Agenda Item No. 4.04



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MEMORANDUM

To: Climate Committee

From: CMAP Staff

Date: Tuesday, October 17, 2023

Subject: CPRG Regional Climate Action Planning

Purpose: CMAP and the Metropolitan Mayors Caucus are kicking off regional climate action

planning work in response to the USEPA's climate pollution reduction grant program.

Staff will lead a discussion about implementation priorities for phase 2 of the USEPA's climate pollution reduction grant program as well as a larger discussion

about stakeholder engagement.

Action Requested: Discussion

The Metropolitan Mayors Caucus (MMC) and Chicago Metropolitan Agency for Planning (CMAP) are partnering to update and expand existing regional climate mitigation plans to address greenhouse gas (GHG) emissions and establish GHG reduction measures throughout the entire metropolitan statistical area (MSA), including parts of Illinois, Indiana, and Wisconsin. The work is occurring via the Climate Pollution Reduction Grant (CPRG), a U.S. Environmental Protection Agency (EPA) initiative to provide funding to states and metropolitan areas to develop and implement plans to reduce (GHG) emissions. CMAP and MMC are seeking the Climate Committee's input on potential regional projects that could make strong candidates for CPRG implementation funding, proposals for which are due in April 2024. The team also seeks member recommendations for partners to participate in the CPRG planning process.

Planning phases

The CPRG requires participating regions to complete three phases of planning.

- A priority climate action plan (PCAP) consisting of a focused list of near-term, highpriority, implementation ready measures to reduce GHG pollution. MMC will be updating its 2021 Climate Action Plan to serve as the Chicago MSA's PCAP. The PCAP must be completed by March 2024.
- A comprehensive climate action plan (CCAP) that addresses all significant GHG sources
 and sinks and sectors, establishes near-term and long-term GHG emission reduction
 goals, and identifies strategies and measures to achieve those goals. CMAP will be
 leading the CCAP process, including data analysis and modeling, policy development,
 and engagement with stakeholder and subject matter experts. The CCAP must be
 completed by July 2025.
- A status report on implementation of the GHG reduction strategies included in the CCAP. CMAP will lead development of the status report, which is due in the summer of 2027.

The sectors the CCAP will be address include industry, electricity generation, passenger transportation, freight transportation, commercial and residential buildings, agriculture, natural and working lands, water and wastewater, and waste and materials management. The CCAP will include a GHG inventory, projections, and reduction targets, as well as quantified GHG reduction measures to meet the plan's targets. It will also include analysis of co-benefits, such as reductions to other pollutants, and specific analysis of benefits to low income and disadvantaged (LIDC) communities. For each sector, CMAP will engage implementers, community organizations, advocates, and subject matter experts to establish a set of decarbonization strategies and measures and better ensure community benefits.

CMAP is seeking input from the Climate Committee on the CCAP process, including the following questions:

- What organizations, including public agencies, local governments, non-governmental organizations, community-based organizations, advocacy groups, and subject matter experts, should CMAP seek to engage in the CCAP process?
- What potential partners outside CMAP's usual focus on transportation and land use could be key participants in exploring the full range of required sectors?
- What existing or ongoing plans, policies, or programs should be integrated into the CCAP as emissions reduction strategies?

Implementation funding

The EPA released a Notice of Funding Opportunity for \$4.3 billion in implementation funding to states and local governments, with an additional \$300 million available to tribes and territories. To be eligible for funding, measures must be included in the PCAP. Additional information on the program includes the following:

- **Eligible activities:** investment-ready policies, programs, and projects to reduce greenhouse gas emissions in the near term
- **Eligible applicants:** state agencies, municipalities, counties, CPRG lead organizations, MPOs, councils of governments, and coalitions of eligible applicants
- **Evaluation criteria:** overall GHG reduction and benefits of GHG reduction measures to low-income and disadvantaged communities
- **Individual grants:** between \$2 million and \$500 million, with funding tiers allowing comparably sized projects to compete against one another
- Application deadline: April 1, 2024

CMAP and MMC will be working over the next several months to update the 2021 CAP to ensure it meets EPA requirements to make applicants from the region eligible for funding. CMAP and MMC will also be identifying additional GHG reduction measures that could be included in the PCAP to qualify for potential implementation funding.

CMAP is seeking input from the Climate Committee on potential implementation projects, including the following questions:

- What policies, programs, and projects are you aware of that could be competitive applicants for grants of this size?
- What partners should be convened to strategize about regional applications for funding?