



Draft Local Community Investment Fund Guidelines

Frequently Asked Questions (FAQ)

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Air District staff will update the following FAQs throughout the public comment, application and award period.

ELIGIBILITY

How can small nonprofits with little capacity remain competitive?

The Seed Grants are intended to support smaller projects ranging between \$100,000 and \$200,000 and are only open to non-profit 501(c)(3) organizations.

The larger Opportunity and Catalyst Grants require a Co-Applicant model. Priority in scoring will be awarded to applications that demonstrate strong multi-stakeholder partnerships rooted in community priorities and leadership. As a result, smaller nonprofits are encouraged to partner with others to collaborate on applications to ensure broader impact throughout the community.

Are community organizations that do not have a 501(c)(3) designation eligible to apply?

Community organizations that do not have a 501(c)(3) designation are eligible to apply provided they partner with a fiscal sponsor that can accept and manage grant funds on their behalf. An organization partnering with a fiscal sponsor must provide the fiscal sponsor's most recent Federal Form 990 and a copy of the organization's IRS 501(c)(3) Tax Determination Letter. They must also provide a letter of fiscal sponsorship.

Could a fiscal sponsor qualify as a Lead Applicant, with the fiscally-sponsored entity qualifying as a Co-Applicant for the Catalyst or Opportunity Grants?

No, the fiscal sponsor and the fiscally-sponsored entity would be considered one overall entity and would not fulfill the co-applicant requirement for Catalyst or Opportunity Grants.

Are for-profit businesses eligible to apply?

Yes, for-profit entities such as businesses, contractors, consultants, and vendors are eligible to apply, but only as co-applicants. There are no limits to the number of co-applicants per application.

Are universities eligible to apply?

Yes, non-profit universities are eligible to apply.

Do applicants need to apply with their local jurisdiction?

No. Applicants may partner with any eligible entity, which includes but is not limited to local government agencies.

Can applicants apply for all three grant categories?

Yes, Lead Applicants may submit up to one application each for a Catalyst, Opportunity and Seed Grant (for Seed Grants, provided that the entity is a 501(c)(3) non-profit organization).

There is no limit on the number of applications a Co-Applicant may join.

My group wants to apply but we need to find partners. Will the Air District help us find other interested entities?

The Air District does not currently have a process to connect groups with partners but is exploring options to facilitate greater information sharing between prospective applicants.

PROGRAM GOALS

How will the Air District measure progress and success for each project?

Each project must include a Measurable Outcomes Plan that links outcomes, milestones, activities, indicator tracking and budget. Applications should identify quantitative and qualitative indicators that will be used to track project progress. Indicators (e.g., number of health services offered) track progress towards achieving measurable outcomes (e.g., improved respiratory health).

The Valero refinery is scheduled to close in spring 2026, and Benicia will face serious economic impacts. Given these circumstances, why can't Benicia receive unrestricted funding?

The Air District is governed by the California Health & Safety Code, which requires that the Air District address the adverse effects of air pollution:

- Section 40004: "A district may sponsor, coordinate, and promote projects that will lead to the prevention, mitigation, or cure of the adverse effects of air pollution, including the adverse health effects of air pollution."
- Section 40701(f): An air district shall have the power to "cooperate and contract with any federal, state, or local governmental agencies, private industries, or civic groups necessary or proper to the accomplishment of the purposes of this division."

Therefore, a core strategy for the Local Community Benefits Fund is to support projects that reduce or mitigate air pollution and improve health outcomes. Another core strategy supports projects that build economic resilience for communities experiencing the transition away from fossil fuels. Such projects must also deliver critical benefits related to air quality and public health.

PROJECT ELIGIBILITY

What types of projects are eligible/ineligible?

Project benefits should be prioritized to meet community needs, as identified by the community and verified by quantitative and qualitative data, and meet the Local Community Benefit Fund's programmatic goals of:

- Reduce or Mitigate Air Pollution, Improve Understanding of Local Air Pollution Impacts, and Improve Health Outcomes
- Build Economic Resilience for a Just Transition

The list of example eligible project types found in Appendix B in the Draft Local Community Investment Fund Guidelines is intended to be illustrative, not exhaustive and can be used as a starting point to understand eligible projects.

What types of costs are eligible or ineligible for grant funding?

Section 6 (Eligible Costs) of the Draft Local Community Investment Fund Guidelines provides a detailed list of ineligible costs for grant funding.

Will capital improvement projects be eligible?

Yes, capital improvement projects are eligible.

My project involves purchasing a community garden to create air quality benefits. Would this be eligible?

Yes, provided that the project meets readiness requirements and demonstrates site control. The applicant must prove a legally binding commitment or letters of commitment to sell that clearly states the ownership or leasehold interests of the parties.

Can funds be used for continuous air monitoring projects?

Yes. For a continuous air monitoring project to be successful, projects should include a plan for what to do with the recorded data. For example, projects should indicate how data will be analyzed, data reporting frequency, data reporting audience and what actions will be taken when thresholds of significance are met.

Can grant funds cover employee salaries?

Yes, grant funds can cover employee salaries for Lead and Co-Applicant(s). For more information, see Section 6 – Eligible Costs- of the Draft Local Community Investment Fund Guidelines for more information.

Will projects be more competitive if they leverage matching funds?

Leverage funds will be considered part of a project's overall readiness. Securing leverage funds can be helpful in demonstrating overall funding sustainability and resilience.

Are there any in-kind matching requirements?

No.

COMMUNITY BOUNDARIES

How was the geographic boundary for Benicia and Surrounding Communities identified?

The Air District identified the City of Benicia, where the Valero refinery is located, as an eligible community.

The Air District then identified additional eligible communities by conducting an analysis that was informed by estimates of long-term air pollution exposure and community vulnerability. In addition, geographic, jurisdictional, topographic, and transportation boundaries were incorporated to simplify eligibility criteria and ease of implementation.

How was the geographic boundary for Richmond and Surrounding Communities identified?

The Air District identified communities within the Path to Clean Air (PTCA) Community Emissions Reduction Plan (CERP) as eligible communities.

The PTCA CERP boundary was established through a formal public process under Assembly Bill 617 (AB 617). This designation recognized the PTCA area as one of the most disproportionately burdened communities in the region, with cumulative air quality impacts and associated health disparities well above the Bay Area average. Using the PTCA boundary ensures that funding is directed to the AB 617 community that was publicly identified as bearing the most significant cumulative burdens and as the focus of community-driven emission-reduction priorities.

Do projects have to be located entirely within the geographic boundaries?

Yes, projects will need to be located entirely within the geographic boundaries found in the Call for Projects. If you have questions whether or not your project will fall within the boundary, feel free to contact communityinvestments@baaqmd.gov.

APPLICATION PROCESS

How many applications can an organization apply to?

Lead Applicants may submit up to one application each for a Catalyst, Opportunity and Seed Grant (for non-profit applicants only). There is no limit on the number of applications a Co-Applicant may join.

Will technical assistance be offered?

Yes, technical assistance will be offered. More details will be provided in the final solicitation.

What is the scoring criteria?

The scoring criteria will be released with the application solicitation. We anticipate reviewing applications across the following dimensions: strength of applications in reducing air pollution emissions or building economic resilience for a just transition; demonstration of meaningful co-management and community engagement practices; strength of the measurable outcomes plan; and ability to begin work upon the execution of grant agreements and the ability to complete work within the grant term.

How long is the application period?

The application period for the first Call for Projects is set to open sometime between January through February 2026, and will close during May 2026.

How long after we apply can we expect to know whether we got an award?

The Community, Equity, Health and Justice Committee of the Air District Board of Directors will consider award recommendations during their July 2026 meeting. The full Board of Directors will then consider award recommendations during their September 2026 meeting.

MISCELLANEOUS

How many years will grant funds span?

For Catalyst Grants, funding will be provided up to a 5-year grant term; for Opportunity Grants, funding will be provided up to a 3-year grant term; for Seed Grants, funding will be provided up to a 2-year grant term.

Will funding be distributed through reimbursement or advance payment?

Funding will primarily be distributed through reimbursement milestones. However, the Air District may provide advance payment up to 25% of the full grant award to reduce barriers and to ensure that grant activities are initiated in a timely manner. Grantees that receive advance payment must develop and provide a process for all project partners to request and receive advance payment and require all project partners to comply with the reporting terms. For more information, please see Section 10.2 (Disbursement and Reporting) of the Draft Local Community Investment Fund Guidelines.

How many grant awards will be made?

For each eligible geography, the Air District anticipates funding between 1-3 Catalyst Grant, between 1-5 Opportunity Grants, and between 1-5 Seed Grants.

Will there be multiple funding cycles?

This first round of Calls for Projects is one-time funding for Benicia and Surrounding Communities, and Richmond and Surrounding Communities.

Future rounds of Calls for Projects will be made available, dependent on funding availability. The purpose of the Community Investments Office is to reinvest funds that the Air District collects in penalties from industries that violate the Air District's regulations.

- The Local Community Benefits Fund reinvests penalties and mitigation funds in the specific communities affected by the air quality violations associated with those funds.
- The Regional Community Benefits Fund is designated to reinvest penalties and mitigation funds in overburdened communities across the Air District's jurisdiction. The Air District anticipates developing program guidance for the Regional Community Benefits Fund in 2026 - 2027.

How can we learn of other grant programs at the Bay Area Air District?

The Bay Area Air District has multiple grant programs available. Please consider visiting the following websites to familiarize yourself with the Bay Area Air District's offerings:

- Clean Cars for All: <https://www.baaqmd.gov/funding-and-incentives/residents/clean-cars-for-all>
- Funding and Incentives: <https://www.baaqmd.gov/en/funding-and-incentives/funding-sources>
- James Cary Smith Community Grant Program: <https://www.baaqmd.gov/funding-and-incentives/funding-sources/community-grants-program>
- Climate Tech Finance: <https://www.baaqmd.gov/funding-and-incentives/businesses-and-fleets/climate-tech-finance>
- Clean HEET: <https://www.baaqmd.gov/funding-and-incentives/residents/clean-heet-program>