



# **Building Policy Collaborative: Jurisdictional Subawards Program**Frequently Asked Questions

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#### Introduction

The Denver Regional Council of Governments (DRCOG) launched the \$34.8 million Jurisdictional Support Subaward Program to help member jurisdictions develop and implement building decarbonization policies that improve energy efficiency and reduce climate pollution from buildings, which are currently responsible for over half of regional emissions. This time-limited funding supports staff capacity, technical resources, and planning efforts, enabling local governments to exceed state standards and contribute to regional air quality, energy savings, and resilience.

To support applicants, DRCOG has compiled questions brought to us by member jurisdictions and provided responses that were composed through consultation with our internal staff, Environmental Protection Agency (EPA), and local partners. DRCOG reserves the right to review these answers and update them according to new federal and local guidance. If any answers need to be updated, or questions added, this document will be republished on our website and emailed to jurisdictions.

If you have any questions about this application or subaward eligible uses, please review our <u>Jurisdictional Subaward Policy</u>, visit our <u>website</u>, or contact <u>buildingpolicy@drcog.org</u>.





#### **Frequently Asked Questions**

#### **Background Questions**

#### When will the Jurisdictional Subaward Program be available, and what are the deadlines?

The first round of subaward funding opened June 2, 2025 and applications are reviewed on a rolling basis; jurisdictions can find the application <a href="https://example.com/here">here</a>. The first round of formula funding will close October 31, 2025 at 5pm Mountain time, and the second-round of funding will be competitive process, with applications opening in Spring 2026. Please note: Round 1 funding is based on formula subawards and Round 2 funding is competitive.

How will the total subaward amount for my jurisdiction be determined? Jurisdictional subawards will be allocated through two rounds, both of which will run through the end of the DRCOG CPRG grant period on October 19, 2029.

The first round of funding will allocate \$34.8 million as formula funds across all jurisdictions in the DRCOG area. Formula funds were evaluated by assigning jurisdictions to different funding tiers based on weighted criteria including: 2025 Population demographics, 2025 jobs data, 2025-2025 projected population growth, and 2025-2050 projected job growth. A table listing the total subaward amount for each local jurisdiction can be found in Appendix A of the <u>Jurisdictional Subawards Policy</u>.

If a judication receives funding in Round 1, could they also apply in Round 2? Yes, jurisdictions that receive funding in round 1 will be eligible in round 2, though grant criteria has not been developed yet.

### If a jurisdiction did not apply in Round 1, could they apply for their formula funding amount in Round 2?

Yes, if a jurisdiction did not apply for funding in Round 1, they are still eligible to apply in Round 2. Applicants that did not apply in Round 1 may have higher consideration for an subaward in Round 2, which may be up to the funding amount allocated to them in Round 1. Please note, Round 1 funding is based on formula subawards and Round 2 funding is competitive.

### Can jurisdictions participate in the Building Policy Collaborative (BPC) if they don't apply for the subaward funding?

Yes, jurisdictions are encouraged to participate in the Building Policy Collaborative (BPC), even if they do not anticipate applying for the Jurisdiction Subaward Funding.

### Can I apply for both the CEO Local IMPACT Accelerator Grant and DRCOG's Building Policy Collaborative Jurisdictional Support Grant?

The Colorado Energy Office (CEO) has similar grant funds from the EPA for their Local Implementation, Mitigation, and Policy Action (IMPACT) Accelerator Program. This funding will provide \$50 million to support local government policy adoption in four key sectors: Buildings, Land Use, Transportation, and Waste. The CEO program is



statewide and involves a competitive application process.

Due to the overlap in geographic region and similar grant goals, CEO and DRCOG have entered into an agreement with EPA to ensure we do not fund overlapping work. Therefore, DRCOG jurisdictions should apply to DRCOG's Subaward grant to fund any building decarbonization policy adoption and implementation, whereas they should apply to CEO's IMPACT grant to fund policy projects in the Transportation, Land Use, and Waste sectors. For applicants in the DRCOG region, CEO will prioritize funding for proposed projects outside the building decarbonization sector.

If a DRCOG jurisdiction is accessing DRCOG funding but still feels they need additional support to adopt a building policy, CEO will consider these applications on a case-by-case basis and will require more information to show:

- A clear need for the additional funds;
- The lack of ability to adopt the policy without the additional funds;
- A summary of the of the DRCOG application;
- A copy of the DRCOG application (attached/uploaded as a PDF); and
- The requested funding does not overlap with or duplicate DRCOG funding

For more information, visit <u>CEO's Local IMPACT Accelerator website</u>.

### How is DRCOG addressing concerns about the long-term security of its funding amid shifting political priorities?

While DRCOG understands concerns regarding funding stability for the decarbonization program, we – and our contacts at the EPA – feel strongly that the program is on solid ground. The funding is fully obligated, and we continue to successfully draw down from the grant monthly. We are committed to carrying out this important work as outlined in our grant application and workplan.

#### **Application Questions**

#### Who can apply for this funding?

Qualified applicants include any jurisdiction within the DRCOG planning area, or partnerships among more than one of those jurisdictions. A DRCOG jurisdiction must be the lead applicant, but other organizations such as Community Based Organizations (CBOs) or nonprofits may be included in the proposal and may act as sub-awardees, subject to approval along with any additional paperwork needed to meet federal subaward requirements. A full list of DRCOG's member jurisdictions can be found here.

#### Are there prerequisites to submitting a Subaward application?

Eligibility requirements can be found on <u>page 3 of the Subaward Policy</u> and include the following criteria:

 At least one representative, or their designee, actively engage in the BPC, with a goal of attending 75% of meetings and to meaningfully participate in content review and collaborative discussions.



 A letter of commitment signed by the chief elected official or senior administrative official (e.g., City Manager). DRCOG does not require a formal vote or council approval of any new policy to be eligible.

### What is a collaborative application and how does that impact my commitment to participation?

A jurisdiction may submit a joint application to DRCOG on behalf of one or more jurisdictions, provided it has a signed letter of commitment (signed by the senior elected or administrative official) from each participating jurisdiction and includes a project proposal for services to be delivered to the supporting jurisdictions. DRCOG would enter into a contract with the lead jurisdiction, who would manage all subaward reporting. Local jurisdictions opting in must submit a letter of intent that:

- Confirms commitment to the BPC's goals
- Identifying a key local representative responsible for working with the lead jurisdiction on the provision of the identified services and projects. This representative will be expected to attend 75% of BPC meetings, as well as join meetings with DRCOG on subaward administration.

#### Does the letter of commitment have to be from an elected official?

DRCOG prefers a letter of commitment from an elected official, however, we will also accept a letter of commitment from a Senior Administrative Official, such as a City Manager. Partnership applications must contain a letter of commitment from all participating jurisdictions, which must be signed by senior elected or administrative officials of each participating entity.

#### What are the reporting requirements?

DRCOG is committed to making required reporting as easy and efficient as possible. Every lead applicant that is selected for subaward funding will be required to submit reports to DRCOG at a regular cadence with information required by both U.S. EPA and DRCOG. Report content and regularity will be defined in the final program participation document agreed to by the subaward applicant(s) and DRCOG. At a minimum, subawardees will be required to submit monthly cost reimbursement reports to DRCOG detailing actual costs against their budgets, as well as narrative progress reports detailing progress that has been made towards policy adoption and implementation, as well as any setbacks that have been encountered.

#### Do we need to include equity considerations into our grant narrative? Will this raise alerts with EPA?

There is no requirement to include equity considerations in the grant narrative or subaward application.

#### **Budget & Contracting Questions**

When providing a budget, how should the jurisdiction align the budget start date? Please align the budget with the estimated subaward start date. For example, if the subaward is estimated to begin in November 2025, Year 1 would run from November



2025 through October 2026. When undergoing the contracting process with DRCOG, there will be an opportunity to update these dates if necessary.

#### Is cost share required in the budget?

There is no cost share requirement for the budget, but DRCOG is happy to consider any cost-share in the application.

This is a federal grant between EPA and DRCOG, but is this considered a federal grant between EPA and awarded jurisdictions? Will the award have a FEIN? These funds are deemed federal subawards to jurisdictions, with a Federal Award Identification Number (FEIN) and a CFDA number for federal funds tracking purposes.

#### How long will it take to execute a final contract?

Awarded jurisdictions should estimate the review and contracting process to take **between 60-75 days**. After a grant application is received, DRCOG will review the application, discuss any outstanding questions with the jurisdiction, present recommendations to DRCOG's Finance and Budget committee (meets once a month), develop a statement of work (SOW), undergo procurement review, and develop the final contract. If a contract needs to be reviewed or requires input from the EPA, this could extend the timeframe. Please note, sub-awarded jurisdictions may not begin using funds until a formal grant agreement is fully executed between DRCOG and the subawardee.

### Within the proposed budget, do the funds have to be spread across all four years or can they be used in a shorter timeframe?

No, the budget does not have to be spread across all four years. Jurisdictions may choose to spend their sub-awarded funds based on the specific scope, timeline, and needs of their project. The subaward allows for flexibility in fund utilization if all other grant requirements and reporting obligations are met. Grant applications should specify the intended funding level for each eligible use applied for, broken down into one-year intervals over a four-year period of performance.

### Can a jurisdiction change how they use the funding part way through the contract, if, for example, other funding becomes available?

DRCOG is open to the possibility of amending a contract or budget to facilitate the incorporation of other funding but would need to evaluate it on a case-by-case basis. DRCOG would need to ensure that any work completed with the original funding remains effective and that the proposed new use aligns with program eligibility requirements. Additionally, DRCOG would need to ensure that the other funding source does not have any conflicting requirements, as in the case of duplication with the State's IMPACT Accelerator funding.

Can jurisdictions use this funding in combination with other funding sources? Yes, jurisdictions may combine this subaward funding with other sources, as long as it expands—rather than replaces—existing efforts. The funds and their uses must be tracked individually to ensure compliance with regulations.



#### What is a QAPP and when does the QAPP need to be submitted?

A QAPP (Quality Assurance Project Plan) is required if a jurisdiction's proposed activities involve environmental information operations (EIO), such as compiling, analyzing, or modeling environmental data to inform decisions. If EIO is identified in an application, a QAPP must be submitted after the contracting process is finalized with DRCOG but will need to be approved by EPA before EIO work begins.

Can jurisdictions leverage DRCOG's existing contracts for their own projects? Jurisdictions may make use of DRCOG's competitive process to purchase directly from a DRCOG awarded contractor, provided said process satisfies their own procurement guidelines. DRCOG's cooperative purchasing policy requests that vendors extend the terms of their DRCOG contracts to Colorado local government entities, and this allows local governmental entities to make use of DRCOG's competitive process.

Additionally, through participation in the Building Policy Collaborative (BPC), kickstarting in August 2025, jurisdictions are free to share any scopes or contractor estimates with each other.

Will there be any requirements from this grant requiring a formalized request for proposals (RFP) if using the funds to source services externally?

These funds are deemed federal subawards to jurisdictions, and federal grant regulations would also apply to the sub-awarded jurisdiction, including requirements such as documented procurement procedures (2 CFR 200.318), competition (2 CFR 200.319), and procurement methods (2 CFR 200.320). Depending on the type of work services the jurisdiction is applying for, RFPs may be required, and DRCOG will help identify the necessary procurement policies in the award process.





#### **Eligible Uses Questions**

#### What activities are eligible under this funding?

Jurisdictions may use funding to support a range of actions that advance building decarbonization policy goals, including:

- <u>Staff Capacity</u>: Hiring or expanding staff roles to support policy development and implementation.
- <u>Training & Certification</u>: Professional development for staff or contractors related to decarbonization policies.
- <u>Permitting & Systems Support:</u> Enhancements to permitting processes or infrastructure to aid policy execution.
- <u>Technical Assistance</u>: Support for developing, coordinating, piloting, or implementing building decarbonization policies. May include consulting or plan updates that incorporate decarbonization goals.
- <u>Community Engagement & Coordination</u>: Jurisdiction-led outreach to raise awareness, build public support, and connect stakeholders to building decarbonization policies.
- <u>Custom Measures</u>: Activities designed to reduce climate pollution from the building sector, as long as they are tied directly to policy development or implementation.

Refer to <u>Jurisdictional Subaward Policy Section 3 – Eligible Uses</u> for more details.

What are not eligible uses of this funding (examples)? See page 7 of the Jurisdictional Subaward policy.

Does a jurisdiction need to adopt or update a policy to obtain this funding? No, jurisdictions are not required to adopt a policy to receive funding, only to evaluate the possibility. However, applications proposing implementation of new policy may be scored more favorably. Additionally, jurisdictions not meeting State energy code minimums are encouraged to use this funding to support compliance and go beyond those minimums.

If a jurisdiction is using this funding to adopt or update our energy code, can they use this funding to only meet the state minimum? Or would a jurisdiction have to go above the state's requirements in order to receive this funding?

One of the main focuses of this funding is to help jurisdictions implement a code that is at least as stringent as the state's low energy and carbon code. Through participation in the BPC, model policy packages will be developed and shared that will help jurisdictions lessen the burden of the adoption and amendment process. A new construction and major remodel code package has already been created and will be shared with the BPC in Fall 2025.

Can subaward funding be used to support broader plan review activities—beyond the energy code—that building officials are responsible for during permit review?



Funding cannot supplant existing staff funding, although allowances may be made for the expansion of job duties or an upgrade from part-time to full-time employment. This funding can only be used to support the hours a staff member is dedicating to building decarbonization efforts, and applicants should identify an estimate of the time, expenses and budget assumptions relative to the new capacity a jurisdiction is creating and how that capacity directly serves the purposes of the subaward.

### Could this funding be used to establish an energy benchmarking policy if it doesn't include the adoption of a performance standard policy?

The subaward funds can only be used to support benchmarking policy adoption and implementation if they are tied to performance standards, or a similar policy to require emissions reductions. If a jurisdiction wanted to start with only a benchmarking policy in place, the jurisdiction would need to indicate in their application and the letter of commitment a clear, time-bound commitment to expand to a performance standard within the grant period (2025–2029). Generally, grant funds should only support benchmarking initiatives tied to broader policy adoption and implementation.

### Could this funding be used to establish an energy benchmarking policy solely for jurisdiction owned buildings as part of a "lead by example" policy?

No, the subaward funds cannot be used to develop a benchmarking policy limited to city-owned buildings, as this does not advance community-wide decarbonization goals. However, benchmarking policies may be eligible if they begin with public buildings but include a clear, time-bound commitment to expand community-wide within the grant period (2025–2029). Generally, grant funds should only support benchmarking initiatives tied to broader policy adoption and implementation.

## Can funding be used to support decarbonization plans or retrofits for municipally owned buildings?

No, the subaward **funds cannot be used to solely support municipally owned buildings** as this does not advance community-wide decarbonization goals. Creating or updating Comprehensive or Decarbonization plans are eligible, however, the subaward can only support **the building decarbonization-related components,** provided the jurisdiction shows a clear commitment to community-wide adoption and analysis. To qualify, jurisdictions must itemize building-specific costs that are proposed for support in their application.

## Could funding be used to support comprehensive or sustainability plans with broad scopes—such as water, waste, or transportation—if they include building decarbonization components?

No, subaward funding cannot be used to support areas outside of building decarbonization policies. Comprehensive or Decarbonization plans are eligible, however, the subaward can only support **the building decarbonization-related components**, provided the jurisdiction shows a clear commitment to community-wide adoption and analysis. Broader planning elements (e.g., water, waste, transportation) may be eligible under separate programs like the State's <u>Local IMPACT Accelerator</u>.



### Can jurisdictions use subaward funding to create or support local energy incentive programs?

No, the subaward funding is to only be used to exclusively support jurisdictions in policy design and implementation of building decarbonization policies, it is **not to be used for the creation of incentives** (please see our <u>Jurisdictional Subawards Policy</u> pages 4-7).

Later this year DRCOG will be launching a centralized incentive program targeting simple systems like heat pump water heaters and cold climate heat pumps for both residential and small commercial buildings with a single application and system. If the local jurisdiction already has an incentive program in place, specifically around heat pump replacement in 'market-rate' or low-income communities, DRCOG would like to collaborate on these programs to have a more streamlined and contractor-friendly approach to offering incentives across the region. Please contact Mac Prather (mprather@drcog.org) if you are interested in expanding or collaborating on incentives in your jurisdiction.

In addition to DRCOG's funding, the Colorado Energy Office is also offering funding through their <u>Local Impact Accelerator</u> and jurisdictions can explore if this funding can be applied for the use of incentives.

### Can this funding support retrofit efforts, such as energy assessments, audits, or partial equipment replacements?

No, this subaward funding is not eligible to be used to support any type of building retrofit or assessments. This funding can only be used to support projects related to building policy development, adoption, and implementation.

## Could jurisdictions apply for this funding to support continued third-party assistance with code development review, code compliance, and staff training related to energy requirements, once existing funding expires?

This funding is intended to complement and expand existing local programs and projects, not to replace or backfill them. The jurisdictional subaward can be used to support increasing staff capacity, including third party contractors, that are working on implementing building decarbonization policies, such as codes and performance standards.

### What if a jurisdiction doesn't eliminate gas requirements in buildings, are they still eligible for funding?

DRCOG is not requiring that jurisdictions mandate electrification in order to be eligible for this funding.

The Building Policy Collaborative is focused on supporting jurisdictions in advancing building decarbonization through policy development, strategic planning, and implementation. While a key goal is to reduce building-related climate pollution and move the region toward low- or zero-emission construction, jurisdictions are not required to eliminate gas use in buildings to qualify for funding.



Instead, applications must demonstrate how they contribute to community-wide building decarbonization, whether through updates to energy codes, benchmarking policies and performance standards, or other mechanisms that drive emissions reductions. Electrification is one of several viable pathways, but DRCOG recognizes that each jurisdiction has unique needs, timelines, and approaches.

## Could grant funds be used to pay for a contractor to provide technical assistance to jurisdiction-owned buildings to ensure they are following the jurisdiction's LEED building requirement?

No, the jurisdictional subaward funds are not eligible to provide technical assistance to city-owned buildings to be LEED certified. While the activities would be beneficial for a jurisdiction's efforts to improve energy efficiency of city-owned buildings, those activities would not advance the adoption or implementation of community-wide building decarbonization policies.

## Could this funding be used to support a jurisdiction administered program that supports commercial buildings to comply with the State of Colorado Building Performance Standards?

No, these funds cannot be used to comply with the state's building decarbonization policy. These funds are specifically for jurisdictions to adopt community-wide decarbonization policies that affect buildings within their own jurisdiction, including Building Performance Standards that exceed the state minimums in stringency, scope, or applicability.

Furthermore, subaward funds are not eligible to be used for the creation of incentives, audits or energy assessments (please see our <u>Jurisdictional Support Subawards Policy</u> pages 4-7). Later this year DRCOG will be launching a centralized incentive program targeting simple systems like heat pump water heaters and cold climate heat pumps for both residential and small commercial buildings with a single application and system. This may be helpful for building owners in your jurisdiction.

### Could this funding be used to collect and craft narratives of tenants residing in energy efficient, decarbonized buildings within a jurisdiction?

Eligible uses of the funding for Community Engagement can be found in the Jurisdictional Subaward Policy. Any community engagement efforts using this grant funding must be tied to the jurisdiction's building decarbonization policy goals. These include: building support for local policy adoption, promoting public engagement with a policy, or amplifying the impact of existing decarbonization programs. If included in an application, the jurisdiction would need to clearly outline how the media deliverables will advance local building decarbonization outcomes and influence policy development, adoption, or implementation in your jurisdiction, and not overlap with other initiatives in the Decarbonize DRCOG program.

Please note, the Decarbonize DRCOG program includes a community engagement program that will facilitate subawards to community-based organizations (CBOs), develop centralized community engagement and communications materials, and





provide community engagement opportunities with target audiences throughout the grant period. Decarbonize DRCOG also includes a communication and marketing team that will be sharing campaigns and testimonials throughout the region. Finally, the Building Policy Collaborative will also be providing community engagement support to participating jurisdictions.

Could these funds be used to develop a decarbonization study and implementation plan for city-owned facilities, including the creation of supporting policies and structures to guide effective execution within those facilities? No, these funds may not be used solely to develop a decarbonization study and implementation plan for city-owned facilities. The jurisdictional subaward is intended to support the development, coordination, piloting, or implementation of community-wide building decarbonization policies, not plans focused on municipal buildings alone.

However, updating sustainability, comprehensive, or long-range plans to include adoption and implementation of stronger energy codes or building performance standards—as well as developing strategic plans that outline specific steps for advancing community-wide decarbonization policies—are eligible uses of this funding.

### Can a jurisdiction use these funds for measures that support or require urban heat island mitigation techniques?

The jurisdictional subaward is intended to support the development, coordination, piloting, or implementation of community-wide building decarbonization policies, focused on buildings and specifically greenhouse gas reductions. A jurisdiction may submit an application using a custom measure explaining how their proposed building policy will measurably reduce cooling loads and therefore building energy consumption with the effect of guaranteeing GHG reductions from buildings in their area. DRCOG cannot guarantee approval of these efforts but will review these applications and discuss them with the jurisdiction.

Would carbon capture/GHG accounting training be eligible under this funding? No, training and certification uses eligible under this subaward policy would include training that supports institutionalizing in-house energy policy expertise among existing staff to allow them to effectively implement advanced building policy. Some examples include training and associated certification fees for in-house staff, such as LEED, Passive House, Certified Energy Manager (CEM), BPI certifications, etc.; and conference attendance to become familiar with advanced energy codes, performance standards and high-performance building design and technologies.

Regarding carbon capture, this is an industrial practice/product that must be coupled with permanent sequestration to yield GHG reductions and that does not lend itself to implementation by municipal staff after training. It also does not usually directly relate to building codes or policies. However, a jurisdiction may submit an application using a custom measure explaining how the proposed training will help reduce GHG reductions from buildings in their area. DRCOG cannot guarantee approval of these efforts but will review these applications and discuss it with the jurisdiction.