



Re: Guiding Principles and Recommendations for a 2022 Equitable Climate Resilience Bond

Date: April 21, 2021

INTRODUCTION

Collectively, our organizations are committed to meaningfully advancing equity and making the transformative investments necessary to comprehensively address impacts from climate change and COVID-19, and related economic needs in disadvantaged and vulnerable communities.¹ Working-class communities of color including Latinx, Black, AAPI, and Indigenous communities are being hit hardest by COVID-19 and are feeling the impacts of the collapsing global economy, health system, and social safety net as a result of the pandemic. The simultaneous and ongoing threats from the climate crisis such as wildfires and extreme heat days will inevitably worsen these unequal health outcomes and economic conditions. The overlapping impacts of the pandemic alongside climate change necessitates a targeted response that prioritizes the needs of communities with the least resources to respond.

In the wake of COVID-19, we strongly encourage the development of a climate resilience bond proposal that meets a triple bottom line of centering equity, meeting community climate resiliency needs and creating genuine economic opportunity, particularly for disadvantaged and vulnerable communities. This cannot be achieved by promoting a conventional approach to climate resilience that focuses almost exclusively on natural resources and tokenizes investments and policy for vulnerable communities. To make equity real in our climate fight, we must elevate the needs of disadvantaged and vulnerable communities, ensure that we achieve meaningful benefits to these communities, and invest more significantly in community-led transformations. Moreover, equity strategies require that investments build assets and wealth that lead to greater economic security and mobility, proactively enhancing the capacity of impacted communities to participate in the clean energy economy.

Our organizations offer the following guiding principles and recommendations for an equitable climate resilience bond. The guiding principles and programs outlined in this letter give California the best opportunity to meaningfully address the needs and concerns of disadvantaged and vulnerable communities while comprehensively fighting climate change and addressing the impacts of COVID-19.

¹ For purposes of this letter, we define “disadvantaged communities” as described in Section 39711 of the Health and Safety Code and “vulnerable communities” as described in Section of the 71340 of the Public Resources Code.

GUIDING PRINCIPLES FOR AN EQUITABLE CLIMATE RESILIENCE BOND

- **Deliver Targeted Investments.** Investments must be targeted to disadvantaged and vulnerable communities and significantly address the needs of Californians who are most impacted by pollution, pandemic, and climate change, particularly in Latinx, Black, AAPI, and Indigenous communities.
- **Uplift Community-Driven Solutions.** Investments must facilitate and require community leadership, decision-making power, and robust community engagement.
- **Prevent Burdens.** In a COVID-19 world, investments must not harm disadvantaged and vulnerable communities who are already experiencing significant socioeconomic, environmental, and health burdens, such as displacement of renters, businesses, cultural institutions and neighborhood-serving facilities.
- **Deliver Comprehensive Approach.** To achieve transformation, investments must comprehensively deliver better public health outcomes, environmental benefits, and economic opportunities.
- **Ensure Capacity Building and Technical Assistance.** Investments must include funds for capacity building and technical assistance to support communities with the least resources and help ensure they have access to programs and funding opportunities.

RECOMMENDATIONS FOR AN EQUITABLE CLIMATE RESILIENCE BOND

SUMMARY OF RECOMMENDATIONS

- I. TARGET AT LEAST 50% OF CLIMATE BOND INVESTMENTS INTO DISADVANTAGED AND VULNERABLE COMMUNITIES
- II. SECURE FUNDING FOR PROJECTS PROVIDING DIRECT AND MEANINGFUL BENEFITS TO DISADVANTAGED AND VULNERABLE COMMUNITIES
- III. INVEST IN RESILIENT WORKFORCE DEVELOPMENT AND TRAINING
- IV. INCLUDE PROCEDURAL EQUITY PROVISIONS TO ENSURE ROBUST COMMUNITY ENGAGEMENT, PARTICULARLY FROM DISADVANTAGED AND VULNERABLE COMMUNITIES
- V. PROVIDE FUNDING FOR CAPACITY BUILDING AND TECHNICAL ASSISTANCE
- VI. INCLUDE ANTI-DISPLACEMENT SOLUTIONS

DETAILED RECOMMENDATIONS

I. TARGET AT LEAST 50% OF CLIMATE BOND INVESTMENTS INTO DISADVANTAGED AND VULNERABLE COMMUNITIES

We have seen, in just the last few weeks, the Biden Administration take large steps towards advancing climate justice, including an [executive order](#) with a goal of delivering 40% of the overall benefits of relevant federal investments to disadvantaged communities in areas that can all help build resilience such as clean energy and energy efficiency, clean transit, affordable and sustainable housing; training and workforce development; and the remediation and reduction of legacy pollution.

If the federal government can prioritize 40% of investments into disadvantaged communities, we strongly recommend that California – which has been a leader in climate policy – target at least 50% of investments from a climate resilience bond into disadvantaged and vulnerable communities. We see the climate bond as an

opportunity to create significant impact and position California as a model for what the rest of the country can do when it comes to equitable climate policy.

II. SECURE FUNDING FOR PROJECTS PROVIDING DIRECT AND MEANINGFUL BENEFITS TO DISADVANTAGED AND VULNERABLE COMMUNITIES

With an economy in freefall that is disproportionately affecting disadvantaged and vulnerable communities, the Legislature and Administration must carefully balance the new programs created to jumpstart the economy with significant investments in existing programs that have demonstrated success in delivering dollars to under-resourced areas that can create jobs, community resiliency and equity. The following are recommendations for equitable investments and projects that will support communities hit hardest by COVID-19 and climate change.

Invest In Existing Programs With Demonstrated Records Of Success and New Programs to Support Community Resilience:

In addition to the new programs we outline below for community resilience centers and distributed clean energy systems, we encourage continued investment in existing programs in light of COVID-19 that we know reduce poverty and pollution, advance economic opportunity, and build community resilience. We recommend supporting the Low-Income Weatherization Program, Transformative Climate Communities, and Urban and Community Forestry as foundational programs that meet these criteria and are appropriate for bond investments.

1. Community Resilience Centers / At least \$500M over 5 years

- a. Funding for neighborhood-based essential service providers offering crisis response is needed to support the uninterrupted delivery of essential social and health resources and outreach services in response to the current pandemic. Grants should be offered to critical community institutions providing emergency response services including senior and youth centers, park and recreation sites, libraries, health clinics, schools, food banks, community centers, emergency shelters, healthcare centers, nonprofits and places of worship.
- b. In order to protect communities from the additive and immediate threats anticipated from wildfires, power outages, smoke waves, extreme heat, and evacuations, the community facilities should also be offered funding to secure additional resources and staffing to provide integrated delivery of emergency response services including clean backup power, drinking water, air purifiers / filters for clean air respite, cooling, food storage, shelter, telecommunications and broadband services, economic and emergency assistance, and other health protection measures.
- c. Community-based organizations and community residents should be involved in governance and decision-making processes for development of the community resilience centers.

2. Distributed Clean Energy Systems / At least \$500M over 5 years

- a. Distributed clean energy systems (e.g., rooftop solar, storage, demand response, microgrids) are a powerful tool for reducing harm from power outages while at the same time improving air quality and offering economic savings. In the face of growing wildfire threats, this infrastructure is drastically needed for medically dependent residents, working-class communities, and community facilities. We urge the State to further invest and expand inclusivity of programs, such as the *Microgrid Incentive Program (MIP)* recently approved by the Public Utilities Commission, that deliver clean, zero-emission, and community-led microgrids that integrate energy efficiency, renewable distributed generation, energy storage, and demand response technology in low-income housing and critical community institutions (as defined above) to protect communities from wildfires and associated power outages.

3. *Protections from Sea Level Rise and Flooding / At least 35% of funding for communities*

- a. Fund projects and programs that protect disadvantaged and vulnerable communities that are at risk from sea level rise and flooding, including coastal communities as well as inland communities that face impacts of sea level rise from inland waterways. This includes restoration of coastal land for publicly access or recreational green space on surplus land for formerly fossil-fueled powerplants, Superfund sites, or other industrial sites as well as cleanup and remediation for coastal industrial sites slated to be decommissioned. These projects must be shaped by community planning processes that involve community residents in understanding the risks and shaping solutions to cope with sea-level rise and threats from flooding.

4. *Healthy Homes: Low-Income Weatherization Program / At least \$375M over 5 years*

- a. It is now more vital than ever to ensure our residents' homes are healthy, clean, and structurally resilient. We recommend housing retrofits, such as those delivered through the **Low-Income Weatherization Program (LIWP)**, to improve ventilation, energy efficiency, weatherization, and hardening and support affordable and high-quality public housing units. In the context of COVID-19, air ventilation and filtration system upgrades offer the potential to reduce susceptibility to germs and the spread of disease. Streamlining delivery of energy upgrades and home health remediation efforts is also being explored and undertaken with the implementation of APEN-sponsored bill AB 1232: Healthy Homes Act (Gloria, 2019), which will ensure that disadvantaged communities can access and maximize these integrated benefits quickly.

5. *Urban and Community Forestry / At least \$200M over 5 years*

- a. Lessons learned during the COVID crisis have only served to reinforce the need to ensure all communities have access to green space and trees to support strong mental and physical health. Numerous studies over the last ten months have linked air pollution to higher coronavirus death rates and kids with asthma in heavy air pollution areas to greater coronavirus risk.² For over 40 years, the State has entrusted the health of California's urban forest, and the multiple benefits that come with it (i.e., workforce development and social equity), to CAL FIRE's Urban and Community Forestry Program that works directly in communities providing technical assistance and guidance to grantees. CAL FIRE is also the state department with demonstrated expertise in addressing extreme heat – a health hazard that claims more lives annually than wildfires. CAL FIRE's Program uses nature-based solutions to put people to work and lift up California communities disproportionately impacted by extreme heat and public health adversity.

6. *Urban Greening / At least \$200M over 5 years*

- a. Vulnerable communities generally cannot access parks and green spaces within walking distance of their homes. CNRA's Urban Greening Program helps to mitigate these inequalities by increasing access to cool, quiet places to breathe fresh air, exercise, and experience shade and outdoor solitude in disadvantaged and underserved communities. This popular and multi-faceted program can support converting existing built environments into parks; and reduce commute vehicle miles traveled by constructing bicycle paths, bicycle lanes or pedestrian facilities that provide safe routes for travel between residences, workplaces, commercial centers, and schools.

7. *Transformative Climate Communities / At least \$500M over 5 years*

² "New Research Links Air Pollution to Higher Coronavirus Death Rates." New York Times. <https://www.nytimes.com/2020/04/07/climate/air-pollution-coronavirus-covid.html>; "Kids with asthma who live near heavy air pollution face greater risk from coronavirus." Environmental Health News. <https://www.ehn.org/children-asthma-coronavirus-2645618537.html>

- a. This program advances community-led decision-making to address the needs of residents and achieve local transformation. Multiple emission-reducing services delivered in a coordinated way – like affordable solar-powered housing with access to public transit and active transportation – can transform long-neglected neighborhoods into models of economic and environmental sustainability. Funding should support development and implementation of robust climate adaptation and resilience plans and projects that are community-driven and respond to community-identified needs.

8. *Regional Climate Collaboratives / At least \$35M over 5 years*

- a. Implementation of SB 1072 (Leyva, 2018) to create the Regional Climate Collaboratives program will build the capacity of local communities to make the investments necessary to transition all of California to a climate resilient future. The collaboratives will assist in building community-driven leadership, knowledge, skills, technical assistance and resources to identify and access public funding for climate mitigation and adaptation projects.

III. INVEST IN RESILIENT WORKFORCE DEVELOPMENT AND TRAINING

The bond proposal is a significant opportunity to build community resilience and create long-term economic benefits for disadvantaged and vulnerable communities that have faced historical disinvestment and institutional racism from public projects and programs. There must be targeted language to ensure that workforce development and training adequately supports workers in these communities to have access to jobs created by the bond.

The crisis we are facing has also put a spotlight on the critical importance of investing in social care infrastructure and workers who are on the frontlines of fighting this virus and keep our communities healthy and functioning. The care economy workforce includes public sector workers in public health and social services, homecare workers, and community health workers who serve as trusted messengers and resource providers in disadvantaged and vulnerable communities and are a critical part of strengthening climate resilience and responding to natural disasters.

- **Ensure Targeted Training and Hiring.** Bond funds should be prioritized for projects that provide high road training and employment opportunities, as defined by the California Workforce Development Board, to residents of disadvantaged communities, economically distressed areas, and vulnerable communities and individuals with barriers to employment. If the bond funds any career pathway/training opportunities, we recommend funding be targeted to organizations that have demonstrated a track record of success in recruiting, developing soft skills, providing wraparound support services, training, and placing individuals in jobs that will be created by the bond.
- **Support Homecare Workers.** Homecare workers such as in-home healthcare workers and personal care aides are on the frontlines of resilience for many of our most vulnerable communities including the elderly, disabled, and immuno-compromised. Significant measures should be taken to protect both homecare workers and their clients. Recommended actions include: training homecare workers to respond to disaster and emergency scenarios; leveraging the homecare workforce to help coordinate, facilitate, and communicate with local government and other community organizations; providing free health and safety supplies; improving wages and benefits; and guaranteeing paid sick leave.
- **Expand the Public Sector Workforce.** A robust public sector is essential to effectively responding to any shock event. The public sector is responsible for providing crucial social services that form the safety net for our most vulnerable communities. A larger and well-trained public sector workforce dedicated to resilience would strengthen communities and increase their capacity for a coordinated and effective emergency response. Recommended actions include: increasing staffing for public health, social services,

community wellness, and emergency services departments; investing in workplace safety protections (e.g., personal protective equipment); developing protocols to ensure communication and coordination between relevant government departments and community advocates; increasing workforce for frontline public health workers including social workers, public health nurses, community health nurses, counselors, and educators; and training public sector workers to respond to a variety of emergency and disaster scenarios.

IV. INCLUDE PROCEDURAL EQUITY PROVISIONS TO ENSURE ROBUST COMMUNITY ENGAGEMENT, PARTICULARLY FROM DISADVANTAGED AND VULNERABLE COMMUNITIES

Projects and programs outlined in the bond should require community leadership, decision-making power and robust community engagement.

- **Community-Driven.** Project planning and implementation must be informed by community needs to ensure the projects are relevant and useful to the impacted community:
 - Provide resources for trusted messengers such as community-based organizations to involve community residents, provide key information, and work with local governments to ensure a coordinated effort.
 - Include a community-led steering committee to identify community needs and implementation strategies for projects. The committee should include community members, Environmental Justice representatives, and indigenous community representatives.
 - Require infrastructure projects to include community design teams and approval processes to ensure projects meet community needs.

V. PROVIDE FUNDING FOR CAPACITY BUILDING AND TECHNICAL ASSISTANCE

- **Technical Assistance and Capacity Building.** At least 10% of funds should be allocated for technical assistance and capacity building to support disadvantaged and vulnerable communities with the least resources and help ensure they have access to programs and funding opportunities. These funds may exceed 10% for disadvantaged and vulnerable communities if needed.
- **Advanced Payment.** For grants awarded for projects that serve a vulnerable population, the administering state agency should provide advanced payment of at least 25% of the grant award to the recipient to initiate the project, and may maintain advance payments in increments of 25% of the award throughout project implementation.

VI. INCLUDE ANTI-DISPLACEMENT SOLUTIONS

The initiative should advance solutions to prevent displacement of low-income residents, businesses, cultural institutions and neighborhood-serving facilities that could occur as an unintended consequence of a projects that causes an increase in the cost of owning or renting property, especially for any infrastructure projects for disadvantaged and vulnerable communities that can lead to gentrification and displacement.

Sincerely,

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