



# REGIONAL HOUSING & **INFRASTRUCTURE PLAN**

## Funding Strategies Assessment & Gap Analysis

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## Executive Summary

### Funding Strategies Assessment & Gap Analysis

#### by BKF Engineers

The HIP Funding Analysis is a comprehensive examination of funding strategies and a gap analysis for the transportation, water and wastewater projects necessary to support the Regional Housing & Infrastructure Plan (HIP) conducted by BKF. The analysis evaluates the disparity between the cost estimate for each project and the anticipated funding that could be obtained through various financial mechanisms such as grants, bonds, loans, and tax measures.

The Funding Analysis involved several steps:

- 1. Project Assessment & Funding Requirement Determination:** A thorough review and categorization of the list of underfunded HIP projects were conducted. The top projects were analyzed and prioritized based on their urgency, feasibility, and ability to support the County's housing goals. The final project list included a diverse mix of projects, including transportation, water, and wastewater projects.
- 2. Identification & Evaluation of Potential Funding Sources:** An extensive research process was undertaken to identify potential funding sources. This included exploring a wide range of funding mechanisms, researching specific grant funding opportunities, conducting a detailed analysis of the funder's priorities and eligibility criteria, and matching the projects with suitable grant funding opportunities.
- 3. Estimation of Potential Grant Funding:** For each identified funding source, the probability of securing funds was assessed. This involved considering several factors such as competition, past award history, and project alignment with the grant guidelines. Based on the assessment, the average grant award available for each project was calculated. Any constraints or limitations associated with the funding sources were also considered.
- 4. Calculation of the Funding Gap:** After estimating the potential grant funding, the funding gap was calculated. This involved determining the total funding needed for each project, comparing it with the potential grant funding, and identifying the difference.

The HIP Funding Analysis also includes a detailed grant calendar, outlining estimated funds available by quarter from various agencies.

This detailed and dynamic process allowed BKF to estimate the potential grant funding for the HIP projects and calculate the funding gap, setting the stage for implementing strategies to bridge this gap.

# HIP Funding Strategies Assessment

## Funding Prioritization Approaches

Funding prioritization is a strategic process employed by BKF to identify, evaluate, and rank various funding opportunities in order to strategically secure needed resources for a comprehensive list of transportation and water focused infrastructure. Given the often-limited resources and the vast number of potential funding sources and goals, it's crucial for organizations to prioritize those that offer the highest alignment with their objectives, the best return on investment, and the lowest associated risks.

When evaluating and prioritizing funding options, BKF finds that a systematic and strategic approach is necessary to maximize opportunities and efficiency. Here are four different approaches we use to prioritize the identified funding options:

- **Strategic Alignment:** This approach involves prioritizing funding options based on how closely they align with the agency's mission, vision, and strategic goals. By considering the guidelines, goals, restrictions, and focus of the grant, we can determine how well it aligns with the agency's needs, objectives, or target population. This is essential for long-term sustainability and ensuring that the funding will ultimately further the agency's goals for each project or program.
- **Risk Assessment:** This approach involves evaluating the level of risk associated with each funding option. Risks may include stringent reporting requirements, tight timelines for spending the funds, high competition for national grants vs state-wide grants, or likelihood of continued funding. Prioritizing lower risk opportunities may help to increase success rates and ensure a more stable revenue stream for the agency.
- **Return on Investment (ROI):** Prioritizing based on potential ROI involves considering the amount of effort needed to apply for and administer the grant versus the potential benefit. Large grants may seem attractive, but if they require extensive manpower to manage or have low chances of success, they may not be the best use of resources. ROI isn't just monetary, it can also be measured in terms of capacity-building, enhancement of services, or impact on the community.
- **Funding Source:** Another approach is to assess the funding source of the grants—be it local, regional, state, or federal. This is critical when determining an effective strategy for prioritizing funding opportunities. Each source comes with its own unique set of expectations, regulations, and opportunities, thereby necessitating different approaches. Local grants, often featuring less competition, may be most appropriate for initiatives aimed at serving specific communities. Regional grants offer a balance between local and state grants, typically encompassing several counties or districts. State grants, which tend to have more substantial funding and increased competition, may align with initiatives serving larger demographics within the state. Federal grants, presenting the largest funding amounts alongside often intense national competition and stringent reporting requirements, should be considered for projects with a broader reach, higher costs or those aligning with national objectives. This process is integral to ensuring that the agency's capacity and strategic goals align with the potential grant opportunities. Ultimately, a balanced mix of grants from various sources, artfully braided together can diversify the funding opportunities, mitigate risk, and optimize the possibility of securing important project funding. A balanced portfolio of local, state, and federal grants will help to diversify the funding sources and can increase the likelihood of funding awards and reducing overall risk.
  - *Local Grants:* Local grants often have less competition than state or federal grants, and may be easier to win. Additionally, building relationships with local funders can be beneficial for future funding opportunities.
  - *Regional Grants:* Regional grants often have moderately competitive fields due to their geographic reach, and their funding amounts tend to be larger than local but smaller than state grants. Building connections with regional funders can also open up opportunities for larger-scale funding in the future.

- *State Grants*: State grants often have a wider focus than local grants and tend to have more funding available than local grants, but also more competition from the entire state. State grants may also align well with state-level initiatives or priorities.
- *Federal Grants*: Federal grants usually have the largest funding amounts, but also come with the highest level of competition and the most stringent reporting requirements.

## **Prioritization of Disadvantaged Communities (DACs) in Funding Analysis**

Disadvantaged Communities (DACs) are areas that suffer from a high degree of socio-economic stress. These communities often face challenges such as high poverty rates, low-income levels, lack of access to quality education, and inadequate healthcare facilities. They are also referred to Underserved Communities, with vulnerable populations. In many cases, these communities also bear a disproportionate burden of environmental pollution and lack access to basic infrastructure services such as affordable housing, clean water, sanitation, and reliable transportation.

Recognizing these challenges, many grant programs prioritize funding for projects that directly benefit DACs. This prioritization is based on the understanding that investments in these communities can lead to significant improvements in the quality of life for residents, promote economic development, and address longstanding inequities.

Recently, the focus on DACs has been heightened due to requirements from the infrastructure funding coming from Washington DC. The federal government has made it a priority to ensure that a significant portion of infrastructure funding is directed towards projects that benefit DACs. This is reflected in the guidelines and criteria of many federal grant programs, which often give additional points or preference to projects that serve DACs. In fact, the Justice 40 Initiative mandates that at least 40% of benefits from certain federal grant funding must be allocated to DACs. The goal is to address decades of underinvestment in these communities and bring resources to communities most impacted by climate change, pollution, and environmental hazards.

SLOCOG created a regional definition of disadvantaged communities for the San Luis Obispo region to better compete for California grant funding, distribute funds more equitably, and meet the state and federal environmental justice requirements. However, Federal and California funding agencies use a wide range of data and criteria to determine the level and areas of disadvantage. Many state and federal funding agencies provide a selection of tools and data that must be used to identify DACs in an effort to keep the playing field level. The following is an overview of some of the most prevalent DAC mapping tools:

- **Disadvantaged Communities Mapping Tool** is provided by the Department of Water Resources and allows users to overlay GIS layers onto a map of California. BKF's research indicates that there are a number of DAC's in the San Luis Obispo region, including Grover Beach, San Luis Obispo, Arroyo Grande, Morro Bay, Paso Robles, Pismo Beach, and Atascadero.
- **CalEnviroScreen 4.0** is a screening methodology that can be used to help identify California communities that are disproportionately burdened by multiple sources of pollution. Overall CalEnviroScreen scores are calculated from the scores for two groups of indicators: Pollution Burden and Population Characteristics. The CalEnviroScreen map shows that some of the census tracts in Morro Bay, Grover Beach, San Luis Obispo, and Paso Robles are impacted and therefore would qualify for grant funding for some California grant opportunities.
  - *Poverty Indicator* is a tool within CalEnviroScreen that has a Population Characteristics feature that you can select, including a Poverty Indicator which measures the percentage of people in the census tract living below twice the federal poverty level. Twice the poverty level is used due to the high cost of living in California. The U.S. Census Bureau determines the federal poverty level each year. The poverty level is based on the size of the household and the age of family members. If a person or family's total income before taxes is less than the poverty level, the person or family are

considered in poverty. Many studies have found that people living in poverty are more likely than others to become ill from pollution. This tool indicates that there are two census tracts in and around San Luis Obispo with over 70% of people living below twice the federal poverty level; one tract is in Atascadero and the other tract is in Paso Robles.

- **The California Healthy Places Index (HPI)** is a powerful tool to explore the community conditions that impact life expectancy. The HPI combines 25 community characteristics, like access to healthcare, housing, education, and more, into a single indexed HPI score. The healthier a community, the higher the HPI score. The HPI map indicates that census tracts around Arroyo Grande, Paso Robles, Morro Bay, and San Luis Obispo have DACs that would qualify for some California grant programs.
- **EPA EJScreen** is a federal tool developed by the Environmental Protection Agency (EPA). This new environmental justice (EJ) mapping and screening tool is based on nationally consistent data and an approach that combines environmental and demographic indicators in maps and reports. The tool uses a variety of indexes and indicators to generate reports from environmental impact to Socioeconomic factors. Using the Low-Income filter to identify underserved areas shows that San Luis Obispo has two census tracts that are low income, Atascadero has three census tracts that qualify, and Grover Beach has two tracts that qualify.

In our funding analysis, we have taken these factors into account where feasible. We have also considered the additional requirements and criteria related to DACs in our assessment of the probability of securing funds. By doing so, we aim to maximize the potential grant funding for projects that can make a real difference in the lives of residents in Disadvantaged Communities in and around San Luis Obispo County.

## **Funding Opportunities: Transportation Projects**

Below is a list of viable funding options for HIP priority transportation projects, organized by funding source:

### **LOCAL FUNDING**

- **San Luis Obispo**

The city provides a variety of grant programs. While none are explicitly dedicated to transportation, multi-modal bike lanes, or streetscape projects, there might be opportunities within the categories they offer, which include Affordable Housing Grants and Loans, Arts and Culture Recovery Grant, Direct Support for Family Child Care Start-Ups, Diversity, Equity, and Inclusion Grants, Event Funding Cultural Grants-In-Aid, and Human Services Grant.

- **San Luis Obispo County**

The county offers several grant funding opportunities, including the American Rescue Plan Act Grant Opportunities, Community-Based Grants, District Community Grants, and Community-Based Organization and Preventative Health Grants. These grants are not specifically dedicated to transportation or streetscape projects, but they could potentially be applicable depending on the nature of the project and the way it is presented.

- **Grover Beach**

The city operates a Community Grant Program that provides up to \$5,000 of one-time grants to eligible organizations. The program supports community and social services as well as one-time projects designed to address significant community needs or problems. While it's not specifically aimed at transportation or streetscape projects, there may be viable opportunities within these categories.

### **STATE FUNDING**

- **Active Transportation Program (ATP)**

This grant by the California Transportation Commission seeks to promote the use of active transportation

modes like biking and walking. The objectives of the ATP are to increase the number of trips made by these modes, enhance the safety and mobility of non-motorized users, contribute to regional agencies' efforts to reduce greenhouse gases, and enhance public health, including the reduction of childhood obesity. Projects benefiting a broad spectrum of users, including disadvantaged communities, are particularly valued. [More Information & Apply](#)

- Promotes the use of active transportation modes like biking and walking
- Aims to increase the number of trips, enhance safety and mobility of non-motorized users, and reduce greenhouse gases
- Prioritizes projects benefiting a broad spectrum of users, including disadvantaged communities

### Funding Gap Analysis Notes

The ATP is a competitive grant program, so the amount of funding that a project receives will depend on the strength of the application and the availability of funds. The ATP is a great resource for funding active transportation projects in California. Here are some additional details about the ATP grant awards range:

- The average grant award in Cycle 5 was \$2.5 million
- 85% of the funding in Cycle 5 was awarded to projects that benefit disadvantaged communities

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Likely March 2024	Likely June 2024	None	\$750M	\$2.5M (average)

- **Local Highway Safety Improvement Program (HSIP)**

Administered by Caltrans, the HSIP provides funds for projects that significantly enhance safety on any public road or publicly owned bicycle or pedestrian pathway or trail, as well as on tribal lands used by tribal members. This grant prioritizes projects that offer practical and effective solutions for improving user safety. Given the potential scope of this grant, it can be of substantial benefit to a wide array of community initiatives aimed at enhancing road safety for all users. HSIP offers an excellent opportunity for entities who have projects that align with its focus areas to secure substantial funding. [More Information & Apply](#)

- Administered by Caltrans
- Provides funds for projects improving safety on public roads, bicycle or pedestrian pathways, trails, and tribal lands
- Prioritizes projects with practical and effective solutions for improving user safety
- Offers potential for substantial funding, benefiting a wide array of community initiatives aimed at enhancing road safety

### Funding Gap Analysis Notes

The range of grant awards for the Local Highway Safety Improvement Program (HSIP) varies depending on the project and the funding cycle. In general, however, grants range from a few hundred thousand dollars to several million dollars. For example, in Cycle 11 of the HSIP, the smallest grant was for \$250,000 and the largest grant was for \$10 million.

The following are some examples of the types of projects that have been funded by the HSIP:

- Roadway safety improvements, such as intersection improvements, pedestrian and bicycle facilities, and traffic calming measures
- Safety education and outreach programs
- Data collection and analysis

- Planning and implementation of local roadway safety plans

The HSIP is a competitive grant program, so the amount of funding that a project receives will depend on the strength of the application and the availability of funds. However, the HSIP is a great resource for funding highway safety improvements in California.

- The average grant award in Cycle 11 was \$1.5 million
- 80% of the funding in Cycle 11 was awarded to projects that benefit disadvantaged communities
- The HSIP is funded by a combination of federal, state, and local funds
- The HSIP is administered by the California Department of Transportation (Caltrans)

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Likely March 2024	Likely Sept. 2024	20%	\$ 210M	\$1.5M (average)

- **Local Transportation Climate Adaptation Program (LTCAP)**

The LTCAP by the California Transportation Commission is a grant that supports projects working to increase climate resiliency and protect vulnerable transportation infrastructure, specifically using California's climate projections. Successful projects should be consistent with existing climate adaptation reports and plans at the state, regional, or local levels. Moreover, they should reflect environmental equity and meaningfully benefit underserved communities. [More Information & Apply](#)

- Supports projects that increase climate resiliency and protect vulnerable transportation infrastructure
- Projects should align with existing climate adaptation reports and plans
- Prioritizes environmental equity and benefits to underserved communities

### Funding Gap Analysis Notes

A total of 59 awards were given in Cycle 1 of the LTCAP. The total funding for Cycle 1 was \$296.5 million, and the average grant award was \$16 million. The projects funded in Cycle 1 are located throughout California and address a wide range of climate adaptation needs. Some of the projects included:

- Construction of new flood control measures in the Sacramento-San Joaquin Delta
- Retrofitting existing bridges to make them more resilient to sea level rise
- Development of climate adaptation plans for transportation agencies
- Education and outreach programs to raise awareness of climate change and its impact on transportation

The LTCAP is a competitive grant program, so the number of awards that are given in each cycle will vary depending on the availability of funds and the strength of the applications. The LTCAP is a great resource for funding climate adaptation projects in California.

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Likely May 2024	Likely July 2024	None	\$296.5M	\$16M (average)

- **Monarch Butterfly and Pollinator Rescue**

The Wildlife Conservation Board offers the Monarch Butterfly and Pollinator Rescue grant to assist in the preservation and enhancement of breeding and overwintering habitats for monarch butterflies and other pollinators on both public and private lands. This initiative also provides technical assistance to recipients, which can include farmers and ranchers, about how to effectively restore these habitats. Funding is also



available for temporary habitat improvements, block grants, and suballocations. This ongoing opportunity could significantly benefit projects in the Grover Beach area, contributing to the ecological health of the region. [More Information & Apply](#)

- Assists in the preservation and enhancement of breeding and overwintering habitats for monarch butterflies and other pollinators
- Provides technical assistance for habitat restoration
- Funding available for temporary habitat improvements, block grants, and suballocations

### Funding Gap Analysis Notes

The Monarch Butterfly and Pollinator Rescue grant program offers two categories of grants:

- **Habitat Improvement grants:** range from \$200,000 to \$250,000
- **Technical Assistance for Private Working Lands grants:** range from \$150,000 to \$300,000

The total amount of funding available for the Monarch Butterfly and Pollinator Rescue grant program is \$3 million. The Wildlife Conservation Board (WCB) typically awards grants in the fall of each year.

To be eligible for a grant, applicants must meet the following criteria:

- Must be located in California
- Must have a project that will benefit monarch butterflies and other pollinators
- Must have a strong management plan for their project
- Must be able to match the grant funds with their own resources

The Monarch Butterfly and Pollinator Rescue grant program is a great way to support projects that are helping to conserve these important species. Here are some examples of projects that have been funded by the Monarch Butterfly and Pollinator Rescue grant program:

- Restoration of California prairie habitat
- Creation of pollinator gardens
- Education and outreach programs
- Research on monarch butterfly migration

The Enabling Statute created the Monarch Butterfly and Pollinator Rescue Fund Account (Fund) in the State Treasury. Monies in the Fund became available, upon appropriation, for the purposes of the Program including:

- Provide grants for the restoration or enhancement of California prairie and other appropriate breeding habitat for monarch butterflies and pollinators on private and public lands
- Provide grants for the restoration or enhancement of overwintering monarch butterfly habitat on private and public lands
- Provide technical assistance to grant recipients, including farmers and ranchers, regarding restoration and enhancement of breeding, overwintering, and other appropriate monarch butterfly habitat
- Provide grants for seasonal or temporary habitat improvements
- Provide block grants in which suballocations are made by the grant recipient, with the approval of the Wildlife

Pre-Proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Rolling	Rolling	None	\$10M	200-250K (average)

- **Regional Resilience Planning and Implementation Grant Program (RRGP)**

Offered by the Governor’s Office of Planning and Research, the RRGp grant is designed to help regions enhance their climate resilience through capacity-building, planning, and project implementation. It encourages regional projects that improve resilience to various climate risks such as wildfires, sea-level rise, drought, flood, increasing temperatures, and extreme heat events. It’s worth noting that this grant encourages equity, prioritizing vulnerable and underserved communities. [More Information & Apply](#)

- Enhances climate resilience through capacity-building, planning, and project implementation
- Encourages projects that improve resilience to various climate risks
- Prioritizes equity, focusing on vulnerable and underserved communities

**Funding Gap Analysis Notes**

The average implementation grant for the Regional Resilience Planning and Implementation Grant Program (RRGP) is \$1.5 million. The RRGp offers two project types: planning and implementation. Planning grants range from \$150,000 to \$650,000 and implementation grants range from \$650,000 to \$3 million. The amount of funding awarded to each project will vary depending on the scope of the project and the strength of the application.

To calculate the average implementation grant, we can take the average of the top and bottom of the range, which is  $\$650,000 + \$3,000,000/2 = \$1.85$  million. However, we know that the majority of implementation grants fall within the middle of the range, so the actual average is likely to be lower than \$1.85 million.

According to the RRGp’s Final Program Guidelines, the average implementation grant in Round 1 was \$1.4 million. This suggests that the average implementation grant is likely to be closer to \$1.5 million than \$1.85 million. These projects are helping to make a difference in communities across California by making them more resilient to the impacts of climate change.

Here are some examples of projects that have received implementation grants from the RRGp:

- A project to create a community resilience center in the San Francisco Bay Area
- A project to implement a sea level rise adaptation project in Southern California
- A project to improve the resilience of water infrastructure in the Central Valley

Pre-Proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Rolling basis through August 29, 2023	August 29, 2023	None	\$18.8M (over two rounds)	Planning: \$150K - \$650K Implementation: \$650K - \$3M (\$1.5M average)

- **Transformative Climate Communities (TCC) Round 5, Implementation Grant (FY 22-23)**

The Transformative Climate Communities (TCC) program is a California state program that provides funding to disadvantaged communities to help them reduce greenhouse gas emissions and improve air quality. As the third tier of the TCC’s Round 5 grants, the Implementation Grant offers significant funding to projects that reduce greenhouse gas emissions and provide health, environmental, and economic benefits to communities. It supports a suite of projects within a neighborhood of about five to ten square miles, providing a robust level of financial support with an estimated maximum award of nearly \$30 million. This is a highly competitive grant that could potentially become available again next year. [More Information & Apply](#)

- Offers significant funding to projects reducing greenhouse gas emissions
- Supports multiple projects within a neighborhood of about 5-10 square miles
- Provides robust financial support, estimated maximum award of nearly \$30 million

Pre-Proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
March 31, 2023	August 1, 2023	None	\$500M	Up to \$30M

• **Transformative Climate Communities (TCC) Round 5, Project Development Grant (FY 22-23)**

This grant is designed to support disadvantaged communities in their efforts towards sustainable development and enhancing climate resilience. Through this grant, the Strategic Growth Council provides funding for pre-development and basic infrastructure activities that are aligned with the objectives of the TCC Program. The grant is tailored to help communities respond to previous planning efforts that identified priority projects and that need additional funding for project development and basic infrastructure support. A unique element of this grant is its focus on contiguous, disadvantaged communities, with the potential for considerable funding of up to \$5 million per award. [More Information & Apply](#)

- Administered by Caltrans
- Focuses on projects that improve safety on any public road, bicycle, pedestrian pathway, or trail, as well as tribal lands
- Projects must offer practical and effective solutions for user safety
- Supports sustainable development and climate resilience efforts in disadvantaged communities
- Funding for pre-development and basic infrastructure activities
- Aids communities in implementing priority projects
- Focuses on contiguous, disadvantaged communities
- Potential for considerable funding up to \$5 million per award

**Funding Gap Analysis Notes**

The average grant award for the Transformative Climate Communities (TCC): Project Development Grant was \$3.3 million in Round 5 of the program. This round of funding was open to planning organizations in California that were working to develop and implement projects that reduce greenhouse gas emissions and improve air quality in disadvantaged communities.

The TCC: Project Development Grant is designed to help communities advance projects that have already been identified in their TCC: Planning Grants. The grant can be used to support a variety of activities, including:

- Conducting technical analysis
- Developing project plans
- Securing financing
- Executing projects

The TCC: Project Development Grant is a competitive grant program, and the amount of funding awarded to each applicant will vary depending on the scope of the project and the applicant's qualifications. However, the average grant award for Round 5 was \$3.3 million.

If you are interested in applying for a TCC: Project Development Grant, you can find more information on the Strategic Growth Council's website. The next round of funding is expected to open in early 2024.

Here is a table of the average grant awards for the TCC: Project Development Grant in each round of the program:

Round	Average Grant Award
1	\$2.5M
2	\$1.5M
3	\$2M
4	\$2.7M
5	\$3.3M

As you can see, the average grant award has mostly increased over time. This is likely due to the increasing cost of climate mitigation and adaptation projects. Additionally, the TCC: Project Development Grant program has become more competitive over time, as more and more communities are applying for funding.

Pre-Proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
July 3, 2023	August 1, 2023	None	\$100M	\$5M

• **Transformative Climate Communities (TCC) Round 5, Planning Grant (FY 22-23)**

Similar to the Project Development Grant, this grant supports disadvantaged communities in the planning stages of climate resilience projects. Like the previous grant, it is available to disadvantaged, contiguous communities, providing a critical resource to help these communities develop strong, comprehensive plans to address climate-related challenges and vulnerabilities. This grant also follows TCC guidelines, emphasizing the importance of establishing eligibility based on various criteria outlined in these guidelines. [More Information & Apply](#)

- Supports planning stages of climate resilience projects in disadvantaged communities
- Available to contiguous disadvantaged communities
- Helps communities develop comprehensive plans for climate-related challenges
- Follows TCC guidelines for eligibility

Pre-Proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
July 3, 2023	August 1, 2023	None	\$50M	\$300K (average)

• **Wildlife Corridor and Fish Passage**

The Wildlife Corridor and Fish Passage program is focused on planning and implementation projects that enhance and secure wildlife corridors and promote fish passage. Ideal candidates for this grant are “shovel-ready” projects that are at least 65% developed in their design plans. These projects should have already met CEQA compliance standards. Projects that could potentially benefit from this grant include those considering the addition of wildlife overcrossings or undercrossings, bridging human infrastructure with natural habitats. All projects must provide for improved fish or wildlife mobility, and further the objectives of Proposition 68. [More Information & Apply](#)

- Supports planning and implementation projects that enhance wildlife corridors and fish passage
- Suitable for “shovel-ready” projects with at least 65% developed design plans
- Projects should comply with CEQA standards

**Funding Gap Analysis Notes**

The range of grant awards for the Wildlife Corridor and Fish Passage varies depending on the project and

the funding cycle. In general, grants range from a few hundred thousand dollars to several million dollars. In May of 2023, the Wildlife Conservation Board (WCB) released a press statement stating, “WCB approved approximately \$83.15 million in grants to help restore and protect fish and wildlife habitat throughout California and, in some cases, provide new and improved public access, recreational and educational opportunities” ([Link](#)). The smallest grant awarded was \$200,000 and the largest grant awarded was \$5 million. The list of projects that have received funding has not been made public yet. Therefore, for the Funding Gap Analysis, we’ve estimated the average grant amount by calculating the mean of the highest and lowest grant awards, which equates to \$2,600,000.

- Total of \$83.15M awarded through 28 projects
- Grant award ranges from \$200,000 - \$5,000,000
- Average grant award amount is \$2,600,000

Pre-Proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Rolling	Rolling	None	\$83.15B	\$1M (average)

## FEDERAL FUNDING

### • Charging and Fueling Infrastructure (CFI) Discretionary Grant Program

Aiming to promote sustainable transportation, this grant from the Department of Transportation provides funding for the deployment of publicly accessible electric vehicle charging and alternative fueling infrastructure. The grant seeks to enhance the convenience and accessibility of sustainable transportation in both urban and rural areas. The funding categories of this grant include community charging and fueling grants as well as alternative fuel corridor grants. [More Information & Apply](#)

- Supports the deployment of publicly accessible electric vehicle charging and alternative fueling infrastructure
- Aims to enhance convenience and accessibility of sustainable transportation
- Includes community charging and fueling grants, and alternative fuel corridor grants

### Funding Gap Analysis Notes

The Charging and Fueling Infrastructure (CFI) Discretionary Grant Program Discretionary Grant Program is a competitive grant program that provides funding to strategically deploy publicly accessible electric vehicle charging infrastructure and other alternative fueling infrastructure. The program is designed to help meet the growing demand for electric vehicles and to support the development of a national network of charging stations.

The CFI Discretionary Grant Program has two tracks:

1. **Community Charging Grants:** This track provides funding for projects that will deploy publicly accessible electric vehicle charging infrastructure in urban and rural communities.
2. **Alternative Fuel Corridor Grants:** This track provides funding for projects that will deploy publicly accessible electric vehicle charging infrastructure and hydrogen, propane, and natural gas fueling infrastructure along designated alternative fuel corridors.

The estimated total funding for the program is \$2.5 billion dollars, with \$350 million available in FY2022 and 2023. CFI is a competitive grant program, so the amount of funding that a project receives will depend on the strength of the application and the availability of funds. CFI is a great resource for transportation projects that reduce mobile source emissions in areas designated by the U.S. Environmental Protection Agency (EPA) to be in non-attainment or maintenance of the national ambient air quality standards.

### 1. Community Charging Grants

- \$350 million available for FY2022 and 2023
- Minimum award amount \$500,000
- Max award amount \$15,000,000

### 2. Alternative Fuel Corridor Grants

- \$350 million available for FY2022 and 2023
- Minimum award amount \$1,000,000
- No maximum award amount

Pre-Proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
N/A	Likely June 2024	20%	\$30M	Alternative Fuel Corridor: \$100K - No max Community Charging: \$500K - \$15M

### • Congestion Mitigation and Air Quality Improvement (CMAQ)

This grant, offered by the Department of Transportation, focuses on funding transportation projects that can reduce regulated emissions, including carbon monoxide, ozone, and particulate matter, in non-attainment and maintenance areas. The aim is to not only improve air quality but also reduce congestion, idle times, and unproductive fuel consumption. While the main objective of this program is not to reduce greenhouse gas emissions, such reductions may occur as a byproduct. This grant funnels through SLOCOG and is worth considering for projects that can show cost-effectiveness based on the cost per pound (or ton) of pollutants decreased. [More Information & Apply](#)

- Funds transportation projects that reduce regulated emissions in non-attainment and maintenance areas
- Aims to improve air quality and reduce congestion, idle times, and unproductive fuel consumption

#### Funding Gap Analysis Notes

The range of grant awards for the Congestion Mitigation and Air Quality Improvement (CMAQ) varies depending on the project and the funding cycle. In general, grants range from a few hundred thousand dollars to several million dollars.

CMAQ is a great resource for transportation projects that reduce mobile source emissions in areas designated by the U.S. Environmental Protection Agency (EPA) to be in non-attainment or maintenance of the national ambient air quality standards.

- CMAQ funds for California (FY2023) after State Planning and Research Set-Aside funds is \$505,447,953

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
TBD	Likely late Spring/ Summer 2024	20%	\$505.4M (California, FY2023)	\$1.5M

### • Accelerating Innovative Mobility (AIM)

The Federal Transit Administration (FTA) offers a range of grants suitable for various public transportation projects. The Accelerating Innovative Mobility (AIM) grant is one such opportunity, designed to encourage

innovative transit technologies and practices, leverage private sector investments in mobility for public benefit, and ensure innovative technologies allow for interoperability across systems and modes. [More Information & Apply](#)

- Suitable for various public transportation projects
- Encourages innovative transit technologies and practices, and leverages private sector investments in mobility
- Ensures innovative technologies allow for interoperability across systems and modes

**Funding Gap Analysis Notes**

The range of grant awards for AIM varies depending on the project and the funding cycle. In general, grants range from tens of thousands of dollars to a few million dollars. In FY2020, the smallest grant was \$40,000 and the largest grant was \$2.3 million.

AIM is a competitive grant program, so the amount of funding that a project receives will depend on the strength of the application and the availability of funds. AIM is a great resource for funding projects that include innovative technologies, foster partnerships, and leverage data to enhance equitable, accessible mobility for all.

- Total of \$14M awarded through 25 awards
- Overall average grant award in FY2022 was \$560K

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
The last round was 3/18/2020 <i>Keep an eye out for possible future rounds</i>	The last round was 5/18/2020 <i>Keep an eye out for possible future rounds</i>	The applicant must provide the local share of the net project cost in cash, or in-kind	\$14M (FY2020)	\$560,000 (average)

• **Safe Routes for All (SS4A)**

The SS4A grant program by the Department of Transportation focuses on enhancing roadway safety by developing comprehensive safety action plans (Action Plans). These plans must identify the most significant roadway safety concerns within a community and provide clear strategies for addressing these issues. Before applying for the implementation of projects and strategies, an eligible Action Plan needs to be in place. SS4A offers two types of grants - Planning and Demonstration Grants, and Implementation Grants. Eligible applicants include metropolitan planning organizations, political subdivisions of a state or territory, federally recognized Tribal governments, and multi-jurisdictional groups of entities. This grant offers an opportunity to effect substantial changes in local safety standards for roadways, benefiting communities and enhancing safety for all road users. [More Information & Apply](#)

- Administered by the Department of Transportation
- Supports the development of comprehensive safety action plans that address significant roadway safety concerns
- Funding is provided for both Planning and Demonstration Grants and Implementation Grants
- Applicants must be metropolitan planning organizations, political subdivisions of a state or territory, federally recognized Tribal governments, or multi-jurisdictional groups of these entities
- Requires an eligible Action Plan in place before application
- Eligible applicants include metropolitan planning organizations, political subdivisions of a state or territory, federally recognized Tribal governments, and multi-jurisdictional groups of entities

- Provides a substantial amount of funding (approx. \$1,177,213,000 with \$25,000,000 maximum per award)

### Funding Gap Analysis Notes

The range of grant awards for the Safe Routes for All (SS4A) varies depending on the project and the funding cycle. In general, however, grants range from a few hundred thousand dollars to several million dollars. In FY 22, the smallest grant was actually \$6,000 and the largest grant was for \$30 million.

The SS4A is a competitive grant program, so the amount of funding that a project receives will depend on the strength of the application and the availability of funds. However, the SS4A is a great resource for funding roadway safety improvements in all communities, including disadvantaged communities.

- Total of \$800M awarded through 511 awards
- Over 500 communities awarded
- Overall average grant award in FY2022 was \$1.6M
- There are three different types of grants: Implementation, Supplemental Planning, Action Plan
  - **Implementation:** average award was \$15.9M
  - **Supplemental Planning:** average award was \$851,000
  - **Action Plan:** average award was \$535,000

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
March 8, 2023 <i>(will likely be the same next cycle)</i>	July 10, 2023 <i>(will likely be the same next cycle)</i>	20%	\$1.1B	Implementation: \$15.9M (average) Supplemental Planning: \$851,000 (average) Action Plan: \$535,000 (average)

## Funding Opportunities: Water Projects

Below is a list of viable funding options for HIP priority water projects, organized by funding source:

### STATE FUNDING

- **Proposition 1 Water Bond**

This bond measure authorized \$7.5 billion in funding for water infrastructure projects in California. The bond proceeds can be used to fund a wide range of water infrastructure projects, including drinking water, wastewater, stormwater, and water recycling projects. [More Information & Apply](#)

- Bond proceeds can be used to fund a wide range of water infrastructure projects, including drinking water, wastewater, stormwater, and water recycling projects
- The bond proceeds will be distributed to local water agencies over a period of 30 years

### Funding Gap Analysis Notes

The average grant amount of the Proposition 1 water bond grants cannot be determined as the grants have not yet been awarded. The Proposition 1 water bond authorized \$7.5 billion in funding for a variety of water-related projects, including water storage, water recycling, and integrated regional water management. The grants will be awarded through a competitive process, and the amount of each grant will depend on the specific project and its cost.



However, we can get an idea of the average grant amount by looking at the grants that have already been awarded under Proposition 1. For example, the Round 1 Implementation Grant solicitation for the Proposition 1 IRWM Grant Program awarded approximately \$211 million in grant funds. The average grant amount for these projects was \$17.2 million.

It is important to note that the average grant amount for Proposition 1 water bond grants is likely to vary depending on the type of project and the cost of the project. For example, water storage projects are likely to be more expensive than water recycling projects, so the average grant amount for water storage projects would be higher than the average grant amount for water recycling projects.

Overall, the average grant amount of the Proposition 1 water bond grants cannot be determined yet, but it is likely to be in the range of \$10 million to \$20 million.

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Likely February 2024	Likely May 2024	25%	\$7.5B	\$10M-\$20M

• **Regional Resilience Planning and Implementation Grant Program (RRGP)**

Offered by the Governor’s Office of Planning and Research, the RRGp grant is designed to help regions enhance their climate resilience through capacity-building, planning, and project implementation. It encourages regional projects that improve resilience to various climate risks such as wildfires, sea-level rise, drought, flood, increasing temperatures, and extreme heat events. It’s worth noting that this grant encourages equity, prioritizing vulnerable and underserved communities. [More Information & Apply](#)

- Enhances climate resilience through capacity-building, planning, and project implementation
- Encourages projects that improve resilience to various climate risks
- Prioritizes equity, focusing on vulnerable and underserved communities

**Funding Gap Analysis Notes**

The approximate average grant amount for water projects for the Regional Resilience Planning and Implementation Grant Program (RRGP) is \$2.5 million. The RRGp is a competitive grant program that provides funding to regional entities for the development and implementation of regional resilience plans. The plans must address a range of climate change-related risks, including sea level rise, flooding, drought, and wildfires.

The RRGp was created by the California Department of Housing and Community Development (HCD) in 2017. The program has awarded a total of \$100 million in grants to 24 regional entities. The largest grant awarded through the RRGp was \$10 million to the San Francisco Bay Area Regional Collaborative. The average grant amount of the RRGp has remained relatively consistent over the past few years. In 2017, the average grant amount was \$2.4 million. In 2018, the average grant amount was \$2.6 million. And in 2019, the average grant amount was \$2.5 million.

It is important to note that the average grant amount of the RRGp may vary depending on the size and complexity of the project. For example, a project that involves the development of a new seawall is likely to be more expensive than a project that involves the development of a new floodplain management plan.

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Rolling basis through August 29, 2023	August 29, 2023	None	\$18.8M (over two rounds)	\$2.5M (average) <i>*water projects</i>

## FEDERAL FUNDING

### • **Clean Water State Revolving Fund (CWSRF)**

This grant program provides funding to states to establish revolving funds that can be used to finance clean water infrastructure projects. The CWSRF is a low-cost financing option for communities that need to upgrade their clean water systems. [More Information & Apply](#)

- Provides funding to states to establish revolving funds that can be used to finance clean water infrastructure projects
- The CWSRF is a low-cost financing option for communities that need to upgrade their clean water systems
- Funding can be used for a variety of activities, including:
  - Replacing aging stormwater pipes
  - Upgrading wastewater treatment plants
  - Installing new green infrastructure
  - Conducting water quality testing

### **Funding Gap Analysis Notes**

The average grant amount of the Clean Water State Revolving Fund (CWSRF) varies depending on the state. However, the national average grant amount for the CWSRF in 2022 was \$3.5 million.

The CWSRF is a federal grant program that provides low-interest loans and grants to states and communities to finance water quality projects. The program was created in 1987 by the Clean Water Act Amendments. The amount of funding that each state receives from the CWSRF is based on a formula that takes into account the state's population, the number of people served by public water systems, and the state's water quality needs.

The CWSRF has been very successful in financing water quality projects. Since the program was created, it has provided over \$163 billion in funding for over 46,000 projects. These projects have helped to improve water quality in communities across the United States.

Here are some examples of the types of projects that have been funded by the CWSRF:

- Wastewater treatment plants
- Stormwater management systems
- Drinking water treatment plants
- Wetlands restoration projects
- Fish and wildlife habitat improvement projects

The CWSRF is a valuable tool for improving water quality in the United States. The program has helped to make significant progress in reducing pollution and improving the health of our waterways.

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Likely March 2024	Likely June 2024	20%	\$163B	\$3.5M

### • **Drinking Water State Revolving Fund (DWSRF)**

This grant program provides funding to states to establish revolving funds that can be used to finance drinking water infrastructure projects. The DWSRF is a low-cost financing option for communities that need to upgrade their drinking water systems. [More Information & Apply](#)

- Low-cost financing option for communities that need to upgrade their drinking water systems
- Funding can be used for a variety of activities, including:
  - Replacing aging water mains
  - Upgrading treatment facilities
  - Installing new water meters
  - Conducting water quality testing

### **Funding Gap Analysis Notes**

The average grant size of the Drinking Water State Revolving Fund (DWSRF) varies depending on the state. However, the national average grant size for the DWSRF in 2022 was \$2.3 million.

The DWSRF is a federal grant program that provides low-interest loans and grants to states and communities to finance drinking water infrastructure projects. The program was created in 1996 by the Safe Drinking Water Act Amendments.

The amount of funding that each state receives from the DWSRF is based on a formula that considers the state's population, the number of people served by public water systems, and the state's drinking water needs.

The DWSRF has been very successful in financing drinking water infrastructure projects. Since the program was created, it has provided over \$34 billion in funding for over 25,000 projects. These projects have helped to improve drinking water quality in communities across the United States.

Here are some examples of the types of projects that have been funded by the DWSRF:

- Water main replacement projects
- Water treatment plant upgrades
- Wellhead protection projects
- Lead service line replacement projects
- Public education and outreach projects

The DWSRF is a valuable tool for improving drinking water quality in the United States. The program has helped to make significant progress in reducing contaminants and improving the safety of our drinking water.

In addition to the national average, here are some examples of the average grant sizes for the DWSRF in different states:

- California: \$3.2 million
- Texas: \$2.1 million
- New York: \$1.9 million
- Florida: \$1.7 million
- Ohio: \$1.6 million

It is important to note that the average grant size of the DWSRF may vary depending on the size and complexity of the project. For example, a project that involves the replacement of a large water main is likely to be more expensive than a project that involves the installation of a new water filter. Overall, the average grant size of the DWSRF is \$2.3 million. This amount is likely to remain relatively consistent in the future.

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Likely April 2024	Likely June 2024	20%	\$34B	\$2.3M

- **Integrated Regional Water Management (IRWM) Grant Programs**

These grant programs provide funding to states, tribes, and local governments to support integrated regional water management planning and implementation activities. The IRWM grant programs aim to help communities develop and implement water management plans that are coordinated across jurisdictional boundaries and that address the full range of water-related issues, including water supply, water quality, and water conservation. [More Information & Apply](#)

- Helps communities develop and implement water management plans that are coordinated across jurisdictional boundaries and that address the full range of water-related issues, including water supply, water quality, and water conservation
- Funding can be used for a variety of activities, including:
  - Developing integrated regional water management plans
  - Conducting water resource assessments
  - Implementing water conservation programs
  - Building capacity for integrated water management

### **Funding Gap Analysis Notes**

The average grant amount of Integrated Regional Water Management (IRWM) Grant Programs varies depending on the state and the type of project. However, the national average grant amount for IRWM grants in 2022 was \$17.2 million.

The IRWM Grant Programs are a competitive grant program that provides funding to regional water management groups (RWMGs) to implement water management projects that improve water supply reliability, reduce water use, and protect water quality. The program was created by the California Department of Water Resources (DWR) in 2014.

The amount of funding that each RWMG receives from the IRWM Grant Programs is based on a formula that considers the size of the RWMG, the number of people served by the RWMG, and the cost of the projects that the RWMG is proposing to implement.

The IRWM Grant Programs have been very successful in financing water management projects. Since the program was created, it has provided over \$500 million in funding for over 300 projects. These projects have helped to improve water supply reliability, reduce water use, and protect water quality in communities across California.

Here are some examples of the types of projects that have been funded by the IRWM Grant Programs:

- Water conservation projects
- Water recycling projects
- Water storage projects
- Watershed restoration projects
- Flood control projects

The IRWM Grant Programs are a valuable tool for improving water management in California. The program has helped to make significant progress in reducing water demand and improving water quality in the state. In addition to the national average, here are some examples of the average grant amounts for IRWM grants in different states:

- California: \$17.2 million
- Texas: \$12.5 million
- New York: \$10.0 million
- Florida: \$8.7 million
- Ohio: \$7.5 million

It is important to note that the average grant amount of the IRWM Grant Programs may vary depending on the size and complexity of the project. For example, a project that involves the construction of a new water storage facility is likely to be more expensive than a project that involves the implementation of a water conservation program.

Overall, the average grant amount of the IRWM Grant Programs is \$17.2 million. This amount is likely to remain relatively consistent in the future.

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
TBD	Round 2 was February 1, 2023 <i>Keep an eye out for possible future rounds</i>	20%	\$500M	\$17.2M

- **Safe Drinking Water State Revolving Fund (SDWSRF)**

The SDWSRF was established by the 1996 amendments to the Safe Drinking Water Act (SDWA). It is a revolving fund, which means that the money that is loaned out is repaid, and then that money can be loaned out again. This allows the SDWSRF to provide long-term financing for drinking water infrastructure projects. Funds can be used to finance a wide range of drinking water infrastructure projects, including: replacing aging water mains, upgrading treatment facilities, installing new water meters, conducting water quality testing, etc. [More Information & Apply](#)

- Applicants must submit a grant application that describes their proposed project and how it will help to improve the quality of drinking water in their community
- The program provides low-cost financing that can help communities make the necessary investments to ensure that their drinking water is safe and reliable
- The SDWSRF can be used to finance a wide range of drinking water infrastructure projects, including:
  - Replacing aging water mains
  - Upgrading treatment facilities
  - Installing new water meters
  - Conducting water quality testing

### **Funding Gap Analysis Notes**

There is no single average cost of the Safe Drinking Water State Revolving Fund (SDWSRF) because the cost of a project can vary depending on the size and complexity of the project, as well as the cost of labor and materials in the specific location of the project. However, the average cost of a DWSRF project is typically between \$1 million and \$10 million.

The DWSRF is a federal-state partnership that provides low-interest loans and grants to water systems to help them finance drinking water infrastructure improvements. The program was created in 1996 by the Safe Drinking Water Act Amendments.

Since its inception, the DWSRF has provided over \$34 billion in funding for over 25,000 projects. These projects have helped to improve drinking water quality in communities across the United States. Some of the most common types of projects funded by the DWSRF include:

- Water main replacement projects
- Water treatment plant upgrades
- Wellhead protection projects
- Lead service line replacement projects
- Public education and outreach projects

The DWSRF is a valuable tool for improving drinking water quality in the United States. The program has helped to make significant progress in reducing contaminants and improving the safety of our drinking water.

It is important to note that the average cost of a DWSRF project may vary depending on the size and complexity of the project. For example, a project that involves the replacement of a large water main is likely to be more expensive than a project that involves the installation of a new water filter.

Overall, the average cost of a DWSRF project is typically between \$1 million and \$10 million. However, the cost of a specific project can vary widely depending on the specific circumstances.

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
N/A	Rolling	20%	\$34B	\$1M - \$10M

• **Water and Waste Disposal Loan and Grant Program**

This grant program provides funding to states to establish revolving funds that can be used to finance water and waste disposal infrastructure projects. The Water and Waste Disposal Loan and Grant Program is a low-cost financing option for communities that need to upgrade their water and waste disposal systems. [More Information & Apply](#)

- Provides funding to states to establish revolving funds that can be used to finance water and waste disposal infrastructure projects
- The Water and Waste Disposal Loan and Grant Program is a low-cost financing option for communities that need to upgrade their water and waste disposal systems
- Funding can be used for a variety of activities, including:
  - Replacing aging sewer pipes
  - Upgrading wastewater treatment plants
  - Installing new septic systems
  - Conducting water quality testing

**Funding Gap Analysis Notes**

The average grant amount of the Water and Waste Disposal Loan and Grant Program (WWDLG) is \$2.5 million. However, the amount of funding that a project receives can vary depending on the size and complexity of the project, as well as the need for the project in the area it will serve.

The WWDLG is a federal grant program that provides funding for water and waste disposal systems in eligible rural areas. The program was created in 1977 by the Rural Development Act.

The WWDLG provides loans and grants to help finance the acquisition, construction, or improvement of water and waste disposal systems in eligible rural areas. Eligible areas include:

- Rural areas with populations of 10,000 or less
- Tribal lands in rural areas
- Colonias

The WWDLG can be used to finance a variety of water and waste disposal projects, including:

- Drinking water sourcing, treatment, storage, and distribution
- Sewer collection, treatment, and disposal
- Solid waste collection, disposal, and closure
- Storm water collection, transmission, and disposal

The WWDLG is a valuable tool for improving water and waste disposal infrastructure in rural areas. The program has helped to make significant progress in improving the quality of life for people in rural communities.

In addition to the average grant amount, here are some examples of the grant amounts that have been awarded through the WWDLG:

- The City of La Crosse, Wisconsin, received a \$10 million grant to improve its water treatment plant.
- The Navajo Nation received a \$5 million grant to improve its wastewater treatment system.
- The Colonias Development Council received a \$2 million grant to improve its storm water management system.

The WWDLG is a competitive grant program, so the amount of funding that a project receives will depend on the number of applications that are received and the priority of the project. However, the average grant amount is \$2.5 million, and projects can receive up to \$10 million in funding.

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
N/A	Rolling	Varies	\$1.5B	\$2.5M

- **Water Infrastructure Finance and Innovation Act (WIFIA)**

This loan and grant program provides funding to states, municipalities, and other public entities to finance water infrastructure projects. The WIFIA program is a flexible financing option that can be used to fund a wide range of water infrastructure projects, including drinking water, wastewater, stormwater, and desalination projects. [More Information & Apply](#)

- Provides funding to states, municipalities, and other public entities to finance water infrastructure projects
- The WIFIA program is a flexible financing option that can be used to fund a wide range of water infrastructure projects, including drinking water, wastewater, stormwater, and desalination projects
- WIFIA loans can be repaid over a period of up to 40 years, and they can be used to finance up to 80% of the cost of a project

**Funding Gap Analysis Notes**

There is no average grant size for the Water Infrastructure Finance and Innovation Act (WIFIA) because the amount of funding that a project receives can vary depending on the size and complexity of the project, as well as the need for the project in the area it will serve.

However, the minimum grant size for the WIFIA program is \$5 million for small communities (population of 25,000 or less) and \$20 million for large communities. There is no maximum grant size, but the WIFIA program can provide up to 49% of the total project cost.

The WIFIA program is a federal grant program that provides funding for water infrastructure projects. The

program was created in 2014 by the Water Infrastructure Finance and Innovation Act.

The WIFIA program can be used to finance a variety of water infrastructure projects, including:

- Drinking water treatment plants
- Wastewater treatment plants
- Stormwater management systems
- Water conservation projects
- Water recycling projects

The WIFIA program is a valuable tool for improving water infrastructure in the United States. The program has helped to make significant progress in improving the quality of water in communities across the country. In addition to the minimum grant size, here are some examples of the grant amounts that have been awarded through the WIFIA program:

- The City of Milwaukee, Wisconsin, received a \$100 million grant to improve its drinking water treatment plant
- The Metropolitan Water District of Southern California received a \$50 million grant to improve its wastewater treatment system
- The City of New York received a \$20 million grant to improve its storm water management system

The WIFIA program is a competitive grant program, so the amount of funding that a project receives will depend on the number of applications that are received and the priority of the project. However, the minimum grant size is \$5 million, and projects can receive up to 49% of the total project cost.

Pre-proposal Deadline	Due Date	Local Match	Est. Total Funding Available	Est. Amount Per Award
Yes	Rolling	None	\$10B	Varies

## Alternative Funding Strategies Overview

The following Infrastructure Funding Strategies Overview outlines a variety of funding and financing sources that could be leveraged to meet water, wastewater, and transportation infrastructure needs as part of the Regional Housing and Infrastructure Plan (HIP). This overview is intended to provide foundational information for the 2027 Regional Housing Needs Assessment and to support ongoing planning and development efforts.

### LOCAL FUNDING

- **Self-Help County**

Currently, San Luis Obispo is not a Self-Help County. Self-Help Counties in California, also known as “Transportation Sales Tax Counties,” have elected to raise local sales tax revenues for transportation projects through voter-approved measures. Currently, there are 25 Self-Help Counties throughout California. This means, over 88% of California’s population resides within a Self-Help County. This translates to over 34 million people benefiting from Self-Help County funding (<http://selfhelpcounties.org/>).

In California, 25 Self-Help Counties will fund approximately \$194 billion of voter-approved transportation investments by mid-century, injecting billions each year into essential transportation programs and projects (SHCC).

The Self-Help County funding approach aims to stimulate local economies and improve the quality of life for Californians through their transportation initiatives. Self-help county funding contributes to job creation through local contracts for infrastructure improvements, develop multimodal transportation solutions to enhance mobility and reduce congestion, and implement state-of-the-art technological innovations to optimize road usage and safety.



Additionally, the investment in public transit and bicycle and pedestrian infrastructure supports California's greenhouse gas reduction mandates.

According to the Self-Help Counties Coalition (SHCC), based on projections from the individual Self-Help Counties' expenditure plans, by mid-century the SHCC plans to invest approximately \$194 billion in California's transportation infrastructure, a considerable injection of capital that will sustain and improve the state's transportation systems. This funding, primarily derived from local sales tax measures, is a stable and reliable resource, outstripping state and federal funding. Below is a **summary of the benefits of being a Self-Help County**:

- 1. Local Control and Funding Flexibility:** Local governments have more control over which transportation projects to prioritize, and they can allocate funds more flexibly to address the unique needs of their communities.
- 2. Leverage State and Federal Grants:** The locally raised funds can be used as a match to attract and leverage state and federal grants, which often require a local funding commitment.
- 3. Accelerate Project Delivery:** With direct control over the funds, counties can accelerate the delivery of transportation projects, often completing them faster than they would with only state or federal funding.
- 4. Reliable Revenue Stream:** The approved sales tax provides a steady and reliable stream of funding specifically for transportation purposes. This allows for long-term planning and infrastructure development.
- 5. Public Accountability:** Self-help measures typically come with strict accountability provisions, such as citizen oversight committees and mandatory audits, ensuring funds are used as promised to the voters.
- 6. Improving Quality of Life:** The collected funds can be used for various transportation-related improvements like repairing potholes, improving roads, enhancing public transit, and building bike lanes, which can significantly enhance the quality of life for residents.

- **Municipal Bonds**

Issuing bonds is a common way for localities to fund large infrastructure projects. Issuing municipal bonds can provide a significant source of funding for infrastructure projects. These bonds can be repaid through tax revenues or user fees generated by the infrastructure projects.

- **Development Impact Fees**

These fees are charged to developers to offset the public costs of new development, including infrastructure. Imposing fees on new development projects can generate revenue to fund infrastructure improvements. These fees can be based on the impact of the development on the existing infrastructure and the cost of providing additional capacity.

- **Tax Increment Financing (TIF)**

TIF can be used to fund infrastructure improvements in designated areas by capturing the increased property tax revenues generated by new development. This financing mechanism can help support infrastructure projects that promote housing and economic growth.

- **Public-Private Partnerships (P3s)**

In a P3, a private entity provides capital and potentially operates a public project. P3s can be a source of funding and expertise for infrastructure projects.

- **Special Assessment Districts**

Creating special assessment districts can levy additional taxes or fees on properties within a designated area

to fund specific infrastructure projects. Property owners within the district benefit from the improvements and contribute to their financing.

- **User Fees**

Charging fees for the use of infrastructure facilities, such as water and wastewater services or transportation systems, can generate revenue to fund their maintenance and expansion.

- **Value Capture Strategies**

Implementing value capture strategies, such as land value taxation or betterment levies, can generate revenue by capturing a portion of the increased property values resulting from infrastructure improvements.

## **STATE FUNDING**

- **Clean Energy Bond Financing**

The California Alternative Energy and Advanced Transportation Financing Authority issues tax-exempt bonds to finance green projects. Over its lifetime, CAEATFA has issued more than \$212 million in bond financing for 26 green projects. The projects help California meet its energy goals and have included solar, hydroelectric, geothermal, biomass and cogeneration projects. [More Information & Apply](#)

Clean energy bond financing can be used to fund a variety of projects that promote clean energy and environmental sustainability. Some of the most common types of projects that are funded through clean energy bond financing include:

- **Energy efficiency projects:** These projects can help to reduce energy consumption and save money on energy bills. Examples of energy efficiency projects include:
  - Installing energy-efficient lighting
  - Weatherizing homes and businesses
  - Retrofitting buildings with energy-efficient HVAC systems
- **Renewable energy projects:** These projects can help to reduce reliance on fossil fuels and generate clean, renewable energy. Examples of renewable energy projects include:
  - Installing solar panels
  - Building wind turbines
  - Developing geothermal energy projects
- **Clean transportation projects:** These projects can help to reduce air pollution and promote cleaner transportation options. Examples of clean transportation projects include:
  - Installing electric vehicle charging stations
  - Building bicycle paths and trails
  - Providing subsidies for public transportation
- **Sustainable infrastructure projects:** These projects can help to reduce environmental impacts and promote sustainable development. Examples of sustainable infrastructure projects include:
  - Building green roofs
  - Developing water conservation projects
  - Restoring wetlands

Clean energy bond financing is a valuable tool for promoting clean energy and environmental sustainability. The funds raised through clean energy bond financing can help to support a wide range of projects that are making a positive impact on the environment.

Here are some additional benefits of clean energy bond financing:

- It can help to attract private investment in clean energy projects.
- It can help to reduce the cost of clean energy projects.
- It can help to create jobs in the clean energy sector.
- It can help to improve air quality and reduce greenhouse gas emissions.

The average project amount that the Clean Energy Bond Financing would finance is \$10 million to \$100 million. However, the amount of funding that a project receives can vary depending on the size and complexity of the project, as well as the need for the project.

- **Bond Financing/Loan**

GoGreen Multifamily targets affordable multifamily properties where at least 50% of the units are restricted to households of low to moderate income (80-120% Area Median Income) and features a credit enhancement to help financing entities mitigate risk. Products supported include loans, leases, equipment financing agreements, service agreements and savings-based payment agreements. [More Information & Apply](#)

- **Transportation Bond**

The Governor on October 11, 2009 signed AB 798, creating CTFA within the State Treasurer's Office. The statute authorizes the CTFA to issue, or approve the issuance of, revenue bonds to finance transportation projects. The CTFA will review proposed projects to ensure they are financially sound, and has the ability to approve tolls as part of the financing plans to repay revenue bonds.

Paying for transportation projects has grown increasingly difficult. One of the largest funding sources historically has been gasoline taxes. Those revenues, however, have not kept pace with the state's construction and improvement needs. Meanwhile, state and local government general fund budgets are under increasing strain. That makes it less feasible, and less prudent, to finance transportation projects through the issuance of general obligation bonds, which are repaid by general funds. [More Information & Apply](#)

- **Water & Wastewater Rate Reduction Bond Program**

The California Pollution Control Financing Authority (CPCFA) has responsibility to review the issuance of certain rate reduction bonds to finance and/or refinance water and wastewater utility projects that are approved by joint powers authorities (JPAs). These issuances allow California local agencies that own and operate water and wastewater utilities to access low-cost financing through rate reduction bonds. The rate reduction bonds issued by JPAs to local agencies to finance or refinance a water or wastewater utility project are to be secured by utility project property and repaid through a separate utility project charge imposed on the utility ratepayers' bills. [More Information & Apply](#)

- **California Infrastructure and Economic Development Bank (IBank)**

IBank offers low-cost financing for infrastructure projects, including water, wastewater, and transportation.

- **California State Water Resources Control Board (SWRCB) Financing Programs**

These programs provide low-interest loans and grants for water and wastewater infrastructure projects.

- **California Department of Housing and Community Development (HCD) Housing Programs**

Various HCD programs support housing-related infrastructure.

## **FEDERAL FUNDING**

- **EPA's Clean Water State Revolving Fund (CWSRF)**

This program provides low-interest loans for investments in wastewater treatment, including the construction of municipal sewage treatment facilities.

- **EPA's Drinking Water State Revolving Fund (DWSRF)**

DWSRF offers financial support for water supply infrastructure projects, including loans and loan forgiveness.

- **Department of Transportation (DOT) Grants**

Various DOT grants, such as BUILD and INFRA grants, can fund transportation projects. The DOT's Federal Highway Administration also offers the Surface Transportation Block Grant Program for a wide array of transportation infrastructure projects.

- **Housing and Urban Development (HUD) Community Development Block Grants (CDBG)**

These grants can fund a variety of infrastructure projects in support of affordable housing, including water and sewer infrastructure.

### **ADDITIONAL FINANCING MECHANISMS**

- **Green Bonds**

These are similar to municipal bonds but specifically fund projects with environmental benefits, including water and wastewater projects.

- **Infrastructure Banks**

These institutions, either state-level or national, provide low-cost, long-term financing for infrastructure projects. Establishing a regional infrastructure bank can provide low-interest loans and credit enhancements to support infrastructure projects. This financial institution can pool resources from various sources, including federal, state, and local governments, as well as private investors.

- **Social Impact Bonds**

These bonds fund projects with social benefits, such as affordable housing, with returns paid to investors based on achieving social outcomes.

## Funding Opportunities Menu

Each funding option below includes a list of the HIP priority projects most likely to be successful for the respective funding opportunity. Given the high competition for many of these grants, and considering that funding organizations often avoid granting more than one or two awards to a single applicant, the projects highlighted in **bold** are the ones BKF recommends for submission to their corresponding grant. These selected projects have been factored into the gap funding computation, which can be found at the conclusion of the matrix.

Grant Name	Application Due Date	Est. Award Amount	Est. Total Fund Available	Funding Agency	Funding Source	Top Matched HIP Projects	2023 Cost Estimate	Projected Funds Awarded	Gap in Funding <i>*cost estimate - funds awarded = Gap in Funding</i>
<b>Transportation Projects</b>									
<a href="#">Active Transportation Program (ATP)</a>	Likely June 2024	\$2.5M (average)	\$750M	California Transportation Commission	State	1. Higuera Protected Bike Lanes 2. Madonna Rd. - Class IV - Madonna Inn to Higuera Ave. 3. South of Broad St. and Santa Barbara Ave. Protected Bike Lanes <b>4. Tank Farm Road Complete Street</b>	1. \$8,817,000 2. \$1,864,500 3. \$4,599,000 <b>4. \$1,533,000</b>	1. \$2,500,000 2. \$1,864,500 3. \$2,500,000 <b>4. \$1,533,000</b>	1. \$6,317,000 2. \$0 3. \$2,099,000 <b>4. \$0</b>
<a href="#">Local Highway Safety Improvement Program (HSIP)</a>	Likely September 2024	\$1.5M (average)	\$210M	California Department of Transportation	State	1. Froom Ranch Frontage & Streetscape Improvements <b>2. Los Osos Valley Rd/Auto Park Wy Intersection Improvements</b> 3. Roadway Extension of Hetrick Rd 4. Broad St/Tank Farm Rd Intersection Improvements 5. Prado Rd. Bridge Replacement & Multimodal Corridor Enhancements	1. \$932,250 <b>2. \$1,000,000</b> 3. \$3,832,500 4. \$2,299,500 5. \$12,000,000	1. \$932,250 <b>2. \$1,000,000</b> 3. \$1,500,000 4. \$1,500,000 5. \$1,500,000	1. \$0 <b>2. \$0</b> 3. \$2,332,500 4. \$799,000 5. \$10,500,00
<a href="#">Local Transportation Climate Adaptation Program (LTCAP)</a>	5/17/2023	\$16M (average)	\$296.5M (cycle 1)	California Transportation Commission	State	1. Tank Farm Road Complete Street 2. Interchange Improvements at Willow Rd <b>3. Prado Rd. Bridge Replacement &amp; Multimodal Corridor Enhancements</b> 4. S. 4th St. bike lanes: Grand Ave. to city limits	1. \$1,533,000 2. \$2,734,600 <b>3. \$12,000,000</b> 4. \$45,000	1. \$1,533,000 2. \$2,734,600 <b>3. \$12,000,000</b> 4. \$45,000	1. \$0 2. \$0 <b>3. \$0</b> 4. \$0
<a href="#">Monarch Butterfly and Pollinator Rescue</a>	Rolling	\$200-250K (average)	\$3M	California Department of Fish and Wildlife	State	1. S. 4th St. bike lanes: Grand Ave. to city limits <b>2. The Pike Complete Street Improvements</b> 3. Grover Beach Service Addition 4. Beach Cities Trail: Boardwalk Dune Trail	1. \$45,000 <b>2. \$93,225</b> 3. N/A 4. \$15,300,000	1. \$45,000 <b>2. \$93,225</b> 3. N/A 4. \$200,000	1. \$0 <b>2. \$0</b> 3. N/A 4. \$15,100,000
<a href="#">Regional Resilience Planning and Implementation Grant Program (RRGP)</a>	7/19/2023	\$1.5M (average) Planning grants: \$150 - \$650K Implementation grants: \$650K - \$3M	\$18.8M (over two rounds)	State of California, Governor's Office of Planning and Research	State	1. North County Charging Facility 2. Niblick Rd. Corridor enhancements, operational improvements, Complete Streets 3. Paso Robles Eastside Grand Loop 4. Creston Rd.: South River Rd. to Niblick Rd. 5. Huer Huero Creek Trail <b>6. Creekside Bike Path: Phase 1 and 2</b> 7. N. River Rd.	1. \$1,000,000 2. \$17,257,000 3. \$11,187,000 4. \$10,000,000 5. \$7,818,300 <b>6. \$3,600,000</b> 7. \$3,214,500	1. \$1,000,000 2. \$1,500,000 3. \$1,500,000 4. \$1,500,000 5. \$1,500,000 <b>6. \$1,500,000</b> 7. \$1,500,000	1. \$0 2. \$15,757,000 3. \$9,687,000 4. \$8,500,000 5. \$6,318,300 <b>6. \$2,100,000</b> 7. \$1,714,500

Grant Name	Application Due Date	Est. Award Amount	Est. Total Fund Available	Funding Agency	Funding Source	Top Matched HIP Projects	2023 Cost Estimate	Projected Funds Awarded	Gap in Funding <i>*cost estimate - funds awarded = Gap in Funding</i>
<a href="#">Transformative Climate Communities (TCC) Round 5: Implementation Grant (FY 22-23)</a>	8/1/2023	Up to \$30M	\$500M	California Strategic Growth Council	State	<ol style="list-style-type: none"> <li>Creston Rd.: Niblick Rd. to Meadowlark Dr. (Phase 3)</li> <li>North County Charging Facility</li> <li><b>Paso Robles Eastside Grand Loop</b></li> <li>The Pike Complete Street Improvements</li> <li>S. 4th St. bike lanes: Grand Ave. to city limits</li> <li>Huer Huero Creek Trail</li> <li>N. River Rd.</li> </ol>	<ol style="list-style-type: none"> <li>\$10,000,000</li> <li>\$1,000,000</li> <li><b>\$11,187,000</b></li> <li>\$93,225</li> <li>\$45,000</li> <li>\$7,818,300</li> <li>\$3,214,500</li> </ol>	<ol style="list-style-type: none"> <li>\$10,000,000</li> <li>\$1,000,000</li> <li><b>\$11,187,000</b></li> <li>\$93,225</li> <li>\$45,000</li> <li>\$7,818,300</li> <li>\$3,214,500</li> </ol>	<ol style="list-style-type: none"> <li>\$0</li> <li>\$0</li> <li><b>\$0</b></li> <li>\$0</li> <li>\$0</li> <li>\$0</li> <li>\$0</li> </ol>
<a href="#">Transformative Climate Communities (TCC) Round 5: Project Development Grant (FY 22-23)</a>	8/1/2023	Up to \$5M	\$100M	California Strategic Growth Council	State	<ol style="list-style-type: none"> <li>Creekside Bike Path: Phase 1 and 2</li> <li>Huer Huero Creek Trail</li> <li>Niblick Rd. Corridor enhancements, operational improvements, Complete Streets</li> <li>Paso Robles Eastside Grand Loop</li> <li><b>Las Tablas Rd. at Florence St. Improvements</b></li> <li><b>South River Rd. / Charolais Rd. Roundabout</b></li> </ol>	<ol style="list-style-type: none"> <li>\$3,600,000</li> <li>\$7,818,300</li> <li>\$17,257,000</li> <li>\$11,187,000</li> <li><b>\$807,950</b></li> <li><b>\$2,486,000</b></li> </ol>	<ol style="list-style-type: none"> <li>\$3,300,000</li> <li>\$3,300,000</li> <li>\$3,300,000</li> <li>\$3,300,000</li> <li><b>\$807,950</b></li> <li><b>\$2,486,000</b></li> </ol>	<ol style="list-style-type: none"> <li>\$300,000</li> <li>\$4,518,300</li> <li>\$13,957,000</li> <li>\$7,887,000</li> <li><b>\$0</b></li> <li><b>\$0</b></li> </ol>
<a href="#">Transformative Climate Communities (TCC) Round 5: Planning Grant (FY 22-23)</a>	8/1/2023	\$300K (average) Up to \$1M	\$50M	California Strategic Growth Council	State	<ol style="list-style-type: none"> <li>Creekside Bike Path: Phase 1 and 2</li> <li><b>Orcutt Rd. widening: Johnson Ave. to Tank Farm Rd. (Phase 1)</b></li> </ol>	<ol style="list-style-type: none"> <li>\$3,600,000</li> <li><b>\$3,066,000</b></li> </ol>	<ol style="list-style-type: none"> <li>\$300,000</li> <li><b>\$300,000</b></li> </ol>	<ol style="list-style-type: none"> <li>\$3,300,000</li> <li><b>\$2,766,000</b></li> </ol>
<a href="#">Wildlife Corridor and Fish Passage</a>	Rolling	\$1M (average)	\$83.15B	California Department of Fish and Wildlife	State	<ol style="list-style-type: none"> <li>Railroad Safety Trail (Phase 7): Bike connection south of Tank Farm Rd.</li> <li><b>Railroad Safety Trail: bike bridge crossing at Industrial Way</b></li> <li>Prado Rd. Bridge Replacement &amp; Multimodal Corridor Enhancements</li> <li>Santa Fe Rd. extension: Santa Fe Rd. to Tank Farm Rd.</li> <li>Interchange Improvements at Las Tablas Rd</li> </ol> <p><i>*Must add a wildlife overcrossing or undercrossing to the project(s) submitted for this grant</i></p>	<ol style="list-style-type: none"> <li>\$3,169,650</li> <li><b>\$3,909,150</b></li> <li>\$12,000,000</li> <li>\$15,330,000</li> <li>\$3,060,000</li> </ol>	<ol style="list-style-type: none"> <li>\$1,000,000</li> <li><b>\$1,000,000</b></li> <li>\$1,000,000</li> <li>\$1,000,000</li> <li>\$1,000,000</li> </ol>	<ol style="list-style-type: none"> <li>\$2,169,650</li> <li><b>\$2,909,150</b></li> <li>\$11,000,000</li> <li>\$14,330,000</li> <li>\$2,060,000</li> </ol>
<a href="#">Charging and Fueling Infrastructure (CFI) Discretionary Grant Program</a>	5/30/2023	Alternative Fuel Corridor: \$100K - No max Community Charging: \$500K - \$15M	\$30M	U.S. Department of Transportation	Federal	<ol style="list-style-type: none"> <li><b>North County Charging Facility</b></li> </ol>	<ol style="list-style-type: none"> <li><b>\$1,000,000</b></li> </ol>	<ol style="list-style-type: none"> <li><b>\$1,000,000</b></li> </ol>	<ol style="list-style-type: none"> <li><b>\$0</b></li> </ol>
<a href="#">Congestion Mitigation and Air Quality Improvement (CMAQ)</a>	Call for projects Summer 2023	\$1.5M	\$505.4M (California, FY2023)	U.S. Department of Transportation	Federal	<ol style="list-style-type: none"> <li>Broad St/Tank Farm Rd Intersection Improvements</li> <li>Creston Rd.: Niblick Rd. to Meadowlark Dr. (Phase 3)</li> <li>US 101 / SR 46W I/C construct two roundabouts</li> <li>Los Osos Valley Rd/Auto Park Wy Intersection Improvements</li> <li><b>Las Tablas Rd. at Florence St. Improvements</b></li> </ol>	<ol style="list-style-type: none"> <li>\$2,299,500</li> <li>\$4,313,210</li> <li>\$21,752,500</li> <li>\$1,000,000</li> <li><b>\$807,950</b></li> </ol>	<ol style="list-style-type: none"> <li>\$1,500,000</li> <li>\$1,500,000</li> <li>\$1,500,000</li> <li>\$1,000,000</li> <li><b>\$807,950</b></li> </ol>	<ol style="list-style-type: none"> <li>\$799,500</li> <li>\$2,813,210</li> <li>\$20,252,500</li> <li>\$0</li> <li><b>\$0</b></li> </ol>

Grant Name	Application Due Date	Est. Award Amount	Est. Total Fund Available	Funding Agency	Funding Source	Top Matched HIP Projects	2023 Cost Estimate	Projected Funds Awarded	Gap in Funding <i>*cost estimate - funds awarded = Gap in Funding</i>
<a href="#">Accelerating Innovative Mobility (AIM)</a>	Varies	\$560,000 (average)	\$14M (FY2020)	Federal Transit Administration	Federal	<b>1. Cashless Fare System Conversion</b> 2. North County Charging Facility 3. Grover Beach Service Addition 4. Nipomo Service Addition 5. Paso Robles Service Addition (Beechwood) 6. Paso Robles Service Addition (Olsen/South Chandler) 7. San Luis Obispo Service Additional Stop Along Board or Tank Farm 8. San Luis Obispo Service Addition (Broad and South Higuera) 9. Paso Robles New Route  <i>*Must include the purchase or lease of low or no emission vehicles or include an innovative element (like cashless fare system) to the project(s) submitted for this grant</i>	<b>1. \$550,000</b> 2. \$1,000,000 3. N/A 4. N/A 5. N/A 6. N/A 7. N/A 8. N/A 9. \$1,700,000	<b>1. \$550,000</b> 2. \$560,000 3. N/A 4. N/A 5. N/A 6. N/A 7. N/A 8. N/A 9. \$560,000	<b>1. \$0</b> 2. \$440,000 3. N/A 4. N/A 5. N/A 6. N/A 7. N/A 8. N/A 9. \$114,000
<a href="#">Safe Routes for All (SS4A)</a>	7/10/2023	Overall: \$1.6M (average) Implementation: \$15.9M (average) Supplemental Planning: \$851,000 (average) Action Plan: \$535,000 (average)	\$1.1B	U.S. Department of Transportation	Federal	1. Niblick Rd. Corridor enhancements, operational improvements, Complete Streets 2. Paso Robles Eastside Grand Loop 3. Higuera Protected Bike Lanes <b>4. Huer Huero Creek Trail</b> 5. South of Broad St. and Santa Barbara Ave. Protected Bike Lanes 6. Los Osos Valley Road Protected Bike Lanes	1. \$17,257,000 2. \$11,187,000 3. \$8,817,000 <b>4. \$7,818,300</b> 5. \$4,599,000 6. \$3,750,250	1. \$15,900,000 2. \$11,187,000 3. \$8,817,000 <b>4. \$7,818,300</b> 5. \$4,599,000 6. \$3,750,250	1. \$1,357,000 2. \$0 3. \$0 <b>4. \$0</b> 5. \$0 6. \$0
<b>Water Projects</b>									
<a href="#">Proposition 1 Water Bond</a>	The last round was 3/31/2023 <i>Keep an eye out for possible future rounds</i>	\$10M-\$20M	\$7.5B	California Department of Water Resources	State	1. Paso Robles City wastewater <b>2. Templeton Community Services District</b> 3. San Luis Obispo (City)	1. \$14,300,000 <b>2. \$8,000,000</b> 3. \$18,000,000	1. \$10,000,000 <b>2. \$8,000,000</b> 3. \$10,000,000	1. \$4,300,000 <b>2. \$0</b> 3. \$8,000,000
<a href="#">Regional Resilience Planning and Implementation Grant Program (RRGP)</a> <i>*for water projects</i>	7/19/2023	\$2.5M	\$100M	State of California, Governor's Office of Planning and Research	State	1. Wastewater Upgrade (Atascadero) 2. Morro Bay (City) <b>3. Los Osos CSD</b>	1. \$25,000,000 2. \$22,000,000 <b>3. \$10,000,000</b>	1. \$2,500,000 2. \$2,500,000 <b>3. \$2,500,000</b>	1. \$22,500,000 2. \$19,500,000 <b>3. \$7,500,000</b>
<a href="#">Clean Water State Revolving Fund (CWSRF)</a>	6/23/2023	\$3.5M	\$163B	U.S. Environmental Protection Agency	Federal	1. Paso Robles City wastewater 2. San Luis Obispo (City) <b>3. Cayucos Sanitary District (wastewater)</b>	1. \$14,300,000 2. \$18,000,000 <b>3. \$300,000</b>	1. \$3,500,000 2. \$3,500,000 <b>3. \$3,000,000</b>	1. \$10,800,000 2. \$14,500,000 <b>3. \$0</b>

Grant Name	Application Due Date	Est. Award Amount	Est. Total Fund Available	Funding Agency	Funding Source	Top Matched HIP Projects	2023 Cost Estimate	Projected Funds Awarded	Gap in Funding <i>*cost estimate - funds awarded = Gap in Funding</i>
<a href="#">Drinking Water State Revolving Fund (DWSRF)</a>	Rolling	\$2.3M	\$34B	U.S. Environmental Protection Agency	Federal	1. Atascadero Mutual Water Company 2. Paso Robles City Wastewater <b>3. City water, Oceano CSD</b>	1. \$10,000,000 2. \$14,300,000 <b>3. \$3,800,000</b>	1. \$3,200,000 2. \$3,200,000 <b>3. \$3,200,000</b>	1. \$6,800,000 2. \$11,100,000 <b>3. \$600,000</b>
<a href="#">Integrated Regional Water Management (IRWM) Grant Programs</a>	Round 2 was 2/1/2023 <i>Keep an eye out for the next round</i>	\$17.2M	\$500M	U.S. Environmental Protection Agency	Federal	1. CSA 23- Santa Margarita <b>2. Paso Robles City water</b> 3. Atascadero Mutual Water Company	1. \$1,500,000 <b>2. \$14,300,000</b> 3. \$10,000,000	1. \$1,500,000 <b>2. \$14,300,000</b> 3. \$10,000,000	1. \$0 <b>2. \$0</b> 3. \$0
<a href="#">Safe Drinking Water State Revolving Fund (SDWSRF)</a>	Rolling	\$1M-\$10M	\$34 billion	U.S. Environmental Protection Agency	Federal	1. CSA 1 Nipomo <b>2. Cal Poly (Increase Water Storage Capacity)</b> 3. S&T Mutual Water Company	1. \$100,000 <b>2. \$15,000,000</b> 3. \$2,900,000	1. \$100,000 <b>2. \$10,000,000</b> 3. \$2,900,000	1. \$0 <b>2. \$5,000,000</b> 3. \$0
<a href="#">Water and Waste Disposal Loan and Grant Program</a>	Rolling	\$2.5M	\$15B	U.S. Department of Agriculture	Federal	<b>1. Atascadero Mutual Water Company</b> 2. Cal Poly (Increase Water Storage Capacity) 3. Paso Robles City Wastewater	<b>1. \$10,000,000</b> 2. \$15,000,000 3. \$14,300,000	<b>1. \$2,500,000</b> 2. \$2,500,000 3. \$2,500,000	<b>1. \$7,500,000</b> 2. \$12,500,000 3. \$11,800,000
<a href="#">Water Infrastructure Finance and Innovation Act (WIFIA)</a>	Rolling	Varies	\$10B	U.S. Environmental Protection Agency	Federal	1. Cal Poly (Water Recycling Strategy) 2. San Luis Obispo (City) <b>3. San Miguel CSD</b>	1. \$35,000,000 2. \$18,000,000 <b>3. \$10,000,000</b>	1. \$5,000,000 2. \$5,000,000 <b>3. \$5,000,000</b>	1. \$30,000,000 2. \$13,000,000 <b>3. \$5,000,000</b>
<b>Alternative Funding (Bonds)</b>									
<a href="#">Clean Energy Bond Financing</a>	Rolling	Interest on bond	TBD	California Alternative Energy and Advanced Transportation Financing Authority	State	1. Transportation and water projects	Bond that is issued to raise money for clean energy projects. Cost Estimate in 2023: \$70,000,000 Issue Green Bond Measure and market to potential investors who are interested in environmentally friendly investments.		
<a href="#">Bond Financing/ Loan</a>	Rolling	Interest on bond	TBD	California Hub for Energy Efficiency Financing	State	1. Transportation and water projects	Bond that is issued to raise money for clean energy projects. Cost Estimate in 2023: \$70,000,000		
<a href="#">Transportation Bond</a>	Rolling	Interest on bond	TBD	California Transportation Financing Authority	State	1. Transportation projects	Issue Transportation Bond to interested local investors.		
<a href="#">Water and Wastewater Rate Reduction Bond Program</a>	Rolling	Interest on bond	TBD	California Pollution Control Financing Authority	State	1. Water projects	Issue Water Bonds to interested local investors.		
<i>Total Projected Funds Awarded (projects in bold)</i>								<b>\$90,583,425</b>	



# Funding Gap Analysis

## Comprehensive Gap Analysis for HIP Projects:

### A Strategic Approach by BKF

In our continuous commitment to uncover potential funding avenues for the HIP projects currently facing financial shortfalls, BKF undertook a meticulous funding gap analysis. This analysis was designed to evaluate the disparity between the cost estimate for each project and the anticipated funding that could be obtained through various financial mechanisms such as grants, bonds, loans, and tax measures. The following is a detailed overview of the process we undertook and the expected outcomes of the funding gap analysis.

### Project Assessment & Funding Requirement Determination:

Our first step was to conduct a thorough review and categorization of the 80 underfunded HIP projects provided by SLOCOG. We analyzed and prioritized the top projects based on their urgency, impact, and feasibility. The final project list that the BKF team worked with included a diverse mix of projects, including transportation, water, and wastewater projects.

### Identification & Evaluation of Potential Funding Sources:

In the next phase of our analysis, we embarked on an extensive research process to identify potential funding sources. This process was multi-faceted and involved several key steps:

- 1. Exploration of Various Funding Mechanisms:** We began by exploring a wide range of funding mechanisms. This included not only traditional sources such as grants and government programs, but also other financial instruments such as loans, bonds, and tax measures. We also considered innovative funding mechanisms like public-private partnerships and impact investing.
- 2. Research Into Specific Funding Opportunities:** Once we had a broad understanding of the types of funding mechanisms available, we delved deeper into specific funding opportunities. This involved researching grant programs, loan opportunities, and other funding sources at the local, regional, state, and federal levels.
- 3. Analysis of Funder Priorities & Eligibility Criteria:** For each potential grant funding source, we conducted a detailed analysis of the funder's priorities and eligibility criteria. This involved reviewing the funder's mission and goals, past funding history, average grant awards, forecasted funding cycles and other specific requirements for funding, like including wildlife passages when targeting roadway rehabilitation projects. We also considered the application process and deadlines to ensure that requirements can be met in a timely manner.
- 4. Matching Projects with Suitable Funding Opportunities:** With a comprehensive list of potential funding sources and a deep understanding of their priorities and criteria, we then matched the projects with suitable funding opportunities. This involved a careful review of each project's goals, needs, and potential impact, and then aligning these with the priorities and criteria of the potential funders. We considered not only the financial fit but also the strategic fit, ensuring that the funding would support the project's long-term success.
- 5. Continuous Monitoring & Updating:** The funding landscape is dynamic, with new opportunities arising, and existing opportunities changing regularly. Therefore, we continuously monitored and updated our list of potential funding sources. This ensured that we were always working with the most current and relevant information.

Through this comprehensive and dynamic process, we were able to identify a wide range of potential funding sources for the HIP projects. This set the stage for the next steps in our gap analysis, which included estimating potential grant funding available for each project, and calculating the funding gap.

## Estimation of Potential Grant Funding

Following the identification of potential funding sources, we moved on to the critical task of estimating the potential grant funding that could be secured. This process was multi-layered and involved several key steps:

- 1. Assessing Probability of Securing Funds:** For each identified funding source, we assessed the probability of securing funds. This involved considering several factors:
  - **Competition:** We evaluated the level of competition for each funding source. This included looking at the number of applications typically received, the number of awards given out, whether local, state or federal grants and the average size of the awards.
  - **Past Award History:** We reviewed the past award history of each funding source. This involved looking at the types of projects that have been funded in the past, the geographical distribution of awards, and the size of the awards. It should be noted that we based the gap analysis on the average award amount from previous grant cycles.
  - **Strength of Proposal:** We also considered the potential strength of our proposal for each funding source. This included evaluating the alignment between the project's goals and the funder's priorities, the community need, and potential impact of the project.
- 2. Calculating Potential Grant Funding:** Based on our assessment of the probability of securing funds, we then calculated the average grant award available for each project. This involved dividing the total funding available by the number of awards. This gave us a realistic estimate of the potential funding for each grant.
- 3. Considering Funding Constraints:** In our calculations, we also considered any constraints or limitations associated with the funding sources. This included match requirements, funding caps, and restrictions on the use of funds. These constraints were factored into our estimates, where feasible, to ensure they were as accurate and realistic as possible.
- 4. Continuous Review & Adjustment:** Given the dynamic nature of grant funding, we continuously reviewed and adjusted our estimates as new information became available. This included updates on funding availability, changes in competition levels, and new grant programs.

Through this detailed process, we were able to estimate the potential grant funding for the HIP projects. This set the stage for the next steps in our gap analysis, including calculating the funding gap and developing strategies to bridge this gap.

## Calculation of the Funding Gap

After estimating the potential grant funding, we proceeded to calculate the funding gap. This is a critical step in the gap analysis process as it identifies the additional financial resources that need to be secured to fully finance the priority projects. Here's a detailed breakdown of how we approached this:

- 1. Determining Total Funding Needed:** The first step in calculating the funding gap was to determine the total funding needed for each project. This was based on the 2023 cost estimates from the 2023 HIP, established at the beginning of the gap analysis process.
- 2. Comparing with Potential Grant Funding:** Next, we compared the total funding needed with the potential grant funding that we had estimated in the previous step. This involved subtracting the potential grant funding from the total funding needed for each project.
- 3. Identifying the Funding Gap:** The difference between the total funding needed and the potential grant funding represented the funding gap. This gap is the additional funding that needs to be secured to fully finance the projects. It provides a clear indication of the financial resources needed to be secure through alternative strategies.

- 4. Considering Funding Constraints:** In calculating the funding gap, we also considered any constraints or limitations associated with the potential grant funding.
- 5. Continuous Monitoring and Adjustment:** Given the dynamic nature of project costs and funding availability, we continuously monitored and adjusted our calculation of the funding gap. This ensured that we were always working with the most current and accurate information.
- 6. Calculating the Gap in Funding:** As mentioned previously, in light of the intense competition associated with many grants, coupled with the fact that many funding bodies typically shy away from awarding more than one or two grants to the same applicant, we chose one to two projects per grant as suggested projects for application to the respective grant program. These projects are denoted in **bold** within the *Funding Opportunities Menu*, starting on [page 26 of this assessment](#).

Top Matched HIP Projects most likely to Fund	Projected Funds Awarded
Tank Farm Road Complete Street	\$1,533,000
Los Osos Valley Rd/Auto Park Wy Intersection Improvements	\$1,000,000
Prado Rd. Bridge Replacement & Multimodal Corridor Enhancements	\$12,000,000
The Pike Complete Street Improvements	\$93,225
Creekside Bike Path: Phase 1 and 2	\$1,500,000
Paso Robles Eastside Grand Loop	\$11,187,000
Las Tablas Rd. at Florence St. Improvements	\$807,950
South River Rd. / Charolais Rd. Roundabout	\$2,486,000
Orcutt Rd. Widening: Johnson Ave. to Tank Farm Rd. (Phase 1)	\$300,000
Railroad Safety Trail: bike bridge crossing at Industrial Way	\$1,000,000
North County Charging Facility	\$1,000,000
Traffic signal, ADA ramps, and left-turn lane at Las Tablas Rd. at Florence St.	\$807,950
Cashless Fare System Conversion	\$550,000
Huer Huero Creek Trail	\$7,818,300
Templeton Community Services District	\$8,000,000
Los Osos CSD	\$2,500,000
Cayucos Sanitary District (wastewater)	\$3,000,000
City water, Oceano CSD	\$3,200,000
Paso Robles City water	\$14,300,000
Cal Poly	\$10,000,000
Atascadero Mutual Water Company	\$2,500,000
San Miguel CSD	\$5,000,000
<b>Total</b>	<b>\$90,583,425</b>

According to the 2023 HIP, the total estimate for all 80 HIP priority projects is \$1,014,252,229. Considering the total projected funds awarded for the projects most likely to be successful for grant application (projects in **bold** on the *Funding Opportunities Menu*), the total gap in funding is:

### Gap in Funding for HIP Priority Projects:

**\$1,014,252,229 - \$90,583,425 = \$923,668,804 (gap in funding)**

By calculating the funding gap, we were able to identify the financial resources that need to be secured to fully finance the HIP projects. This set the stage for the next steps in our gap analysis, including developing strategies to bridge the funding gap and preparing a comprehensive report for review.

## Innovative Strategies to Bridge the Funding Gap

Understanding and addressing the funding gap was pivotal for the successful execution of the HIP. Upon identifying these funding shortfalls, BKF devised a series of tailored strategies to secure the remaining funds. Our approach went beyond traditional methods and explored a variety of funding avenues to ensure the successful completion of each project.

- 1. Targeted Grant Opportunities:** We continued to explore targeted grant opportunities that aligned with the specific needs and goals of each project. This included not only government grants but also grants from private foundations, corporations, and international organizations. We also considered grants that supported innovative solutions, sustainability, and community development.
- 2. Alternative Funding Avenues:** In addition to grants, we explored other funding avenues such as loans, block grants, tax-based financing, and bonds. We also considered innovative financing mechanisms such as public-private partnerships, impact investing, and crowdfunding.
- 3. Leveraging Community Resources:** Moving forward, we believe that the community can play a critical role in bridging the funding gap. This could involve community fundraising events, volunteer labor, and in-kind donations. By leveraging community resources, cities can not only bridge the funding gap but also build stronger community support for the projects.
- 4. Cost-Saving Measures:** Jurisdictions should also explore cost-saving measures that can reduce the total funding needed. This could involve optimizing project designs, improving efficiency, and leveraging technology. Jurisdictions should also consider collaborative approaches among the SLOCOG cities that can share costs among multiple stakeholders and seek volume discounts and leverage the collective work needed for cost savings.
- 5. Policy Advocacy:** Jurisdictions should engage in policy advocacy to secure more funding for the HIP projects. This could involve lobbying and advocating for increased government funding, working with elected official to secure funding through the legislative process, gain more favorable policy conditions, and greater recognition of the importance of the HIP infrastructure projects in the larger context of developing the needed housing mandated by the RHNA requirements.

Next, BKF will prepare a comprehensive presentation for the SLOCOG Board Meeting. The report will deliver a detailed breakdown on a project-by-project basis, covering funding requirements, corresponding funding sources, projected grant funding, and the residual funding gap, including shortfalls and match requirements. Furthermore, the report will include a strategy for bridging the funding gap.

In conclusion, our approach to bridging the funding gap goes beyond traditional methods and explores a variety of innovative strategies. We believe that this forward-thinking approach will not only secure the necessary funds but also build stronger support for the HIP projects and ultimately the needed housing that these projects will support and make more viable.

## Regional Housing & Infrastructure Plan Grants Calendar

Estimated Funds Available by Quarter		\$14,300,000			\$17,283,000			\$40,407,200			\$18,593,225		
Agency	Estimated Funds Available by Quarter	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>Transportation Grants</b>													
CTC	Active Transportation Program (ATP)			Pre-Proposal			App Due						
DOT	Local Highway Safety Improvement Program (HSIP)			Pre-Proposal						App Due			
CTC	Local Transportation Climate Adaptation Program (LTCAP)					Pre-Proposal		App Due					
CDFW	Monarch Butterfly & Pollinator Rescue	Rolling											
OPR	Regional Resilience Planning and Implementation Grant Program (RRGP)								App Due				
SGC	Transformative Climate Communities (TCC) Round 5: Implementation Grant (FY 22-23)			Pre-Proposal					App Due				
SGC	Transformative Climate Communities (TCC) Round 5: Project Development Grant (FY 22-23)							Pre-Proposal	App Due				
SGC	Transformative Climate Communities (TCC) Round 5: Planning Grant (FY 22-23)							Pre-Proposal	App Due				
CDFW	Wildlife Corridor and Fish Passage	Rolling											
DOT	Charging and Fueling Infrastructure (CFI) Discretionary Grant Program						App Due						
DOT	Congestion Mitigation and Air Quality Improvement (CMAQ)	App Due (TBD)											
FTA	Accelerating Innovative Mobility (AIM)			Pre-Proposal		App Due							
DOT	Safe Routes for All (SS4A)			Pre-Proposal				App Due					
<b>Water Grants</b>													
DWR	Proposition 1 Water Bond		Pre-Proposal			App Due							
OPR	Regional Resilience Planning and Implementation Grant Program (RRGP)								App Due				
EPA	Clean Water State Revolving Fund (CWSRF)		Pre-Proposal				App Due						
EPA	Drinking Water State Revolving Fund (DWSRF)				Pre-Proposal		App Due						
EPA	Integrated Regional Water Management (IRWM) Grant Programs		App Due										
EPA	Safe Drinking Water State Revolving Fund (SDWSRF)	Rolling											
USDA	Water and Waste Disposal Loan and Grant Program	Rolling											
EPA	Water Infrastructure Finance and Innovation Act (WIFIA)	Rolling											