Agenda Item No. 5.03



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MEMORANDUM

te Committee
P Staff
nesday, January 17, 2024
Regional Climate Action Planning
de regional climate action planning and implementation background to inform
te Committee discussion of implementation and stakeholder engagement.
: 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 Chicago Metropolitan Statistical Area (MSA), including parts of Illinois, Indiana, and Wisconsin. The work is supported by a 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 Climate Committee input on 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. With CMAP support, MMC will update its 2021 Climate Action Plan to serve as the Chicago MSA's PCAP by March 1, 2024.
- A comprehensive climate action plan (CCAP) that addresses all significant GHG sources, sinks, and sectors; establishes near-term and long-term GHG emission reduction goals; and identifies strategies and measures to achieve those goals. CMAP will lead 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 CCAP GHG reduction strategies. CMAP will lead development of the status report by mid-2027.

The CCAP will be address the following sectors: **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 reduction 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 decarbonization strategies, measures, and community benefits.

CMAP requests the following committee member input for the CCAP process:

- Organizations, including public agencies, local governments, non-governmental organizations, community-based organizations, advocacy groups, and subject matter experts, to engage in the CCAP process.
- Partners that can expand CMAP's core transportation and land use partners to explore the full range of emissions sectors.
- Plans, policies, and programs to consider including in the CCAP as emissions reduction strategies.

Implementation funding

USEPA 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 explicitly or implicitly included in the PCAP. CMAP, MMC, and IEPA hosted a webinar about the opportunity on December 18, 2023, the recording is available here. In addition, this online survey is collecting project ideas from regional stakeholders. Additional NOFO details include:

- **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.
- Application deadline: April 1, 2024

CMAP and MMC are updating the 2021 MMC CAP to meet EPA requirements and ensure the eligibility of a broad range of implementation projects. Additional GHG reduction measures will be included in the PCAP to qualify for future implementation funding. CMAP requests the following committee member input for implementation projects:

- Policies, programs, and projects that could be competitive for grants between \$500,000 and \$2 million.
- Partners to engage about regional applications for implementation funding.