disadvantaged Communities		Low-income Communities or Households Anywhere in State		Low-income Communities or Households Within 1/2-mile of a Disadvantaged Community <sup>2</sup>		Total	
			%	(\$M)	%	(\$M)	%	(\$M)	%	(\$M)
Air Resources Board	Community Air Grants	\$ 10	40%	\$ 4	40%	\$ 4	-	\$ -	80%	\$ 8
	Community Air Protection	\$ 245	70%	\$ 172	5%	\$ 12	5%	\$ 12	80%	\$ 196
	Funding Agricultural Replacement Measures for Emissions Reductions	\$ 112	50%	\$ 56	5%	\$ 6	-	\$ -	55%	\$ 62
	Low Carbon Transportation	\$ 455	35%	\$ 159	10%	\$ 46	5%	\$ 23	50%	\$ 228

FY 2018-19 Appropriations										
Agency	Program Name	FY 2018-19 Appropriation (\$M)	Investment Targets <sup>1</sup>							
			Disadvantaged Communities		Low-income Communities or Households Anywhere in State		Low-income Communities or Households Within 1/2-mile of a Disadvantaged Community <sup>2</sup>		Total	
			%	(\$M)	%	(\$M)	%	(\$M)	%	(\$M)
Air Resources Board	Woodsmoke Reduction Program	\$ 3	-	\$ -	75%	\$ 2	-	\$ -	75%	\$ 2
Coastal Commission	Coastal Management Program	\$ 2	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Coastal Conservancy	Climate Ready and Coastal Resilience Planning	\$ 3	10%	\$ 0	25%	\$ 1	-	\$ -	35%	\$ 1
Conservation Corps	Training and Workforce Development Program	\$ 9	30%	\$ 3	30%	\$ 3	-	\$ -	60%	\$ 5
Department of Community Services and Development	Low-Income Weatherization Program	\$ 10	50%	\$ 5	40%	\$ 4	5%	\$ 1	95%	\$ 10
Department of Fish and Wildlife	Wetlands and Watershed Restoration Program	\$ 5	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Department of Food and Agriculture	Dairy Methane Management	\$ 99	-	\$ -	-	\$ -	-	\$ -	-	\$ -
	Healthy Soils Program	\$ 5	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Department of Forestry and Fire Protection	Fire Prevention in the State Responsibility Area (SRA)	\$ 28	-	\$ -	25%	\$ 7	-	\$ -	25%	\$ 7
	Forest Health Program, Fire Prevention Program	\$ 160	-	\$ -	25%	\$ 40	-	\$ -	25%	\$ 40
	Prescribed Fire and Fuel Reduction	\$ 30	-	\$ -	10%	\$ 3	-	\$ -	10%	\$ 3
	Urban and Community Forestry Program	\$ 5	65%	\$ 3	10%	\$ 1	5%	\$ 0	80%	\$ 4
Department of Resources Recycling and Recovery	Waste Diversion	\$ 25	10%	\$ 3	10%	\$ 3	-	\$ -	20%	\$ 5
Energy Commission	Food Production Investment Program	\$ 64	-	\$ -	-	\$ -	-	\$ -	-	\$ -

FY 2018-19 Appropriations										
Agency	Program Name	FY 2018-19 Appropriation (\$M)	Investment Targets <sup>1</sup>							
			Disadvantaged Communities		Low-income Communities or Households Anywhere in State		Low-income Communities or Households Within 1/2-mile of a Disadvantaged Community <sup>2</sup>		Total	
			%	(\$M)	%	(\$M)	%	(\$M)	%	(\$M)
Energy Commission	Renewable Energy for Agriculture Program	\$ 4	25%	\$ 1	5%	\$ 0	5%	\$ 0	35%	\$ 1
	Transportation Technology and Fuels	\$ 13	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Natural Resources Agency	Regional Forest Health Projects	\$ 20	-	\$ -	10%	\$ 2	-	\$ -	10%	\$ 2
	Urban Greening Program	\$ 20	60%	\$ 12	10%	\$ 2	5%	\$ 1	75%	\$ 15
Office of Emergency Services	Wildfire Response and Readiness	\$ 25	-	\$ -	15%	\$ 4	5%	\$ 1	20%	\$ 5
San Francisco Bay Conservation and Development Commission	Bay Conservation and Development	\$ 1	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Strategic Growth Council	California Climate Investments Technical Assistance Program	\$ 2	70%	\$ 1	25%	\$ 1	-	\$ -	95%	\$ 2
	Climate Change Research	\$ 18	-	\$ -	-	\$ -	-	\$ -	-	\$ -
	Transformative Climate Communities Program	\$ 40	100%	\$ 40	-	\$ -	-	\$ -	100%	\$ 40
<b>Subtotal for FY 2018-19 Appropriations<sup>3</sup></b>		<b>\$ 1,413</b>	<b>32%</b>	<b>\$ 459</b>	<b>10%</b>	<b>\$ 138</b>	<b>3%</b>	<b>\$ 38</b>	<b>45%</b>	<b>\$ 635</b>

Dollars and percentages have been rounded to the nearest whole number.

<sup>1</sup> Programs shown as a dash “---” may also provide benefits for priority populations and will be documented through the reporting process.

<sup>2</sup> CalEPA and CARB have defined this area as a half-mile boundary around disadvantaged communities and does not include the entire low-income census tract adjacent to a disadvantaged community.

<sup>3</sup> Totals do not include appropriations made for State operations.