



Land Use & Natural Resources Committee

Meeting Date: March 7, 2024

Agenda Item No. 2

Climate Pollution Reduction Grant Application: Grant Support and Subrecipient Commitment

Action

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Attachments: No

Approved by: Clint Holtzen

Referring Committee: Not Applicable

Issue:

The federal Climate Pollution Reduction Grant (CPRG) program is making \$4.6 billion available in implementation grant funding through a competitive application process. The Sacramento Metropolitan Air Quality Management District is leading a CPRG grant proposal on behalf of the region, which has identified Green Means Go as one of the proposed grant activities.

Recommendation:

That the Land Use and Natural Resources Committee recommend the SACOG Board of Directors authorize the Executive Director to sign a letter of support for the regional CPRG grant application, a letter of commitment for SACOG to serve as a subrecipient should the region be awarded CPRG grant funds, and a Memorandum of Agreement between all grant partners as required by the CPRG guidelines.

Background/Analysis:

The United States Environmental Protection Agency's [Climate Pollution Reduction Grants](#) (CPRG) program will make available \$4.6 billion nationally for projects that reduce greenhouse gas emissions. An initial planning phase of funding has supported the development of Priority Climate Action Plans in regions to coordinate greenhouse gas reduction measures for this \$4.6 billion in implementation funding. The Sacramento Metropolitan Air Quality Management District (SMAQMD) is the recipient of the CPRG planning investment in our region and is therefore the lead organization for the development of the implementation grant proposal. The area covered in our region's Priority Climate Action Plan includes the SACOG six-county area as well as the Tahoe basin and Nevada County.

Discussion/Analysis:

As the lead organization for the Priority Climate Action Plan, SMAQMD has led a regional process to develop a grant proposal for the CPRG implementation grants. The Priority Climate Action Plan identified three key areas of implementation activity:

Figure 1. Priority Climate Action Plan Areas



Over the last six months, project sponsors proposed specific ‘measures’ (i.e., implementation activities/project) within each of those three areas. The process included a CPRG steering committee, topical area working groups within each of the areas to evaluate the proposed measures, as well as an external review of submitted concepts based on CPRG performance criteria. The process culminated by recommending three implementation activities for the regional CPRG grant, one within each of the three priority areas.

Figure 2. CPRG Grant Components

Priority Climate Action Plan Area	CPRG Grant Proposal Activity	Climate Benefits
Built Environment	Green Means Go	Accelerate infill development through infrastructure development that reduces VMT
Transportation	Smart Mobility Hub Development	Converts remaining VMT to eVMT through ZEVs and charging infrastructure
Natural and Working Lands	Carbon Farming	Reduces impacts on natural and working lands; Improves soil and sequesters carbon

If the region’s CPRG application is successful, SACOG would be the subrecipient for the Green Means Go component of the grant and pass through the funding to the specific projects identified in the CPRG grant development. To identify these projects, Green Means Go staff lead the CPRG built environment working group to develop a specific list of candidate projects that will be put forward as part of the application. The working group consists of the following agencies (membership was open to any entity participating in the CPRG process):

- SACOG
- SMAQMD
- City of Davis
- City of Rancho Cordova
- City of Folsom
- City of Woodland
- City of Sacramento
- City of Elk Grove
- City of Roseville
- City of South Lake Tahoe
- Placer County
- Sacramento County
- Yolo County

Based on the direction given through the larger CPRG process, we have identified a \$30 million funding request for the Green Means Go side of the proposal (the final number will vary slightly from this \$30 million based on final project costing which will be complete by March 12). Project concepts have been put forward by nine of the local jurisdictions on the working group though work continues to finalize this list. As an identified subrecipient in the grant proposal, SACOG needs to sign a commitment letter for the CPRG grant proposal, as well as a Memorandum of Agreement (MOA) with all grant partners. While the MOA is not needed until after the grant submission on April 1, having one executed at the time of submission will help demonstrate the extensive level of coordination that has occurred the last six months through the CPRG process, as will a letter of support.

Fiscal Impact/Grant Information:

If the regional CPRG grant application is successful, SACOG would be a subrecipient of approximately \$30 million of CPRG funding. The total includes a small amount (less than 1 percent) to cover the grant financial, accounting and reporting requirements, as well as continue Green Means Go technical assistance. The majority of the funds will be passed through to the lead agencies for each of the awarded projects.