



STATE OF NEW JERSEY
Board of Public Utilities
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CLEAN ENERGY

IN THE MATTER OF THE ESTABLISHMENT OF AN)
URBAN HEAT ISLAND (UHI) MITIGATION PROGRAM)
)
) ORDER
) DOCKET NO. QO24100834

Party of Record:

Brian O. Lipman, Esq., New Jersey Division of Rate Counsel

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities (“Board” or “BPU”) considers applications received for participation in the UHI Mitigation Program (“UHI Program”).

BACKGROUND AND PROCEDURAL HISTORY

The Board established the UHI Program in 2025 with the purpose of providing grants for interventions that abate the UHI effect and lower cooling costs in overburdened municipalities (“OBMs”). The UHI Program invests in local initiatives that reduce cooling demand and strengthen climate and community resilience in disinvested municipalities and urban centers by expanding publicly accessible, energy-efficient cooling infrastructure. The application window for the UHI Program opened on October 28, 2025, and closed on January 11, 2026. Pursuant to N.J.S.A. 52:14-34.4, a Notice of Funding Availability (“NOFA”) for the UHI Program was published in the New Jersey Register on October 16, 2025.¹

The Board has allocated \$5 million to the UHI Program. Grants are provided in three (3) funding categories: (1) *Comprehensive Public Space UHI Interventions*, with grants of up to \$1M supporting larger-scale expansion of outdoor cooling amenities in public spaces; (2) *Cooling the Built Environment*, with grants of up to \$500,000 for resilience hub activation via cooling efficiency and energy resilience improvements in community buildings; and (3) *Urban Microclimate Interventions*, with grants of up to \$50,000 for smaller-scale, community-identified

¹ Urban Heat Island Mitigation Program (“UHI Program”) Notice of Funding Availability, BPU Docket No. QO25050300, NOFA dated October 16, 2025.

projects, such as localized greening projects.² OBM governments are eligible for funding categories 1 and 2, and community-based organizations (“CBOs”) are eligible for funding category 3. OBMs are strongly encouraged to partner and codesign projects with CBOs.

Forty-three (43) applications were received for the UHI Program, breaking down across the funding categories as follows: (i) *Comprehensive Public Space UHI Interventions*—six (6) applications, (ii) *Cooling the Built Environment*—ten (10) applications, and (iii) *Urban Microclimate Interventions*—twenty-seven (27) applications. The total value of UHI Grant Program project proposals in those administratively complete applications was \$12,350,000, well above the program budget of \$5 million. Only administratively complete applications were considered for funding.

Per the Board’s direction, an evaluation committee comprised of seven (7) BPU Staff (“Staff”) members (“Evaluation Committee”)—evaluated applications and assigned scores according to the following weighted criteria approved by the Board:

1. Municipal-level and Community-level Evaluation Criteria (30 points)
2. Projected Cooling Efficiency and Co-benefit Outcomes (25 points)
3. Project Preparedness (i.e., solid groundwork or plan including a proposed budget, resources mapped out for project implementation, and project monitoring of heat impacts) (10 points)
4. Likelihood of success (based on capacity to implement the project and the strength of stakeholder involvement through established community relationships) (15 points)
5. Project Sustainability (i.e., a well-defined long-term project management plan) (10 points)
6. Alignment with the following state plans: Energy Master Plan, Community Energy Plans, NJ Priority Climate Action Plan, NJ Extreme Heat Resilience Action Plan, and the Regional Greenhouse Gas Initiative (“RGGI”) Strategic Funding Plan (10 points)

In reviewing the municipal-level and community-level evaluation criteria, the Evaluation Committee prioritized applications proposing projects within OBMs with a high municipal revitalization index (“MRI”) distress score;³ in overburdened communities (“OBCs”)⁴ and/or communities with low tree canopy cover; and in communities with high energy burden based on census tract data. An OBM may receive multiple awards across both categories; for example, the OBM may secure funding for a Category 1 project as well as support for activating a couple of resilience hubs under Category 2. CBO awardees are eligible for up to \$50,000 per project under Category 3 and may receive funding for several projects under Category 3. Since more administratively complete applications were received than there is funding available, and per the Board’s direction, the Evaluation Committee evaluated proposals based on the established

² In re the Establishment of an Urban Heat Island (UHI) Mitigation Program, BPU Docket No. QO24100834, Order dated July 16, 2025 (“July 2025 Order”).

³ See MRI distress score definition and 2023 MRI distress score values (the higher the score the higher the municipal distress) at Department of Community Affairs (“DCA”), <https://www.nj.gov/dca/home/MuniRevitIndex.shtml>.

⁴ See “What are Overburdened Communities?”, <https://nj.gov/dep/ej/communities.html>.

scoring criteria while also considering equitable distribution across all regions of the state and whether a municipality had previously participated in the Community Energy Grant program.⁵ As participants in a competitive grant program, proposals with the highest scores were prioritized for awards.

After the Evaluation Committee finalized scores for each project proposal, Staff selected awardees based on the proposals with the highest scores and equitable distribution of funds. Of the forty-three (43) UHI Program applications received and following scoring of project proposals, the Evaluation Committee recommended five (5) OBM and seventeen (17) CBOs for awards, as identified in Appendix 1. In total there are twenty-six (26) awarded projects, with a few awardees receiving a couple of awards, as shown in Appendix 1.

Staff recommends that all awardees be required to submit a signed grant agreement within sixty (60) days of the effective date of this Board order, and that OBM awardees also be required to adopt a municipal resolution accepting the award within the same timeframe. Staff further recommends that the Board advise awardees that if an awardee fails to return the grant agreement within sixty (60) days, the award may be revoked, and another application submitted during the grant window may be considered in its place. Instructions for contacting the Board regarding any changes to budgets or project plans will be included in the grant agreement. Depending on the scope of changes, Board approval may be required before the changes take place. Any project modifications must remain consistent with the approved scope and objectives. Under the UHI Program, awardees are required to use project funds to mitigate the Urban Heat Island (UHI) effect at the local level.

All UHI Program awardees must comply with the reporting obligations set out in the July 2025 Order and the NOFA. All awardees are required to submit a final performance report at the end of their respective two-year or three-year grant period. For Categories 1 and 2, or awards of up to \$1 million or \$500,000, recipients must begin submitting quarterly financial reports three (3) months after the grant award, resulting in a total of eleven (11) quarterly reports over the three-year term, as well as one (1) final expenditure report at the end of the grant period. For Category 3 awards, or awards of up to \$50,000, recipients must also begin submitting quarterly financial reports three (3) months after the grant award, totaling seven (7) quarterly reports over the two-year term, along with one (1) final expenditure report at the end of the grant period.

DISCUSSION AND FINDINGS

The Board has supported UHI mitigation efforts since launching the Cool Cities Initiative in 2003. Extreme heat events have become more intense and frequent in the intervening years, and the disproportionate impact of these events on communities that have experienced historic redlining and ongoing disinvestment is well documented. With the awards memorialized in this Order, the Board takes another step toward addressing the UHI effect in heat-vulnerable areas through funding community-driven cooling interventions.

The Board **FINDS** that forty-three (43) applications were received for the UHI Program and that of these applications, six (6) were for Category 1, Comprehensive Public Space UHI Interventions, ten (10) were for Category 2, Cooling the Built Environment, and twenty-seven (27) were for Urban

⁵ See for information on the BPU's Community Energy Grant Program, <https://cleanenergy.nj.gov/programs/energy-efficiency/community-energy-plan-implementation-grant-program>.

Microclimate Interventions. The Board notes that the value of the project proposals contained in administratively complete UHI Program applications was higher than the allocated budget. As such, not all eligible entities that submitted administratively complete applications were able to be selected for an award under the UHI Program. Accordingly, the Board made selections on UHI Program applications based on the aforementioned scoring in accordance with the evaluation criteria.

Of the forty-three (43) UHI Program applications, the Board **HEREBY FINDS** that five (5) OBMs and seventeen (17) CBOs, as identified in Appendix 1, were awarded based on project scoring by the Evaluation Committee and ensuring equitable distribution of funds across the State. The Board **ORDERS** that these entities receive the grants for which the Evaluation Committee has recommended them. Accordingly, the Board **HEREBY DIRECTS** Staff to issue UHI Program grant awards to the entities identified in Appendix 1 in the amounts indicated there. The total dollar amount for all UHI Program awards is \$5,000,000. All UHI Program funds must be used exclusively to plan and implement interventions that result in heat island abatement and promote cooling efficiency within OBMs.

The Board **DIRECTS** awardees to submit their grant agreements within sixty (60) days of the date of this Order. Failure to comply with this condition may result in revocation of the award and another application submitted during the grant window may be considered in lieu of the rejected project award. The Board also **DIRECTS** OBM awardees to submit an executed municipal resolution supporting the UHI Program application(s), in accordance with N.J.S.A. 40A:4-87, within sixty (60) days of the date of this order.

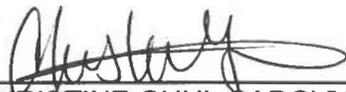
The Board **HEREBY DIRECTS** that all UHI Program awardees must comply with the reporting requirements set out in the July 2025 Order and the NOFA by submitting a final performance report at the end of the two (2)-year or three (3)-year grant period. In addition, beginning three (3) months after the grant award, the recipients of Category 1 and 2 awards must submit quarterly financial reports for each grant year and one (1) final expenditure report at the end of the grant term. Beginning three (3) months after the grant award, the recipients of Category 3 awards must submit quarterly financial reports for each grant year and one (1) final expenditure report at the end of the grant term.

Technical assistance from the Center for Urban Policy Research ("CUPR") at Rutgers University will be made available to all awardees regarding project design and monitoring, through existing appropriated BPU funds.⁶

This Order shall be effective on March 25, 2026.

DATED: March 18, 2026

BOARD OF PUBLIC UTILITIES
BY:



CHRISTINE GUHL-SADOVY
PRESIDENT



DR. ZENON CHRISTODOULOU
COMMISSIONER



MICHAEL BANGE
COMMISSIONER



EMMA REBHORN
COMMISSIONER



JOSEPH COVIELLO
COMMISSIONER

ATTEST:



SHERRIL L. LEWIS
BOARD SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities.

⁶ For more information about CUPR, an academic institution, please visit <https://cupr.rutgers.edu/>.

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Appendix 1: Approved Recipients of UHI Program Awards

Recommended Awardee	Project(s)	Score	Category(s) and Grant Amount	Applicant Status
Trenton	1. Trenton North and West Wards Tree Arteries 2. Ellarslie Annex Cooling Center	1. 96 2. 84	1. Category 1: \$1 million 2. Category 2: \$500,000	OBM
Camden	Farnham Park Redevelopment Project	84	Category 1: \$1M	OBM
Pennsauken	Elm Avenue Resilience Hub Creation	70	Category 2: \$500,000	OBM
Newark	Firefighters Memorial Park Climate-Resilient Community Space	66	Category 2: \$500,000	OBM
Housing Authority of the City of Elizabeth (HACE)	Bayway Community Center Cool Roof and Heat Resilience Project	65	Category 2: \$500,000	Municipal Instrumentality of Elizabeth
Trenton Artworks, Inc.	Trenton Heat Resilience Garden: Interactive Public Art for Community Climate Awareness	91	Category 3: \$50,000	CBO
Newark Science and Sustainability, Inc. (Newark SaS)	Newark SaS Shade Infrastructure Project	90	Category 3: \$50,000	CBO
Key Recreation, Inc. (Egg Harbor City)	Buffalo Avenue Playground Urban Heat Relief Project	89	Category 3: \$50,000	CBO

New Jersey Conservation Foundation (Trenton)	Green Streets to Battle Monument Intermediate School	89	Category 3: \$50,000	CBO
Greater Newark Conservancy	1. Water-Enhanced Newark Community Gardens and Green Spaces - Culture Spot 2. Water-Enhanced Newark Community Gardens and Green Spaces - Smith Street	1. 88 2. 85	Category 3: \$100,000 (two awards)	CBO
City Green	Learning Garden Urban Microclimate Intervention	88	Category 3: \$50,000	CBO
Outdoor Equity Alliance (Trenton)	Community-Led Cooling: Trenton Urban Heat Resilience Initiative	86	Category 3: \$50,000	CBO
Neighborhood Collaborative Community Gardens - Camden Urban Agriculture Collective	Blooming Bus Stops: Cool Shade, Bright Art, and Green Transit Spaces	85	Category 3: \$50,000	CBO
Isles, Inc. (Trenton)	1. H2Grow – Bellevue 2. Urban Cooling Isles: Cooling Benches	1. 84 2. 80	Category 3: \$100,000 (two awards)	CBO
Project for Empty Space (Newark)	1. Newark Grounds: Art Canopies 2. Newark Grounds: NIGHT FEST Markets	1. 83 2. 82	Category 3: \$100,000 (two awards)	CBO
Groundwork Elizabeth (Elizabeth and Roselle)	Urban Heat Mitigation Through Native Tree Canopy Expansion	82	Category 3: \$50,000	CBO
Ducktown Neighborhood CDC (Atlantic City)	Ducktown Cooling Corridor & Pop-Up Oasis Initiative	79	Category 3: \$50,000	CBO
Center for Environmental	East Camden Community Heat	78	Category 3 : \$50,000	CBO

Transformation (Camden)	Preparedness			
Rabbit Hole Farm (Newark)	Rabbit Hole Farm Newark Cooling Improvements	76	Category 3 : \$50,000	CBO
Passage Theatre Company (Trenton)	Cool Theatre Passageways	74	Category 3 : \$50,000	CBO
FARD United (Newark)	FARD United Love: Green Infrastructure and Community Clean-ups in South and West Wards of Newark	73	Category 3 : \$50,000	CBO
One Ocean County Inc. (Lakewood Township)	John Patrick Sports Complex Cooling Garden and Stewardship Project	70	Category 3: \$50,000	CBO