



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 38

Agenda Date: September 21, 2023

In Control: City Council A Session

DEPARTMENT: Office of Sustainability

DEPARTMENT HEAD: Douglas Melnick

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Texas Solar for All Coalition grant competition.

SUMMARY:

On June 28, 2023, the Environmental Protection Agency (EPA) released the \$7 Billion Solar for All Notice of Funding Opportunity. Through this competition, Solar for All will award up to 60 grants to states, territories, Tribal governments, municipalities, and nonprofits to expand the number of low-income and disadvantaged communities primed for residential solar investment—enabling millions of low-income households to access affordable, resilient, and clean solar energy. The Office of Sustainability is seeking City Council authorization to apply for a United States EPA Solar for All Grant as part of a Texas Solar for All Coalition.

This ordinance authorizes a grant application and acceptance of funds upon award in an amount up to \$30,000,000.00 from the Texas Solar for All Coalition for the term September 2023 to August 2028, and authorizes a budget and personnel complement. There is no impact to the City's General Fund in the form of a cash match. This ordinance also authorizes a Memorandum of Agreement between Harris County and the City of San Antonio, and authorizes the Chief Sustainability Officer/designee to execute any and all related documents.

BACKGROUND INFORMATION:

The Environmental Protection Agency (EPA) is soliciting proposals for the \$7 Billion Solar for All Grant Competition to fund residential solar programs that lower energy costs to millions of homes in low-income and disadvantaged communities, funded by President Biden's Inflation Reduction Act. The grant has three goals:

1. Reduce emissions of greenhouse gases and other air pollutants.
2. Deliver benefits of greenhouse gas-and air pollution-reducing projects to American communities, particularly low-income and disadvantaged communities.
3. Mobilize financing and private capital to stimulate additional deployment of greenhouse gas-and air pollution-reducing projects.

EPA only intends to award a maximum of 60 awards. The Office of Sustainability is developing potential programs, such as community and onsite solar with battery storage, that support Solar for All parameters and that can leverage existing public and private investment in affordable housing and solar energy including the Affordable Housing Bond, CPS Energy's community solar program, and other community planning initiatives focused on affordability and resilience.

ISSUE:

On August 11, 2023, Harris County submitted a Notice of Intent to serve as the lead agency on behalf of the Texas Solar for All Coalition that included the following geographic areas within the State of Texas:

- Areas of north Texas through non-lead coalition member Dallas County
- Areas of central Texas through non-lead coalition members Travis County and Austin Energy (City of Austin utility)
- Areas of south-central Texas through non-lead coalition members City of San Antonio and Opportunity Home San Antonio (formerly San Antonio Housing Authority)
- Areas of southeast and the upper Gulf Coast of Texas through lead coalition member Harris County
- Areas of south Texas and the southern border regions of Texas through non-lead coalition member Texas Energy Poverty Research Institute (TEPRI)

This proposal will include on-site solar and community solar programs, as well as battery storage opportunities with a focus on meeting or exceeding the required guarantee of a minimum 20% total electricity bill savings for households benefiting from the program. Additionally, as an independent coalition member, Opportunity Home will be providing an additional program funding request as part of the final application package and the Opportunity Home Board of Directors approved their participation in the coalition on August 16, 2023.

The application deadline is October 12, 2023, and the coalition will be submitting an application in the amount of \$400 Million, the maximum amount available. The Office of Sustainability will coordinate the inclusion of the City of San Antonio proposal as part of the application package. The coalition is evaluating funding distribution levels; however, the Office of Sustainability has identified an initial program need of approximately \$30,000,000.00 that would provide benefit to approximately 1,500 low-income households. As part of this funding request, the Office of Sustainability requests one grant-funded position to serve as the Senior Special Projects Program

Manager for the SA Solar for All Program during the five-year grant period.

ALTERNATIVES:

The City of San Antonio can choose to not participate in this competition thereby limiting the ability to provide low-income San Antonio residents the financial and resilience benefits of solar power.

FISCAL IMPACT:

This ordinance authorizes a grant application and acceptance of funds upon award in an amount up to \$30,000,000.00 from the Texas Solar for All Coalition for the term September 2023 to August 2028, and authorizes a budget and personnel complement of one position. There is no impact to the City's General Fund in the form of a cash match.

RECOMMENDATION:

The Office of Sustainability recommends that the City Council grant approval for San Antonio's participation in the Texas Solar for All Coalition's application to the Solar for All grant competition, approve a Memorandum of Agreement between Harris County and the City of San Antonio, and authorize the Chief Sustainability Officer/designee to execute any and all related documents.