



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

June 22, 2022

MEMORANDUM

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: Alex Hirtle 
Legislative Budget and Policy Analyst

Revised Policy Analysis and Fiscal Impact Statement
CR-032-2022 Adoption of the Climate Action Plan

CR-032-2022 (*proposed by:* Council Members Dernoga, Burroughs, and Ivey)

Assigned to Transportation, Infrastructure, Energy, and Environment Committee (TIEE)

A RESOLUTION CONCERNING ADOPTION OF THE CLIMATE ACTION PLAN for the purpose of adopting the Prince George's County Climate Action Commission's (the "Commission") Climate Action Plan for Prince George's County; establishing a County-wide emission's reduction goal; acknowledging and supporting Executive Order 5-2022 creating an Executive Task Force to develop, execute, measure, and update the County's Climate Policy on an ongoing basis; and generally regarding climate.

Fiscal Summary

Direct Impact:

Expenditures: None likely.

Revenues: None likely.

Indirect Impact:

Significant additional expenditures and cost-savings associated with implementation of the Plan.

Legislative Summary:

CR-032-2022, sponsored by Council Members Dernoga, Burroughs, Ivey, Streeter, Harrison, and Taveras, was introduced on April 26, 2022 and referred to the TIEE Committee. CR-032-2022 adopts the Prince George's County Climate Action Commission's (the Commission) Climate Action Plan for Prince George's County (the Plan). It establishes a County-wide emissions reduction goal of 50% below 2005 levels by 2030, and directs the Department of the Environment (DOE) to lead implementation of the Plan's 26 priority recommendations in conjunction with other County agencies, the County Council, and other governmental entities. Finally, the Resolution adopts a County-wide goal of achieving carbon-neutrality by 2050.

During the June 9th TIEE Committee meeting, Councilmember Turner inquired about the amount proposed in FY23 for climate action related spending, with the purpose of creating a baseline and track future spending in later years. Director Crooms was unable to provide an answer due to the ambiguity of what was considered climate action; staff from Audits & Investigations acknowledged a follow-up on the request at the next Committee meeting.

Councilmember Dernoga may propose a new draft (DR-2) at the June 23rd TIEE Committee meeting.

Current Law/Background:

The County has various legislative and administrative procedures that implement reductions in greenhouse gas production, electric consumption in public buildings, petroleum fleet consumption, and toxicity and solid waste in its purchasing.

CB-083-2013 requires clean renewable energy technology in newly constructed or major renovations of public buildings; CR-029-2014 implemented an environmentally preferred purchasing policy for the County, to reduce toxicity of solid waste generated, and increase recyclable materials used; a County policy paper created in 2014 called the Smart Energy Communities Policy states objectives which included reducing conventional electricity generation by supplementing renewable energy, reducing on-road vehicle petroleum consumption, and reducing greenhouse gas emissions. County Departments are mandated to cooperate with the Office of Central Services (OCS) and DOE to achieve these objectives.

The County Council, with the adoption of CR-007-2020,¹ established the Commission,² which was staffed by the Department of Environment and charged with developing a draft Climate Action Plan for Prince George’s County, updating the County’s greenhouse gas emission inventory, and establishing targets for future reductions, and identifying a plan of action for adoption and implementation of climate adaptation and resiliency measures. The Commission engaged over 4,500 residents in multiple public forums and held a 30-day public comment period on the draft Plan. The Plan and Supplementary Comments Report were submitted to the Council in January 2022.³

The County Executive also issued Executive Order No. 5-2022⁴ on May 6, 2022, referencing the Maryland Climate Solutions Now Act⁵ enacted this year by the Maryland, and stated a directive for all County agencies and county-funded operations to initiate and support immediate action to implement climate solutions for Prince George’s County.

Resource Personnel:

Hugo Cantu, Policy Analyst for Council Member Dernoga.

Discussion/Policy Analysis:

This Resolution’s purpose is the *adoption* of the Commission’s Plan for Prince George’s County. The Plan presents 26 priority recommendations and directs the DOE to lead in the implementation of them, in conjunction with other County agencies, the County Council, and other government entities. The 26 priority recommendations are broken down into three categories, and are as follows:

County Operations

- Build internal capacity to plan and implement climate action.
- Lead by example and ensure transparency in climate action.
- Ensure meaningful, equitable community engagement.
- Commit to clean and renewable energy.
- Strengthen land use regulations to better align individual land decisions with State and County policies related to smart growth, natural resource conservation, and green infrastructure.

¹ [CR-007-2020](#)

² [Climate Action Commission page at pg.council.us](#)

³ [Climate Action Plan on the Prince George’s County website.](#)

⁴ [Executive Order No. 05-2022, “Implementing Climate Action Urgent Action Directive for All County Agencies and County Funded Operations to Initiate and Support Immediate Action to Implement Climate Solutions for Prince George’s County”](#)

⁵ Maryland General Assembly, [Climate Solutions Now Act of 2022](#)

Mitigation

- Power County operations with 100 renewable energy.
- Increase deployment of solar PV in the residential and commercial sectors by expanding partnerships, incentives, and financing solutions.
- Accelerate deployment of resilient energy systems.
- Accelerate deployment of EV's and charging infrastructure by County and other public agencies.
- Develop a community-wide EV deployment strategy.
- Support telecommute policies to reduce Vehicle Miles Traveled (VMT) and enhance County resiliency.
- Increase investment in Activity Centers.
- Accelerate implementation of deep energy retrofits and community-wide efficiency and weatherization efforts.
- Establish building benchmarking requirements and energy and water consumption standards.
- Expand County waste reduction and diversion efforts.
- Enact and enforce "No Net Loss" tree conservation regulation and policy to maintain and expand street tree canopy and forest as a land cover.

Adaptation

- Integrate climate resilience criteria into long-range County plans, policies, and CIP programs by 2026.
- Implement climate resilient stormwater management and expand flood mitigation programs.
- Prioritize preserving and restoring natural resource areas and agricultural open space to reduce flood risk.
- Evaluate and address climate risk to dams and levees.
- Require community-wide climate resilient green infrastructure.
- Expand information and assistance to the public regarding impacts of climate risks and opportunities to implement climate actions.
- Reduce exposure to vulnerable populations to extreme heat.
- Establish resilience hubs to serve the needs of vulnerable communities.
- Adopt codes, standards, and practices to support climate-ready green buildings and development.
- Promote a healthy food system supported by low-carbon, regenerative agricultural practices.

The Resolution further adopts a County-wide emissions reduction goal of 50% below 2005 levels by 2030 and a carbon-neutrality goal by 2050. The Resolution also highlights that the Climate Action Plan is part of an ongoing process of change, and DOE, with public input, will assess program efficacy and community needs and will update the Climate Action Plan at regular intervals.

The County Executive's Executive Order No. 5- 2002 (referenced on page 3) further supports this Resolution in the reduction of greenhouse gasses and achieving carbon neutrality for the County in the future.

Implementation of the Plan will positively impact the County in several ways. Many of the 26 priority recommendations that the Commission listed in their plan will likely improve the quality of life of County residents if implemented. The County could experience cleaner water as a result of enhanced stormwater management and flooding mitigation, and reduced chances of flooding and drainage issues, such as leaky basements and other damage that draining issues cause. Cleaner air quality would result from vehicle electrification, more efficient buildings and homes that were retrofitted or met higher energy standards from benchmarking. Revised land-use standards would direct development to Activity Centers and transit centers and create more walkable neighborhoods where residents are not reliant on single-use occupancy vehicles and spend less time commuting. Neighborhoods and communities would be enhanced and have higher values with implemented natural resource conservation, increased green infrastructure, and street tree canopies. Additionally, with safeguards in place for climate change events, such as resilience hubs and energy systems, the residents of the County will be better positioned to weather future climate change crises.

Related Spending in FY 2023

An analysis of climate action spending proposed for FY 2023 was performed in response to Councilmember Turner's inquiry at the June 9th Committee meeting. It should be noted the challenge to quantify the amount of spending for climate action, given the County already spends considerable money on State and federal mandates such as stormwater management through Municipal Separate Storm Sewer System (MS4) permits, and the Watershed Implementation Plans (WIP); these mandates are also fulfilling, at least in part, recommendations the Climate Commission have proposed, such as implementing climate resilient stormwater management and flood mitigation programs. The same could be said for waste reduction and diversion efforts of the State's mandates for this. DOE's response to the inquiry reflected this difficulty, but by looking at the FY 2023 budget reports, we can extract some figures that target the 26 priority recommendations made by the Climate Action Commission, which include:

DoE

Material recycling & organic composting	\$10.1 million
Residential organic collection (CIP roll-out)	\$184 million*
Organics facility (CIP)	\$200,000
Material recovery (plastics str. CIP roll-out)	\$732 million*
Clean Water Partnership	<u>\$55.9 million</u>
Sub-total (appr.)	\$982 million

*- funding provided through revenue bonds

DPW&T

Transportation Oriented Development (through the Consolidated Transportation Program)

\$13 million

Bikeshare/Rideshare (through the Transportation Alternative Program)

\$117,500

Sub-total (appr.)

\$13.1 million

Note: additional programs such as tree canopy enhancement, renewable energy installations, electric vehicle community-wide initiatives and charging station initiatives have not been included due to lack of OMB and department response.

Councilmember Dernoga’s proposed Draft 2 (DR-2) of this legislation contains added information which includes:

- A supplementary comments report
- Acknowledgement and support of Executive Order No.5-2020, which creates a task force to develop and update the County’s climate policy
- Recognizes the approved school system’s Climate Action Plan
- Underscores that the Commission’s Climate Action Plan is a dynamic document and needs to be revised regularly

Fiscal Impact:

- *Direct Impact*

Adoption of CR-032-2022, in and of itself, will not have any significant fiscal impact.

- *Indirect Impact*

Implementation of the Plan will initially have a significant adverse fiscal impact on the County in planning and design costs. DOE estimates the cost will be about \$1 million over the next two years.

However, long-term fiscal impact of implementing the 26 priority recommendations in the Plan will have a favorable fiscal impact on the County, mainly through long-term savings and reduction of operating expenses. For example, implementing clean energy and renewable systems within County operations such as solar photo-voltaic systems will pay for themselves in as little as a few years, and save on future energy bills.⁶ Most energy efficiency and weatherization projects on homes and buildings produce a 15% or more savings annually, which pays for the project in about six years, and the savings continues after the payback point.⁷ The County has also already seen cost savings in our operations through diversion of waste, such as our organic recycling facility

⁶<https://www.nrel.gov/docs/fy99osti/24619.pdf>

⁷ <https://www.protoolreviews.com/payback-return-on-investment-roi-energy-efficiency-home-improvements/>

that not only extends the life of our landfill by diverting food waste and organic material to a composting facility, but is able to sell the final product of compost to landscaping companies, farmers, and residents. Other Commission priorities, such as expanding flood mitigation and stormwater management practices, supporting local and healthy food systems, and implementing smart-growth and smarter land-use decisions such as supporting Activity Centers and Transportation Oriented Development (TOD) are much harder to quantify, but there has been notable research and data that supports that these are practices with long-term savings to governmental jurisdictions.

In providing an example of what other local jurisdictions are spending, Montgomery County (MD) recently passed their FY23 budget which included \$253.1 million for climate change efforts. This was spread over several County departments and agencies, including the Department of Transportation, Department of Environmental Protection, Department of Housing and Community Affairs, and others.⁸ It should be noted that Montgomery County's overall operating budget is significantly higher than Prince George's County, \$6.3 billion as compared to \$5 billion respectively.⁹

- *Appropriated in the Current Fiscal Year Budget*

N/A

Effective Date of Proposed Legislation:

The proposed Resolution shall be effective on the date of adoption.

If you require additional information, or have questions about this fiscal impact statement, please reach out to me via phone or email.

⁸ https://world.einnews.com/pr_news/574159543/montgomery-county-council-approves-fy23-operating-budget-and-fy23-28-capital-improvements-program-focused-on-education-health-and-human-services

⁹ IBID, <https://pgccouncil.us/DocumentCenter/View/7068/Budget-In-Brief---FY-2023-Proposed-Budget>