

# California Climate Investments: Investment Targets for Agencies Administering FY 2019-20 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) 2019-20.<sup>1</sup> The California Air Resources Board (CARB), in conjunction with the administering agencies, 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

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<sup>1</sup> A summary of the FY 2019-20 funding is available at:

[https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/Summary Appropriation Table 8-14-19.pdf](https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/Summary%20Appropriation%20Table%208-14-19.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> California Environmental Protection Agency (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 80 percent of the statewide median income, or 2) a household 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

Tables 1 and 2 identify the program investment targets for each of the FY 2019-20 programs. For programs that are particularly suited to implement projects that can directly address community needs, percentage values are entered in the tables. Other programs where a dash "---" is entered as a placeholder may also support projects that provide priority population benefits. As agencies fund projects that benefit priority populations, those benefits will be documented through the reporting process. Therefore, implementation of the FY 2019-20 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. 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>6</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>7</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> The Project Map can be found at: <https://webmaps.arb.ca.gov/ccimap/>.

<sup>7</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 2019-20 Continuously Appropriated Funds<sup>8</sup>**

<b>Agency</b>	<b>Program</b>	<b>2019-20 Continuous Appropriations (%)</b>	<b>Disadvantaged Communities (%)</b>	<b>Low-Income Communities or Households (%)</b>	<b>1/2-mile Buffer<sup>9</sup> (%)</b>	<b>Overall Priority Population (%)</b>
Department of Transportation	Low Carbon Transit Operations Program <sup>10</sup>	5%	55%	5%	20%	80%
High-Speed Rail Authority	High-Speed Rail <sup>11</sup>	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<sup>12</sup></b>		<b>60%</b>	<b>30%</b>	<b>5%</b>	<b>6%</b>	<b>41%</b>

<sup>8</sup> Dollars and percentages have been rounded to the nearest whole number.

<sup>9</sup> CalEPA and CARB have defined this area as a half-mile boundary around disadvantaged communities and it does not include the entire low-income census tract adjacent to a disadvantaged community.

<sup>10</sup> SB 1119 waives the requirements in CARB’s Funding Guidelines to demonstrate benefits under AB 1550 if the recipient transit agencies expend the funding provided on certain transit activities.

<sup>11</sup> The minimum targets can be met without including the High-Speed Rail project, but the project is expected to provide additional benefits for disadvantaged communities beyond those quantified in this table.

<sup>12</sup> Subtotal reflects continuous appropriations only.

**Table 2: Investment Targets to Benefit Priority Populations for FY 2019-20 Line-item Appropriations<sup>8</sup>**

Agency	Program	2019-20 Budget (\$M)	Disadvantaged Communities (%)	Low-Income Communities (%)	1/2-mile Buffer <sup>13</sup> (%)	Overall Priority Population (%)	Overall Priority Population (\$M)
Air Resources Board	Community Air Grants	\$10	40%	40%	---	80%	\$8
Air Resources Board	Community Air Protection	\$265	70%	5%	5%	80%	\$212
Air Resources Board	Fluorinated Gases Emission Reduction Incentive Program	\$1	---	---	---	---	---
Air Resources Board	Funding Agricultural Replacement Measures for Emissions Reductions	\$65	50%	5%	---	55%	\$36
Air Resources Board	Low Carbon Transportation	\$485	35%	10%	5%	50%	\$243
Air Resources Board	Prescribed Fire Smoke Monitoring	\$2	---	---	---	---	---
California Environmental Protection Agency	Transition to a Carbon-Neutral Economy	\$3	---	---	---	---	---
Coastal Commission	Coastal Resilience Planning	\$2	---	---	---	---	---
Conservation Corps	Training and Workforce Development Program	\$14	30%	30%	---	60%	\$9

<sup>13</sup> CalEPA and CARB have defined this area as a half-mile boundary around disadvantaged communities and it does not include the entire low-income census tract adjacent to a disadvantaged community.

Agency	Program	2019-20 Budget (\$M)	Disadvantaged Communities (%)	Low-Income Communities (%)	1/2-mile Buffer <sup>13</sup> (%)	Overall Priority Population (%)	Overall Priority Population (\$M)
Department of Community Services and Development	Low-Income Weatherization Program	\$10	50%	40%	5%	95%	\$10
Department of Fish and Wildlife	Wetlands and Watershed Restoration	\$0	---	---	---	---	---
Department of Food and Agriculture	Dairy Methane	\$34	---	---	---	---	---
Department of Food and Agriculture	Healthy Soils	\$28	---	---	---	---	---
Department of Forestry and Fire Protection	Fire Prevention	\$84	---	40%	---	40%	\$34
Department of Forestry and Fire Protection	Forest Health & Fire Prevention	\$160	---	40%	---	40%	\$64
Department of Forestry and Fire Protection	Prescribed Fire	\$35	---	25%	---	25%	\$9
Department of Forestry and Fire Protection	Urban and Community Forestry	\$10	70%	10%	---	80%	\$8
Department of Forestry and Fire Protection	WUI and Other Fire Prevention Activities	\$10	---	---	---	---	---
Department of Resources Recycling and Recovery	Waste Diversion	\$25	20%	10%	5%	35%	\$9

Agency	Program	2019-20 Budget (\$M)	Disadvantaged Communities (%)	Low-Income Communities (%)	1/2-mile Buffer <sup>13</sup> (%)	Overall Priority Population (%)	Overall Priority Population (\$M)
Natural Resources Agency	Urban Greening Program	\$30	65%	10%	5%	80%	\$24
Office of Emergency Services	Wildfire Response and Readiness	\$1	---	---	---	---	---
San Francisco Bay Conservation and Development Commission	Coastal Resilience Planning	\$2	---	---	---	---	---
State Water Resources Control Board	Safe Drinking Water	\$100	---	---	---	---	---
Strategic Growth Council	Climate Change Research	\$5	---	---	---	---	---
Strategic Growth Council	Regional Climate Collaboratives	\$2	---	---	---	---	---
Strategic Growth Council	Transformative Climate Communities Program	\$60	100%	---	---	100%	\$60
Workforce Development Board	Low Carbon Economy Workforce	\$35	50%	25%	---	75%	\$26
<b>Subtotal<sup>14</sup></b>		<b>\$1,478</b>	<b>35%</b>	<b>13%</b>	<b>3%</b>	<b>51%</b>	<b>\$750</b>

<sup>14</sup> Subtotal reflects line-item appropriations only.