



COMMUNITY DEVELOPMENT • 1140 Terex Road • Hudson, Ohio 44236 • (330) 342-1790

MEMORANDUM

To: Greg Hannan, Community Development Director

From: Jena Stasik, Community Relations Manager; Emily Fernandez, Community Project Planner

CC: Thom Sheridan, City Manager; Katie Behnke, Economic Development Manager

Date: August 25, 2023

Subject: Inflation Reduction Act (IRA) Grant Eligibility

Several emails have been exchanged among staff, EAC members, and Council regarding grant funds that may be available through the Inflation Reduction Act. Staff offers the following information on the available opportunities and the City of Hudson's eligibility.

Inflation Reduction Act

The IRA established two major funding opportunities related to sustainability. The **Climate Pollution Reduction Grants program (CPRG)** provides **\$5 Billion** for "reducing greenhouse gas pollution and other harmful air pollution" ([link](#)). The **Greenhouse Gas Reduction Fund (GGRF)** provides **\$27 Billion** to "mobilize financing and private capital to address the climate crisis, ensure our country's economic competitiveness, and promote energy independence while delivering lower energy costs and economic revitalization *to communities that have historically been left behind*" ([link](#)). Both programs are administered through the USEPA.

Climate Pollution Reduction Grants (CPRG)

CPRG is divided into two application phases:

1. *Planning - \$250 Million, Noncompetitive*

Planning grants were open to states, principal municipalities located within metropolitan statistical areas (MSA), air pollution control agencies, territories, and tribes. Planning funds could be used to update existing climate, energy, or sustainability plans, or to develop new plans. Notices of intent were due by March 31 for states and by April 28 for metropolitan statistical areas. Akron applied as an MSA for our region but was unsuccessful. The City was not eligible to submit an application in the Planning phase.

2. *Implementation - \$4.6 Billion, Competitive*

The city cannot target Implementation funding, as funding is contingent upon having successfully received planning funds. The EPA expects to announce the notice of funding opportunity in September 2023, with applications due in the first quarter of 2024. Implementation grants will be awarded through a competitive process to implement measures contained in plans developed with

planning grants. Air pollution control agencies and municipalities that do not receive a planning grant directly may work with states or nearby metropolitan areas as collaborating partners on a state or metro area plan.

Greenhouse Gas Reduction Fund (GGRF)

The Greenhouse Gas Reduction Fund (GGRF) was established to “mobilize financing and private capital to address the climate crisis, ensure our country’s economic competitiveness, and promote energy independence while delivering lower energy costs and economic revitalization to communities that have historically been left behind.” As a result, the \$27 billion investment into the Greenhouse Gas Reduction Fund implemented into the three following grant opportunities:

Solar for All

The Solar for All (SFA) grant was established to enable millions of *low-income households* to access affordable, resilient, and clean solar energy. The State of Ohio has chosen to apply for one of 56 SFA Territory Program grants and seek “Letters of Support” from municipalities who may be eligible under the established program guidance to aid in their effort. The City of Hudson does not meet the federal definition of “low-income and disadvantaged community,” and therefore, is not eligible as an entity to participate in the program. Staff contacted the Ohio Air Quality Development Authority to clarify eligibility requirements and a representative confirmed the City as an entity does not meet eligibility requirements.

Provided the State’s application is successful, and funds are awarded, opportunities may exist for *individual households* at a determined income threshold or those participating in certain federal income-based programs. Individual household awards would be administered through the State and the City would not have a role other than to provide residents awareness of the program. No timeline has been established as the State’s SFA Territory Program grant application is pending submittal. Individual households who meet the “low-income” definition could apply. City Council could choose to send a “Letter of Support” to the Ohio EPA and aid their SFA application, which may indirectly benefit Hudson households who meet the definition of “low-income.”

National Clean Air Investment Fund

The National Clean Investment Fund competition was established to provide grants to two to three national non-profit clean financing institutions capable of partnering with the private sector to provide accessible, affordable financing for tens of thousands of clean technology projects across the country. The grant application is only open to national non-profit clean financing institutions, and staff is not aware of any that exist within the City of Hudson. Once the grant is awarded to a national non-profit clean financing institute, further program criteria will be established to determine eligibility.

Clean Communities Investment Accelerator

The Clean Communities Investment Accelerator competition was implemented to provide two to seven grants for hub non-profits that will, in turn, deliver funding and technical assistance to build the clean financing capacity of local community lenders working in low-income and disadvantaged communities—so that underinvested communities have the capital they need to deploy clean technology project.

Conclusion

In conclusion, City of Hudson staff continues to monitor grant opportunities related to environmental awareness and climate impact. While there are not direct opportunities available (yet) through the Inflation Reduction Act grants noted above, the City plans to research other Ohio EPA’s grant opportunities in the upcoming fiscal year to aid in EAC’s goals and priorities.