



MEMORANDUM

TO: Deschutes County Board of Commissioners
FROM: Peter Gutowsky, AICP, Director
DATE: March 27, 2024
SUBJECT: U.S. Environmental Protection Agency / Community Change Grant Application / Permission to Proceed

I. REQUEST

The Community Development Department (CDD) respectfully requests permission from the Board of County Commissioners (Board) to apply for a U.S. Environmental Protection Agency (EPA) Community Change Grant for a sub-area of Southern Deschutes County (Attachment 1). Deschutes County, in coordination with NeighborImpact, Central Oregon Intergovernmental Council (COIC), and Oregon Department of Environmental Quality (DEQ) would request approximately \$19,718,000 to perform the various project elements as provided in Table 1 on the following page.¹

II. BACKGROUND

The Inflation Reduction Act created the Environmental and Climate Justice Program - the largest investment in environmental and climate justice in U.S. history - when it was signed into law by President Biden on August 16, 2022. Under this program, EPA received \$2.8 billion to award grants to help disadvantaged communities address a wide range of environmental and climate justice issues, and \$200 million dollars for technical assistance related to these grants. Awards are expected to be \$10-20 million. No cost-sharing or match is required as a condition of eligibility. Projects must be designed to be successfully and effectively completed within a three-year period. EPA is accepting rolling applications for Community Change Grants until November 21, 2024.

¹ These are approximations and subject to further refinement. If awarded, the deliverables pertaining to fuel reduction, well repairs, and septic upgrades could fluctuate over the course of the three-year grant period. The application requires detailed budget line items that address personnel (including annual independent audits and grant administration), materials and services, and capital outlays. For Deschutes County, the grant will place demands on the County Forester, Property Manager, Legal Counsel, Finance Department, Solid Waste Department, and CDD's Administration, Building Safety Division, Onsite Wastewater Division, and Long Range Planning Section.

Table 1 – EPA Community Change Grant Request

Project Element Requirements	Request
Climate Action Strategies	Subtotal: \$7,280,000
<ol style="list-style-type: none"> 1. Invest in home rehabilitation, weatherization, and energy assistance for eligible property owners in La Pine and the rural county. 2. Purchase an air curtain burner for the Southwest Transfer Station & Recycling Station.² 3. Purchase a mobile air curtain burner for a demonstration project for fuel reduction occurring on county-owned property to develop best management practices to serve individual properties in the future. 4. Perform fuel reduction on eligible private property in La Pine and the rural county in partnership with the Heart of Oregon Corps. 	<ul style="list-style-type: none"> • NeighborImpact estimates it can assist 100 homeowners for weatherization and rehabilitation (etc.) for \$4,575,000. • The Solid Waste Department estimates it can incorporate an air curtain burner, ancillary processing equipment, and site improvements at the transfer station for \$1,250,000. • Purchasing a mobile air curtain burner is \$150,000. Property Management oversees 39 properties in this sub-area that could potentially receive fuel reduction treatment as part of a demonstration project for an additional \$90,000. • COIC proposes to treat 300 acres to protect 250 structures for \$1,215,000.
Pollution Reduction Strategies	Subtotal: \$12,037,000
<ol style="list-style-type: none"> 5. Upgrade conventional septic systems to onsite wastewater alternative treatment technologies (ATTs) for eligible rural homeowners. 6. Sampling ATT (Level 3) designs for a demonstration project, which if substantiated for their performance, would allow DEQ and the Environmental Quality Commission (EQC) to amend state rules to permit more ATTs. 7. Deepen domestic wells for a more reliable water supply for individual homeowners. 	<ul style="list-style-type: none"> • CDD’s Onsite Wastewater Division, in partnership with COIC, estimates it can upgrade 275 septic systems for \$10,856,000.³ • The Onsite Wastewater Division estimates it can sample up to 15 systems for total nitrogen at the various treatment points after the advanced treatment processes to determine the outcome of the innovative design for \$115,000. DEQ can absorb EQC rulemaking without grant assistance. • COIC/NeighborImpact estimate they can assist 25 homeowners with well repair/replacement for \$1,066,000.
Community Engagement	Subtotal: \$401,000
<ol style="list-style-type: none"> 8. DEQ engages in community outreach to discuss air and water quality issues facing this sub-area of South County. 9. CDD with the Newberry Country Plan Update adds a module to exclusively focus on the grant opportunity. 10. Neighbor Impact engages homeowners about weatherization and rehabilitation funds. 11. COIC adds a module in its ongoing efforts with Newberry Regional Partnership to focus on the grant opportunity. 	<ul style="list-style-type: none"> • DEQ can absorb community engagement costs without grant assistance. • CDD’s Long Range Planning Section estimates \$85,000 for community outreach. • NeighborImpact estimates \$120,000 for community outreach. • COIC estimates \$196,000 for community outreach.
Community Change Grant	Total: \$19,718,000

² <https://airburners.com/technology/principle/#:~:text=The%20primary%20purpose%20of%20the,their%20size%20is%20significantly%20reduced>. The primary purpose of the air curtain is to reduce air particulate matter, or smoke, which results from burning wood waste. It does this by creating a “secondary burn chamber.” The air curtain is like a lid covering the opening in a FireBox. The particles of smoke rising on the hot gasses of the fire are trapped under the air curtain. These smoke particles are then reburned and their size is significantly reduced. With this reduced size, they can now escape through the air curtain and appear more like waves of heat than smoke. The result is a very clean burn, with opacities well under 10% per EPA Method 9 Testing (as compared to open burning, which typically can run at 80% to 100% opacity).

³ CDD proposes to utilize grant funds to hire a limited duration onsite wastewater specialist to assist with reviewing and permitting septic system upgrades.

III. SUB-AREA OF SOUTHERN DESCHUTES COUNTY

Applicants for a Community Change Grant must demonstrate that their proposed projects benefit a geographically-defined disadvantaged community. EPA recognizes a portion of Southern Deschutes County as meeting this criterion. It consists of two Census Tracts, 41017000201 and 202, and includes a significant portion of La Pine (Attachment 1). Environmental and socioeconomic indexes produced by the EPA indicate that residents in this sub-area have lower incomes, life expectancies, and education levels, among other challenges (Attachment 2). In the rural areas, thousands of lots were platted prior to Senate Bill 100 (1973) and the establishment of Oregon’s Statewide Land Use System. Extensive research by the U.S. Geological Survey shows that groundwater underlying the Upper Deschutes sub-basin is highly vulnerable and is being polluted by nitrates from onsite septic systems. Nitrates pose a threat to rural residents because they rely on a sole source aquifer and domestic wells.

This entire area around La Pine is identified by the Oregon Department of Forestry in a draft Statewide Wildfire Hazard Map as a high wildfire hazard area in a Wildland Urban Interface. It is also challenged to meet National Ambient Air Quality Standards for Particulate Matter (PM) 2.5. The community experiences smoke impacts from numerous sources throughout much of the year, including wildfire smoke in summer, prescribed burning smoke in spring and fall, and woodstove smoke during winter inversions. Current monitoring indicates La Pine is below the annual PM2.5 standard of 9 micrograms. If those trends remain, La Pine could be classified as a non-attainment area by EPA. All forms of smoke bring health problems, particularly for sensitive populations, children, the elderly, and those with pre-existing conditions.

IV. GRANT OVERVIEW & ELIGIBILITY

Community Change Grants are required to empower communities and their partners to collaborate, design, develop, and implement multi-faceted projects that:

- Increase community climate resistance;
- Reduce local pollution and improve public health;
- Center meaningful community engagement;
- Build community strength;
- Reach priority populations; and
- Maximize integration across projects.

Applicants eligible to apply for and receive a Community Change Grant must either be a partnership of two community-based nonprofit organizations (CBOs) or a partnership between a CBO and a federally recognized Tribe, local government, or institution of higher education. Other organizations and entities may participate in the Community Change Grants as Collaborative Entities through subawards, or as contractors.

A. Lead Applicant

Deschutes County, given its previous experience administering an EPA grant, and most recently with American Recovery Act funds, is well situated to be the Lead Applicant for a Community Change Grant. If awarded, Deschutes County will become the grantee, responsible for effectively carrying out the full scope of work and the proper management of the grant. Deschutes County can rely upon its existing expertise and internal controls, including fiscal management, independent auditors, and legal counsel, to ensure that

contracts and pass-through funds to a CBO and Collaborative Entities (as defined below) are accountable to EPA.

B. Community Based Organization

NeighborImpact qualifies as a CBO. It is one of the largest nonprofit organizations east of the Cascades, with an annual operations budget of \$50 million dollars and over 260 employees.⁴ Section D. below describes their current working relationships with the county.

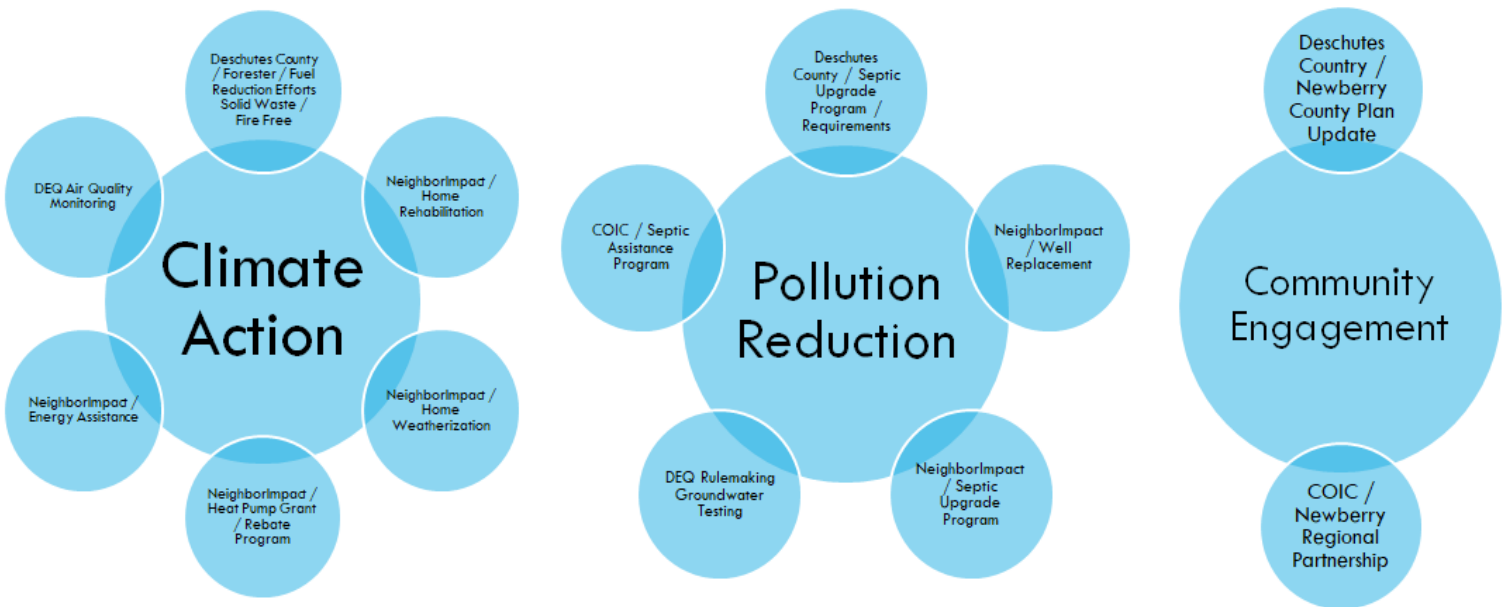
C. Collaborative Entities

COIC and DEQ are Collaborative Entities under terms of the Community Change Grant Notice of Funding Opportunity (NOFO).⁵ If the grant is selected, Deschutes County will enter into subaward contracts with each of them.⁶ They will be accountable to Deschutes County for proper use of any EPA funding.

D. Maximizing Existing Relationships

Deschutes County has extensive relationships with NeighborImpact, COIC, and DEQ. Figure 2 illustrates projects each entity is currently undertaking in South County that relate to climate action, pollution reduction, and community engagement. A Community Change Grant would leverage those relationships to invest additional resources for those that are the most disadvantaged.

Figure 2 – Noteworthy Projects in Southern Deschutes County



⁴ A Statutory Partnership will be required for the Lead Applicant, Deschutes County, and a CBO, NeighborImpact. Both will need to enter into a Partnership Agreement as part of a grant application to carry out the grant activities if the application is selected for funding. If selected for an award, Deschutes County will enter into a subaward contract with NeighborImpact.

⁵ <https://www.epa.gov/inflation-reduction-act/inflation-reduction-act-community-change-grants-program#NOFO>

⁶ Other Collaborative Entities may include the Oregon Health Authority, Oregon Department of Forestry, and Heart of Oregon Corps.

V. GRANT REQUIREMENTS

Applicants for a Community Change Grant must address the following six requirements:

1. Climate Action Strategy.
2. Pollution Reduction Strategy.
3. Community Engagement and Collaborative Governance Plan.
4. Community Strength Plan.
5. Readiness Approach.
6. Compliance Plan.

Based on a review of the NOFO, Deschutes County, a CBO, and its Collaborative Entities can leverage specific strategies to address climate action, pollution reduction, and community engagement. Each can also demonstrate a commitment to bolstering economic prosperity in this region to execute a grant within a three-year period. The following sections summarize climate action and pollution reduction strategies that most readily apply to this sub-area of South County based on Community Change Grant requirements.

A. Climate Action Strategies

Green Infrastructure and Nature-Based Solutions

This strategy supports using nature-based solutions (NBS), also referred to as green infrastructure, to address climate risks. NBS are generally actions to protect, sustainably manage, or restore natural systems to address the impacts of climate change, while simultaneously providing benefits for people and the environment. The NOFO cites the White House's Nature-Based Solutions Research Guide as a resource for integrating nature-based solutions.⁷ Federal agencies have supported communities in their use of nature-based solutions to adapt to climate impacts, reduce wildfire risk, and support practices by private landowners.

Energy-Efficient, Health, and Resilient Housing and Buildings

Many disadvantaged communities face a disproportionately high energy burden, defined as the percentage of gross household income spent on energy costs. Many factors can influence high energy burden, including higher-cost fuels, such as propane or other bottled fuels, and energy-inefficient homes due to a lack of insulation in older homes or older appliances. This strategy supports investments in low- and zero-emission technologies and energy efficiency upgrades that can help decarbonize residential and commercial buildings, decrease energy burdens, and increase resilience for communities.

⁷ <https://www.whitehouse.gov/wp-content/uploads/2022/11/Nature-Based-Solutions-Resource-Guide-2022.pdf>. The guide cites the Central Sierra Recovery and Restoration Project and its investment in several nature-based solutions including prescribed fire treatments and removing hazard trees in the wildland urban interface, a practice that is critical to reducing the threat of catastrophic wildfire to local communities and sensitive habitats.

B. Pollution Reduction Strategies

Indoor Air Quality and Community Health Improvements

Disadvantaged communities often face high levels of indoor air pollution from several sources, including mold, lead paint, radon, asbestos, fossil fuel combustion, and pollution from outdoors that seeps inside. These pollutants can have a detrimental impact to human health, particularly for vulnerable populations including children, the elderly, and people with health conditions like asthma and heart disease. Activities under this strategy can include direct assessment and remediation to reduce harmful air pollution (e.g., installation of filtration systems, building retrofits that address multiple sources of pollution, and replacement of wood heaters that do not meet EPA standards).

Outdoor Air Quality and Community Health Improvements

Outdoor air pollution from mobile and stationary sources can compromise human health and the environment in many ways, including by triggering asthma attacks and heart attacks, exacerbating respiratory disease, and causing children and adults to miss school and work on bad air days. Activities funded under this strategy could include purchasing equipment that limits community exposure to outdoor air pollutants.

Clean Water Infrastructure to Reduce Pollution Exposure and Increase Overall System Resilience

Disadvantaged communities often lack access to clean water and clean drinking water. Functional water infrastructure is essential for protecting the quality of drinking water resources as well as the safety of recreational waters. This strategy addresses challenges communities face in accessing clean, reliable drinking water and wastewater treatment. Projects funded under this strategy may include targeted efficiency (domestic well and septic system) upgrades.

VI. NEXT STEPS

If the Board supports CDD applying for a Community Change Grant, staff will collaborate with the County Forester, Property Management, Solid Waste, NeighborImpact, COIC, and DEQ to develop a detailed grant proposal, including a line-item budget. Finalizing an application is expected to take six to eight weeks or longer with an anticipated submittal date in early June.

Attachments:

1. Eligible Area for Community Change Grant
2. EPA Community Profile




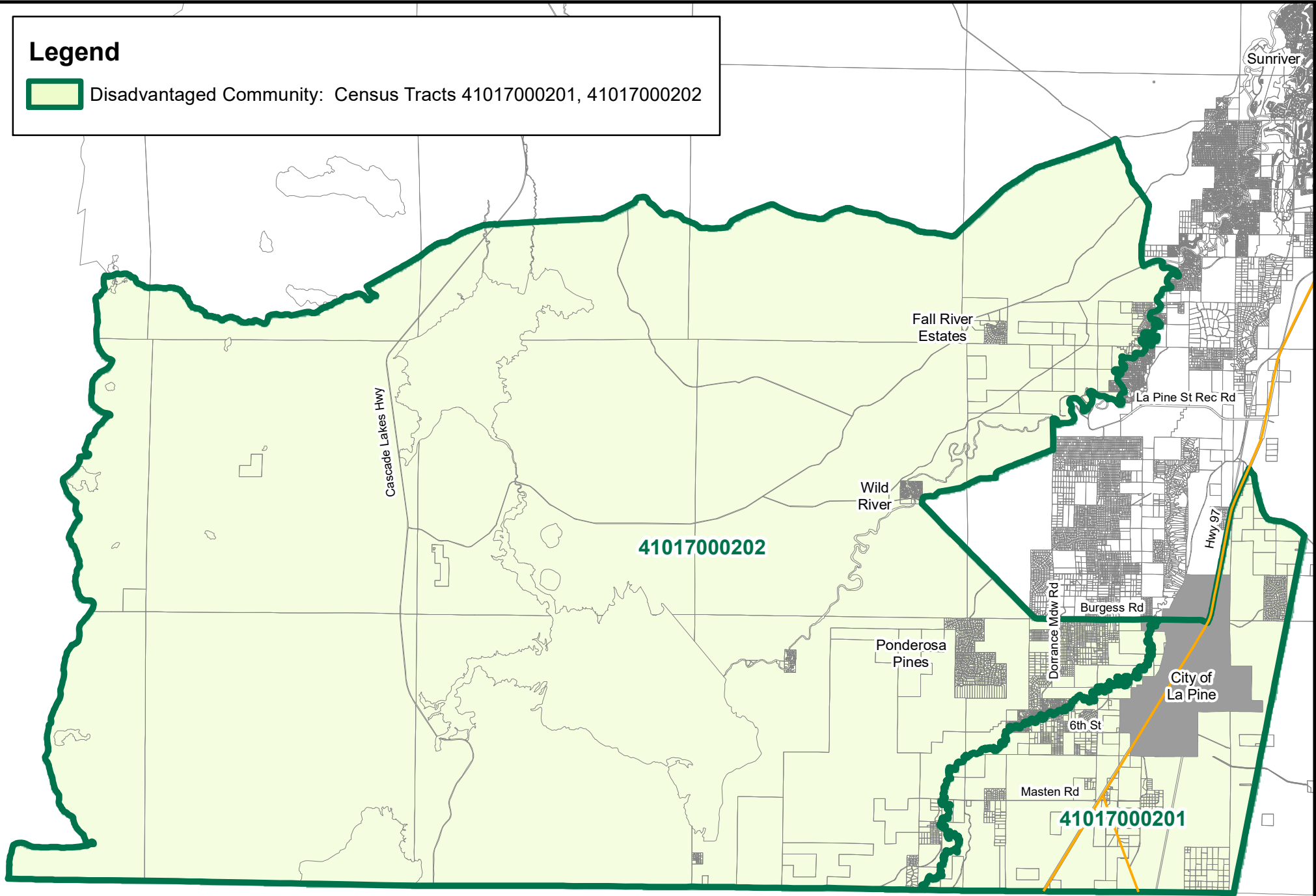
EPA Community Change Grant - Deschutes County, Oregon



1" = 2.75 Mi.

Legend

 Disadvantaged Community: Census Tracts 41017000201, 41017000202



Klamath County



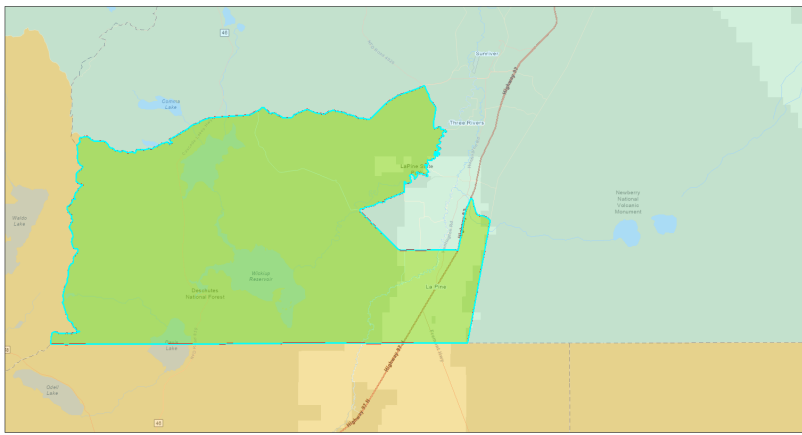
EJScreen Community Report

This report provides environmental and socioeconomic information for user-defined areas, and combines that data into environmental justice and supplemental indexes.

Deschutes County, OR

Tract: 41017000201,41017000202
 Population: 4,959
 Area in square miles: 341.13

A3 Landscape



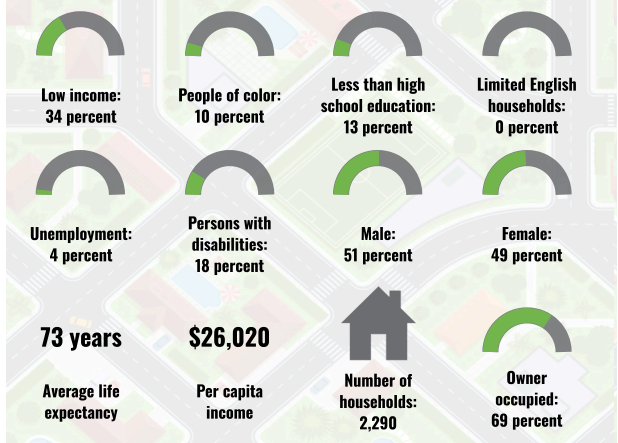
March 19, 2024
 Deschutes County
 EPA IRA Disadvantaged Communities
 Yes
 No

1:288,895
 0 2.5 5 10 mi
 0 4 8 16 km
Oregon State Parks, State of Oregon GEO, Esri, Garmin, GeoEye, Google, IGN, NOAA, USGS, Bureau of Land Management, EPA, NPS, USDA, Swire

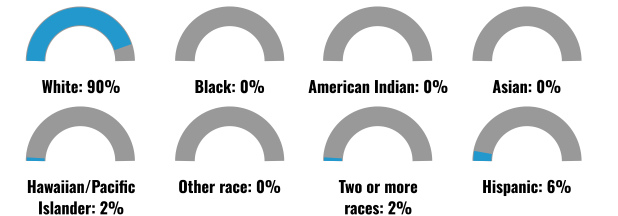
LANGUAGES SPOKEN AT HOME

LANGUAGE	PERCENT
English	95%
Spanish	2%
German or other West Germanic	2%
Other Asian and Pacific Island	1%
Total Non-English	5%

COMMUNITY INFORMATION



BREAKDOWN BY RACE



BREAKDOWN BY AGE



LIMITED ENGLISH SPEAKING BREAKDOWN



Notes: Numbers may not sum to totals due to rounding. Hispanic population can be of any race. Source: U.S. Census Bureau, American Community Survey (ACS) 2017-2021. Life expectancy data comes from the Centers for Disease Control.

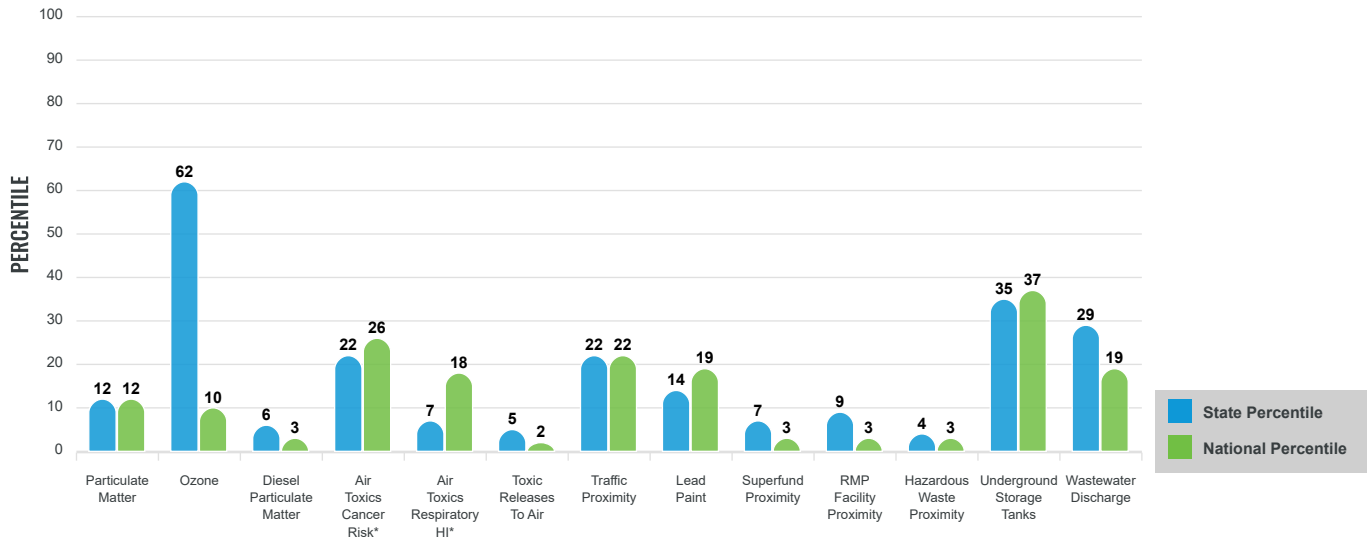
Environmental Justice & Supplemental Indexes

The environmental justice and supplemental indexes are a combination of environmental and socioeconomic information. There are thirteen EJ indexes and supplemental indexes in EJScreen reflecting the 13 environmental indicators. The indexes for a selected area are compared to those for all other locations in the state or nation. For more information and calculation details on the EJ and supplemental indexes, please visit the [EJScreen website](#).

EJ INDEXES

The EJ indexes help users screen for potential EJ concerns. To do this, the EJ index combines data on low income and people of color populations with a single environmental indicator.

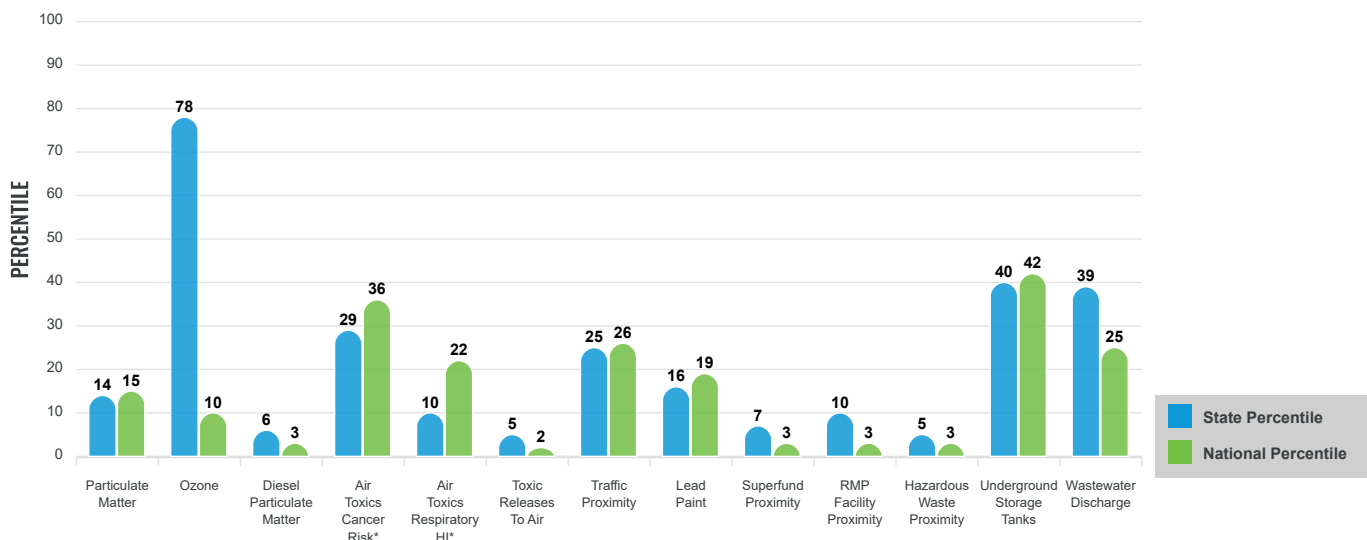
EJ INDEXES FOR THE SELECTED LOCATION



SUPPLEMENTAL INDEXES

The supplemental indexes offer a different perspective on community-level vulnerability. They combine data on percent low-income, percent linguistically isolated, percent less than high school education, percent unemployed, and low life expectancy with a single environmental indicator.

SUPPLEMENTAL INDEXES FOR THE SELECTED LOCATION



These percentiles provide perspective on how the selected block group or buffer area compares to the entire state or nation.

Report for Tract: 41017000201,41017000202

EJScreen Environmental and Socioeconomic Indicators Data

SELECTED VARIABLES	VALUE	STATE AVERAGE	PERCENTILE IN STATE	USA AVERAGE	PERCENTILE IN USA
POLLUTION AND SOURCES					
Particulate Matter (µg/m ³)	6.13	8.08	10	8.08	9
Ozone (ppb)	54.2	52.7	63	61.6	7
Diesel Particulate Matter (µg/m ³)	0.0322	0.327	5	0.261	2
Air Toxics Cancer Risk* (lifetime risk per million)	20	28	6	25	5
Air Toxics Respiratory HI*	0.2	0.38	2	0.31	4
Toxic Releases to Air	0.023	1,500	4	4,600	2
Traffic Proximity (daily traffic count/distance to road)	10	180	15	210	16
Lead Paint (% Pre-1960 Housing)	0.024	0.27	15	0.3	20
Superfund Proximity (site count/km distance)	0.008	0.081	6	0.13	2
RMP Facility Proximity (facility count/km distance)	0.024	0.43	8	0.43	2
Hazardous Waste Proximity (facility count/km distance)	0.021	1.4	4	1.9	2
Underground Storage Tanks (count/km ²)	0.31	3.8	35	3.9	35
Wastewater Discharge (toxicity-weighted concentration/m distance)	9.6E-06	0.028	27	22	17
SOCIOECONOMIC INDICATORS					
Demographic Index	22%	27%	43	35%	36
Supplemental Demographic Index	15%	13%	70	14%	62
People of Color	10%	24%	19	39%	22
Low Income	34%	29%	64	31%	61
Unemployment Rate	4%	6%	44	6%	48
Limited English Speaking Households	0%	2%	65	5%	0
Less Than High School Education	13%	9%	77	12%	66
Under Age 5	4%	5%	46	6%	41
Over Age 64	37%	19%	92	17%	94
Low Life Expectancy	25%	19%	99	20%	92

*Diesel particulate matter, air toxics cancer risk, and air toxics respiratory hazard index are from the EPA's Air Toxics Data Update, which is the Agency's ongoing, comprehensive evaluation of air toxics in the United States. This effort aims to prioritize air toxics, emission sources, and locations of interest for further study. It is important to remember that the air toxics data presented here provide broad estimates of health risks over geographic areas of the country, not definitive risks to specific individuals or locations. Cancer risks and hazard indices from the Air Toxics Data Update are reported to one significant figure and any additional significant figures here are due to rounding. More information on the Air Toxics Data Update can be found at: <https://www.epa.gov/haps/air-toxics-data-update>.

Sites reporting to EPA within defined area:

Superfund	0
Hazardous Waste, Treatment, Storage, and Disposal Facilities	0
Water Dischargers	3
Air Pollution	0
Brownfields	0
Toxic Release Inventory	0

Other community features within defined area:

Schools	4
Hospitals	0
Places of Worship	0

Other environmental data:

Air Non-attainment	No
Impaired Waters	Yes

Selected location contains American Indian Reservation Lands*	No
Selected location contains a "Justice40 (CEJST)" disadvantaged community	Yes
Selected location contains an EPA IRA disadvantaged community	Yes

Report for Tract: 41017000201,41017000202

EJScreen Environmental and Socioeconomic Indicators Data

HEALTH INDICATORS					
INDICATOR	VALUE	STATE AVERAGE	STATE PERCENTILE	US AVERAGE	US PERCENTILE
Low Life Expectancy	25%	19%	99	20%	92
Heart Disease	9.6	5.9	96	6.1	96
Asthma	11.2	10.6	74	10	82
Cancer	8.8	6.6	93	6.1	95
Persons with Disabilities	17.5%	14.9%	69	13.4%	77

CLIMATE INDICATORS					
INDICATOR	VALUE	STATE AVERAGE	STATE PERCENTILE	US AVERAGE	US PERCENTILE
Flood Risk	15%	15%	66	12%	79
Wildfire Risk	57%	12%	87	14%	86

CRITICAL SERVICE GAPS					
INDICATOR	VALUE	STATE AVERAGE	STATE PERCENTILE	US AVERAGE	US PERCENTILE
Broadband Internet	20%	11%	84	14%	75
Lack of Health Insurance	8%	7%	67	9%	57
Housing Burden	No	N/A	N/A	N/A	N/A
Transportation Access	Yes	N/A	N/A	N/A	N/A
Food Desert	No	N/A	N/A	N/A	N/A

Report for Tract: 41017000201,41017000202