



# ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item  
Meeting of June 15, 2024

**DATE:** June 11, 2024

**SUBJECT:** Acceptance and appropriation of Fiscal Year (FY) 2025 U.S. Environmental Protection Agency Environmental Justice G2G Grant award (“Grant”) in the amount of \$980,350.

**C. M. RECOMMENDATION:**

1. Authorize the acceptance of a grant award from the U.S. Environmental Protection Agency (“EPA”) Environmental Justice G2G Grant Program (“Program”).
2. Authorize the County Manager or designee to promulgate and execute any documents necessary to obtain the Grant and participate in the Program including, in a form approved by the County Attorney, Partnership Agreements, subgrant agreements, and any other necessary type of document(s).
3. Appropriate \$980,350 in U.S. EPA Environmental Justice grant revenues (101.374900) to Departmental of Environmental Services (101.40002) in FY 2025.

**ISSUES:** The Grant will support development of building energy efficiency, finance, and public engagement strategies specifically tailored to low-income disadvantaged communities (“LIDACs”) as identified under the EPA’s Environmental Justice (“EJ”) Screen Tool.

**SUMMARY:** On August 16, 2022, the Inflation Reduction Act (Public Law No:117-169) (“IRA”) was signed into law creating a portfolio of energy and climate-related grant programs. This broad and meaningful portfolio was designed with a defined focus on LIDAC census tracts, populations and businesses. Under this portfolio, a majority of the grants for which the County is eligible as a direct participant include “Justice 40” thresholds. Consequently, at least 40% of grant funds must benefit LIDACs as identified by the EPA’s EJ Screen Tool.

Under this portfolio of grant programs, the EPA administers a number of grants under a consolidated EJ program, which includes the EPA’s Environmental Justice G2G Fund under the Federal Award Identification Number EPA-R-PEJECR-OCS-23-02. The EPA has formalized a Grant award to the County under the provisions of Title 1 of the IRA, as amended, in the amount of \$980,350. The Program does not require a cash match and is executable over a thirty-six (36) month period beginning in FY 2025.

County Manager: *MJS / MJC*

County Attorney: *MNC* *Demetra J. McBride*

Staff: Demetra J. McBride, DES

**BACKGROUND:** The Department of Environmental Services’ (“DES”) Arlington Initiative to Rethink Energy (“AIRE”) developed a project proposal under the Program (“Proposal”). The Proposal offered a suite of technical, financial, and public engagement strategies specifically tailored to LIDAC areas and populations (the “Energy-Health-and-Equity Project”, or “EHE Project”). The EHE Project’s decision-support tool will be developed specifically to model the types of residential and small commercial buildings, population social demographics, and indoor air quality patterns that characterize LIDAC communities in Arlington and elsewhere. This tool will model energy efficiency upgrades among these building categories for highest efficiency and cost savings. Additionally, the tool will model for public health impacts and improvements to be realized within indoor environments. Further, the tool will be developed as an open-access technology.

The Proposal similarly includes a manual of funding, grant, and financing mechanisms tailored to building owners and developers within the LIDAC communities. Furthermore, the Proposal includes an outreach program and manual designed for capability with LIDAC priorities, interests, effective points-of-entry, and availability.

AIRE recruited a number of Community-Based Organizations (CBOs) and George Mason University’s Virginia Climate Center (“GMU-VCC”) to join the County as Collaborating Parties under the EHE Project (“Collaborating Parties”). The Collaborating Parties will assist the County to execute, verify, measure, and report out the full benefits of the EHE Project. In addition to the GMU-VCC, the Collaborating Parties are the Columbia Pike Partnership, the Northern Virginia Affordable Housing Alliance, and Virginia Clinicians for Climate Action. The Collaborating Parties will be compensated for their meaningful contribution under the Project budget and fully funded by the Grant.

Assuming the Board’s approval to proceed and accept the grant, the County would have a period of three (3) years to complete the EHE Project, under the Cooperative Agreement attached hereto as Attachment A. Pursuant to the direction of the EPA, the Cooperative Agreement is self-executing unless either (a) the County does not draw down funds pursuant to the Grant “within 21 days after the EPA award or amendment mailing date” or (b) the County does not file a “notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date.” Cooperative Agreement at 1. The Cooperative Agreement is dated May 30, 2024, and 21 days after this date is June 20, 2024. The core objective of the EHE Project is to facilitate and expand opportunities for residential and commercial buildings energy-performance upgrades. These upgrades are modeled and tailored to the vintage, design, composition, construction, and use of the building inventory types that dominate LIDAC areas. Furthermore, these upgrades also integrate the reduced energy costs and public health benefits of energy-performance upgrades to these building inventories.

**DISCUSSION:** The EHE Project provides the opportunity and funding to meet the County’s climate and energy goals as set forth in the 2019 Community Energy Plan (CEP) and its implementation framework, the CEP Roadmap. The EHE Project is responsive to CEP Building, Government, and Behavioral Change objectives and goals. The EHE Project also directly advances the Board’s 2019 Guidance to ensure that equity and inclusion were prioritized under the CEP and in AIRE’s programs, projects, and policies.

**PUBLIC ENGAGEMENT:** The AIRE Team has routinely socialized the IRA grant opportunities with multiple entities including: (a) the Board’s Climate Change, Energy, and Environmental Advisory Commission (C2E2), (b) C2E2’s Energy Committee, (c) Arlington-based CBOs, (d) non-profit organizations, and (e) internal stakeholders and peers such as the Affordable Housing Program.

*Level of Engagement:* Inform and Consult

*Outreach Methods:* Outreach methods include: (a) Cross-Departmental discussion, (b) Commission and Committee meetings, (c) CBO-convened discussions, and (d) continuous exchange with the GMU-VCC on opportunities for climate collaboration and execution of initiatives.

*Community Feedback:* Positive

**FISCAL IMPACT:** The total \$980,350 will be appropriated to the Department of Environmental Services FY 2025 budget to be spent over 36 months. The Grant is a non-matching grant, so there is no local contribution required impact to local dollars. The Grant is, however, paid out to awardees on a reimbursement basis. Thus, the County will have to advance costs of implementation, which will then be reimbursed through monthly invoices to EPA. The AIRE Team has provided a detailed budget to calculate the value of “in-kind” services to be provided by the County, largely represented by commitments of the AIRE Team to deliver the EHE Project.