



Transformative Climate Communities in Fresno:

Catalytic Climate Investment to Rebuild Fresno's Economy and Workforce

Why Fresno?

Fresno, California's fifth largest city, sits in the shadows of the narrative of a prosperous, green California. As the rest of urban California is experiencing staggering economic growth, largely due to a growing, clean innovation economy, Fresno still struggles to keep an unemployment rate below 10%. While slowly diversifying from a primarily agricultural-based economy, Fresno is still far behind many major mid-size American cities towards being able to compete in this new economy. With nearly 40% of its neighborhoods classified as the most environmentally and economically challenged in the state, according to CalEnviroScreen, a metric developed by CalEPA, significant structural changes are still necessary to make the new California dream real for Fresno. For decades, Fresno leaders focused public investments on incentivizing new suburban growth on the fringe of the city, leaving the downtown and older neighborhoods in decline. Without a strong regional economy to support this growth, these patterns left Fresno with the highest rate of concentrated poverty in the US in 2006.

**"This is a place that can lead...
not just the state, but the whole world."**

*- Governor Jerry Brown
September 14, 2016 - AB 2722 Bill Signing
Fresno, California*

Despite these challenges, Fresno is an emerging city with significant potential. One of the youngest and most diverse cities in the US, as well as one of the fastest growing cities in California, Fresno has the potential to show the rest of the country how to reinvent its economy, downtown, and neighborhoods – and mitigate the impacts of climate change – by putting local residents and local businesses first. Fresno is home to the first high-speed rail station in the US, which will connect downtown Fresno with downtown San Jose in less than an hour by 2025. While

the investments in high-speed rail, beginning in Fresno, provide significant hope for economic diversification and prosperity in Fresno, we know that high-speed rail alone is not enough to help Fresno permanently shift its trajectory. A new approach to investment is needed to disrupt the status quo in Fresno and provide a vision of what a clean economy looks like in inland California. California has a chance to lead the world on two of our generation's most pressing challenges: climate change and inequality – and to show how the solution to these problems is not mutually exclusive but rather complementary and reinforcing. And Fresno can lead on that solution.

TCC By the Numbers:

3 eligible neighborhoods
(Southwest, Chinatown, Downtown Fresno)
90 days of community engagement
529 local residents involved in TCC process
10 Community Steering Committee meetings
62 projects submitted
25 projects funded
100 units of mixed income housing
200 solar rooftops
2 new public parks
2 miles of new trails
3,000 new trees
1 new community college campus
\$70 m of Cap and Trade Funding
\$216 million in total investment

Background:

Fresno's Comprehensive Approach to Reducing Greenhouse Gases and Catalyzing Investment in Disadvantaged Communities

Since 2009, the City of Fresno has been undertaking an aggressive effort to align its land use policies, regulations, and infrastructure plans to support revitalization of its urban core and restoration of its older neighborhoods. The City initiated several community-driven planning processes, where hundreds of residents, business owners, and other stakeholders came together to develop a new vision for downtown and the surrounding neighborhoods. A specific plan was created specifically for the downtown urban core, as the regional job and economic center (the Fulton Corridor Specific Plan), as well as a community plan for the six neighborhoods directly surrounding the downtown core, to ensure that they would be connected to and directly benefit from the economic success of the adjacent downtown. A community-driven specific plan was also initiated for the outer neighborhoods of Southwest Fresno, which had experienced very little planned development, despite their proximity to the urban core. While much excitement was generated through the planning processes, City leaders worked aggressively to identify ways to fund and implement the plans, but did not have a consistent funding stream to make these visions reality.

In 2013, with the partnership of the Governor's Office of Planning and Research, and through the support of President Obama's Strong Cities, Strong Communities Initiative, former Mayor Ashley Swearengin convened an Infill Finance Task Force to develop recommendations and strategies to overcome financing barriers in downtown and the surrounding neighborhoods. This work was followed up by a report by the California Strategic Growth Council that took a closer look at infill finance challenges in four neighborhoods in California, including the Fulton Corridor in Fresno. In January 2014, local leaders in Fresno began conversations with the Governor and his administration to identify a state funding source that could catalyze private investment at scale in Fresno, especially near the high-speed rail station and in surrounding neighborhoods. After these conversations, a new program was launched in the Governor's Budget in January of 2016 – the Transformative Climate Communities program – to support local climate action in the top 5 percent of disadvantaged communities, combining climate investments in a local area for catalytic impact. Supported by statewide and local environmental justice organizations, Assemblymember Burke crafted AB 2722, authorizing the program and its core language.

After AB 2722 was signed by Governor Brown in downtown Fresno, the Governor's Office then selected the City of Fresno to receive 50% of the Transformative Climate Communities funds – or \$70 million - identifying the reasons Fresno was chosen to receive half the funding – more than 40% of the City is located within the top 5% of disadvantaged communities; ongoing barriers to financing infill development; and a recent history of investing in community-driven planning to identify priorities for public investment. And so the work of Transformative Climate Communities began.

AB 2722 in Action: The Fresno Transformative Climate Communities Engagement Process

In anticipation of final program guidelines being adopted by the California Strategic Growth Council in August 2017, Fresno community leaders and elected officials began organizing the engagement process. Local environmental justice and resident leaders argued for a participatory approach to identifying how the funds would be spent. Interested in maintaining a spirit of transparency and public service, City leaders then committed to a completely open steering committee, for anyone who lives, works, or owns a business or property in the neighborhoods eligible for TCC funding - southwest, Chinatown, and downtown Fresno. Eligibility to vote on the final package of projects recommended to the Mayor was based simply on attendance. If you were a resident, you had to attend at least 3 of the 5 Community Steering Committee meetings; if you worked or owned a business or property, you had to attend at least 4 of the 5 Community Steering Committee meetings to be eligible to vote on the final recommendations.

Creating the Fresno TCC Community Steering Committee to be open to any resident, employee or property owner in the eligible neighborhoods launched the largest participatory budgeting process conducted in the United States to date. Led by a consulting facilitator and supported by a team that included staff from multiple departments of the City of Fresno and the Central Valley Community Foundation, the Community Steering Committee process included a total of 10 meetings in 90 days – including 1 town hall, 5 Community Steering Committee meetings, 2 project development workshops, 1 project review day, and 1 supplemental information session. In total, 529 people participated – with a total of 164 eligible voters on the Community Steering Committee. At the final Community Steering Committee meeting, 126 CSC members attended to cast their vote.



Project Development and Selection by the Community Steering Committee

The project development process involved an open “call for projects” to allow both projects that had been developed through community-driven, land use planning processes to come forward for funding consideration, but to be viewed equally with other projects submitted by community members and other project implementers. In total, 62 projects were submitted through our online “Request for Project Concepts” form. Of those, 37 were identified as eligible for funding.

At the 4th Community Steering Committee meeting, participants went through an exercise in small groups to develop their own ‘packages’ of projects that met state guidelines and resulted in a \$70 million proposal. The TCC Process team then evaluated that data from each of the 16 small groups to come up with a ranked list of projects based on the number of times each project was chosen by a small group. That ranked list became the foundation for the final package of alternatives that were presented to the Community Steering Committee.

Community-Driven Investment and Transformation

In the final package voted on by the Community Steering Committee, 25 projects were chosen, resulting in nearly \$216 million of total investment across southwest, Chinatown, and downtown Fresno, with \$77 million requested from the Transformative Climate Communities program.

Four alternatives were presented, with each alternative a variation based on feedback received from the 3rd Community Steering Committee regarding local priorities – of which local hiring, affordable housing, and parks rose to the top. This sparked an interesting and anticipated twist in the process.

After the alternatives from the TCC process team were presented, a group of 20 residents from southwest Fresno created their own fifth alternative, and then modified that proposal with input from the Mayor’s Office, Councilmember Baines, and stakeholders from Chinatown in order to develop consensus and support. This fifth alternative was then presented with the other four at the final Community Steering Committee meeting, and was selected by the voters by a total of 125-1.

Title	TCC	Total Match	
Fresno City College – West Fresno Satellite	16,900,000	76,065,415	
Chinatown PBID	-	75,000	
Clean Shared Mobility Network	7,407,505	2,292,900	
High Speed Rail Station Area Complete Streets Connectivity Project	7,012,000	-	
SW Fresno Green Trails and Cycle Paths Initiative	5,000,000	-	
Chinatown Active Transportation Project	3,668,000	-	
Annadale Mode Shift Project	350,000	150,000	
Clean Energy Park & Play – Solar-Powered Charging Station & Van Pool	267,000	570,000	
MLK Activity Center Street Improvements	-	11,600,000	
TCC Connector Project	-	5,500,000	
Chinatown Mixed-Use Project @ HSR West Entrance (Fresno Housing Authority)	10,791,042	11,087,519	
The Park at South Fulton — SUBJECT TO STATE CONFIRMATION	1,925,000	15,344,179	
MLK Activity Center Park	4,500,000	4,500,000	
Chinatown Urban Greening Project	4,085,700	-	
Mariposa Plaza	3,668,000	332,000	
Changing Lives with Trees in SW Fresno	2,300,000	700,000	
Grocery Store, Distribution Center and Community Orchard	1,850,000	5,878,000	
Yosemite Village Permaculture Community Garden and Urban Farm Incubator	375,000	473,962	
Clean Energy Park & Play – Urban Greening & Playground	139,810	490,630	
Another Level Training Academy Community Garden	100,000	50,000	
EOC Partnership for Energy savings and GHG reductions in SW Fresno	2,600,000	800,000	
GRID Alternatives Solar Renewable Energy Project	1,300,000	943,000	
Weatherize 100 home and Install Solar Panels on 35 homes in Southwest Fresno	673,855	213,741	
West Fresno Advanced Transportation Technology Training Program	1,500,000	250,000	
VOICE Gladiator Program	1,200,000	620,000	
Preliminary Budget Estimate TOTAL	77,612,912	137,936,346	215,549,258

This investment will result in a new Fresno City College West Fresno Satellite Campus; two new parks; several miles of new trails, sidewalks, and bike lanes; over 100 units of affordable and market-rate housing; community gardens; several hundred homes with new rooftop solar and insulation; an electric car share system; and, millions of dollars being poured into training people from the community to ensure that local residents are getting the jobs that result from this investment.

Of the 25 projects chosen, 13 are from local non-profits, who will benefit from a surge of capacity through this funding.

Fresno TCC: Catalytic Investments in Public and Civic Infrastructure

The efforts that led to the Fresno Transformative Climate Communities initiative began by thinking about how public investments can catalyze larger transformation in some of the most disadvantaged parts of the state. And while the investment is critical, it is only now a part of the story of transformation in Fresno.

Transformative Climate Communities instigated several other, major shifts in Fresno. Because of TCC, small business owners in Chinatown have organized themselves and are now meeting monthly to determine how to promote each other and create more opportunities for investment in this small and very diverse commercial community that has been largely disinvested in for decades, including assessing themselves and forming a property based improvement district. And because of their collective efforts, nearly \$20 million of TCC funds will be coming to Chinatown to support new affordable housing, streetscape, and urban greening improvements in the commercial core.

And through the TCC process, residents of Southwest Fresno, dubious of the City of Fresno's intentions, have built new lines of trust and relationships with City leadership and staff and will experience nearly \$90 million of new investment from TCC and matching funds. The TCC process built bridges with Southwest, Chinatown and Downtown stakeholders, as well as City leaders.

What began as a quest for investment in three separate communities has ultimately resulted in a commitment to connection and shared destiny for leaders of southwest, Chinatown, and downtown Fresno. And that's what will ultimately transform Fresno.

