

## **Position Your Town or Township for Competitive Energy Stimulus Funding**

**Andrew Seth, aseth@tfgnet.com**

On February 17, 2009, President Barack Obama signed into law the American Recovery and Reinvestment Act (ARRA). The \$787.2 billion stimulus bill is the largest single infusion of spending (\$575.3 billion) and tax cuts (\$211.9 billion) into the economy in American history.

A new U.S. Department of Energy (DOE) initiative that provides significant opportunities for towns and townships to access federal funding for local energy efficiency actions is the Energy Efficiency and Conservation Block Grant (EECBG) program. The EECBG program provides grants to local governments to fund projects that reduce energy use, cut fossil fuel emissions, and improve energy efficiency. This flexible program is modeled after the Community Development Block Grant program administered by the U.S. Department of Housing and Urban Development.

Activities that EECBG grants can support include energy efficiency retrofits, zoning improvements, bike lanes, pedestrian walkways, synchronized traffic lights, planning activities that reduce vehicle miles traveled (VMT), intelligent transportation systems (ITS), idle reduction technologies, improved building codes, traffic signals and street lighting, and renewable energy technologies on government buildings.

ARRA provides \$3.2 billion for the EECBG program. Approximately \$1.9 billion of the funding will be allocated by direct formula grants to cities with populations greater than 35,000 and counties with populations greater than 200,000. The National Association of Towns and Townships (NATaT) worked with DOE to include towns and townships within the agency's definition of "cities." Larger towns and townships should have been contacted by DOE about their allocation.

The EECBG program also provides localities under 35,000 in population and counties under 200,000 in population with opportunities to access federal funding. Each State will receive an EECBG allocation to distribute to smaller communities not eligible for direct formula grants. By law, States are required to award at least 60 percent of their allocations to these smaller local governments. \_\_\_\_\_, for example, has been allocated \_\_\_\_\_ to grant competitively to smaller communities. NATaT strongly encourages towns and townships to compete for this EECBG funding from their States.

In addition to the block grant funds, DOE will administer a \$450 million competitive grant program. Towns and townships are eligible to apply. While guidelines are not yet available from the States or DOE for the competitive grant opportunities, NATaT recommends that towns and townships take the following steps to position your community for EECBG funding:

- **Contact your State energy office.** Your State energy office will distribute EECBG funding to smaller communities. Begin to build support at the State level for potential projects.

- **Develop programs versus projects.** Rather than focus on specific projects, consider developing local programs that will tackle multiple projects and that can support themselves with energy savings.
- **Consider regional partnerships.** Regional applications are likely to be more competitive.
- **Demonstrate significant energy savings and greenhouse gas reductions, as well as job creation.** Remember the primary goal of the economic stimulus bill – to save or create 3.5 million jobs over the next two years.
- **Be innovative.** You will be competing with many communities, so consider programs and projects that are different.
- **Ensure accountability and transparency.** Think about how you will measure results.

Guidelines for the competitive EECBG funding are expected soon. For more information on the EECBG program, visit [www.eecbg.energy.gov](http://www.eecbg.energy.gov).