



Opportunities to advance equity through the IRA

May 2023 Sneha Ayyagari (she/her)

Our Vision

The Greenlining Institute works towards a future where communities of color can build wealth, live in healthy places filled with economic opportunity, and are ready to meet the challenges posed by climate change.



Purpose and outcomes

<u>Purpose of conference:</u> Spur innovative action and collaboration in Contra Costa County leveraging opportunities in the Inflation Reduction Act in an equitable way

Outcomes of this presentation:

- Understand the relationship between energy and racial equity
- Learn about a framework for program design to ensure equity at every stage
- Learn about some of the Inflation Reduction Act related programs that have potential to advance clean energy in low-income and environmentally impacted communities
- Identify resources to learn more about the Inflation Reduction Act

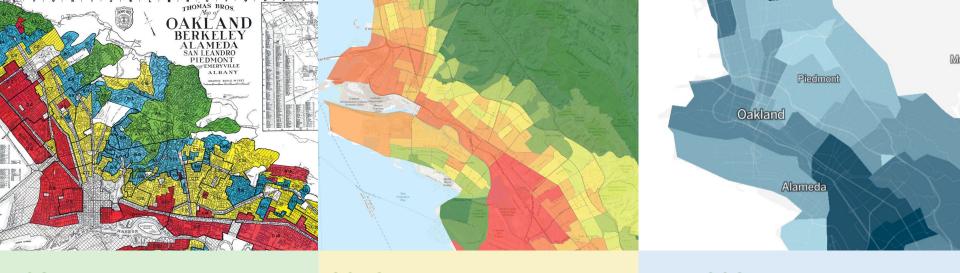


Agenda

- Energy and racial equity
 - Framework for Making Equity Real
- Examples from Inflation Reduction Act
 - Greenhouse Gas Reduction Fund
 - Home Efficiency Rebates Program
 - Climate Justice Block Grant
- Recommendations
- Resources







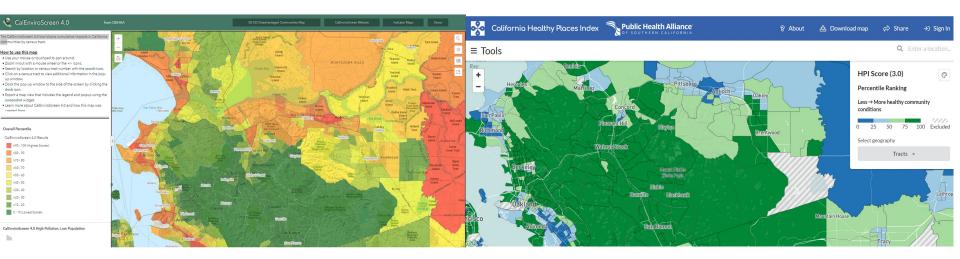
1937 Oakland Redlining Map 2018
Cal EnviroScreen

May 2021
Oakland COVID-19 Map

ECONOMIC, ENVIRONMENTAL, HEALTH IMPACTS BASED ON RACE



Contra Costa County has large disparities in health and environmental conditions

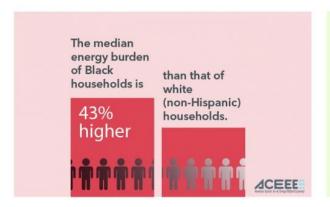


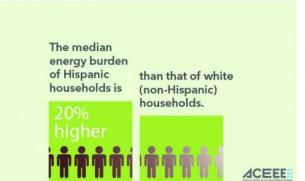
Source: CalEnviroScreen 4.0

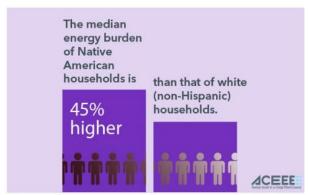
Source: Healthy Places Index



Energy insecurity disproportionately affects low income communities of color







Source: Drehobl, A., L. Ross, and R. Ayala. 2020. *How High are Household Energy Burdens?* Washington, DC: American Council for an Energy-Efficient Economy.



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How do we make equity real?

01

GOALS, VALUES, MISSION

How is equity described in the context of the overall goal of the policy, program or funding approach? Is equity a core component? Is it missing?

02

PROCESS

How does the policy, program or funding approach propose to deliver outcomes with equity as a focus? How are decisions made or influenced by communities with less political power or voice?

03

IMPLEMENTATION

How does implementation lead to equity outcomes? What are the explicit equity outcomes described in the policy, program or funding approach?



ANALYSIS, MEASUREMENT

How is equity progress measured? How do we know that equity goals were achieved?



Snapshot of funding opportunities

GHG Reduction Fund (\$27B)

Home Energy Performance-Based, Whole Home Rebates (HOMES) (\$4.3B)

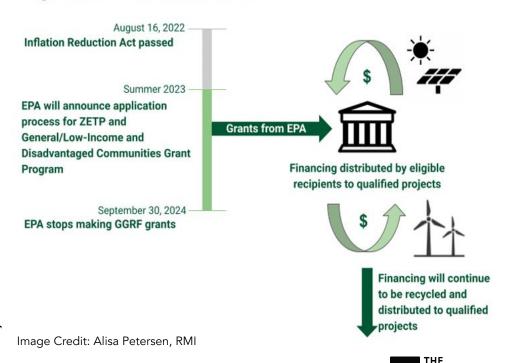
Environmental Justice Community Block Grants (\$3B)



Greenhouse gas reduction fund

- \$27 billion program
 - \$20B for general fund and low income assistance competition
 - \$14B National Clean
 Investment fund competition
 (1-2 grants)
 - \$6B Clean Communities Investment Accelerator competition (2-7 hub nonprofits)
 - \$7B Solar for All competition (60 state, tribal, municipal, and nonprofit partners)
- <u>Implementation framework</u> released or April 19, 2023

Implementation Timeline



Greenhouse gas reduction fund

Summary of comment letter

- <u>Prioritize capacity building</u> in low income and disadvantaged communities
- Support <u>trusted community based</u> financial institutions
- <u>Maximize investment</u> in low income and disadvantaged communities
- Create opportunities for <u>wealth building</u> through grants, low-cost financing etc.
- Prioritize <u>small community scale</u> projects like community based solar, storage, mobility, or retrofits
- Provide <u>accountability and transparency</u>
- Ensure alignment with <u>J40</u>

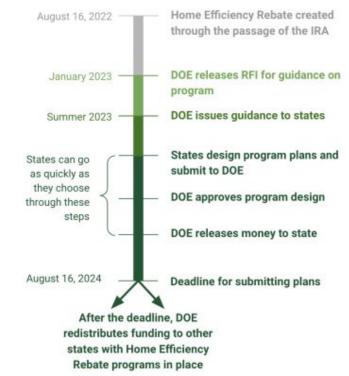
Recommendations for local stakeholders

- Attend information sessions
- Read <u>Best Practices for Equity and</u>
 <u>Governance Pledge</u> for all applicants for the Greenhouse Gas Reduction Fund General and Low-Income and
 Disadvantaged Communities Competition
- team with other nonprofits and look for funding announcement in June 2023
- Share funding opportunities with other local community based organizations applying for general fund and low income assistance



Home Efficiency Rebate Program

- \$4.3B through FY2031
- Savings-based retrofit program
- Rebates double for low-moderate income households
- Department of Energy lead federal agency
- State energy offices and Tribes will develop and administer





Summary of recommendations for Home Efficiency Rebate Program

Summary of comment letter

- Provide <u>100% of rebates</u> for clearly identified low-income and disadvantaged communities
- Streamline income verification
- <u>Coordinate</u> with other programs
- Include <u>multifamily affordable housing</u>
- Include <u>robust tenant</u> and consumer <u>protections</u>
- Outline program evaluation and equity measurement
- Require <u>community engagement</u>
- Advance a <u>diverse workforce</u>

Recommendations for local stakeholders

- Use lessons learned from local implementation to advise the California Energy Commission's statewide implementation of Equitable Building Decarbonization Program and federal Home Efficiency Rebate Program
- Start thinking through partnerships to maximize outreach, community involvement/ownership over, and reach of this funding



Environmental Justice Block Grant Program

Summary of Environmental Justice Block Grant Program

The \$3 billion in grants will provide direct funding to community-based nonprofit organizations within disadvantaged communities. The program grants can be used for five different types of projects:

- Community-led pollution monitoring, prevention and remediation
- 2. Increased engagement of disadvantaged communities
- 3. Mitigation of climate and health risks
- 4. Climate resilience and adaptation
- Reduction of indoor toxics and indoor air pollution

Timeline
Initial Application Shared:
Likely summer 2023
Full Applications Due: October 2023



Environmental Justice Block Grant Program

Summary of comment letter

- Support capacity building from the bottom-up
- Operationalize equity by incorporating it into all project / program stages
- Conduct tailored, culturally appropriate, extensive <u>outreach</u>
- Remove needless funding barriers
- <u>Increase coordination</u> across
 Environmental Protection Agency grant programs

Recommendations for local stakeholders

- Look at funding opportunities available through <u>Environmental Protection</u> <u>Agency's Technical Assistance Centers</u> as well as at the California state level through the <u>Transformative Climate Communities</u> <u>Program</u>
- Start thinking through partnerships to maximize outreach, community involvement/ownership over, and reach of this funding



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Common themes recommendations

01

02

03



GOALS, VALUES, MISSION

- Direct maximum amount of funding to low income and underinvested communities
- Increase coordination across programs

PROCESS

- Support capacity building
- Remove barriers to applying for funds
- Develop partnerships that maximize outreach and community involvement/ownership

IMPLEMENTATION

- Conduct tailored, culturally appropriate, extensive outreach
- Advance a diverse workforce and community wealth building opportunities

ANALYSIS, MEASUREMENT

- Develop specific metrics and processes to evaluate whether outcomes are equitable
- Iterate with frequent community input throughout the process



Recommendations for local advocates and implementers

- 1. Shape implementation at the federal and state level
- 2. Share the opportunities with other community groups and local governments and collaborate with them on shared proposals
- 3. Layer and stack federal funds with any local or regional funding
- 4. Stay connected with federal agencies





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Resources - List of Department of Energy Funding Opportunities for Communities, State, Tribal, and Local Governments



- Handouts with all upcoming funding opportunities
 - English
 - ⊃ <u>Spanish</u>

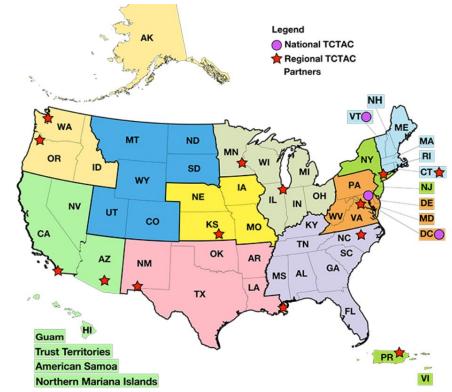


Resources - Environmental Protection Agency Thriving Communities Technical Assistance

Centers Program

 Resource: 17 National Environmental Justice Thriving Communities Technical Assistance Centers

- California lead: San Diego State University with several nonprofits and academic partners
- Goal: Build capacity for navigating federal grant application systems, writing strong grant proposals, and effectively managing grant funding
- Services: Community engagement, meeting facilitation, and translation and interpretation services





Resources - Inflation Reduction Act

- <u>Just Solutions Collective</u> Analysis and educational resources about the Inflation Reduction Act (grants and tax credits) and several other equity focused policy recommendations
- <u>Emerald Cities Collaborative</u> The People's Justice 40+ Community Benefit Playbook has information for community groups about Justice 40 and community benefit playbooks and resources
- <u>Rewiring America</u> Report with overview of the climate and electrification provisions for disadvantaged communities in IRA + other fact sheets
- <u>Justice40 Accelerator</u> Offers technical assistance, government grant preparation support, and peer learning and support
- RMI and Evergreen Action Provides information about timeline and recommendations for state and local governments for several Inflation Reduction Act provisions
- <u>The White House</u> Guidebook provides more detailed information and updates about the Inflation Reduction Act

Resources - Building Decarbonization and Equity

- Residential Retrofits for Energy Equity, 2023
- Emerald Cities Collaborative and Rocky Mountain Institute, Equitable Home Electrification Toolkit, 2022
- Urban Sustainability Directors Network, <u>Equity and Buildings Framework</u>, 2021
- American Council for an Energy Efficient Economy, <u>A New Lease on Energy: Guidance for Improving Rental Housing Efficiency at the Local Level</u>, 2021
- Los Angeles Alliance for a New Economy and Strategic Actions for a Just Economy, <u>Los Angeles Building</u>
 <u>Decarbonization: Tenant Impacts and Recommendations</u> and <u>Community Concerns, Employment Impacts,</u>
 <u>and Opportunities</u>, 2021
- National Association for the Advancement of Colored People, <u>Guidelines for Equitable Community</u> <u>Involvement in Building and Development Projects and Policies</u>, 2021
- Facilitating Power and Upright Consulting Services, <u>Process Guide for City-Community Collaboration</u>, 2021
- Poder SF and Emerald Cities Collaborative, <u>Climate Equity and Community Engagement in Building Electrification</u>, 2021
- National Association of Climate Resilience Planners and Movement Strategy Center, <u>Community Driven</u> <u>Resilience Planning Framework</u>, 2020
- Emerald Cities Collaborative and Policy Link, <u>Inclusive Procurement and Contracting: Building a Field of Policy and Practice</u>, 2018







Thank you! sneha.ayyagari@greenlining.org