

## MEMORANDUM

Date: August 30, 2023

To: The Honorable Chair and Members

Pima County Board of Supervisors

From: Jan Leshor

Re: Board of Supervisors September 5, 2023 Meeting Agenda Item 44: Climate Pollution

**Reduction Grant** 

Pima County's Department of Environmental Quality (PDEQ) was awarded a \$1 million four-year Climate Pollution Reduction Grant (CPRG) from the Environmental Protection Agency (EPA). The goal of this grant is to develop plans for reducing greenhouse gas (GHG) emissions and other harmful air pollution. This is a companion to the recent \$3 million CPRG planning grant award that was made to the State of Arizona. These awards are part of a release of \$250 million in noncompetitive planning grants from the federal government to the 67 most populous Metropolitan Statistical Areas. This will be followed by \$4.6 billion in funding for competitive implementation grants, tentatively set to be released in the spring of 2024.

The City of Tucson is a critical partner and stakeholder in this process. For this reason PDEQ in collaboration with the City of Tucson counterparts, will jointly develop a stakeholder engagement process that includes all the jurisdictional partners and community-based organizations that are already working on pollution reduction planning especially in low-income and disadvantaged communities. Pima County is committed to working with government, non-profit, and private partners to ensure that they participate in the planning process and can therefore be eligible to apply for future implementation funds.

We are particularly thankful to the City of Tucson, Town of Marana, and Tohono O'odham Nation submitting letters in support of this successful application. Please see the attached detailed memorandum from PDEQ Director Scott DiBiase.

JKL/anc

## Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator
Francisco García, MD, MPH, Deputy County Administrator and Chief Medical Officer
Steve Holmes, Deputy County Administrator
Scott DiBiase, Director, Pima County Department of Environmental Quality



## MEMORANDUM

DATE: August 29, 2023

TO: Jan Lesher

County Administrator

FROM: Scott DiBiase Director

Dr. Francisco Garcia

**Deputy County Administrator** 

## **RE:** Pima County Climate Pollution Reduction Grant (9/5/23 BOS Agenda Item #45)

The Pima County Department of Environmental Quality (PDEQ) was awarded a \$1 million four-year Climate Pollution Reduction Grant (CPRG) provided by the Environmental Protection Agency (EPA). PDEQ will work closely with the State of Arizona Governor's Office of Resiliency, who received a \$3 million CPRG planning grant. The goal of the grants is to develop plans for reducing greenhouse gas (GHG) emissions and other harmful air pollution.

These planning grants will be followed by \$4.6 billion for competitive implementation grants, tentatively set to be released in the spring of 2024. EPA is offering this two-staged grant program nationally through the release of \$250 million in noncompetitive planning grants to the 67 most populous Metropolitan Statistical Areas (MSAs). Only entities included in, or covered by, such CPRG plans will be eligible to apply for implementation grant funding. Section 60114 of the Inflation Reduction Act (IRA) provides authorization for the investment in these multi-year programs.

The following programmatic priorities are listed in the <u>EPA CPRG Guidance</u> for state and local governments:

- Improve understanding of current and future GHG emissions so that state and local governments can prioritize actions that reduce such emissions and harmful air pollution (criteria air pollution and toxic air pollutants) where citizens live, work, play, and go to school.
- Adopt and implement ambitious policies and programs to reduce GHG
  emissions and accelerate decarbonization across multiple important sectors
  (e.g., industry, electricity generation, transportation, commercial and residential
  buildings, agriculture/natural and working lands, and waste and materials
  management).
- 3. Collaborate closely with other entities in their state, region, municipality, and/or air district to develop coordinated plans based on best practices.

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- 4. Explore opportunities to leverage sources of funding and financing from the Inflation Reduction Act of 2022, Bipartisan Infrastructure Law of 2021, American Rescue Plan Act of 2021, and Creating Helpful Incentives to Produce Semiconductors and Science Act of 2022.
- 5. Stimulate innovative technologies and practices to reduce GHG emissions and associated co-pollutants in hard-to-abate sectors.
- 6. Prioritize actions and policies that will be durable, replicable, and provide certainty in pollution reductions.
- 7. Reduce climate pollution while building the clean energy economy in a way that benefits all Americans, provides new workforce training opportunities, and effectively addresses environmental injustices in disadvantaged communities.
- 8. Adopt robust metrics and reporting programs to track emission reductions and important benefits throughout their jurisdiction and in disadvantaged communities.

The Governor's Office of Resiliency will take the lead for developing the GHG emissions inventory, projections, quantified reduction targets, and the benefits analyses, since they will be working with a general program contractor for the entire state, including the Pima County MSA and PDEQ will work closely with the State on these efforts. Pima Association of Governments will be releasing an updated (2021) greenhouse gas emissions inventory within the next couple of months and will provide much of the data needed for Eastern Pima County. The contractor will supplement these data for areas outside of eastern Pima County, in addition to providing emissions projections, reduction targets, and benefits analyses, and a review of the authority to implement.

The City of Tucson, Town of Marana, and Tohono O'odham Nation submitted letters of support and PDEQ will work closely with all jurisdictions on stakeholder outreach and public engagement efforts.

In March 2023, the City of Tucson adopted the *Tucson Resilient Together* Climate Action Plan, a strategic pathway to reduce the City's emissions to net-zero by 2030. As demonstrated by adoption of the Plan, The City of Tucson is a critical partner due to their climate change leadership. For this reason, PDEQ in collaboration with the City of Tucson, will lead the stakeholder engagement activities by working with local and tribal jurisdictions, as well as community-based organizations who are interested in climate pollution reduction planning, with particular emphasis on organizations who work with low-income and disadvantaged communities.

PDEQ is committed to working with government, non-profit organizations, and private partners to ensure that they can participate in the process and have the opportunity to apply for the implementation of grant funds.

PDEQ will also work closely with Pima County Community and Workforce Development to assess the workforce needs associated with reducing GHG emissions, collaborating with educational institutions and industry leaders, to develop training programs focused on improving workforce development for renewable energy, green infrastructure, alternate modes of transportation, and energy and water conservation. In order to accomplish this new workload, PDEQ will be creating a new Community Engagement Coordinator position with funds provided by CPRG.

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Three deliverables are required over the 4-year program period going through 2027:

- A Priority Climate Action Plan (PCAP), due March 1, 2024 (Pima County Board of Supervisors approval no later than February 2024);
- 2. A Comprehensive Climate Action Plan (CCAP), due 2 years from the date of the award (summer- fall 2025); and,
- 3. A Status Report, due at the close of the 4-year grant period (summer-fall 2027)

For each deliverable, the workplan must describe the general approach to developing all required elements, the entities responsible for completing each element, and a schedule with milestones for developing the deliverable. Most of the data for the PCAP will be provided by the State's contractor; however, PDEQ will develop Pima County's PCAP based on local input. In addition, the PCAP will draw from or reference existing climate action plans. Any future application for an implementation award under the CPRG will need to be based on a PCAP that describes the programs, policies, measures, and projects the entity will carry out with the implementation grant funding. EPA anticipates providing competitive implementation grants with a wide range of funding levels, with the largest grant awards potentially exceeding \$100 million. Municipalities, tribes, and air pollution control agencies, such as PDEQ, will be eligible for funding identified in their state or metropolitan area's PCPA and CCAP.

It is important to note that these efforts will not include regulatory measures. Arizona Revised Statute § 49-191 dictates that "a state agency...shall not adopt or enforce a state or regional program to regulate the emission of greenhouse gas for the purposes of addressing climate changes in atmospheric temperature without express legislative authorization."