

JEDE COMMITTEE Mock-up for AB-3205 (Version 3)

Mock-up based on Version Number 98 - Amended Assembly 5/4/20

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- **Changes are underlined.**

SECTION 1. The Legislature finds and declares all of the following:

(a) California's regional economies compete in an increasingly connected and complex global market driven by changes in technologies, demographics, and geopolitics.

(b) Growing inequality, which disproportionately affects communities of color, and the erosion of upward mobility in California that call for state policy to be intensely focused on increasing economic opportunity and security for all Californians.

(c) Public policy plays a critical role in creating the conditions that attract private capital investment, while encouraging equitable and sustainable economic growth.

(d) Yet California lacks a process to help inform the future creation of a coherent strategy that explicitly links state and regional priorities with goals and metrics, investments, and programs. A process should integrate the values of equity, resiliency and collaboration around issues of shared importance including transportation, housing, homelessness, workforce, sustainability, public health, climate, and governance.

(e) California policy to advance triple-bottom-line goals should motivate, create capacity for, and invest in regionally driven strategies. This approach will empower and align behind regions, leverage business and civic contributions, and ensure that funds follow strategic decisions rather than decisions being made to chase funds. Such coordinated efforts are particularly critical to the economic recovery of communities across the state in the wake of the COVID-19 crisis.

(f) Regional triple-bottom-line prosperity strategies should be predicated on partnerships among state and local governments, and among public, private, and civic organizations, through which projects can integrate legal authorities, financial resources, and organizational expertise, create longevity, and generate prosperity for all.

(g) The philanthropy community, both in and outside of California, are seeking avenues to invest in communities across California in a strategic, yet transformative manner that includes opportunities to leverage or pool additional dollars to deepen impact.

(h) There is a need to create a state program that provides competitive grants for multijurisdictional organizations that involve local governments, and private and civic organizations covering locally defined economic regions to adopt a comprehensive shared prosperity strategy focused on the priority challenges of the respective region.

(i) There is a need to create pathways for private business, philanthropy, and others to financially support inclusive planning and ~~decisionmaking~~ decision-making processes reflective of a shared vision of a California for all, across the state's underserved regions for investment.

SEC. 2. Article 8 (commencing with Section 12100.70) is added to Chapter 1.6 of Part 2 of Division 3 of Title 2 of the Government Code, to read: **Article 8. Regions Rise Grant Program**

12100.70. - Definitions

For purposes of this article:

(a) "Director" means the Director of the Governor's Office of Business and Economic Development.

(b) "Office" means the Governor's Office of Business and Economic Development.

(c) "Program" means the Regions Rise Grant Program created pursuant to Section 12100.71 and administered in accordance with this article.

[Subdivision (d) and (e) begins the shift the bill from designating regions to awarding regional collectives]

(d) ~~“Region” means a collective of geographic area comprised of one or more counties and cities that form counties, cities, local agencies, private businesses, educational entities, and nonprofit organizations that organize themselves around a functional economy in established pursuant to Section 12100.72. A region may be a metropolitan statistical area, as established by the United States Office of Management and Budget. [This provision was from the old section on designating a region.]~~

(e) “Eligible Applicant” means a regional collective comprised of public and private stakeholders who organize themselves around one or more community challenges or priorities impacting a region and meet the requirements established pursuant to Section 12100.72. Public and private stakeholders may include cities, counties, local agencies, private businesses, educational entities, social enterprises, and nonprofit organizations.

12100.71. – Program Purpose and Goals

(a) There is hereby created, in the Office of Business and Economic Development, the Regions Rise Grant Program for the purpose of supporting inclusive, cross jurisdictional, and innovative processes that lead to inclusive strategies to address barriers and challenges confronting communities in creating economic prosperity for all.

(b) The ~~purpose goals~~ of the program ~~is~~ are to achieve the following:

(1) To enable local governments, economic development entities, community-based nonprofit organizations, businesses, and other key local stakeholders to establish regional ~~groups~~ collectives tasked with identifying and developing strategies to address one or more key regional barriers to prosperity for all and build resilient equitable, and green communities.

(2) To build the capacity at the local level for inclusive collaboration and planning with the active engagement of representatives from disenfranchised or disadvantaged communities, with particular focus on reversing the economic and social challenges accelerated by the impact of COVID-19.

(3) To create interdisciplinary, cross jurisdictional, and ~~cross-sector~~ cross-sectoral regional strategies for addressing one or more key regional challenges.

(4) To establish pathways to implement strategies developed by the regional groups established pursuant to this part.

12100.72. – Definition of an Eligible Applicant

(a) A regional collective shall be an eligible applicant if the regional collective meets all ~~Before submitting an application pursuant to Section 12100.73, a region shall be established that meets both~~ of the following requirements:

(1) The regional collective consists ~~Consists~~ of at least one government agency, one local business, one educational or workforce entity, one economic development entity, and one nonprofit organization.

(2) The regional collective has, as one of its primary missions, the addressing of one or more ~~to Comprises a geographic area that experiences~~ common regional issues and challenges that are larger than a single community, including, but not limited to, workforce development, educational pathways, land use, climate planning, transportation, housing, homelessness, economic mobility, equity gaps, and economic development.

(3) The partners of the region are representatives of the region’s demographic make-up, key industries, city and county governments, private businesses, educational and workforce partners, and nonprofit and philanthropic organizations.

~~(b) A geographic location’s delineation by a metropolitan statistical area, as established by the United States Office of Management and Budget, may be utilized to define a region. [This provisions was moved to the definition of a region]~~

~~(c) (1) Each region shall designate a lead principal agency or organization. The principal agency or organization shall be the main point of contact with the office and be identified in the application submitted pursuant to Section 12100.73. [This provision is moved to the list of application requirements]~~

~~(2) Each member of the proposed region shall submit a letter of support to the principal agency or organization, which shall be included in an application submitted pursuant to Section 12100.73. [This provision is moved to the list of application requirements]~~

~~(b) (d) A region regional collective that receives funding pursuant to Section 12100.73 shall establish a steering committee that is inclusive of historically underrepresented voices and representative of the membership of the region to achieve the goals and purposes of the program. [This is part of the shift from geographic region to regional collective]~~

12100.73. – Award Process and Application

(a) The office shall develop an application for regions to apply and implement a process for the awarding of competitive grants to eligible applicants meeting the requirements pursuant to this article. that can be spent over a period of three years under this article. At a minimum the process shall meet all of the following conditions:

(1) Eligible activities shall include funding to support regional collectives at different collaboration stages, including, but not limited to, initiating or expanding regional convenings and planning activities, sustaining regional convenings and planning activities in process, and implementing recommended strategies resulting from such activities.

(2) Funds awarded pursuant to this program shall be available to the successful applicant for a period of three years.

(3) Applications with overlapping geographic boundaries may be funded if, in the determination of the director, the regional issues and challenges being addressed in the applications are sufficiently distinct.

(4) The application shall include, as a minimum, each of the following:

(A) Identification how the funding will be used to facilitate the resolution or mitigations of one or more regional issues and challenges, including information on why and how an inclusive, cross jurisdictional, and innovative process is best suited to address these challenges and result in greater economic prosperity for all. [This provision connects the purpose to the application]

(B) A list of key deliverables during the grant period.

(C) Identification of the principal agency or organization that shall be the main point of contact with the office.

(E) Identification of the members of the steering committee, required by subdivision (b) of Section 12100.73, with documentation of how these steering committee members represent historically underrepresented voices within the region and the region's demographic make-up, key industries, city and county governments, private businesses, educational and workforce partners, and nonprofit and philanthropic organizations. A commitment letter by each member of the steering committee shall accompany the application.

(F) A letter from each member of the regional collective documenting their participation in the regional collective and participation in the activities proposed in the application. If the member is also a member of the steering committee, these letters shall be combined.

(G) To the extent possible, a commitment to match nonstate funds. If matching funds are not available, the applicant shall include a statement documenting the lack of matching funds.

(H) Letters of support from local government agencies, nonprofit organizations, private businesses, education partners, ethnic communities, and philanthropic organizations that indicate a significant threshold of community support for the application.

(I) A commitment to collect and share data, as required by the office, that can help inform the effectiveness of the grant dollars in building strategies for regional prosperity and to hold partners accountable for progress.

(b) The office shall give priority when awarding grants to regions that can demonstrate all of the following:

~~(1) The partners of the region are representatives of the region's demographic make-up, key industries, city and county governments, private businesses, educational and workforce partners, and nonprofit and philanthropic organizations.~~

(1) (2) The need for cross-sectoral and cross jurisdictional solutions to the demonstrated , multipartnership solutions to key regional challenges.

(2) (3) The readiness and capacity to support rural, or disadvantaged areas, or underserved population groups.

(3) The assessment of key deliverables and the potential of the initiative to make system changes that can be operationalized based on success stories and best practices.

~~(5) A commitment to match nonstate funds. [This provision is moved to subdivision (a) relating to the required application components]~~

~~(6) Letters of support from local government agencies, nonprofit organizations, private businesses, education partners, ethnic communities, and philanthropic organizations that indicate a significant threshold of community involvement. [This provision is moved to subdivision (a) relating to the required application components]~~

~~(7) A commitment to collect and share data, as required by the office, that can help inform the effectiveness of the grant dollars in building strategies for regional prosperity and to hold partners accountable for progress through the use of tools, including the California Dream Index. [This provision is moved to subdivision (a) relating to the required application components]~~

~~(e) The office shall act as an informal advisor to regions that receive funding pursuant to this article by providing best practices and informing regional organizations of the state's initiatives in areas including workforce development, educational pathways, land use, climate planning, and the other regional issues identified by regions.~~

12100.74. – Funding Trigger

Upon appropriation of funds by the Legislature to the office for the purpose of implementing this article, the office shall make grants to qualified regional collectives regions, consistent with Section 12100.73.

12100.75. – Reporting Requirements

(a) Each ~~selected region~~ regional collective receiving funding pursuant to this article shall submit an annual and a final report to the office detailing the regional issues analyzed, priorities identified, strategies developed to address regional issues, and plans to implement priority efforts.

(b) The regional collective receiving funding pursuant to this article shall submit a copy of its annual and final report to each city and county within the area identified in their application as the geographic boundary of their work.

(c) The office shall create a process for issues, recommendations, and regional priorities identified through the collaborative work funded by the program to be brought forward to the Governor, the Legislature, and any other relevant agency, including the Office of Planning and Research and the Department of Housing and Community

Development. ~~This information shall be considered in the to serve as a guide for the~~ development and recommended ~~action~~ actions of related state functional plans, strategies, and investments.