

# Meaningful and Direct Benefits Assessment

## 2024 Climate Bond

### IMPORTANT NOTE ABOUT THIS GUIDE

THIS GUIDE HAS BEEN PREPARED AS A RESOURCE FOR STATE DEPARTMENT STAFF WHEN IMPLEMENTING CLIMATE BOND PROGRAMS. IT CONTAINS GENERAL INFORMATION AND IS NOT A CLIMATE BOND PROGRAM GUIDELINE OR REGULATION THAT ESTABLISHES SELECTION CRITERIA FOR HOW FUNDS ARE DISBURSED. THIS RESOURCE SHOULD BE CONSIDERED EVERGREEN AND MAY BE UPDATED PERIODICALLY.

**For questions or assistance in using this guide, please contact California Natural Resources Agency (CNRA) staff: [climatebond2024@resources.ca.gov](mailto:climatebond2024@resources.ca.gov)**

This guide is intended to help State of California (State) staff develop programs and allocate bond funds for state projects and activities in a manner where they can effectively determine if a project provides direct and meaningful benefits to disadvantaged communities (DACs), severely disadvantaged communities (SDACs), or vulnerable populations.

This guide outlines a four-step evaluation process and provides related resources. Each step is framed as a question:

- **STEP 1:** What benefits will the project provide?
- **STEP 2:** Who will the project benefit?
- **STEP 3:** Are the anticipated benefits “meaningful and direct” to (S)DAC(s) or vulnerable population(s)?
- **STEP 4:** How do I ensure the project counts toward the 40 percent requirement?

### Bond Requirement on Meaningful and Direct Benefits

The law that established the 2024 Climate Bond (Public Resources Code, PRC, Section 90140) requires that at least 40 percent of the total bond funding “shall be allocated for projects that provide meaningful and direct benefits to vulnerable populations or disadvantaged communities.” Of this 40 percent, at least 10 percent of the total funding

“shall be allocated for projects that provide meaningful and direct benefits to severely disadvantaged communities.”

## (S)DAC and Vulnerable Population Definitions

The following definitions come directly from the bond (PRC Section 90100) and will be used across 2024 Climate Bond programs:

**Disadvantaged community (DAC):** A community with a median household income of less than 80 percent of the area average or less than 80 percent of statewide median household income.

**Severely disadvantaged community (SDAC):** A community with a median household income of less than 60 percent of the area average or less than 60 percent of statewide median household income.

**Vulnerable population:** A subgroup of population within a region or community that faces a disproportionately heightened risk or increased sensitivity to impacts of climate change and that lacks adequate resources to cope with, adapt to, or recover from such impacts.

*(Note: tribes are considered vulnerable populations)*

- **Tribe:** A federally recognized Native American tribe or a nonfederally recognized Native American tribe listed on the California Tribal Consultation List maintained by the Native American Heritage Commission.

## Evaluation Framework

The following four-step process will be used to determine if a proposed project for 2024 Climate Bond funding provides meaningful and direct benefits to a vulnerable population(s), DAC(s), or SDAC(s).

### STEP 1: What benefits will the project provide?

Identify which benefits the proposed project will provide. The law establishing the 2024 Climate Bond lists some specific benefits that projects eligible for the bond provide. The following list of benefits is organized into cross-cutting themes and into topic areas aligning with the chapters of the bond. These lists are a starting place and not meant to be comprehensive. Depending on the scope of the program and/or funding source, the applicable benefits may be broader or narrower. The ordering of the benefits listed below is not meant to convey prioritization.

## Cross-Cutting Across All Bond Chapters

Projects can create broad community benefits by:

- a. Creating good local jobs with fair wages, benefits, and job training
- b. Helping regions build capacity to design and deliver strong, community-led projects
- c. Supporting tribal stewardship (which can include tribal access to lands, natural resources, and culturally important places; collaboration between tribes and other entities to share management and responsibilities of a given area or set of natural resources; and ancestral land return)
- d. Expanding education and awareness through partnerships with community groups, schools, nonprofits, and tribal organizations

## Planning Projects Across All Bond Chapters

Planning projects can create broad community benefits by:

- a. Giving meaningful leadership roles to members or representatives of (S)DACs or vulnerable populations
- b. Including components that consider how the project's proposed actions will affect the social, economic, and physical health and resilience of (S)DACs or vulnerable populations

## Chapter 2: Safe Drinking Water, Drought, Flood, and Water Resilience

Projects can benefit communities by:

- a. Providing safe and dependable drinking water
- b. Improving water quality
- c. Helping communities prepare for droughts or ensure a steady water supply
- d. Increasing underground water supplies
- e. Replenishing underground water
- f. Storing water underground for later use
- g. Protecting underground water sources
- h. Improving stream flows
- i. Reducing the risk of flooding
- j. Better managing rainwater and storm runoff
- k. Keeping watersheds, including wetlands, lakes, and streams healthy, along with the fish and wildlife that live there
- l. Making dams safer and more reliable
- m. Improving air quality

- n. Reducing greenhouse gas emissions and natural carbon storage to help slow climate change
- o. Lowering water and energy bills for communities

### Chapter 3: Wildfire and Forest Resilience

Projects can benefit communities by:

- a. Preventing wildfires and reducing the risk of wildfires
- b. Reducing the chances that power lines, roads, or other infrastructure start wildfires
- c. Keeping forests and natural areas healthy and better able to withstand and recover from wildfires
- c. Capturing and naturally storing carbon and reducing greenhouses gas emissions that are released during wildfires to help slow climate change
- d. Improving air quality, including through reducing wildfire-related smoke
- e. Building wildfire resilience of headwater sources to protect water supply
- f. Helping to ensure a more reliable water supply during droughts
- g. Protecting communities' energy systems by reducing wildfire risk related to energy transmission

### Chapter 4: Coastal Resilience

Projects can benefit communities by:

- a. Preparing for sea level rise and reducing the risk of coastal flooding
- b. Protecting against ocean climate impacts like warmer water, ocean acidification, and low-oxygen zones
- c. Reducing coastal erosion and helping beaches and shorelines stay intact
- d. Keeping coastal ecosystems healthy and resilient, including wetlands, kelp forests, eelgrass beds, dunes, and marine wildlife
- e. Creating or expanding safe public access to the coast and ocean
- f. Helping fisheries adapt to climate change
- d. Reducing greenhouse gas emissions and naturally storing carbon in coastal ecosystems to help slow climate change

### Chapter 5: Extreme Heat Mitigation

Projects can benefit communities by:

- a. Making neighborhoods cooler
- b. Providing protection from extreme heat
- c. Reducing flood risk during heavy rain or storms

- d. Improving stormwater management to prevent flooding and pollution
- e. Improving air quality
- f. Lowering energy use and costs
- g. Increasing access to parks and green spaces so communities have cool places to gather and relax
- h. Improving coordination among emergency responders during heatwaves and other extreme events
- i. Raising awareness and improving communication so people know how to prepare for and stay safe during extreme heat events
- j. Reducing greenhouse gas emissions and storing carbon in nature to help slow climate change
- a. Creating, expanding or improving active transportation routes (e.g., safe walking and biking paths)

## Chapter 6: Protect Biodiversity and Accelerating Nature-Based Climate Solutions

Projects can benefit communities by:

- a. Protecting and enhancing biodiversity
- b. Keeping ecosystems, such as forests, wetlands, and grasslands, healthy and resilient
- c. Connecting natural areas so wildlife and plants can move safely and adapt to climate change
- e. Reducing greenhouse gas emissions and storing carbon in nature to help slow climate change
- d. Reducing risk of communities to wildfires, floods, and other climate impacts
- e. Expanding access to nature and recreation for all communities

## Chapter 7: Climate Smart, Sustainable, and Resilient Farms, Ranches, and Working Lands

Projects can benefit communities by:

- a. Keeping farmland healthy and productive for the long term
- b. Reducing water and energy use and cutting utility costs for farmers and ranchers
- f. Reducing greenhouse gas emissions and naturally storing carbon to help slow climate change
- c. Improving air and water quality for nearby communities
- d. Supporting or building better agricultural infrastructure and facilities that support local food systems and increase market access

- e. Expanding access to healthy, affordable, and nutritious food in areas lacking this access
- f. Supporting fair access to land for farmers from communities underrepresented in agriculture land access
- g. Providing safe, affordable housing for farmworkers
- h. Supporting tribal food sovereignty

## Chapter 8: Park Creation and Outdoor Access

Projects can benefit communities by:

- a. Creating and improving access to public parks and other green spaces that are low-cost, inclusive, and accessible for people with disabilities
- b. Helping neighborhoods cope with climate impacts like extreme heat and flooding
- c. Improving air quality
- d. Managing stormwater to reduce flooding and pollution
- e. Protecting urban wildlife and plants
- f. Reducing exposure to harmful pollution or toxic materials
- g. Greenhouse gas emissions reduction and storing carbon in nature to help slow climate change

## Chapter 9: Clean Air

Projects can benefit communities by:

- a. Reducing greenhouse gas emissions to help slow climate change
- b. Improving air quality to protect public health, especially in communities overburdened by air pollution
- c. Strengthening energy systems to be cleaner, more reliable, and resilient

## STEP 2: Who will the project benefit?

Identify the communities or populations that will benefit from the project and whether these are a DAC, SDAC, or vulnerable population.

- a. Identify what physical community/ies and/or population(s) will benefit from this project. The Climate Bond defines a “community” as an inhabited area within a city or county that is comprised of no less than 10 dwellings adjacent or in close proximity to one another. Communities and populations can include a neighborhood, city, county, unincorporated area, California Native American tribe, etc. defined in the U.S. Census

through various combinations of block groups, census tracts, incorporated places, census designated places, or counties. Depending on the size and scope of the project, multiple communities or populations may benefit. Some projects may be physically located in the community that the project will benefit. Other projects may be physically located outside of the community that the project will benefit (for example, a water quality improvement project that benefits a downstream community or a wetland restoration project that protects an adjacent community from flooding).

Some projects may provide benefits to vulnerable population(s) who form a portion of a larger community or be in areas where communities have been forcibly removed or historically been excluded. *Understanding who the intended beneficiaries are is a critical first step before determining if they qualify as a (S)DAC or vulnerable population.*

- b. Determine whether the community/ies or population(s) intended to benefit from the proposed project fall within the definitions of (S)DAC or vulnerable population using the tools, data, and resources listed in the following section.

*Note: When identifying a community or population, program administrators should pay close attention to the fact that California Native American tribes are considered vulnerable populations and may also meet the definition of (S)DAC. Funding to California Native American tribes will count towards the 40 percent requirement.*

## Tools, Data, and Resources to Identify Status of Communities and Populations

Several online tools, data, and resources can help identify and characterize different communities and populations. These tools combine data and mapping to show the presence of various socioeconomic, environmental, climatic, and/or other characteristics of physical communities and populations. No single tool is recognized as providing all the information needed; tools vary in their focus and benefits. In some cases, use of multiple tools may be helpful or needed.

Please note that historically, Native American tribes and other underrepresented communities have not been accurately reported in Census data, often due to mistrust of government surveys. Furthermore, many mapping tools do not provide data from tribal lands and various other local reporting metrics. As such, State agencies and departments

should understand the shortcoming of the tools, data, and resources they elect to use in funding administration. In some cases where data is known to be of poor quality and tools inadequate, alternate solutions to characterizing communities and populations may need to be employed.

*Note: The tools, data, and resources themselves cannot determine or evaluate where a benefit is intended to be realized. They should be used alongside the other steps in this guide, application questions, and other supporting information to make this determination.*

### Disadvantaged Communities and Severely Disadvantaged Communities

#### **Disadvantaged community**

**(DAC):** A community with a median household income of less than 80 percent of the area average or less than 80 percent of statewide median household income.

#### **Severely disadvantaged**

**community (SDAC):** a community with a median household income of less than 60 percent of the area average or less than 60 percent of statewide median household income.

*Note: CalEnviroScreen and the California Climate Investments Priority Populations Mapping Tool cannot be used to identify DACs or SDACs for Climate Bond funding as the definitions for these terms differ between Proposition 4 (2024) and those in SB 535 (De León, 2012) and AB 1550 (De León, 2012). However, if paired with climate hazard exposure information, these tools may help understand a population’s vulnerability. See more information below under “Vulnerable Populations.”*

In addition to evaluating a community in comparison to the statewide median household income, the Climate Bond allows for comparing a community against “the area average” when identifying DACs and SDACs.

“Area” refers to a larger geographic unit that contains the community and is used to determine the applicable median household income threshold for comparison. Acceptable geographic units for “area” include census tracts and counties as defined in the U.S. Census. Programs should not permit the use of custom or irregular boundaries created solely for the purpose of qualifying for (S)DAC status. All claims of (S)DAC status must be supported by verifiable data sources, such as the U.S. Census Bureau’s American Community Survey (ACS) 5-Year Estimates.



To Identify DACs and SDACs for the 2024 Climate Bond, State agencies and departments should utilize:

- Disadvantaged Communities identification resource – *coming soon!*

### Vulnerable Populations

**Vulnerable population:** A subgroup of population within a region or community that faces a disproportionately heightened risk or increased sensitivity to impacts of climate change and that lacks adequate resources to cope with, adapt to, or recover from such impacts.

*(Note: tribes are considered vulnerable populations)*

- **Tribe:** A federally recognized Native American tribe or a nonfederally recognized Native American tribe listed on the California Tribal Consultation List maintained by the Native American Heritage Commission.

To identify California Native American Tribes for the 2024 Climate Bond, State agencies and departments should utilize:

- California Tribal Consultation List, also known as the Tribal Contact List maintained by Native American Heritage Commission (NAHC). While this list is developed for purposes of tribal consultations under SB 18 and AB 52, the Legislature included the NAHC’s tribal contact list in the 2024 Climate Bond to identify California Native American tribes for Climate Bond purposes. [Utilize this form to request a copy of the NAHC contact list.](#)

*Note: Some bond allocations, or portions of larger allocations, are exclusively set-aside for tribes and tribal communities. This includes PRC Sections 91011, 91012, 93040, and 93540.*

Tools, data, and resources to help understand a population’s climate vulnerability:

When identifying which populations are most vulnerable to climate change, it is important to look at two things: how much they are affected by climate impacts such as wildfires, floods, sea level rise, drought, or extreme heat (also known as climate hazard exposure) and the resources/ability they have to prepare for and recover from these events (also known as adaptive capacity). A population’s ability to adapt can be shaped by many things,

such as their environment, the condition of their buildings and infrastructure, their social or political situation, and how much money or support they have.

The data collection and mapping of populations' adaptive capacity is complex and nascent and no one tool or dataset can currently comprehensively identify vulnerable populations. State agencies and departments should evaluate the following tools, data, and resources and utilize the most applicable in their bond funding allocation. As additional tools, data, and resources are published, they will be considered for inclusion in this guide. *If you'd like to use a tool not listed above, please contact CNRA staff for evaluation and approval ([climatebond2024@resources.ca.gov](mailto:climatebond2024@resources.ca.gov)).*

Additionally, there may be local or regional climate vulnerability studies that applicants wish to use in identifying vulnerable populations. These can be used, but program staff should confirm the studies are up-to-date and were developed with meaningful community engagement and tribal consultation.

The following tools, data, and resources attempt to identify both climate hazard exposure and adaptive capacity.

- [Defining Vulnerable Communities in the Context of Climate Adaptation](#) can be used to help understand the factors that may make a community vulnerable to climate impacts.
  - Not all vulnerable populations are mappable and thus may not show up on a traditional mapping tool (e.g., unhoused individuals). This resource guide provides more information.
- [Vulnerable Communities Platform \(VCP\)](#) can be used to identify California communities most vulnerable to the impacts of climate change (including extreme heat, sea level rise, flooding, drought, and wildfire) by providing data and maps to evaluate and describe the intersection of social and climate vulnerabilities. - *coming soon!*
- [Climate Change & Health Vulnerability Indicators for California \(CCHViz\)](#) can be used to better understand the people and places that are more susceptible to adverse health impacts associated with climate change.
- [Adapting to Rising Tides Bay Shoreline Flood Explorer](#) can be used to understand what could be at risk to shoreline flooding in the San Francisco Bay Area, including socially vulnerable communities and contaminated sites.
- [California Heat Assessment Tool \(CHAT\)](#) can be used to understand community and public health vulnerability to extreme heat.
- [Risk Assessment - State Small Water Systems and Domestic Wells](#) can be used to understand state small water systems and domestic wells that may be at-risk by

combining water quality risk information, water shortage risk information, and socioeconomic risk information.

- [California Wildfire Smoke and Air Pollution Health Burden Mapping Dashboard](#) can be used to understand the health burden related to air pollution and wildfire smoke.

The following tools, data, and resources only address climate hazard exposure and should be used alongside tools and data related to physical (built and environmental), social, political, and/or economic factors that impact a population's adaptive capacity.

- [Cal-Adapt](#) can be used to understand projected climate impacts, including heat, precipitation changes, wildfire, snowpack, and sea level rise.
- [Indicators of Climate Change in California](#) reports can be used to understand observed changes in the state's climate and their impacts throughout the state.
- [Fire Hazard Severity Zones \(FHSZ\) Maps](#) can be used to understand fire hazard within the State Responsibility Area.
- [Best Available Maps \(BAM\)](#) can be used to understand flood risk.
- [Our Coast, Our Future](#) can be used to understand and visualize sea level rise, coastal erosion and storms, and coastal groundwater impacts.
- [Local Climate Snapshot Tool](#) can be used to understand future climate projections for temperature, precipitation, and wildfire.
- [Water Shortage Vulnerability Scoring and Tool](#) can be used to help understand how vulnerable different areas are to water shortages, particularly those that rely on domestic wells and small water systems.
- [Safe and Affordable Funding for Equity and Resilience \(SAFER\) Dashboard](#) can be used to understand water security.

As stated above, physical (built and environmental), social, political, and/or economic factors contribute to a population's adaptive capacity and thus, vulnerability. The following tools can be used in combination with climate hazard exposure tools and data, listed above, to help understand a population's vulnerability.

- [CalEnviroScreen](#) can be used to identify California communities that are most affected by environmental pollution, and where people are often especially vulnerable to pollution's effects.
- [Statewide Parks Program Community FactFinder](#) can be used to understand park and outdoor access.

- [California Access and Functional Needs Viewer](#) is designed to assist emergency managers in identifying, locating, and deploying access and functional needs (AFN) related assets and resources during all phases of emergencies. This tool can be used to understand and evaluate a project that has an emergency management component.
- [Healthy Places Index](#) can be used to help understand community conditions that impact life expectancy.
- [Caltrans Transportation Equity Index \(EQI\)](#) can be used to identify transportation-based priority populations by integrating transportation and socioeconomic indicators.

In addition to the overarching requirement in the 2024 Climate Bond that at least 40 percent of the total bond funding be allocated for projects that provide meaningful and direct benefits to vulnerable populations or DACs and of that, 10 percent to SDACs, there are other population, community, individual, and area prioritizations for specific 2024 Climate Bond allocations. Please see **Appendix A** for more information regarding Other Area, Community, Individual, or Population Prioritizations.

### **STEP 3: Are the anticipated benefits “meaningful and direct” to (S)DAC(s) or vulnerable population(s)?**

The project’s benefits are considered meaningful and direct to a (S)DAC or vulnerable population if the following four criteria are met and verified:

1. Ensures the creation of direct, tangible, and substantial benefits to individuals of the (S)DAC or vulnerable population that would not have materialized without its implementation. The benefits are not incidental, indirect, or speculative, and can be articulated.
  - a. *Direct: A causal link between project activities and realized benefits to residents of a (S)DAC or vulnerable population is demonstrated.*
  - b. *Tangible: A specific project clearly affects a discrete (S)DAC or vulnerable population.*
  - c. *Substantial: The benefits are reasonably proportional to the scale of the project being undertaken. A project where most of the claimed benefits accrue to other parties would be incidental, not substantial, or disproportionately small. In the context of determining whether benefits are reasonably proportional to the scale*

*of the project, a variety of indicators can be used, including dollars, households served, individuals engaged, acres, field activities, etc.*

2. Protects or enhances a (S)DAC or vulnerable population's resources and quality of life by building climate resilience, such as reducing risks to the community or population from climate hazards, protecting resources threatened by climate change (e.g., drinking water supply/quality, urban tree canopy, critical infrastructure, etc.), or creating/enhancing community or population assets (e.g., wetlands, resilience centers, etc.)
3. Directly responds to the (S)DAC's or vulnerable population's expressed need or desired benefit, either through direct project input or as part of a larger planning or engagement effort. The project is inherently designed to meet needs that have been identified by the (S)DAC or vulnerable population and that project scoping, development, and implementation integrated (S)DAC or vulnerable population input to the maximum extent feasible.
4. Does not result in a long-term degradation or reduction of any (S)DACs' or vulnerable populations' resources identified in (2). Benefits should not be provided to one community or population at the expense of or burdening another – harms should be avoided and minimized. If the project has the potential to reduce or degrade community resources, then predefined mechanisms or commitments for remediation are in place to avoid these harms.

*Note: If a project is benefiting a (S)DAC(s) and/or vulnerable population(s), the benefits are considered meaningful and direct if the project uses the services of local, tribal, or State conservation corps from the (S)DAC(s) and/or vulnerable population(s) that the project is benefitting.*

See **Appendix B** for Sample Questions for Assessing and Verifying Meaningful and Direct Benefits and Other Resources. See **Appendix C** for additional resources on Tribal Consultation and Meaningful Engagement. See **Appendix D** for resources on Ways to Avoid Degradation of Community Resources or Potential Harm Through Program Design.

## **STEP 4:** *How do I ensure the project counts toward the 40 percent requirement?*

It is required that all 2024 Climate Bond funded projects are entered into the Agency Bonds Consolidated Reporting System (ABCRS). ABCRS will also be used to track progress toward meeting the 40 percent requirement. When entering projects, programs will be asked to mark (yes/no) whether a project provides a substantial meaningful and direct benefit to a (S)DAC(s) or vulnerable population(s), and to identify the community/ies or populations that the project benefits.

If a project's scope changes after it has been counted toward the 40 percent but is no longer deemed to provide direct and meaningful benefits to (S)DACs or vulnerable communities, it should be removed from that counting. CNRA will conduct an annual survey for any changes to the list of projects counted toward the 40 percent.

To ensure the State meets the 40 percent requirement, CNRA may require departments to identify a program percentage target from their allocated funds. CNRA will assess annually its progress in meeting the target.

## **APPENDIX A: Other Area, Community, Individual, or Population Prioritizations**

The following terms apply to individual allocations within the 2024 Climate Bond. More details on how these areas, communities, individuals, and populations will be prioritized will be determined through State agency and department program and guideline development. Additionally, these program and guideline development processes will determine whether funds providing meaningful and direct benefits to these areas, communities, individuals, and populations will count toward the 40 percent.

- Economically distressed areas (relevant to PRC Sections 91018 and 91510)
- Socially disadvantaged farmer or rancher (relevant to PRC Sections 91510, 93510, 93540, and 93550)
- Small- and medium- sized farms (relevant to PRC Sections 93530 and 93540)
- Beginning farmers or ranchers (relevant to PRC Sections 93540 and 93550)
- Veteran farmers or ranchers (relevant to PRC Section 93540)
- Tribal producers and vendors (relevant to PRC Sections 93540 and 93550)
- Low-income agricultural workers (relevant to PRC Sections 93560)
- Low-income farmworker households (relevant to PRC Sections 93580)
- Tribal communities (relevant to PRC Sections 91011 and 91012)

- Diverse populations (relevant to PRC Sections 91045 and 94050)
- Individuals with access and functional needs (relevant to PRC Section 91510)
- Priority populations (relevant to PRC Section 92520)
- Park-poor communities and/or neighborhoods (relevant to PRC Sections 92530, 94010, 94020)
- Individuals with disabilities (relevant to PRC Sections 94010 and 94020)

**Economically distressed areas:** A municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income, and with one or more of the following conditions as determined by the department: Financial hardship, unemployment rate at least 2 percent higher than the statewide average, low population density. ([Section 79702 of the Water Code](#)).

To Identify DACs and SDACs for the 2024 Climate Bond, State agencies and departments should: use the following tool:

- Economically Distressed Areas (EDA) Mapping Tool – *coming soon!*

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**Socially disadvantaged farmer or rancher:** A farmer or rancher who is a member of a socially disadvantaged group. ([Section 512 of the Food and Agricultural Code](#)). *Socially disadvantaged group:* A group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups include all of the following: African Americans, Native Indians, Alaskan Natives, Hispanics, Asian Americans, Native Hawaiians and Pacific Islanders. ([Section 512 of the Food and Agricultural Code](#)).

To Identify socially disadvantaged farmers and/or ranchers for the 2024 Climate Bond, State agencies and departments should: request applicable information through program applications or other surveying processes

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**Small- and medium- sized farms:** *Small- and medium- sized farms are not defined in the 2024 Climate Bond.* The California Department of Food and Agriculture (CDFA)'s Small-Scale Producer Advisory Committee is developing a definition that should be used for the Climate Bond. If CDFA's approval of the recommended definition does not occur before funding is appropriated, the U.S. Department of Agriculture (USDA) Economic Research Service [definition](#) or existing program definitions should be used in the interim.

To identify small- and medium- sized farms for the 2024 Climate Bond, State agencies and departments should: request applicable information through program applications or other surveying processes

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**Beginning farmer or rancher:** A farmer or rancher who has not actively operated and managed a farm or ranch with a bona fide insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than five crop years, as determined by the United States Secretary of Agriculture and as defined in Section 1502 of Title 7 of the United States Code.

To Identify beginning farmers and/or ranchers for the 2024 Climate Bond, State agencies and departments should: request applicable information through program applications or other surveying processes

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**Veteran farmer or rancher:** A farmer or rancher who is all of the following:

- 1) Has served in the United States Armed Forces, as defined in Section 101 of Title 38 of the United States Code.
- 2) Meets either of the following:
  - a) Has not operated a farm or ranch.
  - b) Has operated a farm or ranch for not more than five years.
- 3) Is a veteran, as defined in Section 101 of Title 38 of the United States Code, who first obtained status as a veteran during the most recent five-year period.
- 4) Is a beginning veteran farmer or rancher, as that term is used in Section 1502 of Title 7 of the United States Code.

To identify veteran farmers and/or ranchers for the 2024 Climate Bond, State agencies and departments should: request applicable information through program applications or other surveying processes

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**Tribal producers and vendors:** *Tribal producers and vendors is not defined in the 2024 Climate Bond.* Given Native American individuals are included in the definition of Socially Disadvantaged Farmer or Rancher, CNRA recommends that tribal producers and vendors be defined as those operations run by California Native American tribes, as defined by the Climate Bond.

To identify tribal producers and/or vendors for the 2024 Climate Bond, State agencies and departments should: use the process described above to identify California Native American tribes.



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**Low-income agricultural workers:** *Low-income agricultural workers is not defined in the 2024 Climate Bond.* For the purposes of the Climate Bond, CNRA recommends that those engaged in agricultural work living in disadvantaged or severely disadvantaged communities, as defined by Prop. 4, be considered low-income agricultural workers.

To identify low-income agricultural workers for the 2024 Climate Bond, State agencies and departments should: request applicable information through program applications or other surveying processes and use the process described above to identify DACs and SDACs.

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**Low-income farmworker households:** *Low-income farmworker households is not defined in the 2024 Climate Bond, but by the California Department of Community Services and Development in their Low-Income Weatherization Program's Farmworker Housing Component:* One engaged in agriculture whose household's total annual gross income does not exceed Low-Income Weatherization Program's household income eligibility limits (the higher of either 80 percent Area Median Income [AMI] for the county where services are being provided or 80 percent State Median Income [SMI] by household size).

To identify low-income farmworker households for the 2024 Climate Bond, State agencies and departments should: request applicable information through program applications or other surveying processes

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**Tribal communities:** *Tribal communities is not defined in the 2024 Climate Bond.* CNRA recommends using the following definition:

- California Native American tribes, as defined by the Climate Bond (see above)
- Individuals identified by a California Native American tribe, as defined by the Climate Bond, as members of their tribal community
- California Native American tribally owned businesses and non-profit organizations incorporated for the purposes of serving California Native American tribes, as defined by the Climate Bond, and their communities

To identify tribal communities for the 2024 Climate Bond, State agencies and departments should: use the process described above on identifying California Native American tribes and/or request applicable information through program applications

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**Diverse populations:** *Diverse populations is not defined in the 2024 Climate Bond.* CNRA recommends using the definitions of DAC, SDAC, and vulnerable population included in the Climate Bond.

To identify diverse populations for the 2024 Climate Bond, State agencies and departments should: use the guidance above on identifying (S)DACs and vulnerable populations

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**Individuals with Access and Functional Needs (AFN):** *AFN is not defined in the 2024 Climate Bond, but by the California Governor’s Office of Emergency Services (CalOES) as individuals who are or have:*

- Physical, developmental, or intellectual disabilities
- Chronic conditions or injuries
- Limited English proficiency
- Older adults
- Children
- Low income, homeless, and/or transportation disadvantaged (i.e., dependent on public transit)
- Pregnancy

To identify those with AFN for the 2024 Climate Bond, State agencies and departments should: use the following tool:

- [California Access and Functional Needs Viewer](#)

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**Priority populations, as defined by the Transformative Climate Communities Program guidelines:** can be found on pages 30-33 in the [Transformative Climate Communities Program guidelines](#).

To identify priority populations for the 2024 Climate Bond, State agencies and departments should: use the tools and data identified in the [Transformative Climate Communities Program guidelines](#).

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**Park-poor communities and/or neighborhoods:** *Park-poor communities and/or neighborhoods are not defined in the 2024 Climate Bond, but by California State Parks. This definition is focused on local or regional park amenities (rather than State Park-level resources).* Neighborhoods that have:

- Less than 3 acres of usable parkland per 1,000 residents, OR
- Median household incomes less than 80% of the Statewide average AND inadequate access to recreation facilities and activities.

To identify park-poor communities and/or neighborhoods for the 2024 Climate Bond, State agencies and departments should utilize:

- [Statewide Parks Program Community FactFinder](#)

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**Individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.):** A person who has a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an impairment, or a person who is perceived by others as having such an impairment.

- To identify whether a project is improving access for individuals with disabilities for the 2024 Climate Bond, State agencies and departments should: integrate questions in applications to understand whether ADA accessibility is met.

## APPENDIX B: Sample Questions for Assessing and Verifying Meaningful and Direct Benefits and Other Resources

Below is a list of sample questions that can help assess and verify whether a proposed project provides direct and meaningful benefits to a (S)DAC or vulnerable population.

- Does the project applicant represent the (S)DAC or vulnerable population?
- Is there a clear budget line item compensating the (S)DAC(s) or vulnerable population(s) for their time and expertise?
- Are there clear project deliverables that (S)DAC(s) or vulnerable population(s) are implementing, leading, or will benefit from?
- Does the project applicant provide letters of support from community and local government leaders in the (S)DAC(s) or vulnerable population(s) to which the project claims to provide benefits?
- Did the (S)DAC(s) or vulnerable population(s) express support on the proposed project during the public comment period on draft award decisions, through public comment periods for Board/Council votes, or by sending letters of support in response to a tribal consultation or public comment period?
- Was it clear that the (S)DAC(s) or vulnerable population(s) were equal partners in developing the scoping and design of the project?

- Are there agreements and/or budget line items for the (S)DAC(s) or vulnerable population(s) to conduct ongoing/long-term maintenance, monitoring, and management or otherwise be involved after the completion of the project?
- Are plans for community engagement and tribal consultation associated with the project following best practices for meaningful engagement and tribal consultation?
- Are leaders from the (S)DAC(s) or vulnerable population(s) participating in State-led grant workshops, office hours, interviews, or site visits? Are voices, opinions, and priorities of representatives from (S)DAC(s) or vulnerable population(s) being respected and elevated by other partners?
- Are workforce development opportunities stemming from the project aimed at members of the (S)DACs or vulnerable populations? Are those jobs adhering to health and safety, sick leave, classification, compliance and protection requirements? Are the jobs full-time, non-temporary jobs with good wages, benefits, and access to training? Do these jobs provide internal capacity building for the (S)DAC(s) or vulnerable population(s)?
- Have applicants identified and entered into preliminary agreements with businesses owned by members of the (S)DAC(s) or vulnerable population(s)? Are these entities named in the grant agreement? Did they provide a letter of support or other commitment to work with the applicant if awarded?
- Is there a community benefits plan, preferably legally binding or enforceable, that outlines how project deliverables bring about tangible changes and/or impacts to the (S)DAC(s) or vulnerable population(s)?

Sources of verification may include letters of support, formal MOUs or partnership agreements, support demonstrated at site visits, receipt of a Community Benefits Assessment/Plan, etc.

## APPENDIX C: Tribal Consultation and Meaningful Engagement

### **Tribal Consultation Policy and Best Practices:**

- See CNRA Tribal Affairs' [Tribal Consultation Policy](#).

### **Meaningful Engagement Best Practices:**

- Engage with communities in public co-visioning processes before projects are developed to reflect community needs. Project concepts should be anchored in community priorities and expertise.
- Engage with communities in meaningful ways to build mutual trust and relationships. Examples could include: 1) process involves staff, board members, or consultants who have worked in or are from respective community or 2) process includes dialogue between all affected and necessary parties, or direct involvement of local community groups.
- Engagement process addresses unequal power dynamics between communities and government, historic inequity, injustices, and trauma. Communities have a decision-making role in the development of the project.
- Community is represented on applicant's staff, board, or within the project's planning group, or project is partnering with local community-based organizations.
- Engagement process makes it easy for community members to participate by, for example, providing stipends, meeting in convenient locations, using virtual venues, or providing childcare and food.
- Project team has a track record working within communities and incorporating insights gained from community engagement into project planning.
- Materials developed during or as a result of the project are made available in multiple languages that are representative of the languages spoken in the engaged community.

## APPENDIX D: Ways to Avoid Degradation of Community Resources or Potential Harm Through Program Design

- Require meaningful community engagement and tribal consultation.
- Avoid, minimize, and mitigate impacts to tribal cultural resources and natural cultural resources. These measures should be informed by meaningful tribal consultation.
- Recommend the use of zero-emission equipment for project-related construction, maintenance, and other activities.
- Develop project requirements and/or measures to avoid or mitigate pollution exposures.
- Recommend the inclusion of anti-displacement measures in project implementation. See [recommended strategies](#) for urban greening projects.
- For more ideas: <https://www.caclimateinvestments.ca.gov/avoiding-harms>

**For questions or assistance in using this guide, please contact CNRA staff:**  
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