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A CALL TO INVEST IN COMMUNITY POWER: Lessons from 10 years of CA Climate Investments for the State and the Nation

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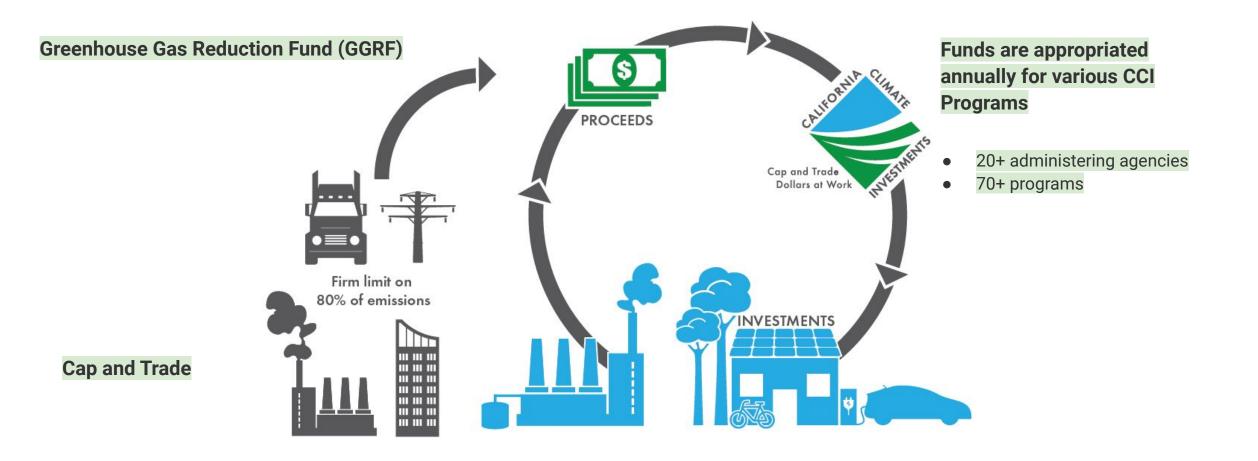


RESEARCH MOTIVATION

- California's cap-and-trade funded suite of climate investments have been running for 10 years. As of May 2023, over \$9.8B have been implemented.
- What have been the equity outcomes?
- What lessons can be leveraged towards future climate investments in CA and beyond?



CALIFORNIA CLIMATE INVESTMENTS (CCI) INITIATIVE



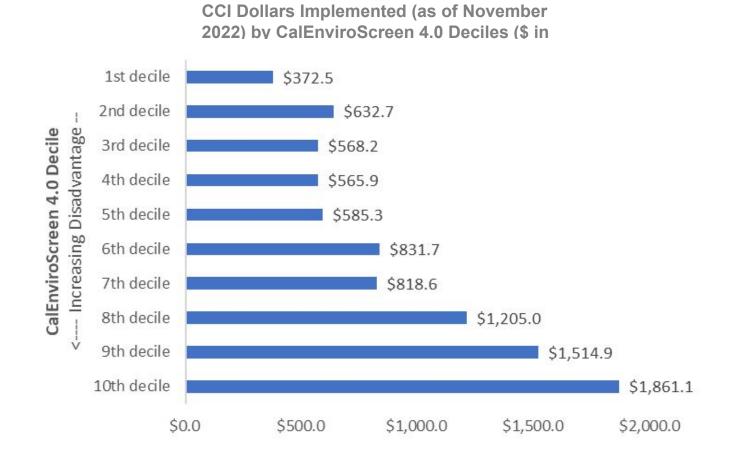
METHODOLOGY

- Literature review
- Quantitative analysis
- Interviews with environmental justice stakeholders
- Focus groups with 3 communities: 1) Eastern Coachella Valley 2) Oxnard, 3) Richmond
- Case studies of 10 programs using interviews, program materials, implementation data.
- In aggregate, we spoke with 100+ interviewees / informants.



Equity requirements matter

- Dollars are flowing to the most "disadvantaged" communities, a response to equity goals established by statute.
- 35% minimum to Priority Populations, SB 535/AB 1550



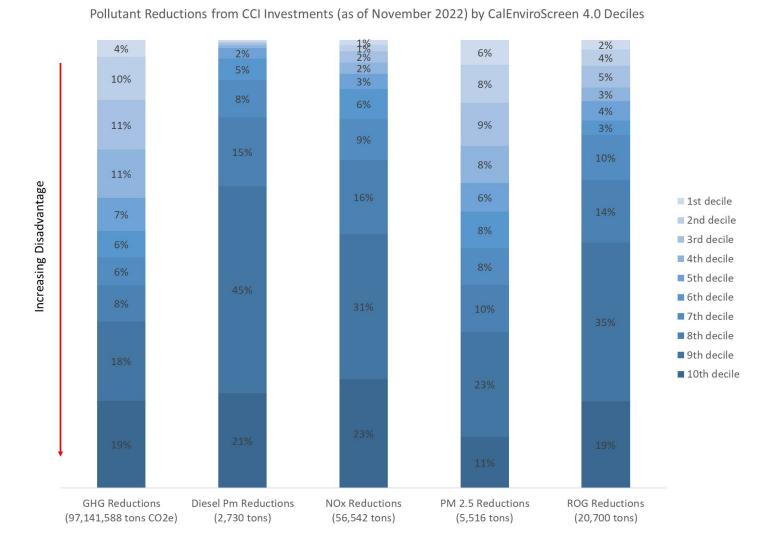
- While California does not explicitly use a race-conscious approach to delivering climate investments, we estimate that dollars are largely landing in places with higher % POC due to the strong correlation between CalEnviroScreen and race.
- Collecting census tract data for each project makes this race analysis possible.



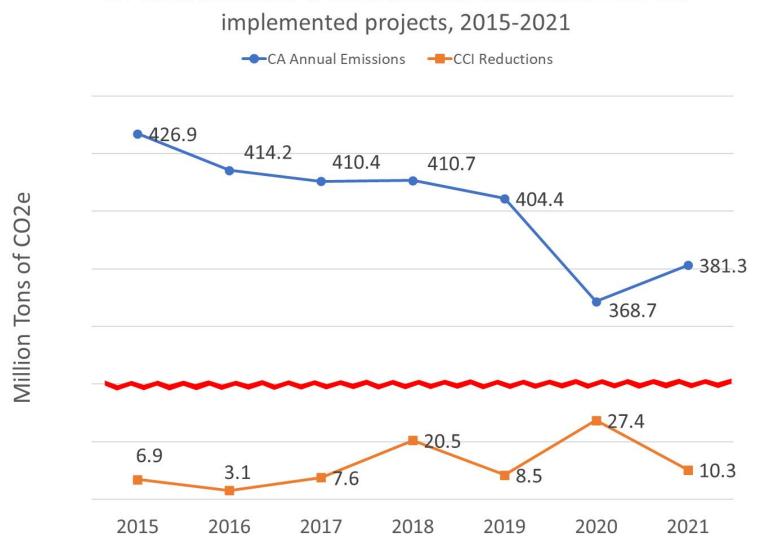
Figure 3 Racial Makeup of Each Decile of CalEnviroScreen 4.0 Score.

Source: Analysis of Race/Ethnicity and CalEnviroScreen 4.0. Scores Office of Environmental Health Hazard Assessment California Environmental Protection Agency, October 2021.

Co-pollutant reductions produced by CCI projects are disproportionately concentrated in the most pollution burdened communities.



An aside...



CA CO2e emissions v. CO2e emission reductions from CCI

- Most CCI programs are funding projects identified as helpful and desired by interviewees e.g., transportation, housing, urban greening, air quality, solar, water infrastructure
- Some problematic projects
 (e.g., dairy biogas /
 alternative fuels) face
 continuous pushback from
 EJ communities for
 perpetuating inequities and
 claiming benefits without



- Many interviewees were not aware of the suite of programs supported by CCI.
- "Felt impact" is strongest when projects are community-driven and well-coordinated



- Accessing public funding is still a major challenge for under-resourced applicants, particularly CBOs. Some reasons:
 - Community-driven, well-coordinated projects are costly to plan, apply for, and implement
 - Too many funding programs, chaos and confusion
 - Fatigue, low capacity
 - Administrative challenges (e.g., payment structures, reporting)
- Tribal Communities require tailored offerings and assistance. There is strong sentiment among EJ groups that Disadvantaged Unincorporated
 Communities continue to be left behind.



Image Source: CAUSE

- Equity analyses require identifying a framework for analysis, relevant metrics, and having access to clean and complete data. We were not able to identify the following:
 - Who is capturing economic benefits (households, nonprofits, local governments, companies)
 - Demographics of actual program users / beneficiaries
 - Jobs quality



The ecosystem for climate justice in CA has made climate investments more equitable. E.g., creation of TCC, program-specific equity improvements. securing increased funding for Tribal Nations and Indigenous communities



10 LESSONS FOR CA AND BEYOND

- 1. **Equity goals matter** and need to be paired with clear requirements, trackability, and accountability to yield measurable results.
- 2. Climate investments produce the **most visible, felt impacts when projects are community-driven** or have significant community buy-in and involvement, and are well-coordinated.
- 3. Climate investments are not neutral and harmful investments—particularly those that perpetuate fossil fuel infrastructure, false solutions, or worsen local pollution—must be identified and corrected to avoid harm, or defunded.
- 4. For equity outcomes, community and **EJ groups must have structural influence** over climate investments that go beyond engagement (e.g., determining what types of programs are funded, pushing back on unwanted projects).

10 LESSONS FOR CA AND BEYOND

- 5. Ongoing support from the State and philanthropy is needed to ensure communities can easily utilize public climate dollars. In particular, defragmenting programs, streamlining and reducing administrative barriers, and providing ample capacity building and technical assistance should be priorities.
- 6. Tribal Nations and Indigenous communities relate to climate investments in their own ways—and investments must tailor support to respect the unique context of these communities.
- 7. The **ecosystem for climate justice** has and will continue to make climate investments more equitable and impactful for communities.

10 LESSONS FOR CA AND BEYOND

- 8. Complete data that incorporates community knowledge alongside quantitative statistics is essential for determining and tracking equity outcomes.
- 9. The next evolution of climate investment programs can build on previous improvements by producing deeper economic benefits (including high-road jobs), supporting community wealth building, and building long-term capacity and power.
- 10. In many places, including California, the immense scale of need in pollution-burdened communities likely requires deeper, more reliable funding towards climate justice solutions, including private and philanthropic investments.

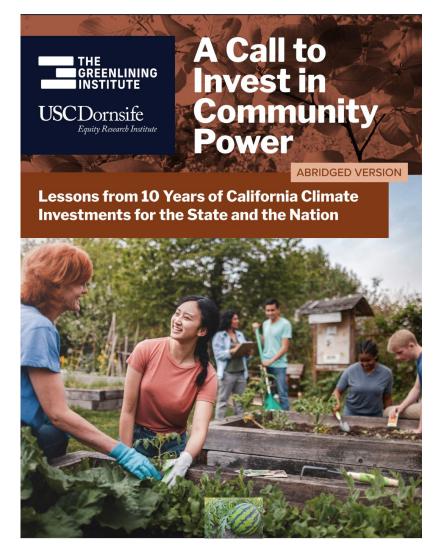
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