



## Community Economic Resilience Fund (CERF) Planning Phase Draft Guidelines

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## CERF Program

### *Overview*

The shock of COVID-19 on California's economy, combined with the escalating impacts of climate change, underscored the importance of building a more sustainable, resilient, and inclusive economy across California. Rising temperatures are making our winters shorter and our droughts more intense, outpacing our ability to manage water supplies and the natural environment.<sup>1</sup> At the same time, inequitable access to quality jobs in sustainable industries has been preventing the state from accelerating its transition to a carbon-neutral economy. Negative impacts of future disruptions will continue to affect the State's diverse and interconnected regions, industries, and communities in unprecedented ways.

Recovery efforts have also revealed that not all Californians have had the same opportunities to participate in the state's vibrant economy. Even prior to COVID-19, equal pathways to economic security were a persistent challenge throughout California; a factor being a lack of access to quality jobs in underserved regions of the state. In 2019, 17 percent of workers in the Bay Area earned less than \$15 per hour compared to 40 percent of workers in the Fresno metropolitan area.<sup>2</sup> Unemployment rates across regions also illustrate the regional inequities preventing many of our communities from benefiting from California's broad economic success. In October of 2020, Marin County had an unemployment rate of 5.4 percent, while Imperial County experienced an unemployment rate of 18.8 percent.<sup>3</sup>

Uneven economic recovery trends further exacerbate income inequality in the state.<sup>4</sup> Research shows that a child who grows up in the Fresno area in the bottom 20 percent of family income has only a 7.2 percent chance of making it into the top 20 percent as an adult, compared to 12.9 percent in San Jose.<sup>5</sup> Ethnic disparities in economic opportunity have also come afloat during COVID-19. In 2019, 44 percent of Latino workers earned less than \$15 per hour, compared to 20 percent of white workers and 32 percent of Black workers.<sup>6</sup> Working people of color in California are over three times more likely than white workers to live in poverty.<sup>7</sup> Additionally, in 2019, women made up the majority of the workers in the state earning less than \$15 an hour.<sup>8</sup> These inequities prevent disinvested communities, particularly low-income communities, California

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<sup>1</sup> [Managing Drought in a Changing Climate: Four Essential Reforms \(ppic.org\)](https://ppic.org/2019/04/managing-drought-in-a-changing-climate-four-essential-reforms/)

<sup>2</sup> [California Future of Work Report](https://ppic.org/2019/04/california-future-of-work-report/)

<sup>3</sup> [California Future of Work Report](https://ppic.org/2019/04/california-future-of-work-report/)

<sup>4</sup> [Trends in U.S. income and wealth inequality | Pew Research Center](https://www.pewresearch.org/2019/08/28/trends-in-u-s-income-and-wealth-inequality/)

<sup>5</sup> [Income Inequality and Economic Opportunity in California \(ppic.org\)](https://ppic.org/2019/04/income-inequality-and-economic-opportunity-in-california/)

<sup>6</sup> [California Future of Work Report](https://ppic.org/2019/04/california-future-of-work-report/)

<sup>7</sup> National Equity Atlas. PolicyLink and USC Equity Research Institute. [https://nationalequityatlas.org/indicators/Working\\_poor](https://nationalequityatlas.org/indicators/Working_poor)

<sup>8</sup> [California Future of Work Report](https://ppic.org/2019/04/california-future-of-work-report/)



Native American tribes, and communities of color from participating fully in California's economic, social, and civic life.

California has therefore embraced economic equity as a goal for state policy, forging a new social contract for shared prosperity in a rapidly changing global economy. The State also strives to enhance economic resilience, especially in light of the ongoing impacts of the pandemic and climate change, by supporting the development of more inclusive and resilient regional economies that better withstand acute disruptions and prepare for impending transitions.

### **Legislation**

On September 23, 2021, Governor Gavin Newsom signed Senate Bill (SB) 162, which established the Community Economic Resilience Fund (CERF). SB 162 supports regionally-centered plans to respond to the diverse needs across our state and to build sustainable and resilient regional economies. Initially, \$600 million was appropriated from the American Rescue Plan Act Coronavirus Fiscal Recovery Fund of 2021 until the 2022 budget revised the source of funds to the State General Fund in SB 115 (2022). Regardless of the final funding source, the same goal remains: To build an equitable and sustainable economy across California's diverse regions and foster long-term economic resilience in the overall transition to a carbon-neutral economy.

### **Purpose**

The purpose of the CERF funding is to build an equitable and sustainable economy across California's diverse regions and foster long-term economic resilience in the overall transition to a carbon-neutral economy. A single roadmap for California's economic future isn't a right fit approach given California's size and complexity. Rather, a regional approach, which will account for dynamics such as shifting industries and talent pools, better suits the state. CERF will use a high-road approach to economic development to support the creation of quality jobs and equal access to those jobs. A high-road economy favors businesses that invest in their workforces, pay living wages, and engage in environmentally sustainable business practices.

Community- and worker-centered inclusive economic planning has never been attempted at this scale. The COVID-19 pandemic demonstrated in stark relief that our economy did not work for all, and the same approach to economic planning is not an option. Although this process will be new and challenging, including voices that have been traditionally left out of economic planning is an important means to achieve equitable outcomes.



## Program Structure

CERF has been designed in a two-phase grant structure with the intention of creating inclusive planning processes and meaningful ways to engage diverse communities. Phase 1 planning efforts will inform regional investment opportunities during Phase 2 of the program. Inclusive engagement across diverse regional stakeholders will be a foundational step in the diversification of California's economies and the creation high-quality and broadly accessible jobs.

CERF planning grants will allow for flexible economic analysis at various geographic scales, including economic flows between different regions, and implementation grants will allow for projects that cross regional boundaries. Participants interested in applying for Phase 2 implementation grants must participate during the planning phase or receive a letter of support from the HRTC to be eligible for funding.

CERF will also align and leverage state investments (e.g., High Road Training Partnerships, infrastructure investments, community capacity building programs), federal investments (e.g., Economic Development Administration's Building Back Better Regional Challenge,), and philanthropic and private-sector investments to maximize recovery efforts.

### Phase 1: Planning Phase

In Phase 1, also referred to as the Planning Phase, the CERF program will provide up to \$5 million dollar planning grants to support one High Road Transition Collaborative (HRTC) per region.<sup>9</sup> Regions developed during the program were defined in a way that prioritizes recovery and transition strategies and is consistent with existing economic development efforts, as well as other state definitions of regional economic and labor markets. HRTCs will be composed of an administrative Fiscal Agent, a Regional Convener, and a wide range of diverse partners reflecting the diversity of each region. Planning grants will be awarded to one HRTC and be administered jointly by the Fiscal Agent and/or Regional Convener.

The HRTCs will implement transparent and inclusive processes to advance long-term prosperity and equity, work directly with Regional Climate Collaboratives where applicable,<sup>10</sup> and include balanced representation from labor, business, community, government, and other stakeholders, including, but not limited to, economic development, philanthropy, education, and workforce

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<sup>9</sup> The final 13 CERF regions and FAQ can be found here: [https://opr.ca.gov/economic-development/just-transition/docs/20211217-CERF\\_Final\\_Regions\\_FAQ.pdf](https://opr.ca.gov/economic-development/just-transition/docs/20211217-CERF_Final_Regions_FAQ.pdf)

<sup>10</sup> Regional Climate Collaboratives are community capacity-building programs initially established by Chapter 377 of the Statutes of 2018, pursuant to Part 3.6 (commencing with Section 71130) of [Division 34 of the Public Resources Code](#). See Appendix X: Internet Resources for more information.



partners.<sup>11</sup> Together, these partners will form their respective regional HRTC to engage in strategic planning for economic resilience and equitable pathways to high road opportunities. HRTCs will work across industries, agencies, and communities to encourage engagement from all stakeholder groups, create inclusive and equitable economic plans, build capacity, break down silos to maximize the effectiveness of planning and implementation projects, and generate systemic changes to advance economic resilience.

Planning grants can be used for a wide range of planning activities including capacity building, community engagement, and conducting research. Economic plans developed during the planning phase will inform projects eligible for funding during the implementation phase of the program. Plans will be based on actionable research and consultation from expert institutions, with a focus on equity, sustainability, job quality, economic competitiveness and resilience. Strategies will complement, incorporate, or expand on existing plans such as Comprehensive Economic Development Strategies (CEDS), as applicable and relevant.

## **Phase 2: Implementation Phase**

In Phase 2, the EDD will fund implementation projects on a rolling basis identified in the planning phase based on criteria such as demonstrated community support, alignment with state climate goals, and demonstration of labor standards and job quality. Implementation phase solicitation and detailed criteria will be released in Fall 2022. Participants interested in applying for Phase 2 implementation grants must participate during the planning phase or receive a letter of support from the HRTC to be eligible for funding.

### *California Native American Tribes Notice of Funding Opportunity (NOFO)*

The CERF Inter-agency Leadership Team has allocated \$20 million dollars of funding to California Native American tribes out of the \$600 million dollars available for economic planning and implementation projects. CERF supports statewide economic recovery efforts and recognizes that tribes play a critical role in transforming our state's economy. This funding opportunity reserves a portion of CERF funding exclusively for tribal use and is intended to be designed with maximum flexibility to meet the needs of California Native American tribes in their economic development process. Tribal communities are also encouraged to participate in the CERF process and to apply for funding during the implementation phase. The CERF team works to ensure funds are accessible and can support tribe-led economic development projects through meaningful engagement and working in partnership with California Native American tribes.

To allow ample time for outreach and engagement with tribes, and to inform program design and reflect implementation phase criteria, the proposed timeline calls for the release of the

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<sup>11</sup> As specified in Section 1 Chapter 5.1 Community Economic Resilience Fund Program 14531 (c)(4).



tribal NOFO solicitation after release of solicitations for both the Planning and Implementation Phases of the CERF program.

The CERF highly encourages HRTCs to work with tribal governments that want to participate throughout the Planning and Implementation Phases. Though engagement with tribes is strongly encouraged, we recognize the sovereignty of tribal governments and that the proposed regional process may not suit individual tribes' needs. While California Native American tribes are not required to participate in their region's processes, they can still access resources through the Implementation Phase. The California Native American Tribes NOFO will serve as another available funding option for tribes interested in accessing that resource.

### **Eligibility**

The CERF's tribal funding allocation will be available to all California Native American tribes. Tribes are not prohibited from applying for CERF funding through the general Planning and Implementation Phases described in this solicitation. Additional application requirements for the Tribal NOFO will be released at a later date.

### **Scope**

CERF seeks to foster economic resilience by helping regions develop plans and strategies to diversify local economies and develop sustainable industries that create high-quality, broadly accessible jobs. Applicants may interpret economic resiliency or COVID-19 recovery, industry development, and economic diversification broadly. Applications will be evaluated based on their ability to accomplish these goals, though proposed projects need not accomplish all CERF goals. We anticipate both construction (e.g., engineering, design assistance) and non-construction (e.g., community planning, safety net support) proposals will be considered eligible costs under this funding opportunity, with more details forthcoming in the NOFO.

#### *Program Timeline and Development Process*

The CERF invites and incorporates public participation throughout the design process of the program. Before establishing guidelines, staff will solicit public input through a public comment period. During the public comment period, staff will hold listening webinars organized and led by the Office of Planning and Research to explain the program's structure and collect feedback. Webinars will be widely available to the public and organized to allow attendees to establish relationships with potential co-applicants.



Month	Program Progress
<i>December 2021</i>	<i>Release of finalized regions</i>
<i>December 2021</i>	<i>Draft guidelines for Planning Grants released for public comment</i>
<i>January 2022</i>	<i>Listening-session webinar for public feedback</i>
<i>March 2022</i>	<ul style="list-style-type: none"> <li>• <i>Announcement of new CERF timeline to stakeholders</i></li> <li>• <i>Draft Planning Phase Guidelines and review with the Inter-agency Leadership Team</i></li> </ul>
April 2022	<ul style="list-style-type: none"> <li>• Release Planning Phase Draft Guidelines for Round 2 Public Input</li> <li>• Host Guidelines Workshops for public input</li> <li>• Release Evaluation/TA RFP for Phase 1 (Planning Phase)</li> </ul>
May 2022	<ul style="list-style-type: none"> <li>• Incorporate comments from R2 Public Comment Period</li> <li>• Release Planning Phase Solicitation</li> <li>• Host Bidder's Conference</li> <li>• Announce Tribal Set-aside/ Host Tribal Listening Session</li> </ul>
July 2022	<ul style="list-style-type: none"> <li>• Award Planning Phase Grants and Initiate Contracting Process</li> <li>• Begin Drafting Phase 2 (Implementation Phase) Guidelines</li> <li>• Begin Drafting Tribal Set-aside Guidelines</li> </ul>
Fall 2022	<ul style="list-style-type: none"> <li>• Release Implementation Phase Draft Guidelines for Public Comment</li> <li>• Host Implementation Phase Guidelines Workshops</li> <li>• Release Tribal Set-aside Guidelines for Public Comment</li> <li>• Host Tribal Set-aside Guidelines Workshops</li> </ul>
Winter 2023	<ul style="list-style-type: none"> <li>• Release Implementation Phase Solicitation</li> <li>• Release Tribal Set-aside solicitation</li> </ul>
February 2024	<ul style="list-style-type: none"> <li>• Planning Phase encumbrance deadline</li> </ul>
September 2024	<ul style="list-style-type: none"> <li>• Planning Phase expenditure deadline</li> </ul>

Stakeholders can provide input via public workshops in April and May. Please see OPR website for more details on workshops.





Following the incorporation of public feedback to the planning and implementation guidelines, the CERF Inter-agency Leadership Team – consisting of the OPR, the LWDA, and the GO-Biz – will convene to adopt and establish final guidelines for the program.

Once final program guidelines are adopted, staff will release the notice of funding availability and application process. During each phase of the program, staff will hold webinars to provide additional information and assistance to interested applicants seeking to apply for funding. Technical assistance will be made available throughout the program provided by the GO-Biz and the OPR.

#### *Availability*

The period of performance (POP) for planning projects funded under this SFP will be between 18 to 24 months, with an anticipated start date of October 2022. Planning grant funds must be encumbered by September 2024.

No obligation of funds will be allowed before or beyond the grant POP. Any grant funds not expended during the grant agreement period shall be returned to the state.

#### *Target Regions and Populations*

All 13 regions of California will receive funding for planning and implementation, with an emphasis on inclusive planning to ensure equitable outcomes for disinvested communities. Disinvested communities face many challenges that are the result of a history of inequitable land use and zoning policies, exclusionary economic development processes, underinvestment, and a lack of meaningful engagement with community residents in planning and policy decisions.

Investments that benefit disinvested communities will be a priority for proposed projects in the implementation phase, and more details on required project criteria are forthcoming in the implementation phase solicitation guideline period.

CERF defines 'disinvested communities' as:

- Census tracts identified as 'disadvantaged' by the California Environmental Protection Agency; or
- Census tracts with median household incomes at or below 80 percent of the statewide median income or with the median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits adopted pursuant to Section 50093 of the California Health and Safety Code; or



- 'High poverty area' and 'High unemployment area' as designated by the California Governor's Office of Business and Economic Development California Competes Tax Credit Program<sup>12</sup>; or
- California Native American tribes as defined by the list maintained by the Native American Heritage Commission.<sup>13</sup>

The CERF recognizes that the term “disinvested” may overlook the ongoing work in these communities, and particularly the residents for whom these communities are home. In many of these communities, residents and community leaders are actively engaged in local planning, economic development processes, campaigns, and other activities to improve the quality of life in the community. These efforts are extremely important, especially since these communities disproportionately experience the negative impacts of the pandemic and climate change. The CERF is structured to ensure these communities enjoy the benefits of investment.

#### *Eligibility*

Applications for planning grants must include both a Fiscal Agent and a Convener role, which hold equal importance and value. A single organization may serve as both Fiscal Agent and Regional Convener in the case that it meets all desired qualifications.

**Fiscal Agent:** The Fiscal Agent will act as the intermediary in the grant management. The Fiscal Agent is a legal entity representing the Collaborative, and is responsible for submitting the CERF SFP. The Fiscal Agent must have legal authority, history, and capacity to administer federal funds. The Fiscal Agent will represent the Collaborative and make disbursements on behalf of the State.

**Regional Convener:** The Regional Convener is the lead organization tasked with organizing an inclusive group of regional stakeholders to form the Collaborative and implement the planning grant in its region. The Convener should possess all or most of the following characteristics:

- A proven track record of coordinating across sectors;
- Strong knowledge of the region and its economic needs, challenges, and opportunities across sectors;

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<sup>12</sup> California Competes Tax Credit Program: List of High Poverty and High Unemployment Areas  
<https://static.business.ca.gov/wp-content/uploads/2021/11/High-PU-Fiscal-Year-2021-2022-P3-List.pdf>

<sup>13</sup> See *Section XII. Glossary of Terms* for a complete definition of California Native American Tribes



- Ability to lead diverse stakeholders to successful action with a proven history of successful organizing in the designated CERF region;
- Proven relationships and credibility with key industry leaders, workforce system stakeholders, and community stakeholders including employers, governmental entities, state or local workforce development boards, educational institutions, labor organizations, worker-serving organizations, community- and faith-based organizations, federally and non-federally recognized tribes, philanthropic organizations, community members, and other regional stakeholders;
- Demonstrated commitment to advance equity outcomes in the region; and
- Familiarity with grantmaking and knowledge of philanthropic ecosystems.

Types of entities that are eligible to serve in the Fiscal Agent and/or Regional Convener role include, but are not limited to:

- Non-profit organizations and foundations
- Community-based organizations
- District organizations of an EDA-designated Economic Development District
- Institutions of higher education or consortium of institutions of higher education
- California Native American Tribes or a consortium of California Native American Tribes
- Local governments, Special Districts, Metropolitan Planning Organizations (MPO), etc. may apply if they meet desired qualifications and if geographic boundaries are at least 80% aligned with CERF boundaries.

For-profit entities are not eligible to serve in the Fiscal Agent and/or Regional Convener role but can be subcontracted to provide research or other services.

See Roles and Responsibilities below for more details on Convener/Fiscal Agent roles and responsibilities, as well as required evidence of a partnership between the two parties where applicable.

### Program Design

Planning projects will develop meaningfully inclusive regional planning processes that produce regional roadmaps, which will outline plans to bolster economic resiliency and increase access to quality jobs for those who traditionally have been left behind. Regional plans will meet regions

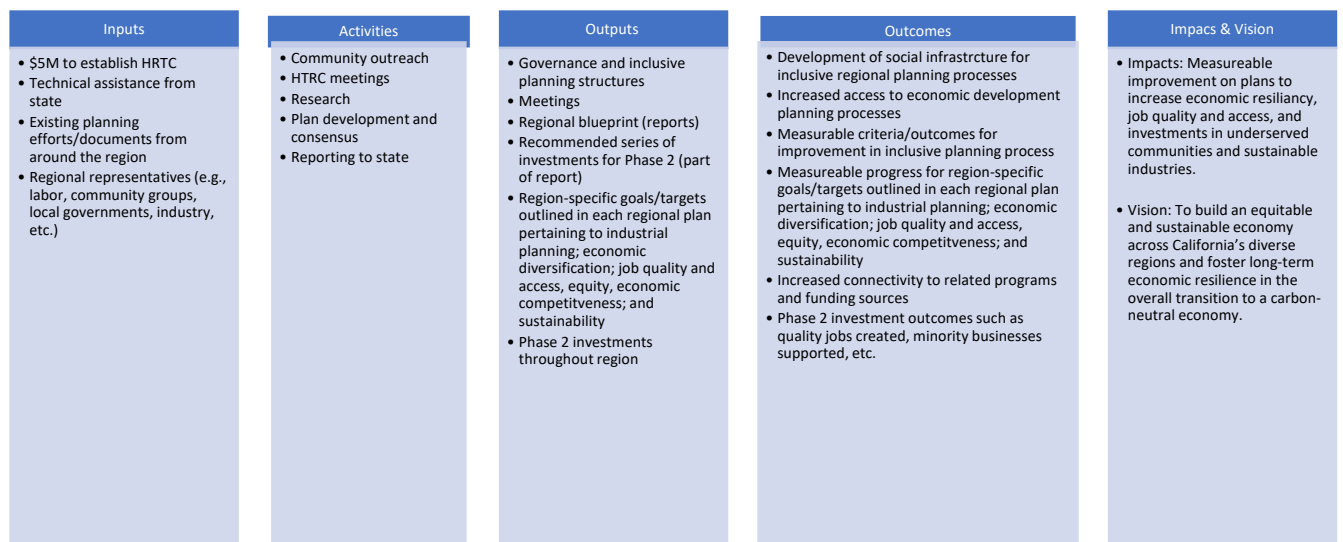


where they are, understanding there is no one-size-fits all path toward a more resilient, equitable, and sustainable economy. The planning process must/will leverage existing regional economic development planning and activities that are consistent with the objectives of the region's HRTC. For example, projects may align with other efforts funded by the state or build upon the local CEDS,<sup>14</sup> if one exists in the applicant's region.

The HRTCs must incorporate perspectives from stakeholders such as labor, business, community groups, local governments, MPOs, economic development entities, education institutions, California Native American tribes, and other key groups in the region.

The second phase of the CERF program will provide implementation grants on a rolling and competitive basis to fund proposals established in Phase 1. Projects should aim to transform their regional economy through groups of complementary and aligned projects organized under a unified vision to support socially and environmentally responsible industry growth across the region. A separate SFP for Phase 2 will be released with more detail on project criteria.

*CERF Theory of Change: Inputs, Activities, Outputs, Outcomes, & Vision*



<sup>14</sup> For more information see the [EDA website](#).



*Roles & Responsibilities: Fiscal Agent, Regional Convener, High Road Transition Collaborative*

The CERF grants are intended to support a coalition of members working together in the interests of their respective region. Applications for planning grants should include both a Fiscal Agent and a Regional Convener role, which hold equal importance and value. A single organization may serve as both Fiscal Agent and Convener in the case it meets all desired qualifications. A memorandum of understanding (MOU) between the Fiscal Agent and Convener will be required as part of the application to demonstrate commitment to working together and understanding of roles and responsibilities, which are outlined as followed:

Requirements and Responsibilities of the Fiscal Agent: The scope of services provided by the fiscal agent include, but are not limited to:

### **Responsibilities of the Fiscal Agent**

- Control of the fund, including depositing grant funds into a single, interest-bearing account in trust for the benefit of the HRTC
- Financial administration and oversight of funds and sub-agreements related to the funds
- Disburse funds as directed by the Convener, on behalf of the HRTC
- Establish, manage, and maintain a system of internal controls, accounting records, and documentation of the receipt and disbursement of funds
- Maintain a ledger for the planning program
- Prepare and disseminate financial reports on a quarterly basis pursuant to state reporting requirements.
- Have SAM account and have DUNS number
- Comply with Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements ([2 CFR Part 200](#))
- Monthly reporting
- Submit required reporting and expenditure information
- Sub-contract administration and disbursement of funds
- Audits
- Maintain Public Records
- Ensure funding is encumbered and expended by timelines set by EDD
- Subaward administration: disburse funds and assist with the timely closing out of grants and programs
- Employ skilled, experienced, and knowledgeable personnel to perform the Fiscal Agent's responsibilities



- Cooperate with the EDD, the Inter-Agency Leadership Team, and any other state agency exercising lawful authority to conduct an audit by providing all documentation promptly upon request
- Cooperate in responding to any requests protected under the Public Records Act
- Develop and maintain MOUs with internal and external partners, as needed
- Other services

### **Regional Convener Requirements and Responsibilities:**

Regional Conveners are entities that are uniquely positioned to engage and unify stakeholders to promote High Road Transition models that help address the challenges that inequity, global economic shifts, and climate change have created. The key HRTC member that will serve as the Convener will:

- Identify resources and connect with partners that provide experience in the development and sustainability of economic recovery models,
- Convene public, private, academic, industry, workforce, labor, and community leaders around a singular vision for an equitable economic transition based on High Road principles,
- Hire or contract and oversee qualified coordinator(s) to support with outreach, with support from the state on coordinator job descriptions,
- Serve as the central coordinator of economic development plans and future implementation projects, and
- Establish a coordinated line of communication among HRTC members to foster stakeholder connectivity, and between the HRTC and the Fiscal Agent to accelerate collaboration and support.

The Convener for the planning project must also ensure that the HRTC includes balanced representation from:<sup>15</sup>

- employers, businesses, and business associations,
- community-based organizations, community organizers, and community members,
- labor organizations,
- government agencies,
- economic development agencies,
- philanthropic organizations,
- education and training providers,
- workforce entities, and

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<sup>15</sup> As specified in Section 1 Chapter 5.1 Community Economic Resilience Fund Program 14531 (c)(4)



- other regional stakeholders capable of contributing to the success of the project.

#### *Collaboration with the Inter-Agency Leadership Team*

The success of the CERF program will require the interagency team comprised of the LWDA, the OPR, and the GO-Biz to collaborate on a wide range of activities related to the management, design, oversight, and administration of the program. Throughout the life of the program, the interagency team will participate in regularly scheduled reporting meetings to discuss stakeholder input, agendas, policy recommendations and program guidelines. Each agency is tasked with a different responsibility ranging from grant administration, program design, and technical assistance. Below is a brief description of the responsibilities that each agency has been tasked with.

**Employment Development Department (EDD):** The EDD's Workforce Services Branch shall be responsible for the management and execution of all grants and contracts including the administration of and accountability for both the planning and implementation grants.

**The Governor's Office of Planning and Research (OPR):** The OPR will manage the design and operations of the program in addition to providing technical assistance to support and guide processes and deliverables for Phase 1.

**The Governor's Office of Business and Economic Development (GO-Biz):** The GO-Biz will support with outreach, technical assistance, and capacity building.

Collaboration across regions will also be required in order to collectively create a more resilient statewide economy that brings equal opportunities to every region. Awardees will be required to participate in Communities of Practice meetings. These convenings will ensure progress, share best practices and lessons learned across the regions, and provide technical assistance by the state.

#### **Collaboration with the process evaluation team**

An independent team is going to conduct a process evaluation to explore the success of the CERF program and the planning tables. Awardees must collaborate with and be responsive to the process evaluation team reasonably. This includes providing information to the evaluators, allowing the evaluators to join meetings or sessions for information gathering purposes, and joining partnership sessions for planning, discussion, or training (if needed).





## Post-Award Program Requirements and Deliverables

### *Planning Phase (Phase 1) Requirements*

The Planning Phase requirements involve building inclusive planning tables, which will result in developing 1) High Road Transition Collaboratives, and 2) Regional Plans.

**Inclusive Table-Building:** The awardees must employ inclusive table-building strategies during the Planning Phase. These strategies will help the Collaborative ensure that it is accountable to its residents, addresses the needs of disinvested communities, represents the diversity of the region, and transparently oversees the facilitation of the planning process.

Grantees will conduct a detailed stakeholder mapping analysis (See the Regional Plans section) to create a profile of the diverse stakeholders in the region and design their planning tables accordingly.

To ensure buy-in to the region's vision for CERF, grantees must use inclusive table-building strategies during proposal development (e.g., Collective Partnership Agreement Letter, Outreach and Engagement Plan, etc.), and throughout the planning process. These strategies must consider the strength and diversity of the Collaborative's partnerships; ongoing regional processes; and a Collaborative Governance Structure.

Strength and Diversity of Collaborative Partnerships: The Collaborative needs to be composed of a diverse representation of residents and key stakeholders. These stakeholders include, but are not limited to, California Native American tribes, labor unions, nonprofits, faith-based groups, community-based organizations, academics, economic development institutions, workforce development groups, businesses, representatives from local School District, Community College Districts, and private sector representatives.

Ongoing Regional Processes: The Fiscal Agent and/or Regional Convener must identify other ongoing planning processes or projects across the region to ensure the alignment between these processes and CERF, and to ensure a joint and coordinated response to reaching the State's goals. Examples of such efforts include: CEDS, Climate Plans, High Road Training Partnerships, General Plans, and Regional Transportation Plans.

Collaborative Governance Structure: The Collaborative Governance Structure will play a key role in supporting communities to build robust governance processes, aligned with economic planning and other ongoing processes, and overcoming challenges inherent in shared decision-making. The governance structure must illustrate transparent decision-making processes that not only center disinvested communities and impacted workers, but actively shift decision-





making power to those groups. The governance structure must also reflect that no member of the HRTC governance committee has more decision-making power than the other.

See the Collective Partnership Agreement Letter for more information on the Collaborative Governance Structure.

The State may reach out to various stakeholders in each region as part of its work on reviewing inclusive table-building processes.

The following sections describe the deliverables grantees will produce.

**A. Partnerships and Coalitions:** Collaboratives will provide information about the formal and informal partnerships and coalitions they have developed and discuss how they did so. Formal partnerships are legally bound (e.g., through MOUs, contracts, etc.). The informal partnerships are not legally bound, but have the potential to lead to formal partnerships in the near future. The reports must include the following:

- Governance structure: Lay out your governance structure and explain whether and how the structure evolved over time to respond to your needs. If the structure has evolved, explain why.
- Outreach and Engagement plan: Summarize your engagement plan and discuss whether and how the plan has evolved over time. If the plan has evolved, explain why.
- Partnerships: Discuss the formal and informal partnerships and coalitions you have built throughout the process. Provide details such as:
  - The types of coalitions and partnerships you have developed. Provide the name of the organizations and parties involved.
  - The number of MOUs or other formal agreements (e.g., collective partnership agreements, data sharing agreements) created.
  - The discussion and ongoing conversations with the potential to develop formal partnerships in the near future.
  - The strategies for keeping these coalitions active to ensure long-term and sustainable economic development and recovery. Note that after plans are developed and adopted, GO-Biz will work with conveners to ensure they are accepted as regional CEDS and will work to establish Economic Development Districts in regions without an existing organization.
- Inclusivity: Discuss how these partnerships and coalitions advance your goals of responding to the needs of diverse stakeholders and specially disinvested communities.



**B. Regional Plans:** Collaboratives will develop a regional economic recovery and transition plan that addresses essential elements of a high road strategy. The plan will be co-developed with diverse stakeholders throughout the process, from visioning to analysis to strategy creation. Analyses and plans may account for sub-regional and inter-regional dynamics. The plans must also build on existing regional and/or subregional economic development plans and strategies.

The State understands that the grantees may need to apply an iterative process as they develop their plans. For example, the grantees may need to modify their goals based on their analysis and findings.

Each of the following analyses and strategic plans must address:

- Equity: analyses must consider the needs and the interest of diverse communities across the region, with an explicit intention to include historically excluded populations and specially disinvested communities
- Sustainability: analyses must focus on economic development that is self-sustaining and aims at a carbon-neutral, climate-resilient economy addressing the needs of the region's communities
- Job quality and access: analyses must prioritize jobs that provide a family-sustaining wage, health benefits, a pension, worker advancement opportunities, a safety net, and collective worker input; these jobs are stable, with predictable schedules, and safe
- Economic competitiveness and resilience

Required components of analysis include the following:

**Vision and Goals:** Develop a vision and specific goals for creating a high road economy that is sustainable, inclusive, and equitable.

**Analysis:** Conduct the following analyses. In each section, summarize your findings and explain how these findings inform your planning and how they correspond with your goals.

**Stakeholder mapping:**

- A snapshot of the historically active stakeholders that can influence creating a High Road economy in the region and/or benefit from it. Provide the list of organizations and entities and discuss their potential role in developing the plan and engaging in the implementation phase. These stakeholders may include but are not limited to employers, businesses, community-based organizations, community members and residents,



government and economic development agencies, labor organizations, philanthropic organizations, academic institutions, education and training providers, workforce entities, and industries.

- Overview of the state of disinvested communities in the region. Discuss how and in which areas these communities face economic barriers. Include a snapshot of how you intend to outreach to organizations that represent these communities and how you intend to ensure their active participation and ability to be an active stakeholder in the future.
- Create and show a network of existing partners and their existing regional and subregional plans, strategies, and related reports to demonstrate synergies, potentials, and challenges.
- Clarify opportunities for collaborations and partnerships.

Regional summary: A summary background of the demographic and socio-economic conditions of the region, highlighting areas with low and high economic diversification and resiliency, as well as any industry trends that impact the regional economy.

The regional summary must identify regional inequities, such as economic, health, and environmental inequities, currently facing communities in the region.

The regional summary should include the following analysis and discussion:

- Economy and economic development:
  - Identify economic development opportunities and forces
  - Review of inequities in economic development across the region
  - Identify low- and high- wage industries and occupations
  - Explore economic well-being and cost of living across the region
- Economic shocks: Discuss the impacts caused by economic shocks (e.g., pandemics, natural disasters) or longer-term economic shifts (e.g., global market signals, automation, policy levers) in the region. These include economic harm to communities (i.e., workers, small businesses, impacted industries, the public sector, and selected regions and populations) as well as the potential for new economic development opportunities.
- Climate and environmental impact: Identify anticipated climate impacts and the factors that increase the region's vulnerability to those impacts.
  - Identify short term and long-term impacts of climate change on people and economy of the region. These must include disproportionate impacts on disinvested communities and projected increases in occupational hazards for workers



- Identify major sources of air pollution, water pollution, toxic and hazardous waste and their impacts on diverse communities, especially disinvested communities
- Identify major sources of GHG emissions and their impacts on diverse communities, especially disinvested communities
- Assess impacts of climate change on targeted emerging industries, sectors, or clusters and how these impacts might hinder success of the proposed plans and transition strategies (e.g., damage to critical infrastructure, loss of productivity, loss of population)
- Public health analysis:
  - Provide a snapshot of the impacts of the current economic trends and climate change effects on public health, especially the impacts on disinvested communities
  - Explore the main causes of chronic illnesses and diseases in the region, and whether and how they are related to economic inequalities, climate impacts, environmental factors, etc.
  - Analyze health disparities across the region, disaggregated by race, gender, and other demographics

Labor market analysis: A snapshot of labor dynamics in the region, including an overview of major employers, occupations, and wages, the impacts of the recent trends, changes, and forces on the labor market, and projected labor trends in existing key industries. The analysis must also identify:

- Industry-specific labor standards that meet high-road priorities
- Barriers that limit access to high-quality jobs
- Relevant training programs, apprenticeships, or high road training partnerships in the region

Industry cluster analysis: A snapshot of current major industries as well as industry trends and projections. The analysis must also:

- Include an in-depth analysis of potential growth clusters based on the region's comparative advantages, market trends, workforce, infrastructure assets, policy trends, aligned state/federal investments, supply chain, and innovation ecosystem.
- Identify major sources of GHG emissions, air and water pollution, and toxic or hazardous waste from existing and/or proposed clusters
- Conduct measurements of potential for job growth within industries
- Identify workers and sectors at risk of displacement due to identified trends and analyses



SWOT analysis: An in-depth analysis of regional Strengths, Weaknesses, Opportunities, and Threats (i.e., SWOT), especially as it relates to equitable economic resilience and growth of sustainable industry clusters. The SWOT analysis will draw from data and components through conducting the above analyses.

Strategy and planning: Develop a holistic economic development and transition roadmap that prioritizes the creation of high-quality jobs and equitable access to jobs and resources and emphasizes developing sustainable and resilient industries. These industries include but are not limited to renewable energy, energy efficiency, carbon removal, zero-emission vehicles, advanced manufacturing, agriculture, forestry, artificial intelligence, and climate restoration and resilience. In addition to having a clear vision and goal(s), the roadmap must include:

- Strategies for the growth of targeted industries.
  - Industrial cluster development: This section will provide a snapshot of current trends and projected growth. It will consider, but is not bound by, existing relevant plans such as CEDS (if applicable and appropriate) along with the following elements that work together to support creation of quality jobs:
  - Clear local market signals: How do proposed industries and affiliated investments align with market trends and local/state/federal policies?
  - Value chain and infrastructure: How do investments support the growth and clustering of businesses in the value chain of the proposed industry? What specific infrastructure is required to grow the industry?
  - Innovation ecosystem: How do investments connect the private sector to local innovation resources, facilitate the movement of new technologies to market, incubate early-stage businesses, etc.?
  - Workforce development: How does the industrial strategy plan to match skills to available jobs address talent and recruitment, and facilitate strategic collaboration among businesses, training and education institutions, labor, etc.?
- Strategies for increasing economic diversification in at-risk locations. Investments must clearly address barriers to attraction and retention of businesses, as well as barriers to quality job access for disinvested communities.
- Strategies for effectively responding to economic shocks. These include:
  - Protecting diverse communities, and specially disinvested communities
  - Using economic shocks and disasters as opportunities for growth
- Strategies for increasing economic equity must refer to the analyses of workforce and demographic trends, and focus on closing gaps, reaching universal levels of service, or disaggregating results by race, ethnicity, income, etc. Economic equity means all people regardless of race, gender, or nativity, can contribute to and access the opportunities of a strong, resilient economy.



- Strategies must create and sustain pathways into quality jobs and family-sustaining careers and improve job quality and wages in sectors that do not offer quality jobs. Analysis and recommendations must highlight how they propose to serve historically marginalized and disinvested groups and how those groups will learn about proposed interventions.
- Strategies must support workers potentially impacted by at-risk industries and must prevent displacement of incumbent workers or replacement of high-road jobs with low-quality jobs.
- Strategies for increasing health and environmental equity. These strategies must include limiting the impacts of economic development activities on the natural environment. They must also avoid exacerbating the effects of climate change and include pathways for mitigating the effects of anticipated climate impacts on targeted industries and occupations. They must also address public health needs, with special attention to the needs of disinvested communities.
- An assessment of how regional economic development strategies can align with, support, and be supported by existing state strategies in areas like clean energy, air pollution reduction, transportation decarbonization, climate adaptation, sustainable water management, and natural and working lands.

**Strategic investments and benchmarking:** identify 2-5 strategic investments or projects to enact recovery and transition to be funded in Phase 2 (Implementation) that meet the following criteria, which are currently presented at a high-level.

1. Clarify investments or project goals in detail
  - a. Proposed projects should layout goals and success points in detail and provide threshold(s), benchmark(s), or target(s) for measuring or tracking the success
  - b. Projects should provide the methodology for tracking or measuring the defined threshold(s), benchmark(s), or target(s)
2. Demonstrate proposed impacts to communities/industries: Proposed investments should mitigate economic harm to workers, households, small businesses, impacted industries, and the public sector, and especially disinvested communities
3. Demonstrate project feasibility, commitments, and community support (i.e., inclusivity):
  - a. Proposed projects should demonstrate support from the HRTC governing body
  - b. Projects should show support from various stakeholders (e.g. community-based organizations, governmental, non-governmental entities, tribal entities, businesses, industries). Projects may provide letters of support, meeting minutes, MOUs, court hearing minutes, etc.



4. Promote state climate goals:
  - a. Investment projects lead to the development of low-carbon or regenerative industries, or
  - b. Investments that support economic diversification are designed to minimize Greenhouse Gas (GHG) emissions and/or water or energy usage.
5. Support labor standards and job quality:
  - a. Projects shall include labor standards where applicable such as prevailing wage, project labor agreements, or community workforce agreements.
  - b. Projects shall create high-quality jobs<sup>16</sup>, which bring sustainable income to the regions.
  - c. Projects should define a plan with goals, targets, strategies, and activities to recruit, train, re-train, and support workers from disinvested communities.
6. Demonstrate clear role in regional strategy:
  - a. Industrial development should consider existing CEDS along with the following elements that work together to support the creation of quality jobs:
    - i. Clear local market signals: How do investments align with market trends and state/federal policies?
    - ii. Value chain and infrastructure: How do investments support the growth and clustering of businesses in the value chain? What specific infrastructure is required to grow the industry?
    - iii. Innovation ecosystem: How do investments connect the private sector to local innovation resources, facilitate the movement of new technologies to market, incubate early-stage businesses, etc.?
    - iv. Workforce development: How does the industrial strategy plan to match skills to available jobs, talent and recruitment, and strategic collaboration among businesses, training and education institutions, labor, etc.?
  - b. Economic diversification strategies should address specific barriers to attraction and retention of businesses, as well as barriers to access for disinvested communities.
7. Complement existing funding: If state or federal funding is available elsewhere for a proposed project (e.g., broadband), applicants should improve equity outcomes, which include but are not limited to job access for those in disinvested communities, income inequality, income growth, business ownership, business revenue, job and wage growth, among others.
8. Achieve timely implementation: Funds must be encumbered by October 2026.

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<sup>16</sup> See the glossary for the definition of high-quality jobs.





Examples of projects include, but are not limited to, the following:

- Technical assistance, counseling, or other services to assist with small business planning needs.
- Programs that support economic diversification and the development of sustainable industries.
- Entrepreneurship and commercialization programs.
- Programs to connect small and minority-owned businesses to industrial hubs and research institutions.

## Budgeting and Performance Requirements

### *Cost Sharing*

Phase 1 planning grants will be awarded at a 100% grant rate for a maximum amount of \$5 million. Therefore, no match is required.

### *Allowable Uses of Funds*

During the first phase of CERF, each HRTC will be awarded up to \$5 million dollars through a competitive grant structure. Planning grants are to be used to cover the cost of producing a robust regional economic development plan and creating an inclusive planning table. Planning grants are to be used to strengthen collaboration, include evidence-based strategies, and ensure the participation of diverse stakeholder groups.

**Direct Costs:** Direct costs incurred during the grant term and specified in the Grant Agreement will be eligible for reimbursement. Direct costs are defined as costs directly tied to the planning process including, but not limited to:

#### **Research**

To conduct or gain access to research, market and feasibility studies, compiling and analyzing community needs-related information studies, access to proprietary data

#### **Data, Planning, and Communication Tools**

Video conferencing, project management, mapping and any other related software subscription that can facilitate or improve participation of stakeholders during the planning process.

#### **Community Engagement**

Marketing, facilitation fees, interpretation services, translation of documents, transportation and transportation stipends, rental costs of equipment and facilities,





childcare, food and refreshments when a meal is consumed as part of the event and replaces a meal otherwise missed by attending the event.

### **Participant Compensation**

Participant compensation that is an exchange of payment for services rendered in the development of community work products and appropriately documented with deliverables such as sign in sheets or written surveys.

### **Consultant Fees**

Costs of consultants that provide training, research, project planning or capacity building services.

Grantees must adhere to the following requirements:

- Travel reimbursements must adhere to the applicant's travel policy or the State rates and conditions established on the CalHR website. Out-of-State travel must be directly related to CERF and authorized in advance by EDD and OPR. If following the applicant's travel policy, a copy will be requested during contract negotiations. For additional information on excess lodging requests, please visit the [Excess Lodging Rate Request](#) section under CalHR.
- Subcontractor procurement processes must adhere to local requirements
- Provide proper documentation for indirect costs incurred to be eligible for reimbursement

**Indirect Costs:** Indirect costs are costs of doing business that are of a general nature. These costs are not directly tied to the grant but are necessary for the general operation of the organization. All indirect costs must be reasonable and necessary and comply with Uniform Administrative Requirements, Cost Principles and Audit Requirements.

If indirect costs are included in the budget, the applicant must include documentation to support the indirect cost rate it is using for audit purposes. For most applicants, this will entail the submission of a copy of its current, approved and negotiated indirect cost rate agreement (NICRA). The maximum dollar amount of allocable indirect costs for which a recipient may be reimbursed shall be 10%.

Indirect costs include, but are not limited to:

- Personnel costs associated with administrative, supervisory, legal, and executive staff.
- Personnel costs associated with support units, including clerical support, housekeeping, etc.



- Operating expenses and equipment costs not included as part of direct project costs (functions such as accounting, budgeting, audits, business services, information technology, janitorial; and rent, utilities, supplies, etc.)

### **Registration with the System for Award Management (SAM)**

Fiscal Agents must register with the SAM in order to apply for and receive funding for this initiative.

**Note** – registration with the SAM must be reviewed and updated every 12 months in order to remain current, accurate, and complete in the SAM database. A recipient must maintain an active registration with current information at all times during which it has an application under consideration or an active federal award, including federal funding distributed through the EDD. Applicants must ensure that this information is updated well in advance of submitting an application for funding. The process of registration and/or renewal can take several weeks to complete and requires privileged information, including financial and banking information, which may take time to obtain. It is the applicant's responsibility to have all information up to date and accessible through the SAM prior to submitting the application. Visit the [SAM website](#) for more information about registration requirements.

#### *Ineligible Use of Funds*

**The following costs are ineligible use of planning grant funds:**

- Exceeding the 10% cost cap for indirect costs
- Lobbying or advocacy work, such as direct lobbying for the passage of specific bills or local propositions
- Commission fees
- Ongoing operational costs beyond the grant term
- Using funds for mitigation activities that are already mandated by local or state governing bodies or agencies
- Expenses for publicity not related to CERF planning efforts
- Bonus payments of any kind
- The purchase of alcohol
- Damage judgments arising from the acquisition, construction, or equipping of a facility, whether determined by judicial process, arbitration, negotiation, or otherwise
- Services, materials, or equipment obtained under any other State program
- Real estate brokerage fees and/or expenses
- Stewardship of legal defense funds



## Advance Payment

The LWDA may provide grantees who qualify as a community-based non-profit agency an advanced payment option to reduce barriers in participating in the CERF program. Grantees may apply to receive up to 25 percent of their total grant award through an advance payment option. Grantees do not have to utilize the advance payment option if the reimbursement model is preferred.

**To receive advance payment, grantees must adhere to the following at the time of the grant agreement:**

- A. Demonstrate good standing with the IRS
- B. Provide a completed application with all requested documents including the *Collective Partnership Agreement*
- C. Provide a high-level budget developed in partnership with HRTC members for the requested amount
- D. Provide a detailed work plan for the expenditure of funds requested
- E. Complete an advance payment request form that includes itemized budget for the period of the grant the costs will cover
- F. Provide a high-level spending timeline including anticipated spend down over a set period of time

**Grantees must sign an agreement that they will:**

- I. Revert all unused funds to the state if they are not liquidated within the timeline specified in the grant agreement or in the case of non-compliance/misuse of funds
- II. Communicate any changes to the spending plan require prior approval and must be submitted to EDD. Submit expenditure justifications as outlined in the agreement
- III. Grantees will acknowledge that they will not receive any additional funds/reimbursements until the advance amount has been fully expended.



After the advance payment is expended, grantees must provide expenditure and justification reports in addition to any grant reporting requirements. Additional information regarding reporting requirements will be provided by the EDD during the development of the agreement/contract. Additional advance payment requirements may be developed in consultation with the California Department of Finance.

### Application Requirements & Submission

All proposals must adhere to proposal requirements, utilize the required format, and include all of the requested information and attachments; otherwise, the proposal will be deemed nonresponsive. Proposals that do not meet the minimum requirements will not be scored or considered for funding.

One proposal will be accepted from each applicant. Please do not submit more than one proposal. The concept proposal must be written by the Fiscal Agent and/or Regional Convener in collaboration with their partners.

#### *Phase 1 Concept Proposal*

Phase 1 Concept Proposal will include the following:

- Identifies the Fiscal Agent and Regional Convener (if different)
- Describes the applicants' vision and goals for the HRTC and how the Convener will meet the Planning Phase Requirements detailed above.
- Describes the applicants' experience and ability to convene the HRTC, including their history of engagement in economic development or community-based planning processes and success working with diverse stakeholders towards actionable decisions.
- Explains the relevant dynamics in the region that the HRTC will be navigating, including:
  - Identifies major industries, economic shifts, challenges and opportunities to shared economic growth and prosperity
  - Identifies past major economic development projects or initiatives that have impacted or continue to impact communities and industries in the region
- Describes how the HRTC will address geographic equity and ensure participation from and collaborative decision-making with disinvested jurisdictions
- Lists preliminary metrics of success for the HRTC in line with CERF's Phase 1 priorities and emphasis on equitable, inclusive regional planning



- Identifies complementary economic development or planning processes ongoing in the region and possible areas of collaboration or integration with CERF
- Explains how subregional or inter-regional efforts will be managed and connect to the regional strategy, if applicable
- Provides a strategy for ensuring the sustainability of the HRTC into the implementation phase
- Describes potential challenges to developing the HRTC (e.g., geographical barriers for organizing meetings, language access)
- Includes a general timeline for Phase 1

### *Collective Partnership Agreement Letter*

Creating resilient regional economies will require partnership, power-sharing, and a shared burden of responsibility. The Regional Convener will need to invite a diverse group of stakeholders to form an HRTC and develop a partnership agreement letter together. Traditional systems have discouraged disinvested communities from engaging in economic development and participating in decision-making. Therefore, the CERF aspires to disrupt business-as-usual processes and ensure disinvested communities, particularly communities of color, California Native American tribes, and people from low-income backgrounds participate in regional planning efforts. The collective partnership agreement letter will be a fundamental component in developing trust, partnership, and a commitment to power-sharing among HRTC members.

At a minimum, the Fiscal Agent and/or Regional Convener and HRTC members should include the following in their collective partnership agreement letter:

**Proposed Governance Structure:** HRTC members in partnership with the Regional Convener will need to develop a democratic governance structure that shares decision-making and balances the interests of all represented groups.

**Proposed Budget:** Budget tables must be easy to read and provide a clear understanding of how HRTCs plan to allocate funding resources. Priority will be given to proposals that include the following:

- Budgets that allocate resources equitably across entities within the HRTC to lead or support specific activities that reflect the needs of planning efforts.
- Budgets that reflect the overall project objectives and program goals.
- Budgets that focus on equity and inclusion



**Outreach and Engagement Plan:** The plan must describe strategies and methods that will be used to engage residents and key stakeholders throughout the planning process. It should build on the partnerships demonstrated in the Collective Partnership Agreement Letter. Priority will be given to proposals that employ a combination of activities to meaningfully engage community stakeholders and create a culturally, linguistically, technologically, and if in person, physically accessible methods for community participation. At a minimum, the Outreach and Engagement Plan must address:

- A budget, explanation, and timeline of proposed community outreach activities
- How the applicant will effectively conduct outreach to disinvested communities including immigrant workers, non-native speakers, elderly, youth, people with disabilities, communities of color, California Native American tribes, and other communities not traditionally involved in economic development or regional planning efforts
- How entities mentioned in the Collective Partnership Agreements will support the implementation of the Outreach and Engagement Plan
- How the Outreach and Engagement Plan will ensure the HRTC is representative of the communities in the region, and how stakeholders who may not already be actively involved in planning and development activities will be engaged
- How the Convener will ensure transparent decision-making that centers community voices
- How the public will be informed of the planning progress, including tracking performance and other indicators, as well as progress on the implementation of the Outreach and Engagement Plan
- The ways in which the community will provide feedback on the planning process, including how the HRTC will receive and incorporate formal feedback from the community, and the minimum number of community members the HRTC plans to engage
- How the governance structure included the entities in the Collective Partnership Agreement Letter, and how all these entities will support the implementation of the Outreach and Engagement Plan

**Documentation of Meaningful Engagement:** Fiscal Agents and/or Regional Conveners and HRTC members will need to provide meeting minutes, sign-in sheets, or any other documents created during the development process of the Collective Partnership Agreement Letter, the Outreach and Engagement Plan, Proposed Budget, and Governance Structure.

**Signatures of HRTC members:** By signing the Collective Partnership Agreement Letter each HRTC member agrees to the goals laid out in the application and agrees to participate in



developing a fair governance structure, an effective outreach and engagement plan, and a balanced budget. HRTC members in the collective partnership agreement letter commit to working in partnership to achieve the goals set out in the program and collectively share the burden of responsibility in creating a more inclusive and competitive regional economy. HRTC members joining the collective partnership agreement letter should also consider that regional tables may grow throughout the planning process to ensure they accurately capture the diversity of each region.

At a minimum each proposed HRTC member must include the following:

- Description of the type of entity and its role in the community or region.
- Description of the entity's knowledge, experience, and reason to be in the planning table.
- A contact person and email address
- A signature from an authorized signatory representative of the entity.
- Date: Be dated within the grant competition period, between Month XX, 20XX and Month XX, 20XX

#### **Fiscal Agent Statement of Capacity**

- Describe the applicant's past or present accomplishments in regional economic development, planning, or recovery projects, if applicable
- Demonstrate the applicant's experience managing grant awards and financial capability to administer and manage funds
- Demonstrate the applicant's capacity and experience in collecting and reporting financial data in compliance with applicable regulations.
- Address all requirements listed herein
- Not exceed two pages (single-space, 12-point font)

#### **Regional Convener Statement of Capacity**

- Describe the applicant's past or present accomplishments in regional economic development or community-based planning processes and success working with diverse stakeholders towards actionable decisions
- Describe Convener's experience working on regional economic development, planning, or recovery projects with communities in their CERF region
- Identify the full- or part-time staff that will be dedicated to CERF
- Address all requirements listed in herein





- Not exceed two pages (single-space, 12-point font)

**Memorandum of Understanding between Fiscal Agent and Regional Convener:** The MOU should demonstrate the commitment of working together and understanding eligibility and roles and responsibilities.

### Data and Supporting Evidence

Successful proposals must cite supporting data as applicable from a variety of reliable sources. Relevant data sources may include the EDD Labor Market Information Division (LMID), Bureau of Labor Statistics (BLS), local surveys, or any other reliable data source such as consultation with industry associations, local jurisdictions, or mandatory and non-mandatory partners.

The data should reflect the applicant’s comprehensive understanding of the issues and capacities specific to the identified region and suggest the potential for success. Applicants may also use local data sources that illustrate the experience of individuals and specific communities, such as analyses of local news articles and reliable social media groups, or data from interviews, focus group sessions, or surveys.

### Dates and Deadlines

**Figure 1: Application Timeline**

Event	Date
SFP release	May 23, 2022
Proposals due	July 25, 2022
Award announcements	September 2022
Estimated planning project start date	October 01, 2022

**Note** – All dates after the final proposal submission deadline are approximate and may be adjusted as conditions dictate, without an addendum to this SFP.

### Award and Contracting Process

After the deadline, the representatives from the CERF team will review the proposals that meet the minimum qualifications. Funding decisions are based on scoring criteria, performance history, and regional and target population needs. The team will notify all applicants regarding the status of submitted proposals. A summary of projects funded under this SFP will be publicly posted on the EDD website.





*Proposal Review, Scoring, and Evaluation*

Teams of independent reviewers will score and rank proposals based on the criteria outlined in this SFP. For those organizations that have participated in past grant programs administered by the EDD’s Workforce Services Branch, past and present performance will be considered in making funding decisions.

Only those proposals that score in the top tier, are deemed meritorious, and are in the best interest of the state will be recommended for funding. The EDD reserves the right to conduct on-site reviews prior to making final funding recommendations. After completion of the evaluation process, the CERF Inter-Agency Team will make final funding decisions based on the ranked scores and other factors such as the applicant’s past performance or innovative approaches to economic planning.

All projects selected for funding are contingent upon the revision and approval of the contract exhibits. Project exhibits are not automatically approved. Subrecipients may be required to revise the project exhibits to comply with federal and state mandates during the approval and contract negotiation process. The EDD Workforce Services Branch will provide guidance should revisions be necessary. The EDD reserves the right to rescind any offer of funding if a sub-recipient does not comply with the revision process.

The scoring value of each section of the SFP is as follows:

**Figure 4: Scoring Rubric**

Scoring Criteria	Sub Criteria	Points (TBD)
Objectives and Vision	<ul style="list-style-type: none"> <li>• Concept Proposal outlines strategy for Planning Phase that prioritizes equity, sustainability, job quality, and economic competitiveness and resilience.</li> </ul>	
Capacity	<ul style="list-style-type: none"> <li>• Fiscal Capacity: Fiscal Agent demonstrates a history of experience and manages the program funds and function on the reimbursement model.</li> <li>• Management and Organization: Regional Convener demonstrates organizational capacity to implement the proposal (e.g., has experience managing similar programs and/or grant implementation). HRTC partners also demonstrate a strong</li> </ul>	



Scoring Criteria	Sub Criteria	Points (TBD)
	<p>commitment to support the policies and development of deliverables in the proposal.</p>	
High Road Elements	<ul style="list-style-type: none"> <li>● Community Engagement: Key stakeholders and disinvested communities were meaningfully involved in the development of the Collective Partnership Agreement Letter and other elements of the Proposal.               <ul style="list-style-type: none"> <li>● The Outreach and Engagement Plan includes detailed descriptions and timelines of diverse and appropriate community engagement activities that will be employed throughout the duration of the grant, and describe ways for the public to remain engaged and informed.</li> <li>● The Outreach and Engagement Plan presents an inclusive process to solicit, receive and incorporate community feedback.</li> </ul> </li> <li>● Workforce development and economic development: Proposal identifies vision for planning process that will increase skills, opportunities, and career pipelines, especially for disinvested communities</li> </ul>	
Project Plan	<ul style="list-style-type: none"> <li>● Consistency with Ongoing Processes: The Concept Proposal demonstrates an understanding of ongoing subregional and interregional processes, and how they will connect to the deliverables of the Planning Phase</li> <li>● Implementation: Proposal includes clear plans for long-term operation and maintenance including coordination with appropriate responsible parties.</li> <li>● Community and Project Need: The Proposal provides clear justification for the proposed planning activities. Proposals that demonstrate the socio-economic, climate, and community-wide factors that inform the proposed planning activities will score</li> </ul>	



Scoring Criteria	Sub Criteria	Points (TBD)
	higher. Proposed planning activities should be informed through a documented community process.	
Governance Structure	<ul style="list-style-type: none"> <li>• Strength and Diversity of Collaborative Partnerships: HRTC is composed of a diverse representation of key stakeholders. The Collective Partnership Agreement Letter demonstrates the unique strengths and proven track records of serving communities.</li> <li>• Decision-making Process: The Collective Partnership Agreement Letter illustrates a decision-making process that is transparent, equitable, and centered around disinvested communities.</li> <li>• Budget Plan: The Collective Partnership Agreement Letter outlines a budget developed by all HRTC members that provides reviewers with a clear understanding of how time and funding resources will be allocated to the proposed planning activities.               <ul style="list-style-type: none"> <li>• The proposed budget has adequate details and demonstrates financial feasibility, feasible timelines, tasks, and deliverables.</li> <li>• The proposed budget should allocate resources across entities within the Collaborative to lead or support specific activities that reflect their strengths and experience.</li> <li>• The proposed budget should be reasonable and feasible within the grant term, and reflect the program objectives and vision.</li> </ul> </li> </ul>	

## Reporting

All CERF planning and implementation grantees must comply with the outcome and reporting requirements as established by the Inter-Agency Leadership Team and fiscal oversight by the EDD. The reporting requirements will be discussed in further detail during the contracting process. The grantees must provide the following reports:

1- Monthly Progress Status Reports (PSR): Submitted at the end of each month, summarizing what has been done, what the next steps are, what lessons learned, if there are any challenges, or if there are needs for course correction. PSR can be one to three pages.



2- Quarterly reports: Prepare and disseminate financial reports on a quarterly basis pursuant to state reporting requirements.

3- Planning Phase Plan: Grantees should submit a report laying out:

- A) The structure of the Collaboratives, and
- B) The plans with associated estimated expenses for the following:
  - Convening the Collaboratives and an inclusive regional planning process
  - Developing a comprehensive plan for the region's high road recovery. This includes a plan and timeline for conducting the analysis and developing the roadmap defined in this solicitation.

The state acknowledges that the details of this plan may change over time. This report can be 10-20 pages.

Grantees should submit this report within the first two months of the Planning Phase.

4- Regional Summary Report: Submit the Regional Summary analysis (See the section called "**Regional Plans**" in this SFP).

Grantees should submit this report by March 31, 2022.

5- Lessons Learned Report: in order to establish a baseline of best practices for inclusive economic planning, all CERF grantees must provide a detailed analysis of grantee challenges and achievements relating to:

- Convening an inclusive regional planning process
- Developing a comprehensive high road recovery plan, and
- Implementing strategies to create high road jobs (applies only to the implementation phase)

Grantees should provide this report at the end of the planning phase. The report is required for the planning phase to deem complete.

6- Evaluation Report: CERF grantees must also provide reports, data, and information to guide the detailed evaluation of the planning phase. Please see the Evaluation Section for details.

Grantees should provide this report at the end of the planning phase. The report is required for the planning phase to deem complete.



## **Monitoring and Audits**

During the POP, grantees and subrecipients will be monitored and/or audited by the state in accordance with existing policies, procedures, and requirements governing the use of funds. Grantees and subrecipients are expected to be responsive to all reviewers' requests, provide reasonable and timely access to records and staff, facilitate access to subcontractors, and communicate with reviewers in a timely manner. Complete and accurate reporting is essential during the monitoring process.

## **Record Retention**

Grantees and subrecipients will be required to maintain project and fiscal records sufficient to allow federal, state, and local reviewers to evaluate the project's effectiveness and proper use of funds. The record-keeping system must include both original and summary (computer-generated) data sources. Grantees and subrecipients will retain all records pertinent to the grant contract for a period of five years from the date of the final payment of the contract, unless a longer period of record retention is stipulated.

## **Closeout**

Closeout period refers to the 60-day period after a grant code or subgrant agreement has reached its term end date or its funding has been fully utilized. During this period, the grantee or subrecipient submits a closeout package to the State, and the State confirms that all applicable administrative actions and required work of the grant code or subgrant agreement have been completed by the subrecipient. The closeout period is a critical piece in the cycle of a grant code or subgrant agreement. It is used by the grantee or subrecipient to liquidate remaining obligations and to prepare and transmit final fiscal and program documents. Closeout documents and an end of project narrative closeout report will be required 60 days after the end of the grant term. Applicants should include costs associated with closeout activities in the budget plan.

## **Compliance**

The fiscal agent is responsible for evaluating each subrecipient's risk of noncompliance based on a set of common factors. These risk assessments may include factors such as prior experience in managing federal funds, previous audits, personnel, and policies or procedures for award execution and oversight. Ongoing monitoring of any given subrecipient should reflect its assessed risk and include monitoring, identification of deficiencies, and follow-up to ensure appropriate remediation.

## **Intellectual Property Rights/Creative Common Attribution License**



Subrecipients of a State award obtain the title to intangible property once it has been acquired. The subrecipient must use the property for the originally-authorized purpose and must not encumber the property without approval from the State. Further, the State has the right to obtain, reproduce, publish, or otherwise use the data produced under a federal award, and authorize others to receive, reproduce, publish, or otherwise use such data for federal purposes. (Uniform Guidance Section 200.315[a],[d]) In addition, the State requires intellectual property developed under a competitive federal award process to be licensed under a Creative Commons Attribution license. This license allows subsequent users to copy, distribute, transmit and adapt the copyrighted work and requires such users to attribute the work in the manner specified by the recipient (State Exceptions Section 2900.13).

## Program Evaluation

The State will pursue a statewide evaluation of the activities awarded through this SFP. If a statewide evaluation takes place, the grantees and subrecipients will be required to participate in that evaluation by providing the requested data and information. Therefore, throughout the POP grantees and subrecipients must document lessons learned and effective practices ascertained through this project. At designated points throughout the fiscal year, the Inter-Agency Leadership Team may set annual priorities, evaluate progress against goals and objectives, discuss new strategies to improve program outcomes and align available funding to maximize results for the state.

The following summarizes some parts of the evaluation process for the planning phase (phase 1). The evaluation focuses on process evaluation and outcome evaluation. The evaluation process and methodology may change based on program needs and progress.

**1. Process Evaluation:** process evaluation emphasizes whether and how the program activities have been implemented as planned. It emphasizes the process of informing, engaging, and empowering the stakeholders in developing and implementing the Collaboratives. The main criteria for evaluating the processes include:

- Inclusivity: The extent to which the planning process has been inclusive and representative of the region.
- Equity: Whether and how the grantees have considered perspectives and needs of disinvested communities in developing the Collaboratives and creating the regional plans.



Informing stakeholders and teams:

**Inform:** Informing the stakeholder, including the public, about the program and inviting them to engage in the planning process

Process Evaluation Category	Process Evaluation Criteria
Who	Who was informed about the program and invited for engagement? What was their socio-economic background? Which organizations or communities do they represent?
How	<ul style="list-style-type: none"> <li>• How did the grantees ensure that the community they have informed represents a diverse population, considering race equity, income, gender identity, persons with disabilities, youth and elderly?</li> <li>• How did the grantees ensure they have reached out to disinvested communities?</li> <li>• How did the grantees consider differences in norms, cultural, and community capacity (including digital divide) in informing the potential stakeholders and communicating the program goals?</li> <li>• How did the grantees select the stakeholders and based on what criteria?</li> <li>• How does the structure of the Collaboratives ensure the potential stakeholders are adequately informed about the process and program?</li> </ul>
What	<ul style="list-style-type: none"> <li>• What methods/tools did the grantees use to inform the potential stakeholders? If the grantees used websites or online groups, for how long the information page was up? How many meetings did the grantees organize?</li> <li>• What methods did the grantees use to ensure that the potential stakeholders, including the public, understand the goals of the program and how it can impact their lives? What methods did the grantees use to translate the program goals and potential outcomes into simple and digestible language?</li> </ul>
Where	Where did the grantees recruit potential stakeholders? Which platforms did they use to announce the program?
When	When did the grantees reach out to potential stakeholders? What was the time period?



Process Evaluation Category	Process Evaluation Criteria
Lessons learned	What lessons have the grantees learned so far? How would they improve their approaches?

Engaging and empowering stakeholders and teams:

**Engage and empower:** Obtaining feedback from the stakeholders, collaborating with them, and empowering them

Process Evaluation Category	Process Evaluation Criteria
Who	<ul style="list-style-type: none"> <li>• Who the grantees collaborated with and engaged in the planning process?</li> <li>• Which communities and stakeholders were directly involved in the decision-making process? Which communities or groups are part of the Collaborative?</li> </ul>
How	<ul style="list-style-type: none"> <li>• How did the grantees set up the regional planning tables?</li> <li>• How do the grantees ensure that the communities they have engaged represent a diverse population, considering race equity, income, gender identity, persons with disabilities, youth and elderly? How did the grantees ensure that diverse teams have representatives in regional planning tables?</li> <li>• How did the grantees engage disinvested communities and consider their perspectives and needs?</li> <li>• How did the grantees ensure that they have considered differences in norms, cultural, and community capacity (including digital literacy) in meaningfully engaging the stakeholders?</li> <li>• How did the grantees collect ideas and incorporate them into the decision-making?</li> <li>• How did the grantees facilitate the discussions to ensure that the needs of underserved communities are considered?</li> <li>• How did the grantees ensure that diverse stakeholder communities, especially disinvested communities, are</li> </ul>





Process Evaluation Category	Process Evaluation Criteria
	<p>empowered to share their ideas and influence the decision-making process?</p> <ul style="list-style-type: none"> <li>• How are the regional and sub-regional tables developed, facilitated, and managed?</li> <li>• How does the structure of the Collaboratives ensure that diverse stakeholders, and especially disinvested communities, are engaged and empowered?</li> </ul>
What	<ul style="list-style-type: none"> <li>• What methods and tools did the grantees use for engaging the stakeholders and keeping them engaged in the process?</li> <li>• What methods did the grantees use to educate the participants about the program components and the importance their decisions in the future on their region?</li> <li>• What methods did the grantees use to keep the stakeholders involved?</li> <li>• What methods did the grantees use to ensure that the powerful sources are not dominating the planning and the decision-making process?</li> <li>• What tools or methods did the grantees use to make sure that diverse communities, especially underserved communities, are empowered to influence the decision-making process?</li> </ul>
Where	Where did the grantees organize the planning tables and engage the stakeholders? Clarify online and in-person sessions or meetings.
When	When did the grantees organize the planning tables and engage the stakeholders?
Next steps and lessons learned	What lessons did the grantees learn? How would they improve the process?

**2. Outcome Evaluation:** The main outcomes of Phase 1 include partnerships and coalitions, and a regional plan.

Partnerships and coalitions: partnerships and coalitions are crucial to the success of the planning phase. The criteria for evaluating the quality of partnerships and coalitions include their impact on implementing the regional plan (especially the proposed strategic investments) and on



empowering diverse communities (especially disinvested communities). The following are some of the questions that this section focuses on:

- Whether and how do the partnerships and coalitions influence implementing the regional plan, and especially the proposed strategic investments?
- Whether and how do the partnerships and coalitions empower diverse communities, especially disinvested communities, and advance capacity building?
- Whether and how can the partnerships and coalitions live beyond the life of the CERF grants?

Regional Plan: Regional plans create blueprints to guide equitable economic development in regions. The criteria for evaluating these plans focus on the following four principles:

- Equity
- Sustainability
- Job quality
- Economic competitiveness and resilience

The State will identify more details about evaluating the regional plans and other parts of the program evaluation later, in collaboration with an evaluation firm and advisors.