

# Sustainable Transportation Equity Project

## Planning and Capacity Building Grant Solicitation

Low Carbon Transportation Investments Fiscal Year 2019-20  
California Climate Investments



June 4, 2020

If you need this document in an alternate format or language, please contact Bree Swenson at (916) 440-8284 or [step@arb.ca.gov](mailto:step@arb.ca.gov). TTY/TDD/Speech to Speech users may dial 711 for California Relay Service.

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# OVERVIEW

## I. SUMMARY

### A. Background

The California Air Resources Board (CARB) is issuing two competitive solicitations for multiple grantees across the state under the Sustainable Transportation Equity Project (STEP). STEP's overarching purpose is to increase **transportation equity**<sup>1</sup> in **disadvantaged**<sup>1</sup> and **low-income communities**<sup>1</sup> throughout California via two types of grants: Planning and Capacity Building Grants and Implementation Grants. Within these two grant types, CARB currently has up to \$22 million of available funding for planning, clean transportation, and supporting projects. This funding amount is subject to change and not guaranteed.

This solicitation is for STEP Planning and Capacity Building Grants. For the Implementation Grant Solicitation, see: <http://www.arb.ca.gov/msprog/aqip/solicitations.htm>

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

STEP aims to address community residents' transportation needs, increase residents' access to key destinations (e.g., schools, grocery stores, workplaces, daycare facilities, community centers, medical facilities), and reduce GHG emissions. Based on environmental justice principles, STEP funds projects that are priorities for historically under-served and over-burdened residents by requiring that projects center the knowledge and expertise of residents through all phases of project design, implementation, and evaluation. STEP has the flexibility to fund many different types of projects to ensure that STEP funds can help meet the needs of each community within that community's context.

STEP proposals require a significant amount of up-front work. The effort and expertise that Applicants invest in their proposals enables CARB to ensure that selected and funded projects are those that are most likely to address each community's vision, help meet the State's objectives, and achieve objectives that intersect across the climate, transportation, equity, and housing sectors.

### B. Planning and Capacity Building Grant Solicitation

Through the Planning and Capacity Building Grant Solicitation, STEP currently has up to \$2 million available from Fiscal Year (FY) 2019-2020 Low Carbon Transportation

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<sup>1</sup> See definitions in Appendix A.

Investments to help disadvantaged and low-income communities identify residents' transportation needs and prepare them to implement clean transportation and supporting projects. Lead Applicants may include community-based organizations, federally recognized tribes, and local governments.

If you are unsure whether you should apply for a Planning and Capacity Building Grant or are ready to apply for an Implementation Grant, see: [https://ww3.arb.ca.gov/msprog/step/step\\_flowchart.pdf](https://ww3.arb.ca.gov/msprog/step/step_flowchart.pdf)

CARB hosted four public work group meetings between October 2019 and January 2020 to gather public feedback on the design of STEP's criteria and requirements. CARB used input from these meetings and the dozens of written comments received after these meetings to develop a Draft Requirements and Criteria document.<sup>2</sup> The Draft Requirements and Criteria went through a public comment period in March 2020, and stakeholder comments<sup>3</sup> from that period were considered when finalizing this solicitation.

Technical assistance may be available to Planning and Capacity Building Grant Applicants and recipients through a technical assistance contract between the Strategic Growth Council (SGC) and Estolano Advisors (see [Technical Assistance](#)).

Funding recipients will be selected via an open competitive solicitation process. Proposals are due to CARB by email, mail, or in-person delivery no later than **5:00 pm (Pacific Time), August 31, 2020**.

## II. AVAILABLE FUNDING

This solicitation is estimated to provide up to \$2 million in FY 2019-2020 funds. CARB anticipates awards will be made to approximately ten disadvantaged and low-income communities. CARB may fund more or fewer than ten Planning and Capacity Building Grants, depending on the funding needs of the highest-ranking proposals that are submitted. Please note that \$2 million is the maximum amount of funding that may be available for STEP Planning and Capacity Building Grants and is subject to change. The final funding amount will be determined through a public work group meeting during the solicitation period and the resulting determination will be posted on CARB's website. For future information about the public work group meeting, see: <https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-0>

No **resource contribution**<sup>1</sup> (including cash, in-kind services, and leveraged funding from other public or private sources including other California Climate Investments

<sup>2</sup> <https://ww3.arb.ca.gov/msprog/step/feb28-2020-step-requirements-and-criteria.pdf>

<sup>3</sup>

[https://ww3.arb.ca.gov/msprog/step/step\\_public\\_comment\\_summary.pdf?\\_ga=2.108291522.1982260741.1587662624-1405068476.1585775700](https://ww3.arb.ca.gov/msprog/step/step_public_comment_summary.pdf?_ga=2.108291522.1982260741.1587662624-1405068476.1585775700)

programs) is required under this grant solicitation. See [Resource Contribution](#) section for details.

### A. Option for Future Grant Agreements

This solicitation includes the option for CARB to award new grant agreements or grant agreement amendments from FY 2019-2020 and FY 2020-2021, depending on the availability of funding and upon CARB’s sole discretion. The Applicant understands and agrees that there is no guarantee that additional funds will be awarded, and that CARB cannot provide assurance of future program funding.

STEP may receive additional funds from Low Carbon Transportation Investments in FY 2020-2021.<sup>4</sup> These funds may be dedicated to a new solicitation for Implementation Grants. Future planning and capacity building projects will likely be funded within a separate Low Carbon Transportation pilot project.

That being said, if additional funds become available and eligible proposals submitted in response to this solicitation remain unfunded, those proposals may be funded without reissuing a solicitation. If additional funding becomes available, the expenditure timeline of those new funds may extend the grant’s end date beyond that listed in this solicitation.

### III. TIMELINE

During the solicitation period, CARB will host multiple public teleconferences to answer questions about the solicitation (see [Applicant Teleconferences](#)). All proposals must be received by CARB by **5:00 pm (Pacific Time), August 31, 2020**.

All draft grant agreements for STEP funds must be submitted to CARB by December 23, 2020. All final grant agreements for STEP funds must be finalized and submitted to CARB by March 15, 2021. Grant agreements must be executed by May 14, 2021. All STEP funds must be expended within the **grant term**.<sup>1</sup>

All projects must plan to be completed (including a Final Report) and all final disbursement requests for reimbursement must be received by CARB no later than March 31, 2025 to ensure adequate time for processing prior to the end of the fiscal year.

**Table 1: Solicitation Timeline**

Key Action	Date	Time (Pacific Time)
Public Release of Solicitation	June 4, 2020	
Preliminary Applicant Question Deadline	June 25, 2020	12:00 pm
Preliminary Applicant Teleconference	June 30, 2020	3:00 pm

<sup>4</sup> <https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1>

STEP Planning and Capacity Building Grant Solicitation

Key Action	Date	Time (Pacific Time)
Deadline for Technical Assistance Survey Responses	July 15, 2020	5:00 pm
Mid-Solicitation Applicant Question Deadline	July 17, 2020	5:00 pm
Mid-Solicitation Applicant Teleconference	July 22, 2020	10:00 am
Final Applicant Question Deadline	August 10, 2020	5:00 pm
Final Applicant Teleconference	August 13, 2020	3:00 pm
Proposal Submittal Deadline	August 31, 2020	5:00 pm
Review and Scoring of Proposals	September 1-30, 2020	
Preliminary Grantee Selection	October 15, 2020	5:00 pm
Complete Grant Agreement for CARB Review	December 23, 2020	5:00 pm
Final Grant Agreement to CARB	March 15, 2021	5:00 pm
Execute Grant Agreement and Return Signed Grant Agreement to CARB <sup>5</sup>	May 14, 2021	5:00 pm
Draft Final Report to CARB	January 31, 2025	5:00 pm
Grant Term and Final Disbursement Request Deadline	March 31, 2025	11:59 pm

Timelines are subject to change at CARB’s sole discretion.

#### IV. PROPOSAL INSTRUCTIONS

The **proposal**<sup>1</sup> includes the project and supporting activities that make up the full STEP investment in a single community.

A proposal must be submitted for either a Planning and Capacity Building Grant or an Implementation Grant. One proposal may not be used to apply for both grant types, though an Applicant may submit separate proposals to apply for both grant types. This solicitation is for the Planning and Capacity Building Grant. For the Implementation Grant Solicitation, see: <http://www.arb.ca.gov/msprog/aqip/solicitations.htm>

Applicants must submit a proposal using the Proposal Template in **Appendix B**. The template outlines all of the components that must be included in a STEP proposal. **Proposal components**<sup>1</sup> are organized into five categories.

Grant Framework	Applicants and Partnership Structure	Proposal Thresholds and Criteria	Project-specific Thresholds and Criteria	Proposal Implementation Plan
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<sup>5</sup> Includes governing board resolution

This solicitation document includes instructions on how to complete and submit each proposal component, listed below by category.

**Table 2: Proposal Components**

Proposal Component	Submission Format
Cover page (Appendix C)	Attachment
<b>Grant Framework (page 7)</b>	
Vision statement	Proposal Template
Projects identified	Proposal Template
Project summary for public posting	Proposal Template
<b>Applicants and Partnership Structure (page 11)</b>	
Lead Applicant and Sub-applicant identification, qualifications, and letters of support	Proposal Template and Attachments
Conflict of interest declaration	Attachments
Community Partner identification and letters of support	Proposal Template and Attachments
Partnership Structure	Proposal Template
<b>Proposal Thresholds and Criteria (page 19)</b>	
STEP Community map	Attachments
STEP Community description	Proposal Template
Consistency with existing plans letter(s) of support	Attachments
Workforce development component	Proposal Template
Displacement avoidance component	Proposal Template
Affordable housing and land use component	Proposal Template
<b>Project-specific Thresholds and Criteria (page 23)</b>	
Project scope	Proposal Template
Transportation equity component	Proposal Template
Community engagement component	Proposal Template
Outreach and education component	Proposal Template
Data tracking and reporting component	Proposal Template
Climate adaptation and resiliency component	Proposal Template
<b>Proposal Implementation Plan (page 28)</b>	
Proposal budget	Proposal Template
Resource contribution documentation (if applicable)	Attachments
Proposal timeline	Proposal Template

A checklist of all proposal components is included in Appendix C, Section II.

Some proposal components will be used to screen all proposals to ensure they meet all **eligibility thresholds**,<sup>1</sup> including general completeness. These components are identified in Instructions boxes throughout this document with (*Eligibility Threshold*). If a proposal does not meet all eligibility thresholds, the Lead Applicant will be notified by CARB within four business days after the solicitation deadline and will have two



business days to submit proof that missing eligibility thresholds have been met. Updates to eligibility thresholds during this time should not result in substantial changes to proposals. Eligibility thresholds will be evaluated at CARB’s sole discretion. After that deadline, proposals that do not meet all eligibility thresholds will not be scored. See Appendix C, Section III for a full list of eligibility thresholds organized by proposal component.

INSTRUCTIONS <i>(Proposal Template INSTRUCTIONS tab)</i>	
1	AFTER THE PROPOSAL IS COMPLETE Complete, sign, and date the cover page of the proposal (see Appendix C, Section I). <i>(Eligibility Threshold)</i>
2	AFTER THE PROPOSAL IS COMPLETE Complete the Proposal Components and Eligibility Thresholds checklists (see Appendix C, Sections II and III) to ensure that all proposal components (sections of the proposal template and attachments) have been included and all eligibility thresholds have been met before submitting to CARB. If you answer "No" to any of the items in the checklist, go back and complete those items before submitting the proposal to CARB. Submit the final completed checklist to CARB with the rest of the proposal. <i>(Eligibility Threshold)</i>

Some proposal components will be scored during the proposal review process. These components are identified in Instructions boxes throughout this document with *(Scoring Criterion)*. CARB will select funding recipients based upon the **scoring criteria**<sup>1</sup> identified in Appendix D.

Grant Framework	Applicants and Partnership Structure	Proposal Thresholds and Criteria	Project-specific Thresholds and Criteria	Proposal Implementation Plan
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## GRANT FRAMEWORK

This section describes the proposal components in the Grant Framework category. Some components will be used to ensure eligibility thresholds identified in Appendix C, Section III are met. Some components will be scored during the proposal review process based on the quality of the component using the scoring criteria in Appendix D. Applicants must complete these proposal components using the Proposal Template in Appendix B.

The grant framework establishes the structure that all STEP proposals must follow. The framework consists of three related parts—objectives, vision, and projects. See the figure below for more details about this framework.

Figure 1: Grant Framework



All aspects of the proposal, including identification of the vision and projects, must be developed through community engagement. Community engagement may be undertaken specifically to apply for STEP funds or may have been previously completed as part of another relevant local planning process undertaken in and with the STEP Community (see [STEP Community](#)) (e.g., community engagement for active transportation plan, General Plan, specific plan, neighborhood plan, unmet transit needs assessment). These community engagement activities must have been

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Grant Framework	Applicants and Partnership Structure	Proposal Thresholds and Criteria	Project-specific Thresholds and Criteria	Proposal Implementation Plan
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conducted within at least four years of the proposal submittal date.

### I. STEP OBJECTIVES

STEP's overarching purpose is to increase transportation equity in a way that reduces GHG emissions and benefits residents of disadvantaged and low-income communities.

**Transportation Equity:** When a community's transportation system provides accessible, affordable, environmentally sustainable, reliable, and safe transportation options to all residents, in particular those that have been disproportionately impacted by pollution or lack access to services. Transportation equity is intrinsically linked to access to economic opportunities and occurs when community residents have the power to make decisions about their transportation systems.

STEP Planning and Capacity Building Grants fund the groundwork for future community-based projects that have been designed and implemented in collaboration with community residents to address transportation needs and inequities. Some examples of solutions to transportation inequities that may be addressed through a STEP proposal include:

- Well-lit transit stations or stops where people regardless of gender or racial identity feel safe
- Pedestrian infrastructure that is accessible to people in wheelchairs or with strollers and that reduces the chance of traffic collisions
- Transportation options that enable trip-chaining and non-commute trips as well as commute trips
- Transportation options that overcome physical barriers that hinder access to key destinations such as schools, grocery stores, workplaces, daycare facilities, community centers, or medical facilities
- Increased transportation options in historically disinvested communities

STEP Implementation Grants provide funding to facilitate collaboration and community engagement during project implementation. For the Implementation Grant Solicitation, see: <http://www.arb.ca.gov/msprog/aqip/solicitations.htm>

STEP Planning and Capacity Building Grants provide funding to facilitate collaboration and community engagement during project development, especially with **hard-to-reach residents**.<sup>1</sup>

STEP's objectives reflect the priorities of both California Climate Investments and the Low Carbon Transportation Investment's clean transportation equity projects. Objectives for the Planning and Capacity Building Grants are to facilitate

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transportation equity via the following:

- Identify disadvantaged or low-income community residents’ transportation needs
- Prepare for and prioritize projects that will increase clean transportation options and reduce GHG emissions to benefit residents of disadvantaged or low-income communities

### II. COMMUNITY VISION

The proposal must include a vision statement that articulates how the proposed project will help address the transportation needs of the community and achieve STEP’s objectives stated above. For example, Applicants may describe the context for the community’s current lack of clean transportation options and how, with STEP funding, community residents can help identify specific clean transportation projects that they want and need. Residents and other key stakeholders (e.g., community groups, local small businesses) must be involved in the development of the vision statement.

INSTRUCTIONS <i>(Proposal Template GRANT FRAMEWORK tab)</i>	
1	Describe the vision for the STEP Community. <i>(Scoring Criterion)</i>
2	Describe how residents and other key stakeholders were involved in the development of the vision statement identified above. <i>(Scoring Criterion)</i>

### III. ELIGIBLE PROJECTS

See **Appendix E** for a list of eligible projects and related **elements**,<sup>1</sup> eligible costs, and specific project requirements. Projects that are not on the eligible or ineligible lists may be determined to be eligible at CARB’s sole discretion.

The proposal must identify the project that Applicants would like STEP to fund. Applicants are encouraged to demonstrate how project elements may be prioritized for funding in case the full proposal cannot be funded.

Residents and other key stakeholders (e.g., community groups, local small businesses) must be involved in the identification of the proposed projects.

While proposed projects should be as certain as possible, project design specifics may be determined or updated based on community engagement after the community is selected. CARB will work with the selected Grantees to determine where flexibility is possible within the grant agreement to allow for community engagement to continue informing project design throughout grant implementation. For example, Applicants may work with community residents to identify the need for a community

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transportation needs assessment, but may wait to identify all of the specific community events they will attend to gather information for the assessment until after the grant agreement is executed.

The project must be completed within the grant term. The project must be compliant with all relevant laws, regulations, policies, and procedures.

The project may contain multiple fundable elements. Each fundable element must meet all eligible cost and readiness requirements as defined in Appendix E.

<b>INSTRUCTIONS</b> <i>(Proposal Template GRANT FRAMEWORK tab)</i>	
3	Identify the project that Applicants plan to implement. <i>(Eligibility Threshold)</i>
4	Describe how residents and other key stakeholders were involved in the identification of this project. <i>(Scoring Criterion)</i>
5	Provide a summary of the proposal that includes a brief description of the proposed STEP-funded project. Summaries from all Applicants will be posted publicly on CARB's website. <i>(Eligibility Threshold)</i>

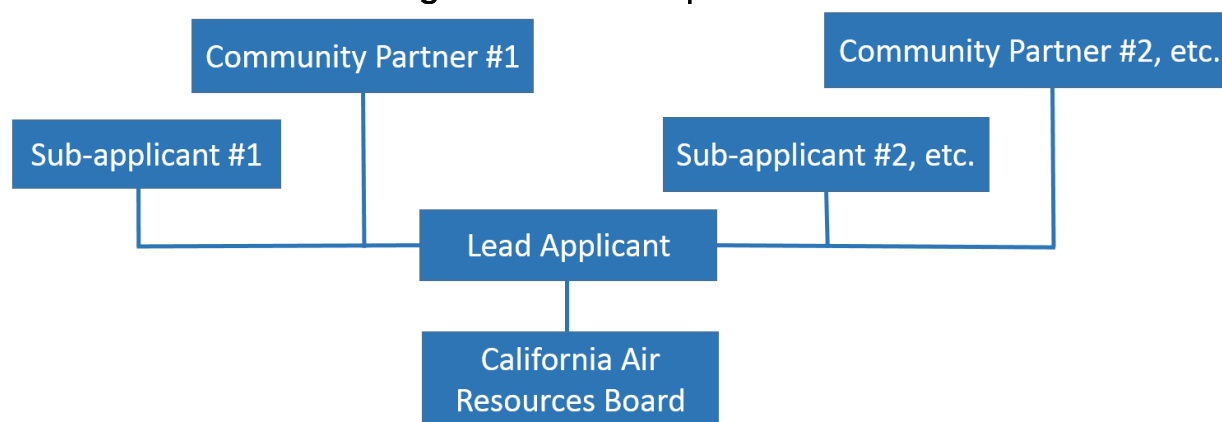
Grant Framework	Applicants and Partnership Structure	Proposal Thresholds and Criteria	Project-specific Thresholds and Criteria	Proposal Implementation Plan
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## APPLICANTS AND PARTNERSHIP STRUCTURE

This section describes the proposal components in the Applicants and Partnership Structure category. Some components will be used to ensure eligibility thresholds identified in Appendix C, Section III are met. Some components will be scored during the proposal review process based on the quality of the component using the scoring criteria in Appendix D. Applicants must complete these proposal components using the Proposal Template in Appendix B.

Each proposal must include partnerships between a Lead Applicant, Sub-applicants, and Community Partners. These entities, representing different interests and priorities in the STEP Community and possessing different skillsets and expertise, should work together to collectively develop and implement a proposal that serves community residents and local implementers.

**Figure 2: Partnership Structure**



Applicants must meet all applicable requirements of the AQIP Guidelines,<sup>6</sup> Low Carbon Transportation Funding Plan,<sup>7</sup> and this solicitation and comply with all relevant laws, regulations, policies, and procedures. Where applicable, Applicants must be compliant with CARB regulations such as those that regulate trucks, buses, off-road equipment, and engine inspection requirements prior to grant agreement execution. When preliminarily selected as a funding recipient, where applicable, Applicants may be required to verify compliance with CARB regulations if applicable, including:

<sup>6</sup> <https://ww3.arb.ca.gov/regact/2009/aqip09/aqip09.htm>

<sup>7</sup> <https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1>

Grant Framework	Applicants and Partnership Structure	Proposal Thresholds and Criteria	Project-specific Thresholds and Criteria	Proposal Implementation Plan
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- Truck and Bus regulation<sup>8</sup>
- Periodic Smoke Inspections of Heavy-duty Diesel-Fueled Vehicles<sup>9</sup>
- Diesel Particulate Matter Control Measure for Municipality or Utility On-road Heavy-Duty Diesel-Fueled Vehicles<sup>10</sup>
- Regulation for In-Use Off-Road Diesel-Fueled Fleets<sup>11</sup>
- Large Spark-Ignition Engine Fleet Requirements Regulation<sup>12</sup>

## I. ELIGIBLE APPLICANTS

**Applicants**<sup>1</sup> include the Lead Applicant and all Sub-applicants. If the Lead Applicant is a local government, at least one of the Sub-applicants must be a community-based organization. If the Lead Applicant is a community-based organization, at least one of the Sub-applicants must be a local government. If the Lead Applicant is a federally recognized tribe, no specific partnerships are required, though partnerships are still strongly encouraged.

### A. Lead Applicants

The **Lead Applicant**<sup>1</sup> is the entity that is responsible for leading the development of the proposal and the implementation of the project funded through STEP. In most cases, the Lead Applicant should be the organization most focused on and connected to the STEP Community (see [STEP Community](#)). The Lead Applicant will enter into a partnership with other entities for the purpose of applying for a STEP grant.

There must only be one Lead Applicant per proposal. Should their proposal be selected for funding, the Lead Applicant will enter into a grant agreement with CARB and assume responsibility and accountability for the use and expenditure of received STEP funds as the Grantee. The Lead Applicant is responsible for contracting and working with all Sub-applicants and Community Partners to implement the proposed project.

Types of entities that may be Lead Applicants:

- **Community-based organizations**<sup>1</sup>
- **Federally recognized tribes**<sup>1</sup>
- **Local governments**<sup>1</sup>

<sup>8</sup> <https://ww2.arb.ca.gov/our-work/programs/truck-and-bus-regulation>

<sup>9</sup> <https://ww2.arb.ca.gov/our-work/programs/heavy-duty-diesel-inspection-periodic-smoke-inspection-program>

<sup>10</sup> <https://ww3.arb.ca.gov/msprog/publicfleets/regdocs.htm>

<sup>11</sup> <https://ww2.arb.ca.gov/our-work/programs/use-road-diesel-fueled-fleets-regulation>

<sup>12</sup> <https://ww2.arb.ca.gov/our-work/programs/large-spark-ignition-lsi-engine-fleet-requirements-regulation>

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If an entity that would be the Lead Applicant does not have the administrative capacity to assume this role, they may be a Sub-applicant and partner with another entity applying as the Lead Applicant. In this scenario, all Lead Applicant requirements would still apply. The Lead Applicant would still enter into a grant agreement with CARB and assume responsibility and accountability for the use and expenditure of received STEP funds, but the partnership could be set up so that the Lead Applicant supports the grant administratively and the Sub-applicant leads project implementation.

<b>INSTRUCTIONS</b> ( <i>Proposal Template APPLICANTS tab</i> )	
1	Identify the Lead Applicant by name and type of entity (community-based organization, federally recognized tribe, or local government). ( <i>Eligibility Threshold</i> )
2	Describe the roles and responsibilities of the Lead Applicant in implementing the project identified in the proposal. ( <i>Scoring Criterion</i> )

<b>INSTRUCTIONS</b> ( <i>Attachments</i> )	
3	Include a letter of support from the Lead Applicant that: <ul style="list-style-type: none"> <li>• Defines their contribution to the proposal</li> <li>• Identifies their role in developing the Partnership Structure (see <a href="#">Partnership Structure</a>)</li> <li>• Expresses a commitment to implementing the proposal if funded</li> <li>• Highlights any strategies they are currently implementing or plan to implement that will support the proposed STEP-funded project</li> <li>• Identifies any resource contributions they are committed to providing (see <a href="#">Resource Contribution</a>)</li> </ul> ( <i>Eligibility Threshold and Scoring Criterion</i> )

The proposal must demonstrate the ability of the Lead Applicant to oversee and manage the grant on time and within the budget. A statement of qualifications must be included for the Lead Applicant that demonstrates that they have successfully implemented projects similar in scope or size in California within the last seven years.

<b>INSTRUCTIONS</b> ( <i>Proposal Template APPLICANTS tab</i> )	
4	Describe the experience the Lead Applicant has working on projects similar in scope or size in California within the last seven years. ( <i>Scoring Criterion</i> )

### B. Sub-applicants

**Sub-applicants**<sup>1</sup> are the Applicants that enter into a Partnership Structure with the Lead Applicant and are responsible for implementing the project or project elements funded through STEP. There is no limit to the number of Sub-applicants included in a



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single proposal. Should the Lead Applicant’s proposal be selected for funding, the Sub-applicants will be Subgrantees in the grant agreement with CARB.

Sub-applicants may include public, private, or nonprofit organizations, including but not limited to:

- Community-based organizations
- Community groups (including community-based organizations that are not registered nonprofits)
- Joint powers authorities
- Local governments
- Nonprofit organizations
- Philanthropic organizations and foundations
- Private companies (e.g., private mobility providers)
- **Public schools**<sup>1</sup>
- Transit agencies
- **Tribal governments**<sup>1</sup>
- Utilities
- Other public agencies

INSTRUCTIONS ( <i>Proposal Template APPLICANTS tab</i> )	
5	Identify each Sub-applicant by name and type of entity (e.g., community-based organization, local government, private company, transit agency, tribal government). ( <i>Eligibility Threshold</i> )
6	Describe the roles and responsibilities of each Sub-applicant in implementing the project identified in the proposal. ( <i>Scoring Criterion</i> )

INSTRUCTIONS ( <i>Attachments</i> )	
7	<p>Include a letter of support from each Sub-applicant that:</p> <ul style="list-style-type: none"> <li>• Defines their contribution to the proposal</li> <li>• Identifies their role in developing the Partnership Structure (see <a href="#">Partnership Structure</a>)</li> <li>• Expresses a commitment to implementing the proposal if funded</li> <li>• Highlights any strategies they are currently implementing or plan to implement that will support the proposed STEP-funded project</li> <li>• Identifies any resource contributions they are committed to providing (see <a href="#">Resource Contribution</a>)</li> </ul> <p>(<i>Eligibility Threshold and Scoring Criterion</i>)</p>

The proposal must demonstrate the ability of each Sub-applicant to support the Lead Applicant and fulfill their roles on specific project elements on time and within the

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budget. A statement of qualifications must be included for each Sub-applicant that demonstrates that they have successfully implemented project elements similar in scope or size in California within the last seven years.

<b>INSTRUCTIONS</b> ( <i>Proposal Template APPLICANTS tab</i> )	
8	Describe the experience each Sub-applicant has working on project elements similar in scope or size in California within the last seven years. ( <i>Scoring Criterion</i> )

## II. APPLICANT QUALIFICATIONS

### A. Organizational Readiness to Conduct Equity Work

The proposal should demonstrate that Applicants have the organizational readiness to conduct equity work. The proposal should identify how the Applicants’ management and leadership support or plan to support equity work and their staff’s understanding of equity work. This may include staff’s understanding of institutional racism, power dynamics, and systems of change and how their own community residents have been impacted by historical inequities. The proposal should also summarize the existing relationships Applicants have with community groups and residents, including any past successes and challenges.

<b>INSTRUCTIONS</b> ( <i>Proposal Template APPLICANTS tab</i> )	
9	Describe how each Applicant has prepared or plans to prepare staff to conduct equity work. If this preparation has not been provided or there are no plans to provide this preparation, explain why. ( <i>Scoring Criterion</i> )

### B. Financial Qualifications

Applicants are not required to provide financial information to apply to STEP. However, if selected, CARB will provide an STD. 204 Payee Data Record form that selected funding recipients must complete and submit to CARB.

Community-based organizations that are Lead Applicants must at all times be non-profit organizations registered with and in active/good standing with the California Secretary of State, have tax-exempt status with the Internal Revenue Service under Internal Revenue Code Section 501, be tax exempt under California State law, have at least one year of incorporation prior to proposal submittal, and be based in California or have at least one full-time staff person based in California.

### C. Conflict of Interest Declaration

All Applicants must disclose any conflict of interest that has the potential to impact their ability to fulfill the duties of a STEP Grantee or Subgrantee. Conflicts of interest may include but are not limited to financial arrangements with or interest in zero-

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emission vehicle manufacturers, dealers, fleets, or related organizations. CARB may consider the nature and extent of any potential or apparent conflicts of interest in evaluating, considering, or scoring the proposal and may disqualify Applicants at CARB’s sole discretion.

INSTRUCTIONS <i>(Attachments)</i>	
10	Summarize each Applicant’s current, ongoing, or pending direct or indirect interests that pose an actual, apparent, or potential conflict of interest with their ability to fulfill the duties of the STEP Grantee or Subgrantee.

### III. COMMUNITY PARTNERS

**Community Partners**<sup>1</sup> are community groups, community residents, health-based organizations, small businesses, or others in the community that, while not responsible for implementing projects funded through STEP like Lead Applicants and Sub-applicants are, serve as key stakeholders and representatives of the STEP Community residents. Community Partners should have contributed to the development of the STEP proposal and should continue to participate in decision-making on all aspects of the STEP proposal throughout implementation.

The proposal should identify the formal process by which Community Partners will participate in decision-making during grant implementation in a way that increases Community Partners’ impacts on decisions (see the Spectrum of Public Participation<sup>13</sup>) and serves community residents and local implementers.

STEP requires that, during implementation of STEP-funded projects, community engagement participants who are not already being paid for their participation (including Community Partners) receive appropriate incentives for their time and expertise (see the Community Inclusion Guidance linked in Appendix F for more details).

INSTRUCTIONS <i>(Proposal Template APPLICANTS tab)</i>	
11	Identify each Community Partner by name and type of entity (e.g., community group, community resident, small business). <i>(Eligibility Threshold)</i>
12	Describe the roles and responsibilities of each Community Partner in contributing to the development of the proposal and decision-making throughout grant implementation. <i>(Scoring Criterion)</i>

<sup>13</sup> [https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum\\_8.5x11\\_Print.pdf](https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum_8.5x11_Print.pdf)

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INSTRUCTIONS <i>(Attachments)</i>	
13	<p>Include a letter of support from each Community Partner that:</p> <ul style="list-style-type: none"> <li>• Defines their contribution to the proposal and Partnership Structure (see <a href="#">Partnership Structure</a>)</li> <li>• Describes their role in the community</li> <li>• Expresses a commitment to support the proposal if funded</li> <li>• Identifies how the proposed project will meet the transportation needs of the community residents they represent</li> </ul> <p><i>(Eligibility Threshold and Scoring Criterion)</i></p>

#### IV. PARTNERSHIP STRUCTURE

Each proposal must include a **Partnership Structure**<sup>1</sup> that clearly defines the relationships and decision-making framework between the Lead Applicant, Sub-applicants, and Community Partners that are a part of the STEP proposal. The Partnership Structure will guide implementation of the entire STEP grant.

The Partnership Structure must describe the partners’ governance, legal, and financial relationships. The structure must also incorporate a transparent decision-making process that centers the voices of Community Partners and other community residents and includes public meetings and a process to report back to the STEP Community on how community input is being incorporated into project development and implementation.

Applicant and subcontractor relationships must be disclosed in the proposal. If subcontractors are subject to a public process for approval, that process must be fully disclosed in the proposal, including who must approve contracts, the process for approval, and the anticipated timeline for approvals.

In any partnership structure, differences in capacity and power that lead to inequity between partners is probable, but should be minimized where possible. Applicants should consider how their Partnership Structure may be created in a way that addresses these potential inequities; for example, by creating a transparent communication structure between the partners and CARB.

INSTRUCTIONS <i>(Proposal Template PARTNERSHIP STRUCTURE tab)</i>	
14	<p>Describe how the Lead Applicant’s and the Sub-applicants’ roles and responsibilities (identified in the APPLICANTS tab) complement each other.</p> <p><i>(Eligibility Threshold and Scoring Criterion)</i></p>
15	<p>Describe the governance and decision-making structure of the partnership. Include the process for handling disputes and the process for changing, adding, or removing partners. <i>(Eligibility Threshold and Scoring Criterion)</i></p>

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<b>INSTRUCTIONS</b> <i>(Proposal Template PARTNERSHIP STRUCTURE tab)</i>	
16	Describe how the governance and decision-making structure centers the voices of Community Partners and other community residents. <i>(Eligibility Threshold and Scoring Criterion)</i>
17	Describe the role of online or in-person public meetings in the governance and decision-making structure. Include the frequency of meetings, the minimum number of public meetings that will be held, and how meeting agendas and notes will be posted for public access. <i>(Eligibility Threshold and Scoring Criterion)</i>
18	Describe how Applicants will report back to and seek feedback from the community about how input is being incorporated into project development and implementation. <i>(Eligibility Threshold and Scoring Criterion)</i>
19	Describe the legal structure of the partnership. Include who is contracting with whom and confirmation that the Lead Applicant will assume liability for the proposed project if selected. <i>(Eligibility Threshold and Scoring Criterion)</i>
20	Describe the financial structure of the partnership. Include the process the Lead Applicant will use to pay Sub-applicants and Community Partners and the subcontractor procurement process, if applicable. <i>(Eligibility Threshold and Scoring Criterion)</i>
21	Describe how the Partnership Structure addresses potential inequities between partners in the partnership structure. <i>(Scoring Criterion)</i>

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# PROPOSAL THRESHOLDS AND CRITERIA

This section describes the proposal components in the Proposal Thresholds and Criteria category. These components will help CARB understand the STEP Community, the overall proposal, and how the proposal aims to achieve objectives that intersect across the climate, transportation, equity, and housing sectors. Some components will be used to ensure eligibility thresholds identified in Appendix C, Section III are met. Some components will be scored during the proposal review process based on the quality of the component using the scoring criteria in Appendix D. Applicants must complete these proposal components using the Proposal Template in Appendix B.

## I. STEP COMMUNITY

The **STEP Community**<sup>1</sup> boundary should be defined by the Applicants and community residents during proposal development. The community must be represented by a contiguous<sup>14</sup> geographic boundary and contain residents that all use the same community-defined transportation system. The proposal must include a map and a narrative description that identifies and describes the STEP Community and its residents.

All of the proposal budget must fund a project focused on the STEP Community. At least 50 percent of the geographic area of the STEP Community must be disadvantaged or low-income community census tracts. SGC’s technical assistance contractor may help Applicants map their STEP Community boundary to ensure that the community is eligible for funding.

INSTRUCTIONS <i>(Attachments)</i>	
1	Submit a map shapefile that identifies: <ul style="list-style-type: none"> <li>• the STEP Community boundary,</li> <li>• tentative project location, and</li> <li>• benefiting disadvantaged or low-income community census tracts.</li> </ul> <i>(Eligibility Threshold)</i>

INSTRUCTIONS <i>(Proposal Template PROPOSAL THRESHOLDS &amp; CRITERIA tab)</i>	
2	Describe the residents of the STEP Community, including demographics such as gender, race/ethnicity, age, income, languages spoken, vehicle ownership, travel patterns to key destinations, and transportation mode share. Focus on demographics that are relevant to the community vision and identified projects. <i>(Scoring Criterion)</i>

<sup>14</sup> Next to or touching

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II. CONSISTENCY WITH EXISTING PLANS

Where possible, the proposal must be consistent with strategies and priorities identified in existing local and regional plans (e.g., General Plans, Specific Plans, Transportation Plans, Climate Action Plans, Sustainable Communities Strategies, Regional Transportation Plans) in order to ensure that the STEP-funded project will align with or complement other existing efforts and help meet existing local and regional climate and transportation goals.

STEP has no restrictions on the eligibility of a community for STEP funding based on what other funding the community has received in the past. However, if the community has received funding from other relevant State grant programs, the letter should explain how these funds will work together to address the community’s transportation needs.

INSTRUCTIONS <i>(Attachments)</i>	
3	Submit at least one letter from the city, county, or tribal government’s Planning Department, Community Development Department, Environmental Director, or other similar entity that has land use authority. The letter must demonstrate how the proposed project is aligned with the strategies, policies, and priorities identified in existing local and regional plans or that explains why the proposed strategies, policies, and plans in existing local and regional plans do not reflect the community’s needs or priorities. If no local or regional plans exist, explain why. <i>(Eligibility Threshold)</i>

III. WORKFORCE DEVELOPMENT

Where possible, the proposal should contribute to workforce development in the climate and clean transportation sectors by providing economic opportunities through high-quality jobs<sup>15</sup> or partnering with workforce development and training programs with career pathways for residents of the STEP Community. To the extent feasible, jobs and job training should be targeted to residents of disadvantaged and low-income communities and residents that face barriers to employment. Community engagement activities should engage residents on workforce development activities undertaken within the community. STEP’s **Workforce Development Guidance** (linked in Appendix F) includes detailed information about how to address this component, including example activities and other resources.

<sup>15</sup> Offer local living wages, benefits, predictable scheduling, opportunities for advancement, geographic accessibility, good working conditions, and job retention.



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<b>INSTRUCTIONS</b> <i>(Proposal Template PROPOSAL THRESHOLDS &amp; CRITERIA tab)</i>	
4	Describe how the proposed project will contribute to workforce development in the climate and clean transportation sectors, including how the project will help identify funding opportunities and partners to implement workforce development activities in the future for residents of the STEP Community. If not applicable, explain why. <i>(Scoring Criterion)</i>

### IV. DISPLACEMENT AND HOUSING

#### A. Displacement Avoidance

Where possible, the proposal should identify and avoid substantial economic, environmental, and public health burdens that may occur due to the STEP-funded project and that may lead to the physical or economic displacement of **low-income households**<sup>1</sup> and **small businesses**.<sup>1</sup> Community engagement activities should engage residents on the potential impacts of the proposal on the community. STEP’s **Displacement Avoidance Guidance** (linked in Appendix F) includes detailed information about how to address this component, including example activities and other resources.

<b>INSTRUCTIONS</b> <i>(Proposal Template PROPOSAL THRESHOLDS &amp; CRITERIA tab)</i>	
5	Describe how the proposed project will identify displacement vulnerability among existing low-income households and small businesses within the STEP Community. If not applicable, explain why. <i>(Scoring Criterion)</i>
6	Describe how displacement avoidance measures will be incorporated into the planning process, including how the project will help identify funding opportunities and partners to implement displacement avoidance activities in the future. If not applicable, explain why. <i>(Scoring Criterion)</i>

#### B. Affordable Housing and Land Use

Increasing the supply of affordable housing near transportation options facilitates GHG emission reductions and economic opportunities for residents. Where possible, the proposal should align with and complement policies, plans, or processes that have been locally adopted or are in active development to be locally adopted by a specific date, that support **affordable housing**,<sup>1</sup> and that have land use implications for transportation. These policies, plans and processes may use State planning funds, such as:

- SB 2 Planning Grants<sup>16</sup>
- Local Early Action Planning (LEAP) Grants<sup>17</sup>

<sup>16</sup> <https://www.hcd.ca.gov/grants-funding/active-funding/planning-grants.shtml>

<sup>17</sup> <https://www.hcd.ca.gov/grants-funding/active-funding/leap.shtml>



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- Sub-allocations to the local jurisdiction from a Regional Early Action Planning (REAP) Grant<sup>18</sup>

STEP's **Affordable Housing and Land Use Guidance** (linked in Appendix F) includes detailed information about how to address this component, including more examples, resources, and best practices.

	<b>INSTRUCTIONS</b> ( <i>Proposal Template PROPOSAL THRESHOLDS &amp; CRITERIA tab</i> )
7	Describe the relationship between the proposed project and the existing or potential uses of any other planning grants (including State planning grants) that are being administered or plan to be administered by the local jurisdiction with land use implications for transportation. If not applicable, explain why. <i>(Scoring Criterion)</i>

For questions about the above-listed planning grant programs, please contact [EarlyActionPlanning@HCD.ca.gov](mailto:EarlyActionPlanning@HCD.ca.gov).

<sup>18</sup> <https://www.hcd.ca.gov/grants-funding/active-funding/reap.shtml>

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## PROJECT-SPECIFIC THRESHOLDS AND CHARACTERISTICS

This section describes the proposal components in the Project-specific Thresholds and Criteria category. These components will help CARB understand the STEP Community, the overall proposal, and how the proposal aims to achieve objectives that intersect across the climate, transportation, equity, and housing sectors. Some components will be used to ensure eligibility thresholds identified in Appendix C, Section III are met. Some components will be scored during the proposal review process based on the quality of the component using the scoring criteria in Appendix D. Applicants must complete these proposal components using the Proposal Template in Appendix B.

### I. PROJECT SCOPE

The proposal must include specific information about the plan for the project.

	<b>INSTRUCTIONS</b> ( <i>Proposal Template PROJECT THRESHOLDS &amp; CRITERIA tab</i> )
1	Describe the project’s scope and deliverables. Include information about all project elements as defined in Appendix E. Include what project details (if any) still need to be determined and how community residents will be involved in that process. ( <i>Scoring Criterion</i> )

### II. TRANSPORTATION EQUITY

The proposal should consider how the project will further transportation equity in the STEP Community. Considerations relevant to transportation equity may be specific to the STEP Community and may include, but not be limited to, the following:

- Access to key destinations (e.g., schools, grocery stores, workplaces, daycare facilities, community centers, medical facilities)
- Accessibility of transportation options (e.g., can people with different ability levels, people who don’t have credit cards or smartphones, or people who do not speak English use the transportation services)
- Affordability of transportation options
- Environmental sustainability (e.g., air quality)
- Reliability of services
- Safety of end users (e.g., traffic collision avoidance, impacts to diverse populations from the presence of law enforcement)

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	<b>INSTRUCTIONS</b> ( <i>Proposal Template PROJECT THRESHOLDS &amp; CRITERIA tab</i> )
2	Describe how the project considers the needs of different groups of residents within the STEP Community. In particular, describe how the project incorporates different facets of transportation equity (including accessibility to key destinations, accessibility of transportation options, affordability, environmental sustainability, reliability, and safety) as they are defined by community residents. ( <i>Scoring Criterion</i> )

The proposal should identify a project that helps address community residents’ transportation needs and maximizes direct, meaningful, and assured benefits to residents of disadvantaged and low-income communities.

CARB uses Benefit Criteria Tables<sup>19</sup> (criteria tables) to determine if a project provides direct, meaningful, and assured benefits to residents of disadvantaged and low-income communities. While Applicants are not required to submit criteria tables as part of their STEP proposal, Applicants may use the criteria tables to better understand how CARB will track and report project benefits. However, Applicants are encouraged to include more details than the criteria tables identify about the specific benefits provided by the projects to disadvantaged community residents in the STEP Community.

For complex projects, there may be more than one applicable criteria table. Criteria tables that may be applicable to STEP proposals include, but are not limited to, Sustainable Transportation, Planning, and Job Training and Workforce Development.

	<b>INSTRUCTIONS</b> ( <i>Proposal Template PROJECT THRESHOLDS &amp; CRITERIA tab</i> )
3	Describe the direct, meaningful, and assured benefit(s) provided to residents of disadvantaged or low-income communities in the STEP Community. ( <i>Scoring Criterion</i> )

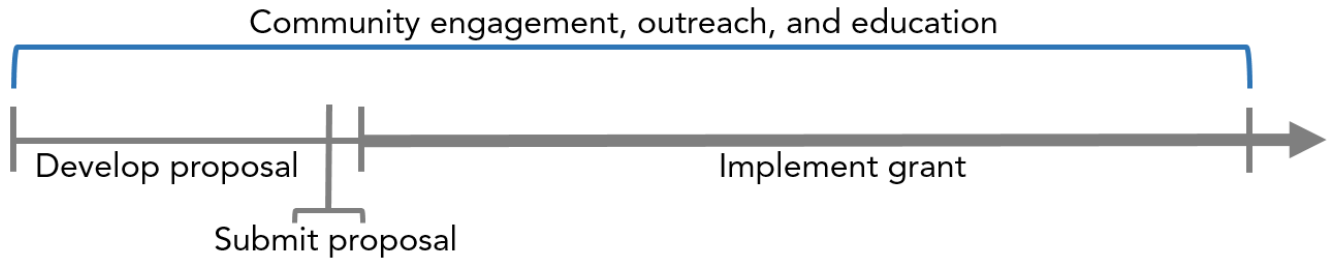
### III. COMMUNITY INCLUSION

Applicants must directly engage community residents and key stakeholders, including but not limited to Community Partners, in all phases of the proposal’s development and implementation to ensure the funded project provides direct, meaningful, and assured benefits to STEP Community residents, particularly those in disadvantaged and low-income communities. The figure below displays the timeline of the two components that are a part of community inclusion for the Planning and Capacity Building Grant: community engagement and outreach and education.

<sup>19</sup> <https://www.arb.ca.gov/cc-resources>

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**Figure 3: Community Inclusion Timeline**



All aspects of community inclusion should be implemented with participation from a diverse group of community residents that represent the demographics of the STEP Community. Focus should be on engaging hard-to-reach residents, whose interests, due to social, economic, and institutional barriers, have historically been under-represented.

**A. Community Engagement during Grant Implementation**

For the proposed project, Applicants must use recommended **community engagement**<sup>1</sup> methods identified in STEP’s Community Inclusion Guidance (linked in Appendix F) to ensure that community residents have the opportunities and resources they need to actively participate in the decision-making process *during grant implementation* to inform project design and implementation. Applicants should follow community engagement best practices such as ensuring translation of meetings and materials, scheduling meetings at times and locations that are convenient to community residents, and including a process to report back to community residents on the information received during community engagement activities and how this information is being incorporated into project development and implementation. Focus should be on engaging hard-to-reach residents.

	<b>INSTRUCTIONS</b> ( <i>Proposal Template PROJECT THRESHOLDS &amp; CRITERIA tab</i> )
4	Describe the community engagement activities planned to ensure that community residents have the opportunities and resources to actively participate in the decision-making process during grant implementation. ( <i>Scoring Criterion</i> )
5	Identify any hard-to-reach residents. ( <i>Scoring Criterion</i> )
6	Describe how the planned community engagement activities focus on the hard-to-reach residents identified above. ( <i>Scoring Criterion</i> )
7	Describe how the planned community engagement activities will be evaluated for success and updated accordingly. ( <i>Scoring Criterion</i> )

STEP requires that, during implementation of STEP-funded projects, community engagement participants who are not already being paid for their participation (including Community Partners and other community residents, members of

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community groups and community-based organizations, community leaders, and members of environmental justice organizations) receive appropriate incentives for their time and expertise. See the Community Inclusion Guidance for more details on participant incentives.

### B. Outreach and Education during Grant Implementation

For the proposed project, Applicants must use recommended **outreach**<sup>1</sup> and education methods identified in STEP’s Community Inclusion Guidance (linked in Appendix F) to ensure that community residents can actively participate in decision-making processes *during grant implementation*. Focus should be on engaging hard-to-reach residents.

<b>INSTRUCTIONS</b> <i>(Proposal Template PROJECT THRESHOLDS &amp; CRITERIA tab)</i>	
8	Describe the outreach and education activities planned to ensure that community residents have knowledge that will help them actively participate in decision-making processes during the project. <i>(Scoring Criterion)</i>
9	Describe how the planned outreach and education activities focus on the hard-to-reach residents identified above. <i>(Scoring Criterion)</i>
10	Describe how the planned outreach and education activities will be evaluated for success and updated accordingly. <i>(Scoring Criterion)</i>

## IV. DATA TRACKING AND REPORTING

CARB requires reporting on the benefits that result from funded projects such as community engagement and jobs supported.

**Appendix H** includes a list of the metrics funding recipients will be required to report to CARB. The complete set of metrics that funding recipients will be required to track and report will depend on the type of project funded in each proposal and will be finalized in consultation with the selected funding recipients during the grant agreement process.

<b>INSTRUCTIONS</b> <i>(Proposal Template PROJECT THRESHOLDS &amp; CRITERIA tab)</i>	
11	Identify the Applicant(s) who will lead data tracking and reporting. <i>(Scoring Criterion)</i>
12	Describe the plan for tracking and collecting project-related data to report to CARB. <i>(Scoring Criterion)</i>

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## V. CLIMATE ADAPTATION AND RESILIENCY

The proposal should plan to identify the specific direct and indirect impacts of climate change that the STEP Community will experience over the **project life**.<sup>1</sup> Where possible, the proposed project should help the community **adapt**<sup>1</sup> to identified direct and indirect climate impacts and build **community resilience**<sup>1</sup> in preparation for those impacts. Community engagement activities should engage residents on the impacts of climate change on the proposed project and the potential future climate benefits facilitated by the proposed project. STEP’s **Climate Adaptation and Resiliency Guidance** (linked in Appendix F) includes detailed information about how to address this component.

<b>INSTRUCTIONS</b> ( <i>Proposal Template PROJECT THRESHOLDS &amp; CRITERIA tab</i> )	
13	Describe how the proposed project will identify climate change risks and exposures within the STEP Community. If not applicable, explain why. ( <i>Scoring Criterion</i> )
14	Describe how the project will help increase the community’s capacity to adapt to these impacts and contribute to community resilience. If not applicable, explain why. ( <i>Scoring Criterion</i> )

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## PROPOSAL IMPLEMENTATION PLAN

This section describes the budget and timeline that will be used to implement the proposal described in the sections above. Some components will be used to ensure eligibility thresholds identified in Appendix C, Section III are met. Some components will be scored during the proposal review process based on the quality of the component using the scoring criteria in Appendix D. Applicants must complete these proposal components using the Proposal Template in Appendix B.

### I. PROPOSAL BUDGET

The proposal must include a budget that identifies all estimated labor, material, equipment, construction, installation, and administration costs associated with the proposal, including but not limited to:

- **Project Costs:** Requested funds and resource contributions for direct costs for all applicable elements of the identified project (see [Project Costs](#) below for more details).
- **Grant Implementation Costs:** Direct and indirect costs for administrative activities related to implementation of the grant (STEP contribution must account for no more than 20 percent of the value of requested funds, see [Grant Implementation Costs](#) below for more details).

The proposal budget must follow the format of the BUDGET tab in the Proposal Template (see Appendix B). Applicants should provide additional detail, as necessary, to show cost breakdown by task, subtask, and associated labor.

	<b>INSTRUCTIONS</b> <i>(Proposal Template BUDGET tab)</i>
1	Input all cost information and associated notes in the budget spreadsheet. <i>(Eligibility Threshold)</i>

	<b>INSTRUCTIONS</b> <i>(Proposal Template PROPOSAL IMPLEMENTATION PLAN tab)</i>
2	Confirm the total cost of the proposal (calculated based on inputs in the BUDGET tab). <i>(Eligibility Threshold)</i>
3	Confirm the total funds requested from STEP (calculated based on inputs in the BUDGET tab). If no resource contributions are included, this value should be the same as the total proposal budget. <i>(Eligibility Threshold)</i>

Labor rates are hourly rates that include direct labor and overhead and fringe benefits. Adjustments to labor rates that may occur over the grant term must be accounted for in the budget and explained in the Notes section of the BUDGET tab. Labor rates may not be increased at any time from those identified in the proposal.

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Similarly, any expectation of cost of living increases or increases in grant implementation costs due to inflation or other reasons needs to be included in the budget and explained in the Notes section of the BUDGET tab. Regardless of any proposed increase in costs due to cost of living, inflation, or other reasons, the total amount of funding for the proposal will not be changed once the grant agreement is executed unless, under CARB’s sole discretion, a grant amendment updates the grant agreement with additional funds and/or additional work.

If parts of the proposal have been or will be funded in whole or in part by other public incentive programs (e.g., other California Climate Investments programs, SB 1 programs) that are still under contractual obligations, their incentive program status must be clearly identified in the Notes section of the BUDGET tab. Applicants must also disclose information about other State grant programs (e.g., Clean Mobility Options Voucher Pilot, Active Transportation Program) they are currently applying for to fund the same project or project elements in the Notes section of the BUDGET tab.

**A. Project Costs**

Project costs include funds to directly implement any proposed STEP-eligible project, including but not limited to costs for labor, operations, community engagement, outreach, planning, and capacity building.

**B. Grant Implementation Costs**

Grant implementation costs include labor expenses and other costs for administrative activities related to implementation of the grant after the grant agreement has been executed. Grant implementation costs may be direct or indirect. The combination of direct and indirect grant implementation costs contributed by STEP may not exceed 20 percent of the total requested funds. CARB has the sole discretion to modify this maximum percent during grant agreement development.

	<b>INSTRUCTIONS</b> ( <i>Proposal Template PROPOSAL IMPLEMENTATION PLAN tab</i> )
4	Confirm the total grant implementation funds requested (must be no more than 20 percent of the total requested funds, calculated based on inputs in the BUDGET tab). ( <i>Eligibility Threshold</i> )

The final disbursement will be 10 percent of the total grant implementation costs covered by STEP or \$5,000 (whichever amount is greater) and will be withheld until the Grantee has delivered the Final Report. One percent of the total grant implementation costs covered by STEP will be withheld after 90 percent of the grant has been liquidated.



## STEP Planning and Capacity Building Grant Solicitation

Grant Framework	Applicants and Partnership Structure	Proposal Thresholds and Criteria	Project-specific Thresholds and Criteria	Proposal Implementation Plan
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### *Direct Grant Implementation Costs*

The proposal may include a request for funds to cover direct costs associated with administrative activities related to implementation of the grant. **Direct grant implementation costs**<sup>1</sup> covered by the Applicants are also eligible resource contributions.

Examples of direct grant implementation costs include, but are not limited to:

- Submitting invoices and supporting documents
- Participating in meetings with CARB and other project partners
- Collecting, organizing, and reviewing data
- Drafting regular reports for CARB to track implementation of proposal
- Participating in CARB events and networks to share information about grant implementation with other jurisdictions

As part of the direct grant implementation costs, at least 2 percent of the total proposal budget must fund data tracking and reporting (see [Data Tracking and Reporting](#)).

	<b>INSTRUCTIONS</b> <i>(Proposal Template PROPOSAL IMPLEMENTATION PLAN tab)</i>
5	Identify the total funds set aside for data tracking and reporting (must be at least 2 percent of the total proposal budget). <i>(Eligibility Threshold)</i>

### *Indirect Grant Implementation Costs*

The proposal may include a request for funds to cover indirect costs associated with administrative activities related to implementation of the grant. **Indirect grant implementation costs**<sup>1</sup> may not exceed 5 percent of the total requested funds. Indirect grant implementation costs covered by the Applicants are not eligible to be counted as resource contributions.

Examples of indirect grant implementation costs include, but are not limited to:

- General administrative expenses
- Rent and office space
- Phones and telephone services
- Printing

## STEP Planning and Capacity Building Grant Solicitation

Grant Framework	Applicants and Partnership Structure	Proposal Thresholds and Criteria	Project-specific Thresholds and Criteria	Proposal Implementation Plan
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INSTRUCTIONS <i>(Proposal Template PROPOSAL IMPLEMENTATION PLAN tab)</i>	
6	Confirm the total funds requested to cover indirect grant implementation costs (must be no more than 5 percent of the total requested funds, calculated based on inputs in the BUDGET tab). <i>(Eligibility Threshold)</i>

### C. Resource Contribution

No resource contributions are required for the Planning and Capacity Building Grant. However, if supplied, resource contributions may be used to cover project costs or direct grant implementation costs. Resource contributions may include cash, in-kind services, or leveraged funding from other public or private sources including other California Climate Investments programs.

If any resource contributions will be provided to fund the proposal, these contributions must be identified and documented in as much detail as possible. The minimum dollar value and source of each resource contribution must be identified in the proposed budget and documented in attachments. If applicable, this documentation may be included in the letters of support from Lead Applicants and Sub-applicants (see [Eligible Applicants](#)). CARB may choose not to consider resource contributions with documentation that does not include specific dollar amounts. Documentation must show that each resource contribution has already been committed to the project or that each resource contribution will be available by the time it is needed during grant implementation.

Resource contributions identified and documented in the proposal will be included in the grant agreement for selected funding recipients. Grantees will be required to fulfill these identified resource contribution commitments.

**Appendix G** includes a list of eligible resource contributions and examples of eligible documentation for each resource contribution.

INSTRUCTIONS <i>(Attachments)</i>	
7	If applicable, provide documentation to verify each resource contribution identified and that each resource contribution will be available by the time it is needed. <i>(Eligibility Threshold)</i>

## II. PROPOSAL TIMELINE

The timeline must follow the format of the TIMELINE tab in the Proposal Template (see Appendix B). Tasks must be linked to specific deliverables detailed in each project's scope.

All Applicants must participate in the development of the timeline and agree to be

STEP Planning and Capacity Building Grant Solicitation

Grant Framework	Applicants and Partnership Structure	Proposal Thresholds and Criteria	Project-specific Thresholds and Criteria	Proposal Implementation Plan
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bound by it for the duration of the grant term.

INSTRUCTIONS ( <i>TIMELINE tab</i> )	
8	<p>At a high level, outline all of the tasks needed to complete the project in chronological order, organized by disbursement schedule, including:</p> <ul style="list-style-type: none"> <li>• A description of each task (tasks and task numbers should match the tasks and task numbers identified in the <i>BUDGET tab</i>)</li> <li>• The start date and completion date of each task</li> <li>• The roles of each relevant Applicant in completing each task</li> <li>• Any deliverables associated with each task</li> </ul> <p><i>(Eligibility Threshold and Scoring Criterion)</i></p>

# PROPOSAL DEVELOPMENT, SUBMISSION, REVIEW, AND SELECTION

## I. TECHNICAL ASSISTANCE FOR APPLICANTS AND RECIPIENTS

Should SGC's technical assistance contract with Estolano Advisors be approved by the State Department of General Services, technical assistance will be available to support all STEP Applicants and recipients. Estolano Advisors is the contractor that may provide technical assistance to all STEP Applicants and recipients.

INSTRUCTIONS
Provide your information in the following survey by <b>5:00 pm (Pacific Time) on July 15, 2020</b> to access technical assistance services should they become available: <a href="https://docs.google.com/forms/d/e/1FAIpQLSeZn9n-7gGU7ScAkaBjllPwReXRpkH6ohWUKut8DG4BzUN2tw/viewform">https://docs.google.com/forms/d/e/1FAIpQLSeZn9n-7gGU7ScAkaBjllPwReXRpkH6ohWUKut8DG4BzUN2tw/viewform</a>

The technical assistance contractor may provide Applicants with support on the following:

- Helping Applicants determine whether to apply for a Planning and Capacity Building Grant or an Implementation Grant
- Mapping of the STEP Community

The technical assistance contractor will also support all Planning and Capacity Building Grant recipients by providing information about relevant upcoming grant opportunities relevant to their STEP-funded projects.

## II. APPLICANT TELECONFERENCES

CARB will hold three Applicant Teleconferences for the STEP Planning and Capacity Building Grant, at which time CARB staff will be available to answer potential Applicants' questions regarding eligibility thresholds, proposal components, solicitation process, and anything else related to the current STEP solicitation. The first and last teleconferences will be open to Applicants of both the STEP Planning and Capacity Building Grant and the STEP Implementation Grant. The Applicant Teleconferences will take place on the following dates and times:<sup>20</sup>

### First STEP Applicant Teleconference

Date: June 30, 2020

Time: 3:00 pm

Call-in Number: +1 (415) 655-0060

Passcode: 859-765-307

<sup>20</sup> Call-in numbers and passcodes may change. Should a change occur, the new call-in number and passcode will be listed on the CARB website at: <http://www.arb.ca.gov/msprog/aqip/solicitations.htm>. Potential Applicants are encouraged to confirm the call-in number and passcode by visiting the listed website prior to each teleconference.

Webinar registration:

<https://attendee.gotowebinar.com/register/3438438249644849933>

STEP Planning and Capacity Building Grant Applicant Teleconference

Date: July 22, 2020

Time: 10:00 am

Call-in Number: +1 (631) 992-3221

Passcode: 236-363-397

Webinar registration:

<https://attendee.gotowebinar.com/register/6139653545578850573>

Final STEP Applicant Teleconference

Date: August 13, 2020

Time: 3:00 pm

Call-in Number: +1 (562) 247-8422

Passcode: 256-596-403

Webinar registration:

<https://attendee.gotowebinar.com/register/1793756870980326669>

The Applicant Teleconferences will be open to all interested entities. Written questions submitted before each Applicant Teleconference will be given priority. Questions may be emailed to Bree Swenson at [step@arb.ca.gov](mailto:step@arb.ca.gov) up to four business days prior to each Applicant Teleconference. Staff will only respond to questions regarding the STEP solicitation during the Applicant Teleconferences.

The questions and answers from the Applicant Teleconferences and any questions received via email will be posted on the CARB website no later than 5:00 pm (Pacific Time) three business days after the teleconference. This date may be extended at CARB's sole discretion.

CARB will not answer questions regarding this solicitation before, between, or after the Applicant Teleconferences. Any verbal communication with a CARB employee concerning this solicitation is not binding on the State and shall in no way alter a specification, term, or condition of the solicitation.

### III. PROPOSAL SUBMISSION

All information and data submitted as a response to this solicitation are property of CARB and will become public record. If no qualified proposal is submitted, CARB will not award a grant and will consider other options for using STEP funds at CARB's sole discretion.

Proposals may be submitted electronically via email, by mail via postal service, or via in-person delivery.

### A. Electronic Submission

If submitting electronically, CARB must receive one zipped and signed proposal, including all of the required components, no later than **5:00 pm (Pacific Time) on August 31, 2020** to [step@arb.ca.gov](mailto:step@arb.ca.gov). If the proposal is too large to send in one email, Applicants may submit different parts of the proposal in multiple emails. Please include information in the body of the email about the number of emails that contain parts of the proposal that CARB should receive, so staff can confirm that CARB has received all parts of the proposal.

Proposals submitted via email must be sent to:

Bree Swenson  
California Air Resources Board  
Sustainable Transportation and Communities Division  
[step@arb.ca.gov](mailto:step@arb.ca.gov)

CARB will send a confirmation email to the Applicant within 24 hours of receiving the electronic version of the proposal. Proposals received after 5:00 pm (Pacific Time) on August 31, 2020 may be rejected and not scored.

### B. Mail or In-person Submission

If submitting by mail or in person, CARB must receive one signed original of, four copies of, and one flash drive with the proposal, including all of the required components, no later than **5:00 pm (Pacific Time) on August 31, 2020** at the California Air Resources Board headquarters at 1001 I Street, Sacramento, California 95814. Proposals submitted via U.S. Postal Service, United Parcel Service (UPS), Express Mail, Federal Express, or another delivery service provider must be dispatched with enough time so that CARB receives them no later than **5:00 pm (Pacific Time) on August 31, 2020** (delivery service provider's tracking number may be used to verify date of receipt).

Proposals submitted via the U.S. Postal Service must be mailed to the following address:

Bree Swenson  
California Air Resources Board  
Sustainable Transportation and Communities Division – Mailstop 6B  
P.O. Box 2815  
Sacramento, California 95812-2815

Proposals submitted via another delivery service or in person must be delivered to the following address:

Bree Swenson  
California Air Resources Board  
Sustainable Transportation and Communities Division – Mailstop 6B  
1001 I Street

Sacramento, California 95814

Once the proposal has been mailed or delivered in person, send an email to [step@arb.ca.gov](mailto:step@arb.ca.gov) indicating that you have submitted a proposal. CARB will send a confirmation email to the Applicant within 24 hours of receiving the hard-copy of the proposal. Proposals received after 5:00 pm (Pacific Time) on August 31, 2020 may be rejected and not scored.

## IV. PROPOSAL REVIEW AND SELECTION

### A. Review Process

The submitted proposal must include all proposal components.

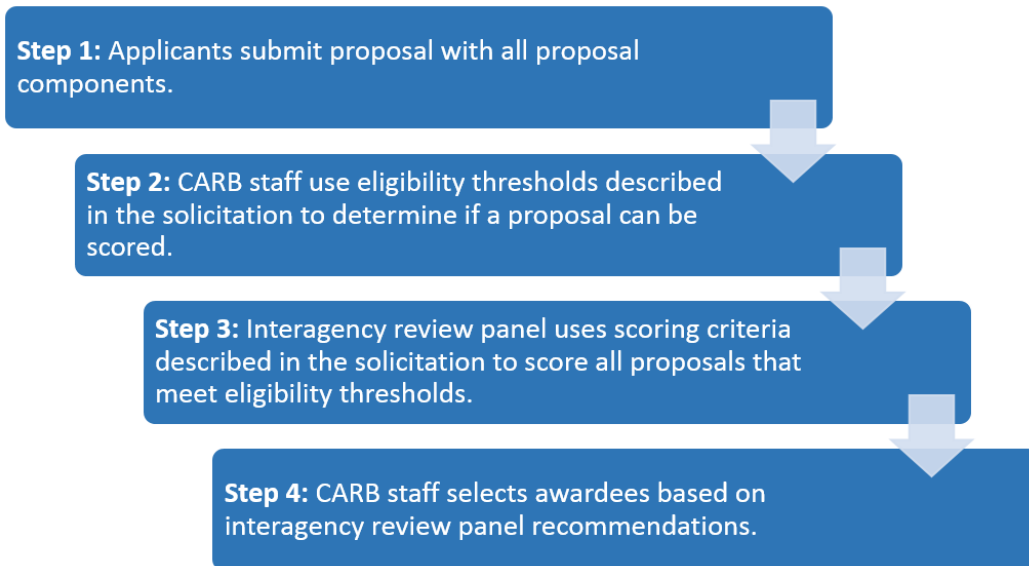
See **Appendix C, Section II** for a checklist that includes all proposal components. Applicants must use this checklist to ensure that all proposal components are included prior to submitting the proposal and submit a completed and signed checklist as part of the proposal cover page (see [Proposal Instructions](#) section).

CARB staff will evaluate all proposals that are submitted on time using the eligibility thresholds in Appendix C to ensure proposals meet basic eligibility requirements. If a proposal does not meet all eligibility thresholds, the Lead Applicant will be notified by CARB within four business days after the solicitation deadline and will have two business days to submit proof that missing eligibility thresholds have been met. Updates to eligibility thresholds during this time should not result in substantial changes to proposals. Eligibility thresholds will be evaluated at CARB's sole discretion. After that deadline, proposals that do not meet all eligibility thresholds will not proceed to the next step of the review process.

See **Appendix C, Section III** for a checklist that includes all eligibility thresholds that CARB staff will use to determine if a proposal will be scored. Applicants must use this checklist to ensure that all eligibility thresholds are met prior to submitting the proposal.

If a proposal meets all eligibility thresholds, an interagency review panel made up of CARB staff and other State agency staff will evaluate the proposal using the Scoring Criteria in Appendix D. Each proposal that is scored will receive a single score out of 100 points.

See **Appendix D** for a list of scoring criteria organized by proposal component.

**Figure 4: Proposal Review Process**

CARB may request clarification regarding proposal responses during the proposal review process. Clarifying questions will not be considered changes to the proposal for scoring purposes, but will be considered part of the proposal and will be included in the grant agreement if the proposal is selected for funding.

Applicants may be eligible to receive extra points for their proposal during the scoring process for meeting or addressing certain criteria. These extra points are intended to enable Applicants and communities with less capacity or experience with State grant programs to compete in the scoring process. Extra points will be assigned to:

- Proposals in which the Lead Applicant is a community-based organization or a federally recognized tribe
- Proposals for projects in rural<sup>21</sup> communities

### **B. Selection Process**

The Lead Applicant that submits the proposal with the highest overall score will be preliminarily selected as the Grantee. The preliminary selection of a proposal does not in any way commit CARB to approving or finalizing the grant. The selected funding recipient will be required to sign a grant agreement with CARB to fulfill the duties of the Grantee (see Appendix I).

CARB, in its sole discretion, may cancel the preliminary selection and select the next highest scoring project, and so on, until an agreement is reached, or exercise its right, in its sole discretion, through this process to not award a grant. CARB reserves the right, in its sole discretion, to cancel this solicitation, re-solicit for a Grantee, or direct

<sup>21</sup> For the purposes of STEP, rural communities are the communities that are not in urbanized areas, as defined by the 2010 census (<https://www.census.gov/programs-surveys/geography/guidance/geo-areas/urban-rural/2010-urban-rural.html>) OR communities that are not served by a metropolitan planning organization.



funding to another project in the Funding Plan.

In the event funding has been awarded to the highest scoring proposal and there are remaining funds available, CARB may preliminarily select the Lead Applicant from the proposal with the second highest overall score as another Grantee, and so on. In the event funding has been awarded to the highest scoring proposals and the remaining available funds are less than the amount requested in the next highest scoring proposal, CARB, in its sole discretion, may offer to fund a portion of the next highest scoring proposal, carry the remaining funds forward to the next fiscal year, or direct funding to another project in the Funding Plan.

CARB retains the right to remove discrete elements of proposals selected for funding that CARB determines to be ineligible or to reduce the scope of a proposal to use any remaining funds.

If, in CARB's sole discretion, no submitted proposal meets the goals of this solicitation, the Funding Plan, or AQIP Guidelines, no selection of a Grantee is required to be made and funding can be directed to another project identified in the Funding Plan as needed.

## V. SOLICITATION DEBRIEF

Once Applicants have been selected for funding and CARB announces the awards, the Applicants that were not selected for funding have thirty days to submit a written request to [step@arb.ca.gov](mailto:step@arb.ca.gov) for a debrief meeting with CARB. The debrief will include a review of the strong and weak aspects of the proposal and recommendations for how to improve the proposal for potential use in future solicitations. The debrief opportunity will be offered to Lead Applicants, Sub-applicants, and any other project partners interested in participating.

## IMPLEMENTATION PROCESS

After funding recipients are preliminarily selected, each selected funding recipient must work with CARB to develop a grant agreement.

### I. SCOPE OF WORK

The draft scope of work, which outlines the selected Grantee's duties and requirements, is in the Draft Sample Grant Agreement (Appendix I). Applicants must consider these duties and requirements when developing their proposal, especially the proposal timeline and budget. This scope of work will be modified in coordination with the selected funding recipient during grant agreement development and included in the grant agreement that must be executed by May 14, 2021.

### II. REQUIREMENTS PRIOR TO EXECUTION OF GRANT AGREEMENT

Once selected, and prior to execution of the grant agreement, the selected funding recipient will be required to submit a resolution of its governing board that commits the entity to:

- Comply with the requirements of the grant agreement
- Accept grant funds from CARB
- Allocate and authorize any resource contribution that the entity has committed as part of the proposal

CARB recommends the resolution allow for grant amendments without governing board approval.

In addition to the resolution, both CARB and the selected funding recipient must sign the grant agreement to execute it. The selected funding recipient will be required to sign the grant agreement with CARB to fulfill the administrative and technical duties associated with the project (see Appendix I, Draft Sample Grant Agreement). An executed grant agreement must be in place before work on the selected projects may begin.

Signed grant agreements and approved governing board resolutions must be returned to CARB no later than May 14, 2021. If grant agreements and approved governing board resolutions are not returned by the deadline, CARB, in its sole discretion, may deny the proposal and redirect funds to another submitted proposal to this solicitation or to another project in the Funding Plan, as needed.

CARB, in its sole discretion, may make changes to the proposed project milestones, work plan, or disbursement schedules in consultation with the Applicant, for inclusion in the grant agreement.

### III. GRANT AND BUDGET REVISIONS

Changes in the project budget, deliverables, or extension of the project schedule should be avoided where possible. CARB will work with the Grantee to determine where flexibility is possible within the grant agreement to allow for community engagement to continue informing project design throughout grant implementation and will assist the Grantee with formal amendments where needed.

In cases where changes may be allowed, they must be approved in advance and in writing by CARB and may require a grant amendment. Once a grant agreement is in place, changes to the work to be done or other project scope changes may be considered by CARB, if necessary, in consultation with the Grantee.

### IV. ADVANCE PAY

Consistent with the Legislature's direction to expeditiously disburse grants, CARB, in its sole discretion, may provide advance payments of grant awards to support project initiation and implementation, with a focus on mitigating the constraints of modest reserves and potential cash flow problems. Additional information on advance pay is in the Draft Sample Grant Agreement (Appendix I).

# ADMINISTRATION

## I. COST OF DEVELOPING PROPOSAL

The Applicant is responsible for the cost of developing a proposal, and this cost cannot be charged to the State. In addition, CARB is not liable for any costs incurred during environmental review or as a result of withdrawing a proposed award or of canceling the solicitation.

## II. ERRORS

If an Applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the solicitation, the Applicant shall immediately notify CARB of such error in writing and request modification or clarification of the document before the Proposal Submittal Deadline. CARB shall not be responsible for failure to correct errors.

## III. IMMATERIAL DEFECT

CARB may waive any immaterial defect or deviation contained in an Applicant's proposal. CARB's waiver shall in no way modify the proposal or excuse the successful Applicant from full compliance.

## IV. DISPOSITION OF APPLICANT'S DOCUMENTS

On the date that the grant agreement is signed, all proposals and related material submitted in response to this solicitation become a part of the property of the State and public record.

## V. APPLICANT'S ADMONISHMENT

This solicitation contains the instructions governing the requirements for funding proposals to be submitted by interested Applicants, including the format in which the information is to be submitted, the material to be included, the requirements that must be met to be eligible for consideration, and Applicant responsibilities. Applicants must carefully read the entire solicitation, ask appropriate questions in a timely manner, submit all required responses in a complete manner by the required date and time, and make sure that all procedures and requirements of the solicitation are followed and appropriately addressed.

## VI. AGREEMENT REQUIREMENTS

The content of this solicitation and each grant recipient's proposal shall be incorporated by reference into the final grant agreement. See the Draft Sample Grant Agreement (Appendix I) terms and conditions included in this solicitation.

## VII. CARB RESERVES THE RIGHT TO NEGOTIATE WITH APPLICANTS

CARB reserves the right to negotiate with Applicants to modify the project scope, the level of funding, or both. If CARB is unable to successfully negotiate and execute a

grant agreement with an Applicant, CARB, at its sole discretion, reserves the right to withdraw the pending award and fund the next highest ranked eligible project. This does not limit CARB's ability to withdraw a proposed award for other reasons, including for no cause.

## VIII. NO AGREEMENT UNTIL SIGNED

No agreement between CARB and the successful Applicant is in effect until the agreement is signed by the grant recipient and by the authorized CARB representative. Costs are only subject to reimbursement by CARB after execution. No costs incurred prior to execution of the agreement are reimbursable using CARB funds.

## IX. NO MODIFICATIONS TO THE GENERAL PROVISIONS

Because time is of the essence, if an Applicant at any time, including after preliminary selection, attempts to negotiate or otherwise seek modification to the General Conditions (attached as Appendix I, Draft Sample Grant Agreement), CARB may reject a proposal or withdraw a proposed award. This does not alter or limit CARB's ability to withdraw a proposed award for other reasons, including for failure of a third party agency to complete CEQA review or for no cause.

## X. PAYMENT OF PREVAILING WAGES

All Applicants must read and pay particular attention to Appendix I, Draft Sample Grant Agreement Section 10.17 entitled "Prevailing wages and labor compliance." Prevailing wage rates can be significantly higher than non-prevailing wage rates.

Failure to pay legally-required prevailing wage rates can result in substantial damages and financial penalties, disruption of projects, and other complications including termination of the grant agreement.

## XI. SOLICITATION CANCELLATION AND AMENDMENTS

CARB reserves the right to do any of the following:

- Cancel this solicitation
- Revise the amount of funds available under this solicitation
- Amend this solicitation as needed
- Reject any or all proposals received in response to this solicitation