



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Joseph Horwedel

SUBJECT: SEE BELOW

DATE: January 17, 2012

Approved

Date

1/24/12

COUNCIL DISTRICTS: 3 & 5
SNI AREAS: University Neighborhoods,
Thirteenth Street, Five
Wounds/Brookwood Terrace

SUBJECT: COUNCIL RESOLUTION APPROVING AN APPLICATION FOR STRATEGIC GROWTH COUNCIL GRANT FUNDS FROM THE SUSTAINABLE COMMUNITIES PLANNING GRANT AND INCENTIVES PROGRAM.

RECOMMENDATION

- (a) Support the application to the Strategic Growth Council for its Sustainable Communities Planning Grant and Incentives Program Grants; and
- (b) Adopt a resolution required by the Strategic Growth Council as part of their grant application process that:
 - (1) Approves the filing of an application for the development of an Urban Village Master Plan and proposed zoning code revisions and property rezonings (“Proposal”) in order to become a more sustainable community;
 - (2) Certifies that the City of San José will have sufficient funds to develop the Proposal or will secure the resources to do so;
 - (3) Certifies that the Proposal will comply with any applicable laws and regulations including being consistent with the State’s Planning Priorities identified in Government Code section 65041.1;
 - (4) Certifies that threshold requirements outlined in the grant guidelines, including consideration of Ocean Protection Council Sea Level Rise Guidance will be met;
 - (5) Agrees to reduce, on as permanent a basis as feasible, greenhouse gas emissions consistent with California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 3850) of the Health and Safety Code); and any applicable regional plan;
 - (6) Agrees to meet the grant’s collaboration requirements of the focus area applicable to the Proposal; and

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- (7) Authorizes the City Manager, or designee, to conduct on behalf of City all negotiations, and to execute and submit on behalf of City all documents including, but not limited to, applications, agreements, payment requests and so on, which may be necessary for the completion of the aforementioned Master Plan and Zoning revision project and to accept and implement the grant award if awarded.

OUTCOME

Council approval of the resolution will authorize the Director of Planning, Building and Code Enforcement to submit an application to the Strategic Growth Council for the Sustainable Communities Planning Grant and authorize the City Manager to negotiate and execute grant agreements and related documents with the Strategic Growth Council, if the grant is awarded. The project being submitted to the Strategic Growth Council for grant funding would result in the development of a focused Urban Village Master Plan and proposed zoning code revisions and property rezonings to help create a vibrant, mixed-use, pedestrian-oriented and environmentally sustainable urban corridor along portions of East Santa Clara Street and Alum Rock Avenue.

The exact amount of money for which staff is proposing to apply for is still under consideration and will be developed as the scope of work is refined; however, staff currently estimates that the project will not exceed \$500,000, and will likely be less. The maximum amount that can be awarded per grant is \$1,000,000. Any plan and/or proposed zoning revisions developed with the assistance of these grant funds would be brought back to Council for consideration and would first need Council approval before they could be implemented.

BACKGROUND

On November 1, 2011, Council approved the Envision San José 2040 General Plan, a comprehensive update of the City's former San José 2020 General Plan. A key strategy in the Envision San José 2040 Plan is to focus future growth into Urban Villages located generally along major arterials and transit corridors and/or in locations adjacent to existing and planned major transit facilities including Caltrain, BART, Light Rail and Bus Rapid Transit (BRT). These Urban Villages are intended to be "complete" communities that include a mix of residential uses, employment uses, and neighborhood serving retail shops and services, as well as public facilities such as parks and public plazas. The next step in implementing the Envision San José 2040 General Plan is to develop Urban Village Master Plans that will create a policy and zoning ordinance framework and identify needed infrastructure and capital improvements in order to transform what are often relatively low intensity auto-oriented corridors into more urban, walkable, and vibrant great places.

Prior to completion of the Envision San José 2040 General Plan planning process, staff began to plan ahead for the Plan's implementation and applied for a number of planning

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grants to prepare Urban Village Master Plans and rezonings for areas anticipated to see significant new development in the next five to seven years. From these grant writing efforts, the City was awarded three grants for the following Urban Village planning processes:

- A \$50,000 grant from the Health Trust to work with the CommUniverCity to complete four Urban Village Plans in the Five Wounds Strong Neighborhoods Initiative Area - *Planning process currently underway, with anticipated completion by the end of fiscal year 2011-12*
- A \$150,000 grant from the Valley Transportation Authority to complete an Urban Village Plan and proposed property rezonings for The Alameda between the Diridon Station Area and Hanchett Avenue - *Planning process to be initiated in the late spring 2012.*
- A \$34,410 grant from the Valley Transportation Authority to propose private property rezoning along Alum Rock Avenue between King Road Interstate 680 from the current mix of Commercial, Residential and Industrial Zoning Districts to a Main Street Zoning District.
- A \$300,000 grant from CalTrans to complete 1) an Urban Village Plan for West San Carlos between Sunol Street and State Highway 17; and 2) an Urban Village Plan for South Bascom Avenue between West San Carlos and Southwest Expressway - *Planning processes to be initiated in the late spring 2012.*

The next area for which staff proposes to focus Envision San José 2040 village planning efforts is East Santa Clara and Alum Rock Avenue. The proposed project would include the following two main components:

Urban Village Plan and rezonings for East Santa Clara - An Urban Village Plan and proposed Zoning Code revisions/property rezonings would be prepared for the East Santa Clara corridor between City Hall and Coyote Creek. The planning process would include collaborating with the County on the planning for the former Downtown Hospital property, building upon the work that has already been done with the community as part of the hospital closure process. The Urban Village Plan would include land use and urban design goals and policies to help achieve a common vision for the corridor and to ensure that new development would enhance the surrounding established neighborhoods and contribute towards the positive identity of these communities.

Zoning revision for East Santa Clara and Alum Rock Avenue within the Five Wounds SNI Area - Proposed Zoning Code revisions and property rezonings would be prepared on East Santa Clara from Coyote Creek to US Highway 101 and on Alum Rock Avenue from US 101 to King Road. The zoning revision proposed would implement the Five Wounds Urban Village Plans for East Santa Clara Street and Alum Rock Avenue (between US Highway 101 and Kind Road) currently under development with that community.

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East Santa Clara and the Five Wounds portion of Alum Rock Avenue were selected as the next project to seek grant funding because:

- The corridor is designated in the Envision San José General Plan as a Horizon One Urban Village, with development interest anticipated in the relatively near term.
- Bus Rapid Transit (BRT) service along East Santa Clara Street and Alum Rock Avenue is planned to start in October of 2014.
- As a major transit corridor feeding into Downtown, the Envision General Plan plans for significant new jobs and housing development along East Santa Clara Street and Alum Rock Avenue, developed in a more urban, pedestrian oriented, and mixed use form.
- Significant new development and reuse opportunities exist that would support the Valley Transportation Agency's existing and planned transit investments (i.e., BRT and BART) in these areas.
- There is high community interest in planning efforts for these areas, as demonstrated by the ongoing community-led Strong Neighborhoods Initiative efforts in the Five Wounds, 13th Street, and University Neighborhoods SNI areas, as well as the current planning efforts of CommUniverCity, a partnership between the Community, San José State University and the City.
- The proposed project would complete the work underway to bring forward for Council consideration the rezoning of property along Alum Rock Avenue east of King Road to facilitate mixed-use, economic development, and other investments in the corridor.
- The Five Wounds rezoning portion for the proposed project would further the implementation of the Urban Village Plans for East Santa Clara and Alum Rock Avenue currently being developed with CommUniverCity.
- The corridor has great potential to become a vibrant pedestrian oriented urban place that enhances the quality of life of the surrounding neighborhoods by integrating a mix of uses including retail, food markets, offices, public services, housing, places of assembly, and public parks and plazas.

The proposed grant application is not the first time that the City has applied for funding to develop an Urban Village Plan and proposed zoning revisions for East Santa Clara Street between City Hall and US 101. In 2010, staff applied for a Caltrans Environmental Justice Planning Grant; and in 2010 and 2011 staff applied, as part of a larger proposed project, for funding through two separate HUD Challenge grant cycles. While none of these applications were successful, largely due to an unprecedented number of applications received by the funding agencies, staff believes that this grant application has a good chance of succeeding because:

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- 1) City staff have developed a good working relationship with the Strategic Growth Council grant staff;
- 2) The City received good feedback from the Strategic Growth Council on its 2010 application; and
- 3) The proposed project is in close alignment with the goals and eligible activities of their Sustainable Communities Planning Grant.

The Strategic Growth Council's Sustainable Communities Planning Grant guidelines and collaboration requirements are provided as an attachment or can be reviewed at <http://www.sgc.ca.gov/>.

ANALYSIS

If the Strategic Growth Council awards grant funds for these proposals, the City would have the opportunity to develop a policy and zoning ordinance framework to create a vibrant mixed-use and pedestrian and transit oriented corridor along East Santa Clara Street between City Hall and Coyote Creek and a zoning ordinance framework that would further the implementation of the Five Wounds Urban Village Plans along East Santa Clara Avenue and Alum Rock Avenue that are currently under development. The proposed project also furthers the achievement of the vision and implementation of the growth strategies in the Envision San José 2040 General Plan.

Consistent with the City's ongoing practice of engaging the community in planning efforts, the East Santa Clara and Alum Rock planning effort would be conducted in close collaboration with community stakeholders and established neighborhood organizations, building off of the efforts of the Strong Neighborhoods Initiative, the Downtown Hospital planning process and the CommUniverCity Five Wounds planning process. Because it is the current owner of the former Downtown Hospital site, the County would be a key partner in the development of the Urban Village Plan for East Santa Clara. The County was a co-applicant with the City for the unsuccessful 2011 HUD Challenge Grant for preparation of an Urban Village Plan on East Santa Clara Street and staff would collaborate with the County on this application.

The successful acquisition of the Strategic Growth Council grants would enable the City to further achieve the goals of the Envision San José 2040 General Plan. Ongoing exploration of similar funding opportunities is key in assisting the City with supporting long range planning efforts that further the implementation of the Envision General Plan.

EVALUATION AND FOLLOW-UP

An Urban Village Plan and proposed zoning revisions and property rezonings developed with the assistance of these grant funds would be brought back to Council for consideration

and would need Council approval before they could be implemented.

As additional outside funding opportunities become available, other locations in San José will be considered for future planning activities consistent with the Envision San José 2040 General Plan.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

The proposed council action does not meet any of the above criteria; however this memorandum will be posted on the City's website for the February 7, 2012 City Council meeting.

COORDINATION

The preparation of this memorandum and the proposed resolution was coordinated with the Department of Transportation, the Housing Department, and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

The project proposed to be funded by the Strategic Growth Council grant is consistent with the applicable General Plan policies and Strong Neighborhoods Initiative Plans.

COST SUMMARY/IMPLICATIONS

The Strategic Growth Council Sustainable Communities Planning Grants do not require a match of City funds or a leverage of City staff resources; however, applicants are encouraged to demonstrate in their application that their proposal is leveraged with additional resources (in-kind or funds). As part of the City's application, staff is proposing that the City provide an in-kind leverage of existing General Fund supported staff time

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towards the proposed projects. This leverage of staff time will be a small portion of the overall staff costs for the project, with the vast majority of project staffing proposed to be paid through the successful award of the grant. Staff is not requesting new General Fund support for this effort. Staff leveraging would come from existing General Fund positions.

CEQA

Re-use of the Envision San José 2040 EIR, Council Resolution No. 76041.

/s/

JOSEPH HORWEDEL, DIRECTOR

Planning, Building and Code Enforcement

For questions please contact Michael Brilliot, Planning, Building and Code Enforcement, at 408-535-7831.

Attachment: Sustainable Communities Planning Grant and Incentives Program, Request for Proposals with Guidelines

2011 SOLICITATION

**SUSTAINABLE COMMUNITIES
PLANNING GRANT AND INCENTIVE PROGRAM**

FUNDED BY

**THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL,
RIVER AND COASTAL PROTECTION BOND ACT OF 2006**

PROPOSITION 84, CHAPTER 9

STATE OF CALIFORNIA

STRATEGIC GROWTH COUNCIL

**REQUEST FOR PROPOSALS
with GUIDELINES
November 2011**

Applications Due February 15, 2012, by 5p.m.

Please direct questions to:

Sustainable Communities Planning Grant and Incentive Program

Phone: (916) 322-3439

Email: SGCSustainablecommunities@conservation.ca.gov



Department of Conservation
Division of Land Resource Protection
801 K Street, MS Floor 18-01
Sacramento, CA 95814



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I. Introduction – Round Two

Grants - The Strategic Growth Council requests submittal of Proposals for the Sustainable Communities Planning Grant and Incentive Program. Cities, counties, Metropolitan Planning Organizations (MPOs), Joint Powers Authorities (JPAs), Regional Transportation Planning Agencies (RTPAs), Councils of Governments (COGs), or combination thereof, are eligible to apply. It is anticipated that proposals funded under this solicitation will be not less than \$100,000 nor greater than \$1,000,000 each. The Council may consider higher grant awards for a joint proposal: an application submitted by one lead applicant with one or more eligible partner entities, coordinated by planning activities with defined shared outcomes. Partial funding may be considered to fully maximize grant awards.

Funding - The Sustainable Communities Planning Grant and Incentive Program is funded by Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. It added Division 43 to the Public Resources Code, Chapter 9, Sustainable Communities and Climate Change Reduction Section 75065(a), authorizing the Legislature to appropriate \$90 million for planning grants and planning incentives that reduce energy consumption, conserve water, improve air and water quality, and provide other community benefits (*see Appendix H*).

Statutes - SB 732 Steinberg, (Chapter 13, Statutes of 2008) established the Strategic Growth Council (Council). The Council is composed of agency secretaries from the Business Transportation and Housing Agency, California Health and Human Services Agency, California Environmental Protection Agency, the California Natural Resources Agency, the Director of the Governor's Office of Planning and Research, and a public member, appointed by the Governor (*see Appendix I*). Under Section 75127 and 75128 of SB 732, Council shall do all of the following: (a) identify and review activities and funding programs of member state agencies that may be coordinated to improve air and water quality, improve natural resource protection, meet the goals of the California Global Warming Solution Act of 2006, encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner; (b) recommend policies and investment strategies and priorities to the Governor, the Legislature, and to appropriate state agencies to encourage the development of sustainable communities, such as those communities that promote equity, strengthen the economy, protect the environment and promote public health and safety, and is consistent with subdivision (a) and (c) of Section 75065; (c) provide, fund, and distribute data and information to local governments and regional agencies that will assist in developing and planning sustainable communities; and (d) manage and award grants and loans to support the planning and development of sustainable communities.

Online Application – Round two of the Planning Grant and Incentive Program will be using the FFAST online application tool (*see Appendix C*). FFAST has been developed by the State Water Resources Control Board to provide an efficient means for project proponents to apply for state managed loan and grant programs.

II. Purpose and Goal

As mandated by Proposition 84 of 2006, this grant program implements the vision of the People of California to foster the development of sustainable communities throughout California. It is designed to help local governments meet the challenges of adopting land use plans and integrating strategies in order to transform communities and create long term prosperity. Sustainable communities shall promote equity, strengthen the economy, protect the environment and promote healthy, safe communities.

The primary goal of this grant program is to develop and implement plans that reduce greenhouse gas emissions consistent with AB 32 and SB 375, and achieve the following Program Objectives:

- **Improve air and water quality**
- **Promote public health**
- **Promote equity**
- **Increase housing affordability**
- **Promote infill and compact development**
- **Revitalize urban and community centers**
- **Protect natural resources and agricultural lands**
- **Reduce automobile usage and fuel consumption**
- **Improve infrastructure systems**
- **Promote water conservation**
- **Promote energy efficiency and conservation**
- **Strengthen the economy**

These objectives are consistent with the State Planning Priorities, as defined by Government Code 65041.1 as well as Strategic Growth Council objectives.

III. Focusing Funds

Applications will generally be limited to a maximum of \$1 million and a minimum of \$100,000 per proposal. Partial funding may be considered to fully maximize grant awards. The Council may consider higher grant awards for a joint proposal (*see Glossary*) that is cooperative, scale-appropriate, and reflects the interdependence of environmental, economic, community health, and other requirements.

The Council shall fund proposals that fall within the following three focus areas:

- **Focus Area #1: Local Sustainable Planning**
- **Focus Area #2: Regional SB 375 Plus**
- **Focus Area #3: Regional Planning Activities with Multiple Partners**

The goal is to focus a minimum of 25% of funds in Focus Area #1, a minimum of 25% in Focus Area #2, and a minimum of 10% in Focus Area #3. No less than 20% of all Round 2 program funds will be dedicated to targeted planning efforts that address the direct challenges of economically disadvantaged communities. An applicant may submit two applications to Focus Area #1 provided that at least one of the applications proposes to address the needs of an economically disadvantaged community.

Focus Area # 1: Local Sustainable Planning

Eligible Applicants: Cities and Counties

Intent: Support the development and implementation of effective and/or innovative local plans that support the State's AB 32 GHG emission reduction targets and implement SB 375, while creating sustainable communities.

Examples of Eligible Proposals: (including, but not limited to)

- Specific Plans/Infill Plans/Zoning Ordinances
- Local Coastal Plan Updates
- Climate Action Plans (consistent with State CEQA Guidelines section 15183.5(b))
- Targeted General Plan Updates or Elements
- Community Basic Infrastructure (water and wastewater) Plans
- Other implementation instruments and plans needed for successfully meeting AB 32 greenhouse gas emissions reduction and implement SB 375, while improving community-wide sustainability

Collaboration Requirement: Provide a detailed explanation regarding how the Proposal is consistent with its region's goals, including implementing SB 375. A letter from the regional entity concurring with the explanation may be one way to satisfy this collaboration requirement.

Economically Disadvantaged Communities: At least twenty percent (20%) of each round of funding shall be awarded to Focus Area #1 projects that target economically disadvantaged communities (EDC). See the Glossary for EDC definition. Projects seeking EDC status must show that the planning to be funded would be targeted primarily or substantially within the geographic boundaries of an EDC. An EDC may be a community or neighborhood within a city or county.

Focus Area # 2: Regional SB 375 Plus

Eligible Applicants: MPOs

Intent: Fund MPOs to collaborate with local governments to implement SB 375 and/or AB 32 at the city or county level, within the context of the three E's of sustainable communities: healthy environment, economy, and equitable access to regional resources and amenities. The outcome of these efforts should support successful Sustainable Community Strategies that help meet the regional targets established by the Air Resources Board (*see Appendix O for links to additional information*).

Examples of Eligible Proposals: (including, but not limited to)

- Blueprint Plans
- Multi-Jurisdictional Corridor Plans
- Transit Oriented Development (TOD) Plans
- Targeted General Plan Updates
- Specific Plans or other planning processes
- Sustainable Community Strategies (SCS)
- Alternative Planning Strategies (APS)
- Natural Communities Conservation Plans (NCCP)
- Regional Greenprint Plans
- Local Coastal Plan Updates

Collaboration Requirement: Submit a joint work plan between local governments and MPOs and letters of intent to participate in proposed activities from local government partners.

Focus Area # 3: Regional Planning Activities with Multiple Partners

Eligible Applicants: Cities, Counties, RTPAs, JPAs and COGs.

Intent: Support collaboration between cities and/or counties, JPAs, COGs or RTPAs to work with local governments to develop or implement regional plans that meet the intent of SB 732.

Proposal Examples: (including, but not limited to)

- County-Wide Climate Action Plans
- Local Coastal Plan Updates
- Regional Cap and Trade Plans or offset programs
- Rural Blueprint Plans or plans that voluntarily implements SB 375.
- Interregional Plans

Collaboration Requirement: Submit a joint work plan by partners and letters of intent to participate in proposed activities from all partners.

IV. Threshold Requirements

Proposals must meet the threshold requirements below. Proposals that fail to meet the following criteria will be considered ineligible for funding. This shall be at the sole discretion of the State.

1. Be consistent with (*see Glossary*) the State's Planning Priorities, in summary below, and identified in Section 65041.1 of the Government Code (*Appendix N*):
 - Promote infill development and invest in existing communities
 - Protect, preserve and enhance environmental and agricultural lands and natural and recreational resources
 - Encourage location- and resource-efficient new development
2. Reduce, on as permanent a basis that is feasible, greenhouse gas emissions consistent with:
 - California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code) (*see Appendix J*)
 - Any applicable regional plan (*see Glossary*)
3. Meet the Collaboration Requirements of the focus area applicable to the Proposal (*See Section III*). Include all required documents in the application package.
4. Plan for Sea Level Rise, where appropriate, consistent with Ocean Protection Council Resolution on Sea Level Rise and related guidance (*see Appendix K*).

V. Program Objectives

Proposals must address the objectives listed below. Proposal should describe those objectives to be addressed with grant funds, as well as those being addressed by other means, and identify anticipated indicators that will be incorporated into the Proposal to measure the success of the objective. The final report must quantify the projected outcomes (*see Glossary*), to the extent feasible.

- **Improve air and water quality**
- **Promote public health**
- **Promote equity**
- **Increase housing affordability**
- **Promote infill and compact development**
- **Revitalize urban and community centers**
- **Protect natural resources and agricultural lands**
- **Reduce automobile usage and fuel consumption**
- **Improve infrastructure systems**
- **Promote water conservation**
- **Promote energy efficiency and conservation**
- **Strengthen the economy**

VI. Priority Considerations

Consistent with the goal of the program, the following areas have been identified as priorities in awarding grants. In evaluating proposals, the State may also consider factors including, but not limited to, geographic distribution of bond funds, environmental justice, and partial funding.

- Proposal demonstrates ongoing collaboration with state, regional and local, public and private stakeholders and community involvement;
- Proposal addresses climate change impacts;
- Proposal demonstrates strategies or outcomes that can serve as best practices for communities across the state;
- Proposal is leveraged with additional resources (in-kind or funds); and
- Proposal promotes equity and serves an economically disadvantaged community (*see Glossary*).

VII. Evaluation/ Scoring Criteria

All information submitted in the application package provides the grant review committee a basis for evaluation and should demonstrate how effectively the Proposal meets Threshold Requirements, the Program Goal and Objectives and Priority Considerations. Proposals will first be reviewed for completeness and eligibility. If judged complete and eligible, the proposals will be scored and ranked by a scoring committee whose members represent the breadth of the Strategic Growth Council. Eligible proposals receiving between sixty-five (65) and one hundred (100) points shall be considered for funding. Proposals will be scored on the following areas.

SCORING	
Program Objectives	0 - 60
<ul style="list-style-type: none"> ➤ Scope and number of objectives addressed in the Proposal; <ul style="list-style-type: none"> ➤ Improve air and water quality ➤ Promote public health ➤ Promote equity ➤ Increase housing affordability ➤ Promote infill and compact development ➤ Revitalize urban and community centers ➤ Protect natural resources and agricultural lands ➤ Reduce automobile usage and fuel consumption ➤ Improve infrastructure systems ➤ Promote water conservation ➤ Promote energy efficiency and conservation ➤ Strengthen the economy ➤ Indicators identified to measure the success of the objectives ➤ Responses provided and supporting documents ➤ Proposal meets the intent of the applicable focus area 	
Priority Considerations	0-28
<ul style="list-style-type: none"> ➤ Proposal demonstrates ongoing collaboration with state, regional and local, public and private stakeholders and community involvement ➤ Proposal addresses climate change impacts ➤ Proposal demonstrates strategies or outcomes that can serve as best practices ➤ Proposal is leveraged with additional resources ➤ Proposal serves an economically disadvantaged community ➤ Severely economically disadvantaged community (add 3 for 8 total EDC) 	5 5 5 5 5 3
Organizational Capacity	0-12
<ul style="list-style-type: none"> ➤ Organization demonstrates the ability to complete the Proposal within the schedule and budget ➤ Identify in the work plan how the Proposal will be implemented, including zoning updates if applicable 	
Total Available Points 100	

VIII. Proposal Summary Statement

Prepare a proposal summary statement for attachment to the online application. The Proposal Summary Statement should be **no longer than one full page, and saved as a PDF file**. The summary should describe:

- The need for the Proposal; and
- How the Proposal achieves the intent of the applicable focus area.

IX. Proposal Description (Evaluation Questions)

(Tips for using online application) The application uses an online application tool (FAAST) (*see Appendix C*). You will be prompted to type information into text boxes, select choices from preset lists, and submit attachments (upload). It may be helpful to prepare answers in advance, in an unformatted Word document, in order to cut and paste information into the online application. You can save work-in-progress at any point, and return to your application at another time. (Be sure to save your work often!)

- Use only **basic formatting**. Extra symbols or layout designs can interfere with completion of the online application.

The questions below are designed to solicit specific facts regarding how the Proposed Project addresses the Threshold Eligibility Requirements, Program Objectives and Priority Considerations. Use these questions to prepare your draft proposal prior to entry into the online application.

Step 1: Threshold Requirements

Clearly label and address all of the following points:

1. Describe how the Proposal is consistent with the State's Planning Priorities, Section 65041.1 of the Government Code.
 - a. Promote infill development and invest in existing communities;
 - b. Protect, preserve and enhance environmental and agricultural lands, and natural and recreational resources; and
 - c. Encourage location- and resource-efficient development
2. Describe (*and include in work plan*) how the Proposal will reduce, on as permanent a basis that is feasible, greenhouse gas emissions consistent with:
 - a. California's Global Warming Solutions Act of 2006
 - i. Identify how the Proposal will reduce greenhouse gas emissions.
 - ii. Identify the indicators that will be used to measure whether the Proposal will meet greenhouse gas emissions reduction targets or requirements.
 - b. Any applicable regional plan
 - i. Cite any applicable regional plan(s).
 - ii. Describe how your Proposal will be consistent with the greenhouse gas emission reduction strategies in the applicable regional plan(s).

3. Meet the Collaboration Requirements of the focus area applicable to the Proposal.
(See Section III, Focusing Funds, for the Collaboration Requirements applicable to the Proposal.)
4. Plan for Sea Level Rise, where appropriate, consistent with Ocean Protection Council Resolution on Sea Level Rise and related guidance.

Step 2: Program Objectives

Identify and describe the Program Objectives projected to be achieved by the Proposal. The online application provides further guidance on questions to be addressed in the Proposal Description. The Proposal must identify anticipated indicators (*see Glossary*) that will evaluate the overall success of achieving each Program Objective that is projected to be achieved. The Program Objectives are as follows:

- Improve air and water quality;
- Promote public health;
- Promote equity;
- Increase housing affordability;
- Promote infill and compact development;
- Revitalize urban and community centers;
- Protect natural resources and agricultural lands;
- Reduce automobile usage and fuel consumption;
- Improve infrastructure systems;
- Promote water conservation;
- Promote energy efficiency and conservation; and
- Strengthen the economy.

Step 3: Priority Considerations

Address the following points, if applicable to the Proposal:

1. Proposal demonstrates ongoing collaboration with state, regional and local, public and private stakeholders and community involvement (*include in work plan*).
 - a. Describe tasks undertaken by all entities involved in the work plan.
 - b. Describe how other entities will be engaged in the development and/or implementation of the Proposal (e.g., local governments, state entities, designated Catalyst Projects, COGs, MPOs, transit agencies, health agencies, air districts, local businesses, landowners, general public, environmental groups, low income households and/or groups that represent them, etc).
 - c. Describe how the community will be engaged in the planning process.
2. Proposal addresses climate change impacts.
 - a. Identify the potential climate change impacts on the population, or human or natural areas, or systems most vulnerable to those impacts within the planning area.
 - b. How does the Proposal improve adaptation to the impacts for these populations, human or natural areas, or systems?

3. Proposal demonstrates strategies or outcomes that can serve as best practices for communities across the state. *Note: proposals funded by the grant will be posted on the Strategic Growth Council website.*
 - a. Does the Proposal include tools or processes that could easily be accessed and used by other government agencies to develop plans or strategies for sustainable communities?
 - b. How will your agency promote and share the Proposal's information, tools or processes?
4. Proposal is leveraged with additional resources, in-kind or funds. *Identify in Budget (Appendix D).*
 - a. Identify funding sources and amount already committed to the Proposal and expected timing of funds. Detail whether funds are in the form of cash contributions, in-kind services, volunteer effort, donated labor or materials, technical expertise, etc.
 - b. Identify potential future funding sources and the amount expected to be committed to the Proposal. Detail whether funds are in the form of cash contributions, in-kind services, volunteer effort, donated labor or materials, technical expertise, etc.
5. Proposal serves an economically disadvantaged community.
 - a. Describe the unique challenges faced by the economically disadvantaged community, or severely economically disadvantaged community (*see Glossary*), that this proposal seeks to serve.
 - b. How will this Proposal specifically work to address these challenges and improve the quality of life for residents in the targeted community (*see Glossary*)?
 - c. Discuss how the economically disadvantaged community has been and will continue to be engaged and participatory in the development of the Proposal.

Step 4: Organizational Capacity

Address the following points:

1. What is your organization's experience in completing this type of proposal or similar proposals? Is the expertise needed for the successful development of the Proposal available within the organization? If not, how do you plan to acquire it?
2. Do you have active partners that will help develop the Proposal? Who? How will they help?
3. How will the Proposal be kept on schedule and within budget?
4. If the Proposal goes over budget, explain your contingency plan to cover the cost.
5. Identify how the Proposal will be implemented, including zoning updates if applicable. This will appear in your workplan, as well as a more detailed response in the online application questionnaire.

X. Eligible Proposals

Eligible proposals include, but are not limited to, the development, update, adoption and/or implementation of a:

- Targeted General Plan Updates or Elements that incorporate the program goal and objectives throughout the General Plan or in a General Plan element;
- Specific Plans/Infill Plans/Zoning Ordinances;
- Local Coastal Plan Updates
- Climate Action Plans (consistent with State CEQA Guidelines section 15183.5(b));
- Regional Plans;
- County-wide Climate Action Plans;
- Regional Cap and Trade Plans or offset programs;
- Community Infrastructure Plans;
- Rural Blueprints plans or plans that voluntarily implement SB 375;
- Interregional Plans;
- Sustainable Community Strategies (SCS);
- Alternative Planning Strategies (APS);
- Natural Communities Conservation Plans (NCCP); or
- Regional Greenprint Plans.

XI. Ineligible Proposals

Ineligible Proposals that will not be funded under this program include, but are not limited to, proposals that:

- Do not meet the threshold requirements
- Do not contain adequate documentation and applicable materials
- Do not include objective(s) and indicator(s)
- Do not meet a minimum of 65 points
- Are not received by the 2011/12 application deadline, 5PM, February 15, 2012
- Request funding for any part of the CEQA process
- Request funding for the same proposal under another focus area
- Request funding for activities already funded by any other grant program

XII. Planning Grant Administration

Grant Selection Process

1. Applicants submit a complete grant Proposal to the State by the deadline (one application submitted per entity, except for entities submitting an EDC focused application).
2. Proposals are reviewed for completeness and eligibility. (Incomplete or ineligible proposals may not be evaluated or considered for funding at the sole discretion of the State.)
3. Grant Committee (Committee) reviews proposals and makes recommendations for awards.
4. Strategic Growth Council approves the final proposals for awards.

General Overview of Grant Process after Grants are Awarded

1. State sends grant agreement/contract and materials to grantee.
 2. Grantee signs and returns all required copies back to the State (a fully executed copy will be returned to the Grantee). Upon the date of signature of the grant agreement, signed by both parties, the grantee has 36 months to complete project.
 3. Grantee commences preliminary work on the project and submits requests for reimbursements, as applicable.
 4. Periodic progress reports, at least two annually, are submitted and reviewed.
 5. Grantee completes project and submits project completion packet (to be provided under separate cover).
 6. State receives project completion packet (including final report) and approves final payment.
 7. Grant activities may be audited during the performance period and for three years after the grant project is completed.
- * Awards are contingent upon legislative appropriation of funds and sale of bond.

Changes to Approved Proposal

A grantee wishing to make changes or amendments to an approved project must first obtain approval from the State. Changes in the Project must continue to meet the requirements of the grant as approved. The grantee jeopardizes funding if changes are made without State approval.

Eligible Costs

Direct related costs, including staff to implement the Project, incurred during the performance period specified in the grant agreement will be eligible for reimbursement. All eligible costs must be supported by appropriate documentation. Costs incurred outside of the performance period and indirect costs are not eligible (see *Glossary*).

Payment of Grant Funds

Funds cannot be disbursed until there is a fully executed grant agreement between the State and the Grantee. Work done prior to the date of a fully executed grant agreement will not be funded.

- Payments will be made on a reimbursement basis (i.e., the grantee pays for services or staff and is then reimbursed by the State).
- Fifteen percent (15%) of the amounts submitted for reimbursement will be withheld and issued as a final payment upon Project completion, at the sole discretion of the State.
- Advanced payments for Projects are not allowed.

Cancellation of Grants

The following are examples of actions that may result in a Grantee's loss of funding. This is not a complete list:

- Grantee fails to obtain a Grant Agreement.
- Grantee withdraws from the grant program.
- Grantee fails to complete the funded Proposal.
- Grantee fails to complete a Proposal that meets the requirements agreed upon.
- Grantee fails to submit all documentation within the time periods specified in the grant agreement.
- Grantee changes Proposal scope without approval of the State.
- Grantee changes the sub-recipient or entity(s) identified in the work plan or application without approval from the State.

State Audit and Accounting Requirements

Audit Requirements

Funded proposals are subject to audit by the State of California. If the project is selected for audit, advance notice will be given. The audit shall include all books, papers, accounts, documents, or other records of the grantee, as they relate to the project for which the funds were granted.

The grantee must have the project records, including the source documents and evidence of payment, readily available, and provide an employee with knowledge of the project to assist the auditor. The grantee must provide a copy of any document, paper, record, or the like, requested by the auditor.

Accounting Requirements

The grantee must maintain an accounting system that:

- Accurately reflects fiscal transactions, with the necessary controls and safeguards.
- Provides a good audit trail, including original source documents such as purchase orders, receipts, progress payments, invoices, time cards, canceled checks, etc.
- Provides accounting data so the total cost of each individual project can be readily determined.

Records Retention

Project records must be retained for a period of three (3) years after final payment is made by the State. All project records must be retained by the grantee at least one (1) year following an audit. Grantees are required to keep source documents for all expenditures related to each grant for at least three (3) years following project completion and one year following an audit. A project is considered complete upon receipt of final grant payment from the State.