



**December 9, 2024**

# **DRCOG Climate Pollution Reduction Grant**

*Building Policy Collaborative Workshop #2*



# Agenda

- Introduction/Orientation:
  - Decarbonize DRCOG - how we got here
  - Building Policy Collaborative workgroup priorities
- Workshop:
  - Eligible uses for Policy funding
  - Allocation of funding
  - Barriers to applying
- Next Steps



**DRCOG was awarded \$199.7 million from the Environmental Protection Agency's Climate Pollution Reduction Program!**

# DRCOG's Climate Pollution Reduction Grant.

- [The DRCOG Board voted unanimously to pursue the grant during their January 17, 2024 meeting.](#)
- The grant will fund **a regional building decarbonization program** over a five-year period that started October 2025.
- One of 25 projects selected out of 300 applications nationwide.
- Over 47% of funds will be focused on low-income and disadvantaged communities.
- The Colorado Energy Office was also awarded \$129 million for methane capture and a Local Government Climate Action Accelerator Program.

# The program will:

- **Cut 148,200,000 metric tons of carbon dioxide** by 2050.
  - The equivalent of taking 35 million gas-powered cars off the road for an entire year.
- **Train 4,800-plus workers** for the electrification workforce, including 1,000 upskilled workers.
- **Engage 1.6 million Coloradans** in the benefits of building efficiency and electrification through a public awareness campaign.



# PROGRAM STRUCTURE

\$47.1M



*Full-Service Decarbonization Program for LIDAC*

\$17M



*Energy Improvement Advisor Program*

\$4.26M



*Financial Incentives and Rebates*

\$19.4M



*Workforce Development*

\$38.4M



*Local Policy Accelerator*

\$6M



*Innovation Fund*



*Community Engagement, Program Co-Creation, Education and Accessibility through Marketing*

# Decarbonize DRCOG Grant Components

- \$47.1M Low-income, Disadvantaged Community (LIDAC) Home Decarb**
  - Free, full-service home decarbonization, including weatherization and appliance replacement.
- \$17.5M Energy Advising**
  - Free, data-driven energy advising to help residential, multifamily, and commercial building owners plan and implement upgrades.
- \$42.6M Rebates and Incentives**
  - Rebates and incentives for electrification equipment and services.
- \$38.4M Building Policy Collaborative** ← **that's us!**
  - A Building Policy Collaborative that supports coordinated, regional policy implementation and local government capacity building.
- \$19.4M Workforce Development**
  - Green workforce hubs, Contractor navigation and business development support, job access and training

**Community engagement to support programming, implementation, and education.**

**Comprehensive, accessible communications and public awareness campaign.**

# Building Policy Collaborative (BPC) CPRG Grant Intent

- Healthy, high-performance new construction and existing buildings through efficient construction and pollution-free equipment ensured by consistently applied and enforced above-state-minimum building policy
- Lower energy cost burden for building occupants over lifetime of buildings and equipment
- Consistent and coordinated implementation of building policy to ease compliance and ensure residents and contractors are not left behind in the transition to clean building technology
- Collaborative solutions to common implementation challenges
- Transformative impacts from combination with other grant elements



# Change is coming to Colorado!

## State code minimums

- **Model Electric Ready and Solar Ready Code:** adopt when adopting or updating any building code between **July 1, 2023 and June 30, 2026.**
- **Model Low Energy and Carbon Code:** This code minimizes overall carbon dioxide emissions associated with new and renovated homes and commercial buildings. Cities and counties with building codes must adopt these codes **when they update any other building codes after July 1, 2026.**
- **Voluntary Model Green Code** - building attributes such as energy and water use efficiency, electrification, low carbon building materials, etc

## Colorado Energy Office Collaboration

- Tech assist and resources for code adoption, including grants
- Common data library
  - Costs and benefits
  - Grid Capacity
  - Local data gaps

# Building Policy Collaborative (BPC) Grant Milestones

End of 2024	Workshops have identified priority implementation needs
End of 2025	Jurisdictions have co-developed a region-wide roadmap towards zero emission buildings; individual jurisdictions have identified their policy priorities through 2030; first round of jurisdiction support funds awarded (continued periodically).
End of 2026	Participating jurisdictions are implementing state Low Energy and Carbon Code.
End of 2027	Communities representing 65% of regional population are implementing zero-emission building policy for new construction.
2030 Goal	Entire region operates under zero- or near-zero emission building policy for new construction; communities representing 65% of regional population implementing enhanced appliance requirements; communities representing 33% of regional population have advanced energy efficiency requirements for buildings 10,000 to 50,000 sq ft.
2050 Goal	Nearly 100% of region's buildings are operating at zero emissions.

# Distance to Goal: Diversity across DRCOG

## 58 jurisdictions from Denver to Empire

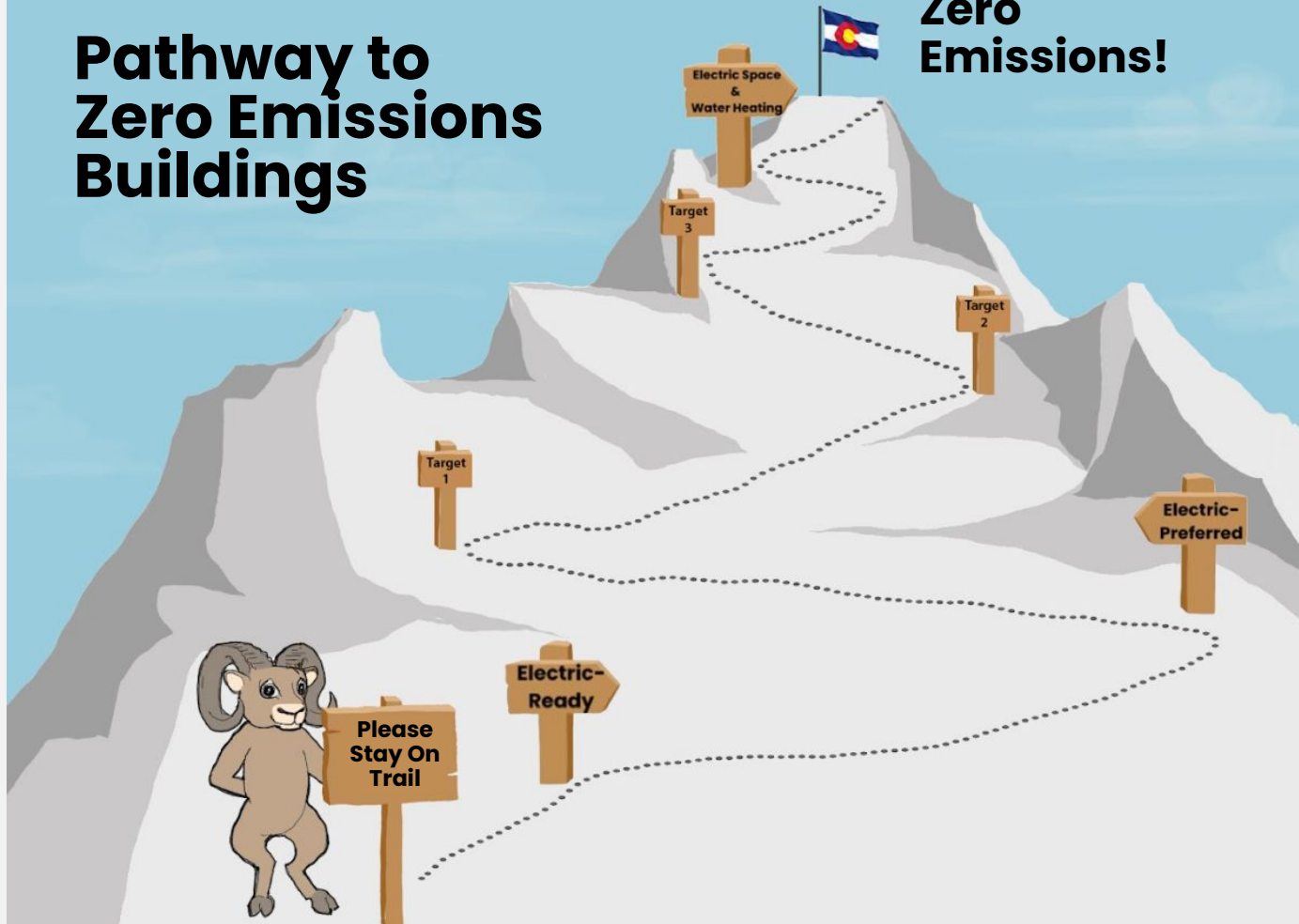
- **5-10** Jurisdictions by mid-2025:
  - Electrification-forward code exceeding 2024 IECC
- **2** Jurisdictions: (+ state above 50K sq ft)
  - Building Performance Benchmarking and Requirements

— — — — — — — — — — **State code mins based on 2024 IECC beginning July 2026**

- **17** Jurisdictions still need to meet state EV- and Solar-ready
- **31** Jurisdictions on 2021 IECC
- **18** Jurisdictions on 2018 IECC
- **6** Jurisdictions on 2015 IECC
- **2** Jurisdictions on 2009 IECC or have no I-code

# Pathway to Zero Emissions Buildings

## Zero Emissions!



# Two CPRG Policy Awards: DRCOG and CEO

## Decarbonize DRCOG Building Policy Collaborative:

- **\$34.8 million in subawards to DRCOG's member governments.**
  - Direct staff capacity (internal or contracted).
  - Other process and system support.
  - *Workgroup developing eligible measures list based on needs.*
- **\$2.6 million contract for regional policy network facilitation.**
  - Coordination, stakeholder engagement, attending community councils, preparing materials, maintaining databases, and composing proposals.
  - *Workgroup developing facilitation goals and roles.*
- **\$1 million budget for localized research.**
  - Data gathering and analysis to support collaborative needs.
  - *Workgroup identifying information gaps in local cost, infrastructure, and implementation data.*

## Colorado Energy Office - Local Policy Accelerator: *coming summer 2025*

- **Funding for Building energy efficiency and electrification, and on-site renewable energy projects for jurisdictions that:**
  - Adopt ***before they are mandatory*** or exceed state minimum building energy codes, incl. Electric, solar, and EV-ready provisions and/or performance standards
  - Provide incentives and financing for energy efficiency, electrification, and renewables
  - Watch <https://energyoffice.colorado.gov/cprg> for updates

***But that's not all!....***

## **Up to \$1B coming to Colorado in Building Decarbonization**

- Decarbonize DRCOG- \$200m
- Xcel Energy (Clean Heat Plan) - \$330m
- Colorado Energy Office (Hear & Homes) \$103m
- Power Forward Communities - \$2b\*
- Collective Clean Energy Fund\* - \$120m\*

\*Allocated funds to Colorado currently unknown

Do local governments have enough capacity to handle this influx of infrastructure and funding? How can jurisdictional support money help?

# Building Policy Collaborative (BPC) 11/18 Workgroup questions:

## Part 1: Outcomes and barriers

What are the policies and outcomes you want to achieve through this program?

What are the greatest barriers you see to achieving these outcomes?

## Part 2: Opportunities/Actions and Needs

What would it take for your community to achieve the outcome / overcome the barrier?

What role can the BPC play in making this happen?

## Building Policy Collaborative (BPC) Workgroup Priorities from the first (November 2024) Workshop

To guide Dec 9th prioritization of eligible measures for jurisdictional subawards (\$39M), research priorities (\$1M) and BPC facilitation goals.

**Topline Big Picture Goal: Efficiency and [cold climate] electrification of new and existing construction and equipment**

Dec  
9th  
work  
shop

What are the top policies and outcomes you want to achieve?

What are the greatest barriers you see to achieving these outcomes?

What would it take for your community to overcome the barrier?

What role can the BPC play in making this happen?

earlier

TIME PRIORITY

later

<p>Aware and informed residents, builders, decisionmakers</p>	<ul style="list-style-type: none"> <li>Lack of awareness and (and mis/disinformation) across public</li> <li>Fear of upfront and operational cost impacts of high performance building</li> <li>Developers, residents threatening to move</li> </ul>	<ul style="list-style-type: none"> <li>Clear view of what all electric looks like</li> <li>Locally relevant data and research</li> <li>Consistent and inclusive communications of costs/benefits</li> <li>Media-savvy marketing of policy benefits</li> <li>Studies on impact to housing affordability (policy vs market)</li> </ul>	<ul style="list-style-type: none"> <li>Early collaboration with communications and engagement grant team</li> <li>Communications plan for BPC</li> <li>Research contract addressing local questions and data needs</li> <li>Communicate early adopter examples</li> </ul>
<p>Political will to advance codes and standards</p>	<ul style="list-style-type: none"> <li>No local mandate to advance policy</li> <li>Local decisionmakers not understanding/prioritizing building decarb</li> <li>Lack of support from industry stakeholders (contractors and builders)</li> <li>Threat of legal challenge</li> <li>Resistance to change</li> </ul>	<ul style="list-style-type: none"> <li>Connect building policy with sustainability, comprehensive plans</li> <li>DRCOG high-level leadership connections</li> <li>Identify and activate industry allies</li> <li>Legal review/guidance of policy proposals</li> <li>Confidence that others are moving also</li> <li>State-level action/leadership</li> </ul>	<ul style="list-style-type: none"> <li>Build and demonstrate community alignment through BPC</li> <li>Engage industry allies in BPC</li> <li>Convene legal discussion/review</li> <li>Ensure ongoing funding/support</li> <li>BPC coordination with CEO, state</li> </ul>
<p>Policies that achieve equitable transition for disadvantaged/disproportionately impacted/LIDAC communities</p>	<ul style="list-style-type: none"> <li>Lack of clarity/communication of LIDAC community benefits</li> <li>Highly technical language</li> <li>Lower adoption in LIDAC communities</li> </ul>	<ul style="list-style-type: none"> <li>Effective engagement for LIDAC needs assessment</li> <li>Plain language communication</li> </ul>	<ul style="list-style-type: none"> <li>LIDAC engagement funding</li> <li>LIDAC communications plan</li> <li>Direct connect with LIDAC upgrade grant component</li> </ul>
<p>Efficiency and electrification policy in new and existing construction and equipment</p>	<ul style="list-style-type: none"> <li>Lack of staff capacity to adopt, implement</li> <li>Upfront costs (perceptions and realities)</li> <li>Heat pump permitting barriers</li> <li>Air barrier performance inconsistent</li> <li>Uncertain grid capacity</li> <li>Workforce not clear on requirements</li> <li>State code minimums tempting fallback</li> </ul>	<ul style="list-style-type: none"> <li>Fund local capacity: staff+consultants</li> <li>Direct connection to incentives</li> <li>Policies that reduce loads first</li> <li>Ensure consistent air leakage/barrier testing</li> <li>Make it easier to permit heat pumps</li> <li>Grid capacity transparency and reform</li> <li>Contractor vetting for compliance</li> <li>Clarify why it's worth reaching past minimums in one stroke</li> </ul>	<ul style="list-style-type: none"> <li><b>FTE and consultant subawards for: adoption/review/enforcement staff</b></li> <li>Pairing with incentive program</li> <li>Standardize testing expectations</li> <li>Co-create and lead permitting reform</li> <li>BPC grid capacity advocacy</li> <li>Offer, vet, and implement a clear above-minimum package everyone can adopt and be de facto state compliant</li> </ul>
<p>Ease of administration and compliance; High policy consistency across region</p>	<ul style="list-style-type: none"> <li>Patchwork of policies, written differently</li> <li>Varying interpretation of regulations</li> </ul>	<ul style="list-style-type: none"> <li>One portal for customers and contractors</li> <li>Unifying local licensing and permitting</li> </ul>	<ul style="list-style-type: none"> <li>BPC funded consistent training</li> <li>BPC best practices manual/blueprints</li> <li>BPC advocacy for effective regional/state policy approaches</li> </ul>
<p>High code compliance rates; High emissions reductions</p>	<ul style="list-style-type: none"> <li>Building dept staff not energy savvy</li> <li>Compliance avoidance</li> <li>Quality issues with performance codes</li> </ul>	<ul style="list-style-type: none"> <li>Training and buyin on energy policy</li> <li>Legal recourse for compliance avoidance</li> <li>Resolve HERS rater quality control issues</li> </ul>	<ul style="list-style-type: none"> <li>BPC/CEO training resources</li> <li>Consistent enforcement plan</li> <li>BPC coord with RESNET, rater QC</li> </ul>



# Role for BPC identified so far:

Aware and informed residents, builders, decisionmakers	Political will to advance codes and standards	Policies that achieve equitable transition for DI/LIDAC communities
<ul style="list-style-type: none"> <li>• Early collaboration with communications and engagement grant team</li> <li>• Communications plan for BPC</li> <li>• <b>Research contract addressing local questions and data needs</b></li> <li>• Communicate early adopter examples</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Build and demonstrate community alignment through BPC</b></li> <li>• Engage industry allies in BPC</li> <li>• <b>Convene legal discussion/review</b></li> <li>• Ensure ongoing funding/support</li> <li>• BPC coordination with CEO, state</li> </ul>	<ul style="list-style-type: none"> <li>• <b>LIDAC engagement funding</b></li> <li>• LIDAC communications plan</li> <li>• <b>Direct connect with LIDAC upgrade grant component</b></li> </ul>
Efficiency/electrification policy in new/existing construction/equipmt	Ease of administration; High policy consistency across region	High code compliance rates; High emissions reductions
<ul style="list-style-type: none"> <li>• <b>FTE and consultant subawards for: adoption/review/enforcement staff</b></li> <li>• <b>Pairing with incentive program</b></li> <li>• Standardize testing expectations</li> <li>• Co-create and lead permitting reform</li> <li>• <b>BPC grid capacity advocacy</b></li> <li>• Offer, vet, and implement a clear above-minimum package everyone can adopt and be de facto state compliant</li> </ul>	<ul style="list-style-type: none"> <li>• <b>BPC funded consistent training</b></li> <li>• BPC best practices manual/blueprints</li> <li>• BPC advocacy for effective regional/state policy approaches</li> </ul>	<ul style="list-style-type: none"> <li>• <b>BPC/CEO training resources</b></li> <li>• Consistent enforcement plan</li> <li>• BPC coord with RESNET, rater QC</li> </ul>

# Types of Building Policy We Want

- Building Codes (new construction and major remodel)
- Building Performance Standards (existing buildings)
  - By type (office, restaurant, mixed-use...)
  - Above a size threshold (5,000, 10,000, 50,000 (state))
- Equipment standards (upon replacement)
- Emissions standards (air pollution)
- Licensing:
  - Rental licensing requirements
  - Contractor (HVAC, etc) licensing

# Workshop Objectives

## Key Questions for Today

- **Eligible Uses:** What should be allowable uses for the \$35M in funding?
- **Allocation:** How should funding be distributed across communities?
- **Barriers:** What challenges need to be addressed to ensure broad participation?

**Goal:** Develop actionable insights to shape funding strategies and remove obstacles for jurisdictions.


# Exercise 1: Eligible Uses for Funding

## Key Questions to Answer:

- What should be allowable uses for the \$34.8 million?
- What would you prioritize spending on?
- What uses should not be allowed?

# BPC Funding Amounts

## Decarbonize DRCOG Building Policy Collaborative

- **\$34.8 million in subawards to DRCOG's member governments.** 
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- **\$2.6 million contract for regional policy network facilitation.**
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- **\$1 million budget for localized research.**
  - Data gathering and analysis to support collaborative needs.

Today's  
conversation

## Context:

\$34.8M for jurisdictional support = \$600,000 for each of DRCOG's 58 member governments (if split equally)

# Exercise 2: Allocation of Funding

## Key Questions to Answer:

- How should the \$34.8 million be allocated across communities?
- What variables should be considered?
- What priorities should guide this allocation?

# Exercise 3: Barriers to applying

## Key Questions to Answer:

- What would make this funding **not** worth your time?
- Is there a minimum funding threshold to make this worthwhile?
- What challenges could make the process too difficult?
- What support or changes would help? (e.g. ease of application)
- Would minimum requirements around participation in the Building Policy Collaborative affect your willingness to apply?

# Wrap-Up and Next Steps

- Is your jurisdiction planning to apply?
- Survey available for anyone who could not be here to participate - **closing Tuesday Dec 31st**
  - Will share survey/in-person input summary in the new year
- Next steps:
  - **Jan 13, 1:00pm – 3:30pm** (Location: Virtual)
    - Overview of input so far, incorporation of comments, draft materials
  - **Feb 10, 1:00pm – 3:30pm** (Location TBD)
    - Scoring, application, committee recommendations, intro to new staff
  - **Mar 17, 1:00pm – 3:30pm** (Location TBD)
    - Final draft review, comment period ongoing, focus on policy collaborative work



# Optional Activities:

**NOW: Tour of the Net Zero Northglenn City Hall (30 min)**

**AFTER: Grab a beer at Prost (5 min drive):**

A photograph of the Prost Brewing Co. building at dusk. The building features a dark blue corrugated metal facade and large glass windows that are illuminated from within. A prominent sign above the entrance reads "PROST BREWING CO." in white capital letters. To the right, a red brick building is visible with a sign that says "BIERGARTEN". The sky is a deep blue. Overlaid on the image in large, bold, white capital letters is the text "NORTHGLENN BIERGARTEN".

**NORTHGLENN BIERGARTEN**

# Thank you!

## *Questions?*

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