CITY OF OAKLAND

AGENDA REPORT

TO:	Elizabeth Lake Interim City Administrator	**FROM:**	Sofia Navarro Deputy City Administrator
SUBJECT:	Authorization to Apply for, Accept, Appropriate, and Grant Transformative Climate Communities Round 6 Funds up to $54,000,000	**DATE:**	August 31, 2026

City Administrator Approval Elizabeth Lake (Aug 31, 2026 17:04:16 PDT) Date: Aug 31, 2026

RECOMMENDATION

Adopt A Resolution (1) Authorizing The City Administrator To Apply For Transformative Climate Communities Program Implementation (TCC) Grants As A Co-Applicant For Up To An Amount Of Fifty-Five Million Dollars ($55,000,000.00) To Implement Two TCC Implementation Projects, Administered By The California Strategic Growth Council (SGC) Through The Governor's Office Of Land Use And Climate Innovation, For Projects In Two Separately-Defined Frontline Communities In West And East Oakland; And (2) Accepting And Appropriating TCC Grant Funds A) From SGC In An Amount Not To Exceed Twenty-Seven Million, Five Hundred Thousand Dollars ($27,500,000) To Implement The West Oakland TCC Project (WOTCC) And B) Through A Subgrant From The Black Cultural Zone (BCZ) Up To Two Hundred Seventy Thousand Dollars ($270,000) For Staff Time To Support The Oasis Ecosystem: Life To Legacy Climate Prosperity Zone Project East Oakland TCC (EOTCC) Project; And (3) Authorizing The City Administrator To A) Hire A Project Manager I Funded Entirely Through The WOTCC Grant, If Awarded; And B) Commit A Maximum Of 20 Hours Of City Staff Time Per Month To Advise Project Co-Lead BCZ In Implementation Of The EOTCC Grant, If Awarded.

EXECUTIVE SUMMARY

The City Administrator's Office (CAO) and Economic & Workforce Development Department (EWDD) are partnering with two community groups to develop applications for Transformative Climate Communities Program Round 6 Implementation Grants (TCC) of Twenty-Seven Million, Five Hundred Thousand ($27,500,000) dollars each: a West Oakland community coalition led by The Oakland Fund, and the Black Cultural Zone in Deep East Oakland. The City would be a co-applicant for each, and an active participant in the six-year implementation period for each that is awarded. Applications are due on September 30, 2026. SGC requires approval from the governing body of every co-applicant. If the West Oakland project is awarded, SGC will enter into grant agreements with both TOF and the City of Oakland as project co-leads, with a funding split

of the Twenty-Seven Million, Five Hundred Thousand Dollars ($27,500,000) to be determined, and the City will hire a full-time Project Manager I, funded entirely from West Oakland TCC grant funds and housed in either EWDD or CAO. If the BCZ project is awarded, SGC will enter into a grant agreement directly with BCZ for all administration, with the City providing a liaison and advisory role for the duration of the project, with that staff time compensated out of the BCZ TCC project through a subgrant of up to Forty-five Thousand dollars ($45,000) per year for the duration of the project.

BACKGROUND / LEGISLATIVE HISTORY

The California Strategic Growth Council (SGC) launched TCC in 2016 as part of California Climate Investments, a statewide initiative that uses Cap-and-Invest (also known as Cap-and-Trade) dollars to reduce greenhouse gas (GHG) emissions, strengthen the economy, and improve public health outcomes, particularly in disadvantaged communities. Cap-and-Invest funded TCC Rounds 1, 2, and 3. The California General Fund supported Rounds 4 and 5. SGC runs the TCC program through the Governor's Office of Land Use and Climate Innovation as authorized by the Budget Act of 2019 (AB 74; Section 2).

In 2020, via Resolution No. 88352 C.M.S., City Council approved a TCC Round 2 award for the Better Neighborhoods, Same Neighbors (BNSN) Program, which was the result of a multi-year planning process known as the East Oakland Neighborhoods Initiative (EONI), focused on a 5-neighborhood area of Deep East Oakland. The City implemented BNSN with multiple partners including ACTS Community Development Corporation, Oakland Parks and Recreation Foundation (OPRF), Black Cultural Zone (BCZ), East Bay Permanent Real Estate Cooperative (EBPREC), Higher Ground Neighborhood Development Corporation, Planting Justice, and Related California. BNSN has resulted in 1,800 new trees; a 55-unit affordable apartment building, Acts Cherry Hill, at 95th and International Blvd.; one of the nation's first urban aquaponics farms dedicated to community food security; a garden and food forest at the East Oakland Boxing Association; an afterschool bike enrichment program that served 295 students; a forthcoming bike shed at the Martin Luther King Jr. Library branch; a Displacement Avoidance Center; and the renovation and reopening of Tyrone Carney Park, which had been shuttered since 2002.

In November 2024, California voters approved the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4), a $10 billion General Obligation Bond commonly known as the Climate Bond, which is funding TCC Round 6 and supporting projects that strengthen community resilience and provide economic, environmental, and health benefits.

In April 2026, SGC issued a Notice of Funding Availability (NOFA) for TCC Round 6 projects, administered by SGC in partnership with the California Department of Conservation, for implementation of grant funded activities, up to twenty-seven million, five hundred thousand dollars ($27,500,000) each, that achieve significant reductions in GHG emissions, improve public health and environmental benefits, include community engagement, and expand economic opportunity and shared prosperity through place-based approaches. The goals of TCC Round 6 align fully with the City's climate equity, economic development, and anti-displacement goals as

adopted in the Equitable Climate Action Plan (2020), Environmental Justice Element (2023), and Economic Development Action Plan (2025).

To qualify for a TCC Round 6 Implementation grant, a project's geography must not overlap with any geography that previously received a TCC implementation grant. Further, at least 51 percent of the project area must be considered disadvantaged – comprised of census tracts with a CalEnviroScreen (CES) 4.0 score at or above the 75th percentile, or census tracts with CES pollution burden scores at or above the 95th percentile – and the remainder of the project area must include areas with low-income communities or households pursuant to Section 39713 of the California Health and Safety Code (CHSC).

ANALYSIS AND POLICY ALTERNATIVES

The Sustainability and Resilience Division (SRD) of the City Administrator's Office (CAO) and the Economic and Workforce Development Department (EWDD) began discussions with two community groups in June regarding applications for the TCC Round 6 Implementation Grants: a West Oakland community coalition convened by Local Initiative Support Corporation (LISC) Bay Area and the Seventh Street Thrives Coalition, and led by The Oakland Fund; and the Black Cultural Zone. Both groups asked the City to be a co-applicant for a TCC Round 6 Implementation Grant. Staff determined that each nascent effort likely qualified both for TCC Implementation funding and for the City's support, based on the following:

1. TCC's geographic and demographic criteria,
2. Likelihood of reducing GHG emissions from the project area based on included strategies;
3. Potential for the project administrators (TOF and BCZ) to fully administer funding in partnership with local project implementers, and to handle all reporting and invoicing to SCG as required by stated program criteria;
4. Inclusion of minimum required program elements, specifically: public health and environmental benefits, economic development, workforce development, affordable housing, and community engagement; and
5. Responsiveness to prior, meaningful, community-led plans.

Staff confirmed with SGC that more than one qualifying project from a single city can be advanced for the program, and that the City's partnership in one would not harm the likelihood of the other being awarded. In consultation with City and Mayoral leadership, staff agreed preliminarily to partner with each project on their application, and to be co-applicant with each. Based on challenges with the City holding the administrative role for the BNSN project, City staff made it clear to both TOF and BCZ that the City would not hold that role for either effort. TOF and BCZ are each planning to fully administer their respective projects. Both projects include funding for City staff.

TCC Round 6 applications are due on September 30, 2026, and both intend to request the maximum funding amount. SGC requires approval from the governing body of every co-applicant to apply for the grant. The West and East Oakland efforts are as follows:

West Oakland

The West Oakland TCC project (WOTCC) envisions a neighborhood where legacy residents breathe clean air, live in stable affordable homes, and share in the economic prosperity their community helped build. Guided by decades of resident-led organizing – most notably shown in the West Oakland Community Action Plan (WOCAP), funded by the California Air Resources Board (CARB) through the Bay Area Air District and led by the West Oakland Environmental Indicators Project (WOEIP) – this proposed initiative advances the WOCAP vision through integrated investments in affordable housing, urban greening, clean mobility, electrification, and hyper-local economic development. The combination of projects will meaningfully reduce greenhouse gas emissions, improve public health, and expand economic opportunity, ensuring West Oakland's future is built by and for the people who call it home. The Oakland Fund is Co-Applicant with the City and will receive and administer the funds from SGC.

West Oakland also received a TCC Planning Grant for a project titled “Adapt Oakland” in 2021, which identified environmental hazards and paired them with adaptation strategies intended to create a healthier, more sustainable urban environment. Each strategy was framed as an intervention to develop green infrastructure using biological and ecological systems to provide ecosystem services vital to the urban environment, such as clean air, soil, and water. These would mitigate the effects of extreme temperatures and lower the risk of flooding and contamination, both of which are projected to increasingly impact communities such as West Oakland as a consequence of the climate crisis.

The West Oakland Project Area is a designated Environmental Justice Community. All included census tracts except for one are in the seventy fifth percentile or higher of disadvantaged community according to CES 4.0; the remaining tract is an official low-income community per Section 39713 of CHSC. Included census tracts range from 64 to 91 in pollution burden percentile per CES 4.0.

Specific strategies in WOTCC emanate geographically from Mandela Station the 7th Street business corridor, and include additional affordable housing development and renovation with partners East Bay Asian Local Development Corporation (EBALDC) and EBPREC; expansion of the Prescott Greening Project led by Hyphae Design Labs; and tree planting, urban greening, and walkability improvements to reduce auto dependence and improve the viability of small businesses along the 7th Street merchant corridor, as supported by LISC’s 7th Street Thrives community process and led in partnership with Common Vision, WOEIP, and others. WOEIP will be the community engagement lead for the project.

West Oakland Project Administration: If this project is awarded, SGC will enter into grant agreements with both TOF and the City of Oakland as project co-leads, with a funding split of the Twenty-Seven Million, Five Hundred Thousand Dollars ($27,500,000) to be determined, to implement the project for the six-year implementation period. The City will hire a full-time Project Manager 1, funded entirely from West Oakland TCC grant funds and housed in either EWDD or CAO. This position will support coordination among EWDD, CAO, the Housing and Community Development Department, Oakland Public Works, and Oakland Department of Transportation to advance policy and programmatic actions for preventing business and housing displacement in West Oakland, and for establishing a community partnership program for partner-led workforce development and stewardship activities on City-owned properties. The latter would build on experience with the license agreement between the City and OPRF to steward Tyrone Carney

Park – a direct linkage to the City's first TCC project and a sign that the City is using TCC to build long-term, equity-driven policy frameworks to empower and reinvest in formerly redline communities.

East Oakland

Census tracts in the 2.3-square-mile East Oakland Project Area, which centers on the 73rd Avenue, International Boulevard, Bancroft Avenue, and MacArthur Boulevard corridors, rank in the 80th to 97th CES 4.0 percentiles overall statewide, qualifying the area as a State-Designated Disadvantaged Community; pollution burden percentiles range from 78 to 96, driven by elevated levels of Diesel Particulate Matter, PM2.5, Traffic Impacts, and Toxic Releases.

The Black Cultural Zone (BCZ) proposed a project that complements the BNSN project by building on many of the underlying EONI goals of local economic development, environmental justice, and housing security, and being located in a neighborhood immediately adjacent to the BNSN project area. The BCZ-led TCC project would represent the direct synthesis of over a decade of community-led planning, organizing, and collaborative visioning, informed by foundational initiatives including EONI and BNSN, East Oakland Building Healthy Communities, East Oakland Congress of Neighborhoods, HOPE Collaborative, the 40x40 Council / RISE East, Recompete EO / Black Cultural & Commercial Corridors, the Bese Saka Initiative, East Oakland Promise Neighborhood, Healthy Havenscourt, Deeply Rooted Collaborative, Peoples Health Mobile / Oakland Frontline Healers, the East Oakland Black Cultural Zone Collaborative working networks (Cultural Arts, Strong Economy, Placekeeping, Quality of Life, and Education Networks), Oakland Collective, REVOak, and The Oakland Net.

The East Oakland project will build on these planning processes by advancing affordable housing for local residents and aligning active transportation safety infrastructure in the project area.

East Oakland Project Administration: If the BCZ TCC effort is awarded, SGC will enter into a grant agreement directly with BCZ to implement the included projects for the six-year implementation period, with BCZ handling all administrative duties, and receiving all funds directly from SGC and disbursing them as appropriate. The City will provide a liaison and advisory role of approximately 20 hours per month for the duration of the project, with that staff time fully compensated out of the BCZ TCC project through a subgrant from BCZ to the City of up to Forty-five Thousand dollars ($45,000) per year for the duration of the six-year project.

RELATED PLANNING EFFORTS

Proposed TCC projects relate explicitly to the City's adopted Equitable Climate Action Plan and Economic Development Action Plan as follows:

Equitable Climate Action Plan (ECAP)*:* By design, TCC projects are intended to result in environmental benefits, including GHG reductions. Oakland's ECAP, adopted in 2020, is designed to achieve a 56 percent reduction in GHG emissions by 2030, while using an equity-driven approach to build a strong climate economy and improve resilience to the impacts of the climate crisis. Leadership from SRD is embedded in both proposed projects to ensure that all project components are linked to ECAP strategies by increasing urban greening (ECAP Actions A-6 and CR-2); maximizing electrification, weatherization, air filtration, and renewable energy in

both new and existing affordable housing developments (ECAP Actions TLU-3, B-1, B-2, and A-2); and supporting alternative mobility (ECAP Actions TLU-4, TLU-5, and TLU-7). Both proposed projects are anchored by transit-oriented, mixed-use developments to reduce auto dependence. The TCC investments will help ensure that environmental justice and climate benefits are maximized in the housing development and rehabilitation projects, and throughout associated community programing.

Economic Development Action Plan (EDAP): TCC projects are explicitly intended to result in local economic and wealth equity benefits. Both proposed projects, led by BCZ and TOF/LISC respectively, have local workforce development, merchant support, and merchant corridor stewardship as explicit components. EWDD's leadership role in both projects will ensure that economic development components are appropriately linked to the City's broader business and workforce development strategies, including those laid out in the 2025 EDAP. TCC projects are required to include workforce development activities (a major EDAP theme), and both project teams are actively working with local workforce partners to solidify those portions of their proposal. Additionally, the West Oakland project will include merchant corridor investments in partnership with the Seventh Street Thrives Coalition, while the BCZ project will include a Market Hall that celebrates and provides space for local merchants.

FISCAL IMPACT

If awarded, the City will accept and appropriate Transformative Climate Communities (TCC) Program Grant funds in the amount of up to Twenty-Seven Million, Five Hundred Thousand Dollars ($27,500,000) into the California Department of Conservation Fund (2139), CAO Administration (02111), Project (TBD), State Grant Miscellaneous (46229), to implement the TCC Program, administered by SGC and Department Of Conservation, for projects within or contiguous to the West Oakland and BCZ Project areas.

The proposed grant structure is intended to reduce the City's administrative role compared with the prior BNSN project. If the proposed TCC grants are awarded, the project Co-leads – TOF and BCZ – will administer all funds and be responsible for all reporting, invoicing, and contract management with community partners

The WOTCC project will provide funding for one Project Manager I (PMI) position. This PM1 position will be housed in either EWDD or CAO, and support coordination among EWDD, CAO, the Housing and Community Development Department, Oakland Public Works, and Oakland Department of Transportation to advance policy and programmatic actions for preventing business and housing displacement in West Oakland, and for establishing a community partnership program for partner-led workforce development and stewardship activities on City-owned properties. This PMI position will be paid for entirely from WOTCC funds, which the City will receive directly from SGC and deposit into the California Department of Conservation Fund (2139), CAO Administration (02111), Project (TBD), State Grant Miscellaneous (46229) on a reimbursement basis to be invoiced and paid bi-monthly.

There is no anticipated impact to the General Purpose Fund associated with acceptance of the grant. The Project Manager I position is contingent upon grant funding and does not create an ongoing General Purpose Fund obligation beyond the grant term.

PUBLIC OUTREACH / INTEREST

This item reflects more than a decade of extensive community engagement in both communities, including the West Oakland Community Action Plan (WOCAP) in West Oakland; EONI, BNSN, Rise East, East Oakland Building Healthy Communities, East Oakland Congress of Neighborhoods, and more in Deep East Oakland; and the ECAP, EDAP, Environmental Justice Element, and Deeply Rooted community engagement processes led by the City in both areas.

COORDINATION

This item has been coordinated with the Office of the City Attorney, EWDD, OPW, OakDOT, and the Sustainability and Resilience Division (SRD) of the City Administrator's Office.

RACE AND EQUITY

Both target communities are designated environmental justice/frontline communities as outlined in the City's adopted Environmental Justice Element and validated by statewide scoring in CES 4.0. These projects are designed explicitly to uplift and benefit legacy communities, including the Black communities that have lived in Deep East and West Oakland for generations and who are most at risk of ongoing housing displacement pressures. The linked workforce development and merchant support will ensure that these communities are supported holistically; engaged in and in charge of the interventions being carried out in their neighborhoods; and have great access to wealth-building opportunities based in the neighborhoods they call home. The urban greening components of both projects will directly benefit residents in the project areas, who currently face disproportionately high levels of air pollution and resulting health impacts.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

Not a project.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution (1) Authorizing The City Administrator To Apply For Transformative Climate Communities Program Implementation (TCC) Grants As A Co-Applicant For Up To An Amount Of Fifty-Five Million Dollars ($55,000,000.00) To Implement Two TCC Implementation Projects, Administered By The California Strategic Growth Council (SGC) Through The Governor's Office Of Land Use And Climate Innovation, For Projects In Two Separately-Defined Frontline Communities In West And East Oakland; And (2) Accepting And Appropriating TCC Grant Funds A) From SGC In An Amount Not To Exceed Twenty-Seven Million, Five Hundred Thousand Dollars ($27,500,000) To Implement The West Oakland TCC Project (WOTCC) And B) Through A Subgrant From The Black Cultural Zone (BCZ) Up To Two Hundred Seventy Thousand Dollars ($270,000) For Staff Time To Support The Oasis Ecosystem: Life To Legacy Climate Prosperity Zone Project East Oakland TCC (EOTCC) Project; And (3) Authorizing The City Administrator To A) Hire A Project Manager I Funded Entirely Through The WOTCC Grant, If Awarded; And B) Commit A Maximum Of 20 Hours Of City Staff Time Per Month To Advise Project Co-Lead BCZ In Implementation Of The EOTCC Grant, If Awarded.

For questions regarding this report, please contact Shayna Hirshfield-Gold, Climate Program Manager, at 238-6954; or Cristy Johnston-Limón, Deputy Director, EWDD, at 238-6193.

Respectfully submitted,

Sofia Navarro
Sofia Navarro (Aug 31, 2026 15:28:19 PDT)

Sofia Navarro
Deputy City Administrator

Prepared by:
Shayna Hirshfield-Gold
Climate Program Manager, CAO

Reviewed by:
Cristy Johnston-Limón
Deputy Director, EWDD

Reviewed by:
Daniel Hamilton
Chief Resilience Officer, CAO