

Clean California State and Local Grants

The current state budget (Budget Junior bill, SB 129) and the associated trailer bill (AB 149) provide the initial funding for the state infrastructure program (\$143.3 million) and for the **local grant program** (\$148 m). The bills containing the dollars and the programs structure have both been signed.

It is the governor's intent for an overall \$1 billion plan that will be spent over the next 2-3 years. The attached is a Caltrans Talking Points document that was posted prior to the final dollar amounts being agreed upon for this year.

Details follow for both state and the local program:

AB 149 – Clean CA Local Grant Program - *Local Beautification*: \$148M

This bill would establish the Clean California Local Grant Program of 2021, to be administered by the department, to allocate grants to local and public agencies, for beautifying and cleaning up local streets and roads, tribal lands, parks, pathways, transit centers, and other public spaces.

The bill would require the department to develop guidelines, including project selection criteria and program evaluation metrics and a process for allocating no less than 50% of the program funds to projects that benefit underserved communities and require local matching of funds of no more than 50% of the total project cost.

The bill would require the guidelines to also include project eligibility for funding, a limitation of \$5,000,000 maximum per grant award, and a prohibition on grants that fund projects that displace homeless.

Streets and Highways Codes 91.41 -

(a) The Clean California Local Grant Program of 2021 is hereby established, to be administered by the department, to provide funding, upon appropriation by the Legislature, for the purpose of allocating grants to local and regional public agencies, transit agencies, and tribal governments for purposes of beautifying and cleaning up local streets and roads, tribal lands, parks, pathways, transit centers, and other public spaces.

(b) It is the intent of the Legislature that the program established pursuant to subdivision (a) achieves all of the following goals:

- (1) Reduce the amount of waste and debris within public rights-of-way, tribal lands, parks, pathways, transit centers, and other public spaces.
- (2) Enhance, rehabilitate, restore, or install measures to beautify and improve public spaces.
- (3) Enhance public health, cultural connection, and community placemaking by improving public spaces for walking and recreation.
- (4) Advance equity for underserved communities.

(c) The department shall expedite the award of grants pursuant to this section by issuing a call for projects within six months of the effective date of this section. The department shall announce grant awards within three months following the call for projects.

(d) (1) Within six months of the effective date of this section, the department shall develop guidelines, including project selection criteria and program evaluation metrics, to implement the program. The guidelines shall be exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(2) In developing guidelines pursuant to paragraph (1), the department shall solicit input from local communities through at least two public workshops.

(3) The guidelines shall include, but shall not be limited to, all of the following:

(A) A process for allocating no less than 50 percent of the program funds to projects that benefit underserved communities. The department shall establish a definition for underserved communities that may include, but need not be limited to, disadvantaged communities, as identified pursuant to Section 39711 of the Health and Safety Code, and low-income communities, as defined in paragraph (2) of subdivision (d) of Section 39713 of the Health and Safety Code. A project eligible pursuant to this process shall clearly demonstrate a benefit to an underserved community or be directly located in an underserved community.

(B) Requirements for local matching funds of no more than 50 percent of the total project cost. The department may establish a lower percent or zero-match requirement for applicants based on severity of disadvantage.

(C) Project selection criteria that includes, but is not limited to, all of the following:

(i) The demonstrated need of the applicant to address the goals of the program as described in subdivision (b).

(ii) The potential for the project to enhance and beautify a public spaces or spaces.

(iii) The potential for greening to provide shade, reduce the urban heat island effect, and use native, low-water plants.

(iv) The potential for abatement of litter and debris that improves access to use of a public space or spaces.

(v) Identification of the local public engagement process that culminated in the project proposal and reflects community priorities.

(vi) The benefit to underserved communities.

(D) Project types eligible for funding pursuant to the program that include, but are not limited to, both of the following:

(i) Community litter abatement projects, events, and educational programming.

(ii) Greening and landscaping projects.

(E) A limit of five million dollars (\$5,000,000) maximum per grant awarded pursuant to the program.

(F) A prohibition on grants that fund projects that displace persons experiencing homelessness.

(G) A funding distribution that takes into account the population that each project is intended to benefit relative to the total population that all projects awarded grants pursuant to the program will benefit, and the needs of underserved communities.

(e) The department may authorize, and develop guidelines related to, an advance payment for a project funded by a grant awarded pursuant to the program. A grant applicant shall be eligible

for an advance payment from the department for a project funded by a grant awarded pursuant to the program only if all of the following conditions are met:

- (1) The grant applicant for an advance payment is a public agency.
- (2) The grant applicant requests an advance payment in its initial grant application.
- (3) The project or project component for which the advance payment is requested is well defined and can be delivered by an agreed upon date.
- (4) The grant applicant has a record of good financial management and has not been sanctioned by any state or federal agency.
- (5) Upon request of the department, the grant applicant offers sufficient capital, as determined by the department, as security for an advance payment.
- (6) Upon request of the department, the grant applicant provides a finding approved by its governing body that demonstrates a financial need for an advance payment pursuant to the program to deliver the project.

AB 149 - Clean California State Beautification Program of 2021

This bill would establish the Clean California State Beautification Program of 2021 to provide funding for beautifying and cleaning up state highways. The bill would require the department to develop project selection criteria and program evaluation metrics and identify eligible project types, such as greening and landscaping projects, gateway community identification projects, and enhanced infrastructure safety measures.

Streets and Highways Code 91.42 - State Beautification: \$143.3M

(a) The Clean California State Beautification Program of 2021 is hereby established, to be administered by the department, to provide funding, upon appropriation by the Legislature, for purposes of beautifying and cleaning up state highways.

(b) It is the intent of the Legislature that the program established pursuant to subdivision (a) achieves all of the following goals:

- (1) Reduce the amount of waste and debris within public rights-of-way, tribal lands, pathways, parks, transit centers, and other public spaces.
- (2) Enhance, rehabilitate, restore, or install measures to beautify and improve public spaces.
- (3) Enhance public health, cultural connection, and community placemaking by improving public spaces for walking and recreation.
- (4) Advance equity for underserved communities.

(c) (1) Within six months of the effective date of this section, the department shall develop project selection criteria and program evaluation metrics and identify eligible projects.

(2) The project selection criteria shall include, but shall not be limited to, all of the following:

(A) The demonstrated need of the applicant to address the goals of the program as described in subdivision (b).

(B) The potential for the project to enhance and beautify a public spaces or spaces.

(C) The potential for greening to provide shade, reduce the urban heat island effect, and use native, low-water plants.

(D) The potential for abatement of litter and debris that improves access to use of a public space or spaces.

(E) Identification of the local public engagement process that culminated in the project proposal and reflects community priorities.

(F) The benefit to underserved communities. The department shall establish a definition for underserved communities that may include, but need not be limited to, disadvantaged communities, as identified pursuant to Section 39711 of the Health and Safety Code, and low-income communities, as defined in paragraph (2) of subdivision (d) of Section 39713 of the Health and Safety Code.

(G) Project types eligible for funding pursuant to the program that include, but are not limited to, all of the following:

(i) Greening and landscaping projects.

(ii) Gateway community identification projects.

(iii) Enhanced infrastructure safety measures.

(d) Consistent with applicable department policies and guidelines, program funds shall not be used to displace persons experiencing homelessness.