

Greenhouse Gas Reduction Fund: Expenditure Record

Governor's Office of Land Use and Climate Innovation (LCI)
Extreme Heat and Community Resilience Program (EHCRP)

Authorizing legislation: Item 0650-101-3228 of the Budget Act of 2024, as amended by SB (Chapter 38, Statutes of 2024) appropriates to the Governor's Office of Land Use and Climate Innovation \$25,100,000 for the ICARP Extreme Heat and Community Resilience Grant Program.

Control section 15.14(g) of Budget Act of 2024 authorizes the Governor's Office of Land Use and Climate Innovation to comply with the requirements of paragraphs (2) and (3) of subdivision (a) of Section 16428.9 of the Government Code by describing how each proposed expenditure will improve climate change adaptation and resiliency, or environmental quality and public health, of disadvantaged communities or low-income households or communities.

Element (1) A description of each expenditure proposed to be made by the administering agency pursuant to the appropriation.

Agency that will administer funding:

- The Governor's Office of Land Use and Climate Innovation will implement this through their Integrated Climate Adaptation and Resiliency Program (ICARP), specifically via the Extreme Heat and Community Resilience Program.

Amount of proposed expenditure and appropriation reference:

- A total of \$22,100,000 million will fund projects selected through a competitive process that are ready to implement actions to build extreme heat and community resilience, led by tribes, community-based organizations and local governments. This expenditure is part of 25 million dollars of GGRF dollars allocated to the Extreme Heat and Community Resilience Program in the FY24 budget.

Estimated amount of expenditures for administering agency administrative costs

- 3 Million dollars of the total 25 million dollars will be used for administrative costs.

Identify how any interest earned on appropriated funds will be used, including any interest earned by third-party administrators

- No interest is expected to be earned at this time.

If applicable, identify laws or regulations that govern how funds will be used

- SB 155 Public resources trailer bill (2021). The EHCRP was created as a result of this SB and provided initial funding. The bill establishes a grant program for projects that mitigate the impacts of extreme heat or the urban heat island effect. The bill established that the awarded grants shall involve multistakeholder partnerships.
- AB 211 Public resources trailer bill (2022) provided additional funding.

Continuation of existing Expenditure Record

- This is a new program that does not have an existing Expenditure Record.

Project Type(s)

- Extreme heat relief and resiliency efforts. The grant program funds planning and implementation grants. The current funds are being used for implementation grants that include parks retrofits, home retrofits, and cooling centers.

Describe the projects and/or measures that will be eligible for funding

- In general, projects that include programs to increase awareness and provide resources and/or infrastructure that addresses extreme heat and community resilience.
- Grants encompass a wide range of projects, scales, and types of physical/social infrastructure. Successful implementation projects will lead to increased community support, connections, and ownership. Projects should inspire additional local investment in extreme heat solutions and community resilience. Specific category examples include:
- Planning and implementation of heat-resilient infrastructure using green, grey, or hybrid solutions to reduce exposure and provide relief from extreme heat in underserved communities.
- Planning and implementation of paired cooling amenities and climate resilience programming in public parks to reduce heat-related risks in disadvantaged communities.
- Installation of clean energy cooling systems to support heat resilience in disadvantaged communities while building local capacity for clean energy solutions.

Intended recipients

- Local transit agencies
- Cities
- Counties
- Metropolitan Planning Organizations (MPOs)
- Joint Powers Authorities (JPAs)
- Regional Transportation Planning Agencies (RTPAs)
- Councils of Governments (COGs)
- Congestion Management Agencies
- Groundwater Sustainability Agencies

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- School Districts
- Special districts (e.g., climate resilience districts, resource conservation districts, harbor districts)
- Local or Regional Public Authorities
- Local or Regional Public Agencies
- Political subdivisions other than those mentioned above
- California Native American tribes
- Community- based organizations
- Academic institutions and Coalitions
- Collaboratives
- Associations of nonprofit organizations that are fiscally sponsored by a 501(c)(3) non-profit or academic institution

Program structure and process for selecting projects for funding

- Grants will be evaluated and awarded through a competitive process.
- An Interagency Review Panel and administrative staff will review applications for eligibility, content, submission of proper documentation, and meeting technical criteria.
- Applications will be evaluated based on how well they describe the project, justify the need for the project and funding, reflect the program evaluation criteria, and articulate a concrete work plan, budget, and project timeline.
- Interagency review panel recommendations will be presented to the ICARP leadership for their consideration.

Element (2) A description of how a proposed expenditure will further the regulatory purpose of and contribute to achieving and maintaining greenhouse gas emission reductions pursuant to Division 25.5 (commencing with Section 38500) of the Health and Safety Code. Alternatively or additionally, provide a description of how a proposed expenditure will improve climate change adaptation and resiliency, or environmental quality and public health of California's communities.

Describe how expenditures will facilitate the achievement of GHG emission reductions, or improve climate adaptation and resiliency, or environmental quality and public health in the State. Additionally, describe how these expenditures may be consistent with the Investment Plan and Scoping Plan.

- The program will facilitate the State's broader climate adaptation and resilience goals through investments in planning and implementing extreme heat interventions targeted at improving health outcomes of Californians, especially of those who are disproportionately impacted, exposed to, or at risk of harm from extreme heat.
- This program will also support climate adaptation and resiliency by protecting critical infrastructure, including energy and transportation systems, that, if compromised by climate change impacts or malfunctions, can significantly increase risks to people.
- This program will advance public health and environmental quality by enabling nature-based solutions delivering multiple benefits, including addressing extreme heat by cooling communities, providing strategic shade, and regulating temperature of buildings and surfaces during extreme heat events.

Explain when GHG emission, adaptation, resiliency, environmental quality, and/or public health benefits are expected to occur and how they will be maintained.

- Creating Extreme Heat Action Plans at various geographic scales, led by either governments, community-based organizations, or partnerships, enables communities to engage in long-range planning that includes both immediate response interventions to extreme heat events, which can save lives and improve health outcomes, and longer-term strategies to develop the social and physical infrastructure needed for truly adaptive and resilient public health measures.
- Planning or funding infrastructure improvements to critical cooling infrastructure, such as solar-powered cooling devices for individual homes or community centers serving vulnerable populations, heat-resistant bus shelters for public transit users, and cooling corridors for recreational or biking commuters, can reduce the negative health impacts of extreme heat exposure. These interventions not only protect health but also help people adapt by allowing them to continue their daily activities.
- Strategically designed and accessible nature-based solutions can provide significant cooling benefits, such as shade from increased tree canopy or temperature reduction from green roofs and walls. Blue spaces, like clean and accessible lakes, can also

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serve as areas for heat relief. These and other nature-based interventions not only reduce the harms of extreme heat but also improve environmental quality, offering co-benefits such as cleaner streams for wildlife and improved recreational opportunities for communities.

I. Element (3) A description of how the administering agency considered the applicability and feasibility of other non-greenhouse gas reduction objectives of Division 25.5 (commencing with Section 38500) of the Health and Safety Code.

Describe expected community co-benefits that occur as a result of activities that facilitate the achievement of GHG emission reductions, or improve climate adaptation and resiliency, or environmental quality and public health in the State.

- Planning for and installing solar-powered cooling devices in individual homes and community spaces within vulnerable communities offers environmental and workforce development co-benefits. These projects will create jobs and provide job training opportunities for residents of disadvantaged communities through targeted recruitment and training programs, helping to grow California's green workforce. By relying on renewable energy, these cooling devices will also improve air quality by reducing criteria pollutants and greenhouse gas emissions from traditional energy production.
- Providing funding for cooling and resilience centers to not only offer relief during extreme heat but also develop year-round programming generates important co-benefits for communities. These spaces can address broader health and social needs, such as serving as food distribution sites, offering basic services for pregnant women, supporting educational initiatives, and creating hubs for community growth and organization. In doing so, they help communities prepare for other environmental hazards, such as air pollution and wildfire response.
- Improving parks with cooling amenities and extreme heat prevention programming provides important public health and resilience co-benefits. When parks are equipped with strategic cooling features like water elements, shade, drinking fountains, and even on-site resilience centers, they enable safe outdoor access during high temperatures. This supports both physical and mental health while fostering connection among neighbors and the broader community. Finally, extreme heat programming in parks further educates the community on what protective measures to take during extreme heat events at home and work and even first aid to attend impacts like heat strokes further preparing communities to live under the realities of extreme heat.

How the project will support other objectives of AB 32 and related statutes

- This program supports other authorized objectives of AB 32, including improving climate adaptation and resiliency, enhancing environmental quality and protecting public health. Specifically, it does so through:
 - Investing on adapting public parks with cooling amenities so they can continue to provide recreational services while also serving as cooling spaces for vulnerable communities during extreme heat events.
 - Identifying and prioritizing households for in-home cooling device distribution with metrics that truly prioritize vulnerable populations; for example, household with individuals who have disabilities and cannot access cooling centers or afford air conditioning.
 - Supporting community-led organizations in adapting their facilities and operations to serve as cooling centers while continuing to provide other key services.
- While this program will primarily support objectives related to climate adaptation and resiliency; it will only fund projects that promote extreme heat resilience through low-carbon and zero-carbon solutions in order to support the main goals of AB 32.

Explain strategies the administering agency will use to place an emphasis on maximizing benefits to disadvantaged communities and low-income communities and households.

- To ensure the program distributes funds equitably, the program will use funding targets to encourage equitable awarding. Applicants who demonstrate the Lead-Applicant falls within a funding target will receive a scoring advantage in the Communities Served section of the project narrative. Funding targets are as follows:
- Proposals where the Lead Applicant is a California Native American tribe, an eligible entity having co-ownership with a California Native American tribe, or an eligible entity established by a California Native American tribe to undertake extreme heat resilience projects will receive a scoring advantage.
- Proposals where the Lead Applicant's combined jurisdiction or project's impact area is a disadvantaged community will receive a scoring advantage.
- In addition, technical support will be provided to grantees as needed during project design and application preparation. If awarded, grantees will also receive support in finalizing their work plans. Technical assistance will continue to be available throughout project implementation.

Percentage of total funding that will be expended for projects that are located in and benefit priority populations¹ per CARB guidance

- The program has established that 100% of the funding will be expended in priority populations. Please see the breakdown below.

¹ Priority populations include residents of: (1) communities identified as disadvantaged by California Environmental Protection Agency per SB 535; (2) communities identified as low-income per AB 1550; or (3) a low-income household per AB 1550. See Section VII.B Funding Guidelines for more information on the definitions of priority populations.

Describe the benefits to priority populations per CARB guidance

- The projects will provide renewable energy-based cooling devices for individual homes, shared community spaces, and households in disadvantaged or low-income communities, helping protect residents from the adverse impacts of extreme heat without contributing to air pollution from traditional energy sources.
- The projects will improve parks in disadvantaged or low-income communities that lack cooling amenities in their parks, allowing residents to continue enjoying these spaces during extreme heat events. The goal is to transform parks into designated relief areas, especially for individuals without access to cooling devices at home.

Explain how the administering agency will avoid potential substantial burdens to disadvantaged communities and low-income communities or, if unknown, explain the process for identifying and avoiding potential substantial burdens

- The program will consult directly with communities through various means including workshops and public comments on program guidelines to identify potential burdens. The program will make programmatic adjustments to eligibility criteria, and ultimately funding decisions, as necessary to avoid potential substantial burdens to disadvantaged and low-income communities.
- As the program aims to benefit disadvantaged or low-income communities, one potential challenge is the administrative burden of managing funding, especially for smaller communities that may lack the infrastructure to do so. To address this, the program's post-award support includes capacity-building opportunities to help communities strengthen these processes not only for this grant but for long-term sustainability.

Element (4) A description of how the administering agency will document the result achieved from the expenditure to comply with Division 25.5 (commencing with Section 38500) of the Health and Safety Code. Alternatively or additionally, provide a description of how the administering agency will document improvements to climate change adaptation and resiliency, or environmental quality and public health of California communities resulting from the expenditure.

How the administering agency will track/report progress to make sure projects are implemented per requirements in statute and CARB guidance

- At a minimum, the program will report project-level data on contributions to extreme heat adaptation and resilience (e.g., number of beneficiaries receiving cooling devices, individuals served through community cooling infrastructure improvements, etc.).
- Funding recipients are required to maintain records, submit quarterly status reports, and participate in quarterly virtual check-in meetings to discuss progress and challenges. In addition to these updates, all grantees must submit a mid-term report and a final report, which will include case studies to capture not only project deliverables but also the processes through which their projects contribute to extreme heat adaptation and resilience. Projects that are not performing in accordance with their workplans will receive technical assistance or may have their contracts terminated in line with program policy.
- The program will also engage a third-party evaluator to assess the effectiveness of each awarded project in delivering meaningful adaptation and resilience to extreme heat.

Describe the approach that will be used to document GHG emission reductions, or adaptation, resiliency, environmental quality, and/or public health benefits, and/or other benefits before and after project completion

- To measure changes before and after project implementation, applicants will be required during the application process to provide both quantitative and qualitative baseline information on how their communities are affected by extreme heat. This includes identifying social and environmental factors that limit adaptation and resilience. This baseline will serve as a reference point for evaluating the impact of the project over time.
- The administering agency will coordinate with CARB to determine the best methods to collect metrics related to extreme heat adaptation and resilience, including environmental quality co-benefits.

Describe the approach that will be used to document how expenditures place an emphasis on disadvantaged communities or low-income communities or households.

Type of information that will be collected to document results, consistent with CARB guidance

- The program will include solicitation materials and scoring criteria that prioritize disadvantaged or low-income communities and households. For example, applicants will be encouraged to form partnerships—or build new ones—between government agencies and community-based organizations to leverage public infrastructure and local expertise. Additionally, the scoring criteria will award extra points if the lead applicant or the area being served is identified as a disadvantaged or low-income community.
- To assess health, environmental, and social impacts, the program will collect data from funding recipients on indicators such as the number of jobs created, recipients of cooling devices, and the estimated population served. These metrics will be aligned with CARB (California Air Resources Board) guidance.