

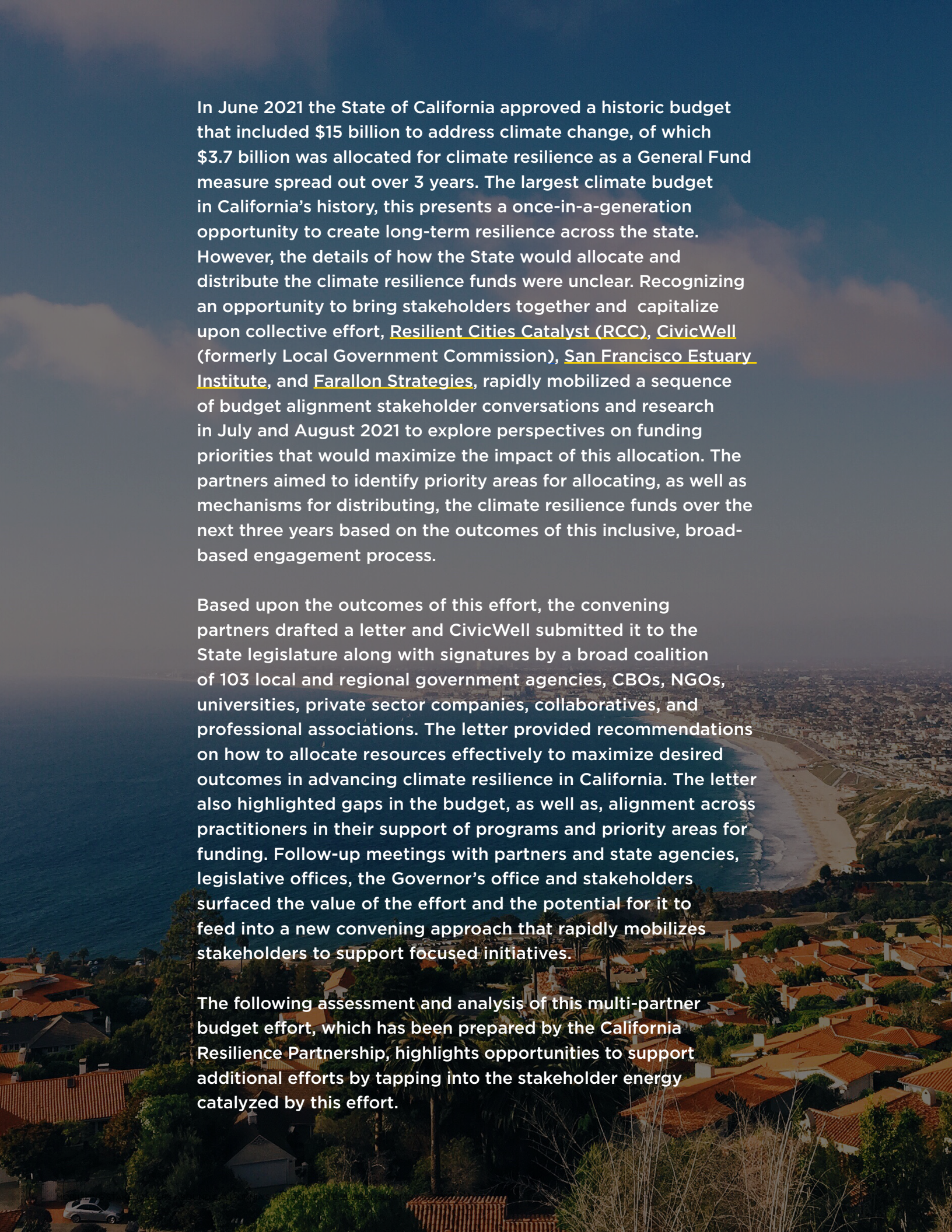
The image shows the California State Capitol building in Sacramento, California, under a clear blue sky. The building is a grand neoclassical structure with a prominent white dome topped with a golden orb. The dome is surrounded by a series of columns and arches. In front of the building, there are several tall, white columns supporting a portico. The building is flanked by green trees. The overall scene is bright and clear.

# Mobilizing Stakeholders around California's Historic State Budget

SUMMARY REPORT

CALIFORNIA  
RESILIENCE PARTNERSHIP

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An aerial photograph of a coastal town, likely in California, showing a dense residential area with red-tiled roofs. In the background, a sandy beach meets the ocean under a clear blue sky. The text is overlaid on the left side of the image.

In June 2021 the State of California approved a historic budget that included \$15 billion to address climate change, of which \$3.7 billion was allocated for climate resilience as a General Fund measure spread out over 3 years. The largest climate budget in California’s history, this presents a once-in-a-generation opportunity to create long-term resilience across the state. However, the details of how the State would allocate and distribute the climate resilience funds were unclear. Recognizing an opportunity to bring stakeholders together and capitalize upon collective effort, [Resilient Cities Catalyst \(RCC\)](#), [CivicWell](#) (formerly Local Government Commission), [San Francisco Estuary Institute](#), and [Farallon Strategies](#), rapidly mobilized a sequence of budget alignment stakeholder conversations and research in July and August 2021 to explore perspectives on funding priorities that would maximize the impact of this allocation. The partners aimed to identify priority areas for allocating, as well as mechanisms for distributing, the climate resilience funds over the next three years based on the outcomes of this inclusive, broad-based engagement process.

Based upon the outcomes of this effort, the convening partners drafted a letter and CivicWell submitted it to the State legislature along with signatures by a broad coalition of 103 local and regional government agencies, CBOs, NGOs, universities, private sector companies, collaboratives, and professional associations. The letter provided recommendations on how to allocate resources effectively to maximize desired outcomes in advancing climate resilience in California. The letter also highlighted gaps in the budget, as well as, alignment across practitioners in their support of programs and priority areas for funding. Follow-up meetings with partners and state agencies, legislative offices, the Governor’s office and stakeholders surfaced the value of the effort and the potential for it to feed into a new convening approach that rapidly mobilizes stakeholders to support focused initiatives.

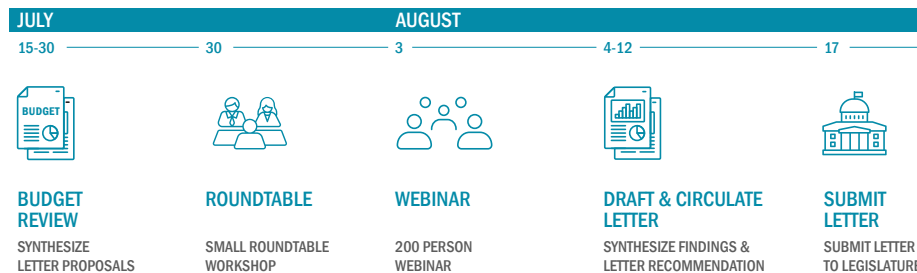
The following assessment and analysis of this multi-partner budget effort, which has been prepared by the California Resilience Partnership, highlights opportunities to support additional efforts by tapping into the stakeholder energy catalyzed by this effort.

## BUDGET ALIGNMENT APPROACH

The conveners utilized a multi-pronged approach (Figure 1) across multiple formats and audiences to consolidate recommendations made in the letter to the State legislature. This process included:

- 1. Individual interviews** – Conveners interviewed various local and regional climate resilience leaders across the state, as well as, state agency officials.
- 2. Research and review** – Conveners reviewed and synthesized several previous letter proposals submitted to the legislature by CivicWell (formerly Local Government Commission), Just Recovery Network, AB585 (Extreme Heat and Community Resilience) Support Group, and the Leadership Counsel for Justice & Accountability.
- 3. Survey** – Conveners distributed and analyzed a participatory budgeting survey to gain an in-depth, data-driven perspective on stakeholders’ priorities. The survey was completed by nearly 400 participants.
- 4. Workshops** – Conveners facilitated two statewide workshops via Zoom with key stakeholders. The first workshop convened 35 local and regional experts and practitioners from across California. Participants ranked priorities and discussed criteria for adaptation programs. This discussion helped to inform a second statewide workshop with 250 participants.
- 5. Consolidated recommendations** – Conveners incorporated all of the above input and their experience with multiple resilience projects and adaptation planning efforts to produce the recommended funding allocations.

FIGURE 1: BUDGET ALIGNMENT APPROACH



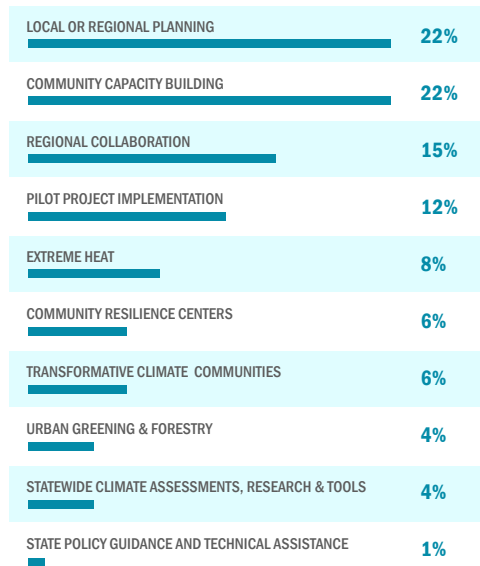
Though the engagement process was designed to be as broad and inclusive as possible within a consolidated timeframe, there were limitations. Participants who attended the workshops and completed the survey were not fully representative of the diversity of resilience practitioners from across the State. For example, participants noted a lack of public health professionals that participated throughout the engagement. Many factors may have limited participation of a more diverse cohort, including: an accelerated timeline in order to submit a letter in advance of State Legislature negotiations; a timeframe that coincided with summer holidays; and the ongoing COVID-19 pandemic.

## FINDINGS

Even with such a constrained timeline, this engagement reached hundreds of stakeholders statewide, yielding several key takeaways. Based on the outcomes of multiple engagement forums, conveners identified aligned priorities of hundreds of practitioners on funding allocations and distribution tactics of the climate resilience budget. Quantitative results from workshop polling and survey (Figure 3 & Figure 4) are summarized below.

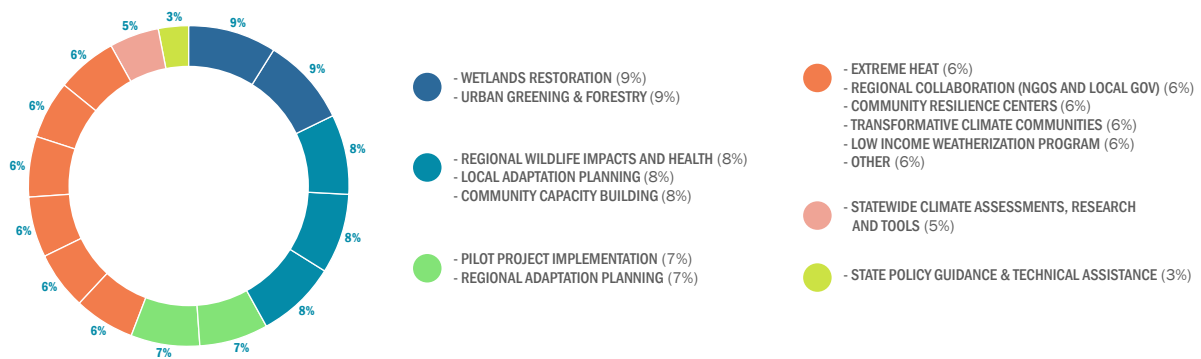
**FIGURE 2: POLL RESULTS, LARGE STAKEHOLDER WORKSHOP (N=169)**

Q: In your opinion, which category should receive the greatest allocation of the \$3.7 billion?



**FIGURE 3: SURVEY RESULTS, (N=368)**

Q: What are your ideal allocations for the \$3.7 billion earmarked for climate resilience over the next 3 years?





### Community capacity building

was identified as a priority across engagement forums.

Participants voiced that local jurisdictions lack adequate internal capacity to apply for funding, much less execute complex projects that require time-intensive reporting and monitoring. Increased funding for project implementation alone does not address this capacity gap. Many jurisdictions, for example, lack a staff member singularly devoted to advancing their climate priorities. As a result, CBOs and NGOs serve as an extension of staff for many climate-related initiatives, but are rarely compensated for these services.



Though participants recognized the need to adequately fund **local and regional adaptation planning** efforts, they also emphasized that the **link between planning and implementation** is critical: planning funds should result in *actionable* plans that drive project implementation.

Participants also expressed that there is not a lack of planning, but, rather, a disconnect between existing plans. Local jurisdictions must consider how to streamline and integrate planning efforts.

Participants overwhelmingly expressed the need to fund **project implementation** to address the scale and urgency of the climate crisis. Some participants expressed that there are cases when implementation, especially through pilot projects, can precede planning. Successful projects help communities realize tangible benefits quickly, making it easier for elected officials to make the case for bold action on climate change.



Across all stakeholder touchpoints, a significant majority of participants prioritized **climate resilience centers**, cited among the most promising, equitable approaches to scaling resilience solutions.

In addition to providing clear resilience benefits including clean air, cooling, and backup power in the event of a shock, these centers can fulfill broader community purposes on an everyday basis such as providing a venue for job training, workshops, farming, and community organizing or engagement. While the funding (\$150M) dedicated to enhancing fairgrounds to provide shelter and support base camps meets a set of needs around evacuations, there remains a need for neighborhood-based facilities that are accessible to all communities without personal vehicles and address unique aspects of each community.



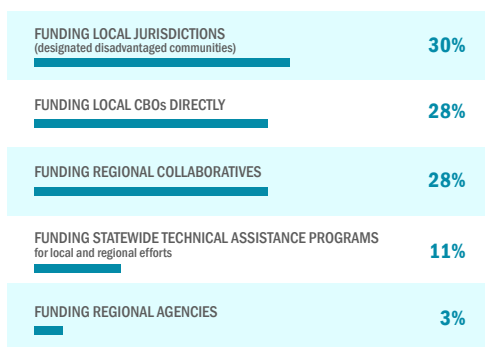
Participants agreed that California is behind the curve and called for dedicated action in addressing **extreme heat**.

Because of the increasing number and severity of extreme heat events, and significant overlap between communities most affected by these extreme heat events and low-income communities, participants recognized a need for solutions such as an AC Direct Install program targeting low-income residents and historically underserved and at-risk communities. More broadly, participants called for development of urban cooling plans for each major metro area across the state to spur comprehensive approaches and attract other implementation funding.

In terms of recipients of funding, participants generally agreed that funding should be distributed more or less equally between local jurisdictions, regional collaboratives, and local community based organizations (**Figure 4 & 5**). The relative lack of support for funding regional agencies may be due to participant affiliation skewing toward local jurisdictions and regional climate collaborative members.

**FIGURE 4: POLL RESULTS, LARGE STAKEHOLDER WORKSHOP (N=115)**

Q: How should this funding be distributed to improve equitable outcomes across the state?



**FIGURE 5: SURVEY RESULTS (N=368)**

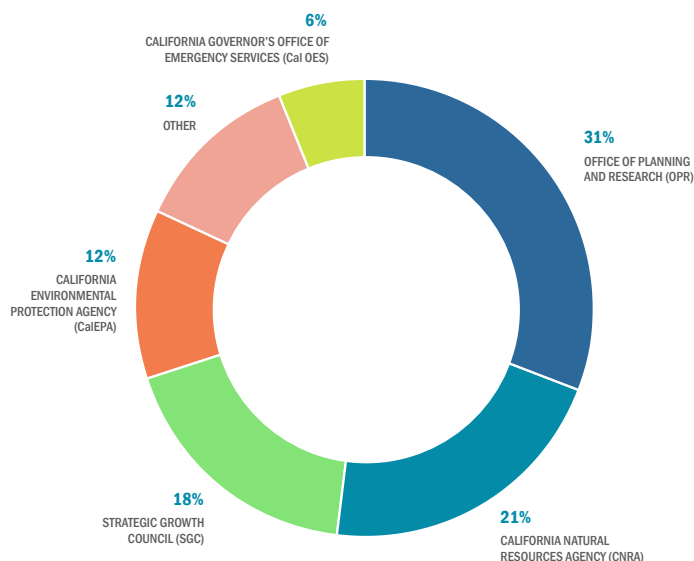
Q: How would you prioritize organizations receiving funding from this allocation in terms of type and scale?



Participants agreed that the Office of Planning and Research is best suited as a coordinating entity across multiple investment areas, but also cited that effective distribution would involve a multi-agency approach across multiple areas of investment that leveraged the strengths of each agency. Many stakeholders also supported the California Natural Resources Agency to manage the distribution of funds due to its wide variety of commissions, boards, and departments, as well as its high-capacity staff (**Figure 6**).

**FIGURE 6: POLL RESULTS, LARGE STAKEHOLDER WORKSHOP (N=146)**

Who should manage the allocation across State programs of the \$3.7 billion in funding?



## RESULTS OF THE CALIFORNIA RESILIENCE BUDGET ALIGNMENT PROCESS

Following the submission of the budget alignment letter, multiple partners and participants met with various members of State agencies, Assembly, Senate, and the Governor's office to share the recommendations and the framing for the requested allocations. In September 2021, the Assembly and Senate released the package negotiated with the Newsom Administration. While the [final package](#) did not align exactly with proposed allocations in the letter that resulted from the engagement process, the package contained significant allocations to many of the priorities included in the proposal.

**These priorities included local and regional climate adaptation planning and implementation, extreme heat mitigation, community resilience centers, [Transformative Climate Communities \(TCC\) program](#), urban greening, and low-income weatherization programs.**

Some of the key lessons that emerged from the budget alignment process that should be noted for future stakeholder engagement initiatives:

1. Prioritizing proposed categories can be difficult to stakeholders since categories cut across hazards, programs, and activities. Arriving at high-level recommendations can be challenging when the details are so important in determining the effectiveness of a program.
2. Planning and implementation are both critical in advancing climate resilience. Prioritizing one over the other is not as helpful as ensuring planning processes are designed in a way that yields a pipeline of high-impact, implementable projects.
3. Sustainable structures are necessary for administering climate resilience funds longer term, not just for this one-time funding opportunity.



## USING THE BUDGET ALIGNMENT PROCESS AS A REPLICABLE CASE STUDY

### 1. A multi-sector planning and project development challenge

Through this model, philanthropy could support technical assistance and a sequence of workshops to build capacity, prime projects, and prepare jurisdictions for public funding that is then distributed for project preparation and implementation through a competitive process. Building upon examples such as the National Disaster Resilience Competition, through which a network of multi-sector resilience experts led a series of resilience planning workshops, this model would leverage a public-philanthropic partnership to expand the reach of these programs to jurisdictions that might not otherwise be awarded funding, helping communities develop strong applications for State funding opportunities while maximizing resilience benefits in selected projects and expanding impact even in non-selected projects through the competitive process.

Examples from California and across the globe:

- [National Disaster Resilience Competition](#)
- [Strategic Growth Council's Transformative Climate Communities](#)
- [California Department of Transportation Sustainable Transportation Planning Grants](#)

### 2. A planning and capacity-building project preparation & finance program

This model would provide a cycle of technical assistance for resilience project planning, development, and prioritization, fostering collaboration at the regional scale among local governments and allowing for coordinated allocation of multiple funding streams. Such a program could prioritize traditionally under-resourced communities or those recovering from recent climate events. Creative models for community engagement to surface projects and planning efforts with broad-based community support could prepare projects for multiple state and federal funding opportunities.

Examples from California and across the globe:

- [New York Rising](#)
- [Louisiana Watershed Initiative](#)
- [Strategic Growth Council's BOOST Program](#)

### 3. A long-term transformation investment fund

Typically requiring distinct legislation, a special purpose non-governmental fund could design and oversee a full spectrum of planning, research, and project preparation to achieve state resilience goals. This entity could directly fund technical assistance, grants, and capital project financing.

Examples from California and across the globe:

- [Federation of Canadian Municipalities Green Municipal Fund](#)
- [Strategic Growth Council's Affordable Housing and Sustainable Communities Program](#)
- [California Department of Housing and Community Development Grants and Funding](#)
- [California Coastal Conservancy Grants](#)



While the climate resilience funding package provides a tremendous opportunity to advance resilience work across the State, it is clear that many State agencies have to rapidly build adequate capacity to effectively and efficiently distribute these significant funds over the next several years. The various partner's role as a group of external, neutral conveners enabled the team to conduct research and bring together stakeholders through engagement activities designed to inform priority areas for investment as State agencies consider how to best distribute funding to support regional climate change and resilience initiatives.

Taking the lessons learned through this budget alignment process, the California Resilience Partnership looks forward to initiating an improved and more inclusive stakeholder engagement process across the state. This large-scale landscaping effort seeks to improve State agencies' and other grant making institutions' understanding of (1) the capacity and authority of regional organizations and agencies to advance resilience initiatives in California by highlighting the gaps and opportunities in regional governance to advance regional resilience; and (2) the opportunities to maximize the effectiveness of grants to support community-driven planning processes and streamline project implementation.

## CALIFORNIA RESILIENCE PARTNERSHIP

### ABOUT THE CALIFORNIA RESILIENCE PARTNERSHIP

The [California Resilience Partnership](#) is a statewide, multimillion-dollar public-philanthropic effort led by Resilient Cities Catalyst in coordination with a diverse set of organizations and stakeholders, along with participation by representatives of California State agencies, to support collaboration on statewide priorities. This multi-sector model, expanding to regions statewide, develops new partnerships to advance high-impact projects that tackle California's complex resilience challenges in regions across the state. The CRP model is designed to attract philanthropic and other funders for high-impact, equity focused resilience projects.



### ABOUT RESILIENT CITIES CATALYST

[Resilient Cities Catalyst](#) is a nonprofit whose mission is to drive catalytic change to help regions, cities, and partners solve their most pressing challenges. RCC works towards a vision where cities ensure that all residents, in particular the most vulnerable, are safer, healthier, and thriving in the face of everyday stresses and can withstand and recover quickly after shocks.



### ABOUT FARALLON STRATEGIES

[Farallon Strategies](#) is a catalytic partner to communities and organizations that take bold actions to address climate change and resilience. Farallon Strategies collaborates with stakeholders across the United States to pilot, test, and/or scale initiatives related to capacity building and national service, regulatory and policy advocacy, regional governance solutions, coalition building and stakeholder engagement, and policy and program development. Our expertise is rooted in our diversity of experiences and passion for creating a better world.



### ABOUT CIVICWELL

[CivicWell](#) (formerly the Local Government Commission) supports leaders responding to the climate crisis and its impact on their communities. As a nonprofit organization, we inspire, equip, connect, and cultivate leaders working toward a more sustainable and resilient future.



### ABOUT SAN FRANCISCO ESTUARY INSTITUTE

The [San Francisco Estuary Institute](#) (SFEI) is one of California's premier aquatic and ecosystem science institutes. SFEI's mission is to provide scientific support and tools for decision-making and communication through collaborative efforts through three primary programs: Clean Water, Resilient Landscapes, and Environmental Informatics.

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