

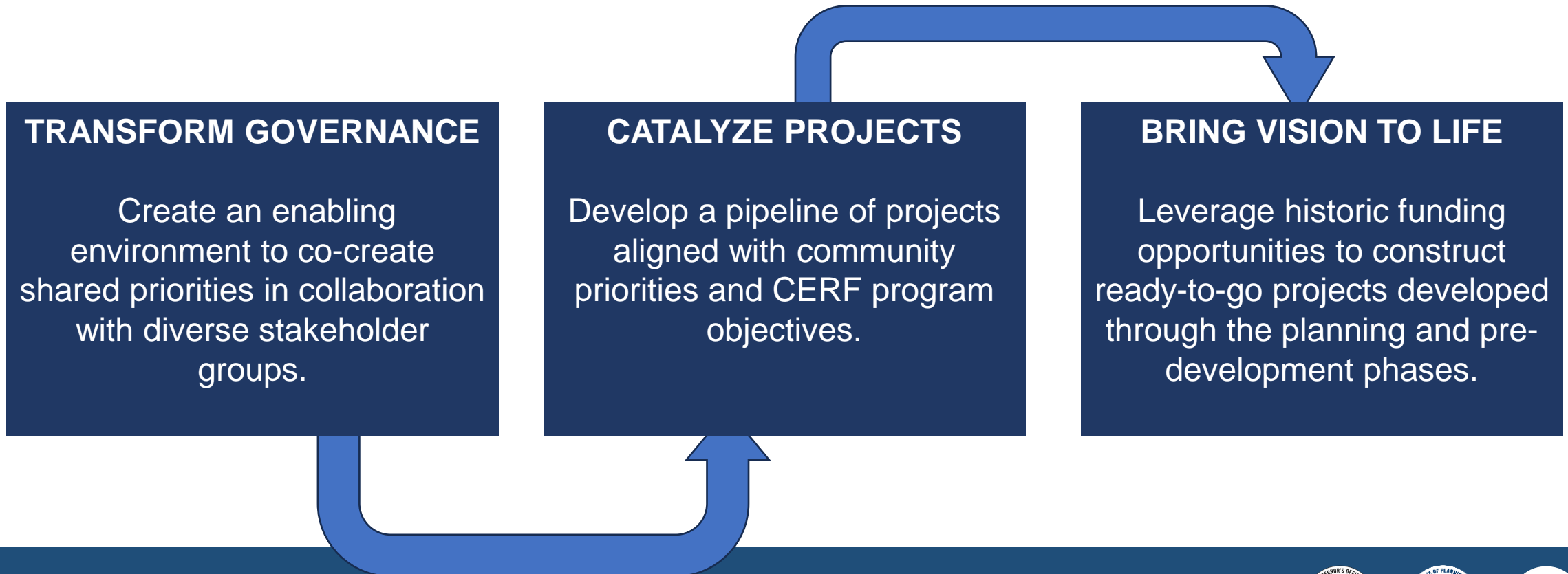
INVESTING IN INCLUSIVE REGIONAL CAPACITY
CATALYZING INVESTABLE COMMUNITIES
BRINGING COMMUNITY VISION TO LIFE

Catalyst Predevelopment Fund



Comprehensive Approach

Create **near-term pathways for investment** into communities while continuing to **invest in inclusive economic development and regional governance**



OBJECTIVE

Continue supporting communities in coming to the table

EQUITY & INCLUSION	Incorporate community voice in an inclusive decision-making process.
CLIMATE & SUSTAINABILITY	Support the state's shift to a carbon-neutral economy by prioritizing funding for projects and programs that support climate and equity goals.
ECONOMIC PROSPERITY FOR ALL	Create good-paying jobs and support pathways to high quality jobs.



OBJECTIVE

Catalyze Investable Communities

Maximize investment opportunities into communities while ensuring alignment with CERF objectives of inclusion, equity, and sustainability



Maximize Investment into Communities

Align timeline with historic federal and state funding opportunities

\$190 Billion in Federal Funding for California

\$48 Billion*

California Climate
Commitment
3-Year Horizon*

**\$41.9
Billion***

Infrastructure
Investment and Jobs Act
2026 Horizon*

**~\$390
Billion***

Inflation Reduction
Act
2026 Horizon*

**~\$52
Billion***

Chips & Science Act
2026 Horizon*



Supporting a new generation of community-led investments

Deficit of ready-to-go projects

Few ready-to-go projects; \$50 million available for CERF pilot projects but \$39 million funded

Need for capacity and pre-development

Many disinvested communities do not have a portfolio of ready-to-go projects

Current pipeline not aligned with state goals

Governor's recent infrastructure report shows current pipeline of ready-to-go projects not aligned



FEEDBACK RECEIVED

Across comment letters and workshop sessions

1. 300 organizations and individuals statewide
2. 140 unique pieces of feedback



What we heard

THEME	OPPORTUNITIES FOR IMPROVEMENT	CATALYST 2.0
Administrative	<ul style="list-style-type: none"> • Transparency, expedient contracting, extended deadlines, and retention of funds in regions if not used 	<ul style="list-style-type: none"> • Application no more than eight pages
Equity and Disinvested Communities	<ul style="list-style-type: none"> • Allocation of funds not proportionate to size of regions • Standard definitions and metrics of equity and other key program considerations 	<ul style="list-style-type: none"> • Ensure broad access to inclusive economic development in each region, while allowing discretion on most equitable use of funds to HRTCs • Evaluation metrics currently under development
State Process and Communications	<ul style="list-style-type: none"> • Make materials accessible and available in multiple languages • Need for clear terminology 	<ul style="list-style-type: none"> • Program factsheet and updated FAQs will be made available in multiple languages
Catalyst Program Design	<ul style="list-style-type: none"> • Funding amount too large for some regions to liquidate and takes too much away from implementation phase • Catalyst should support HRTC activities and planning 	<ul style="list-style-type: none"> • Decrease to \$14 M per region, including up to \$2 million for HRTC operations
Catalyst Funding Buckets	<ul style="list-style-type: none"> • Need for flexibility in buckets 	<ul style="list-style-type: none"> • Less prescription in required funding categories



Catalyst 2.0

- **\$14 million** per region to bridge inclusive economic planning with project and program implementation
 - Up to **\$2 million** in HRTC operations
 - Up to **\$1.5 million** towards Sector Investment Coordinators
 - Up to **\$9 million** for project pre-development activities
 - Up to **\$1.5 million** towards grant administration and compliance (Fiscal Agent overhead)



CERF's three phases

Creating pathways for investment that will bring **bottom up, regionally governed** economic blueprints to life – creating good-paying jobs, prosperous communities, and a clean energy economy

March 2023		September 2026
PLANNING PHASE	PRE-DEVELOPMENT PHASE	IMPLEMENTATION PHASE
<p>\$5 million per region Developing regional economic visions in partnership with communities</p>	<p>\$14 million per region Catalyzing a portfolio of projects and programs that are positioned for state, federal, and private investment</p>	<p>\$268 million Bringing regional visions to life by funding project and programs developed through the process</p>

Catalyst Timeline

Planning Phase: March 2023-September 2024

Early September
Final guidelines and notice of funding availability

Mid-November
Applications due

Predevelopment: September 2023-September 2026

Fall
Catalyst 2.0
Webinar

May 2024
Awards made

Implementation phase

