

City of Brisbane

Agenda Report

TO: Honorable Mayor and City Council

FROM: Fred Smith via Clay Holstine, City Manager

DATE: Meeting of February 16, 2010

SUBJECT: Adoption of Resolution No. 2010-11, authorizing the Association of Bay Area Governments to apply for State Energy Program (SEP) funds on behalf of the City Of Brisbane.

CITY COUNCIL GOALS:

No. 8, To develop plans and pursue opportunities to protect natural resources.

No. 10, To promote intergovernmental opportunities that enhances services and/or reduces cost of operations and services to city residents

PURPOSE: To support a grant program which will fund the development of an energy conservation and renewable energy retrofit industry in the Bay Area.

RECOMMENDATION:

Adopt Resolution No. 2010-11.

BACKGROUND:

This item is related to the previous agenda item, participation in the CaliforniaFIRST Program.

DISCUSSION:

The California Energy Commission's (CEC) \$95 million in State Energy Program (SEP) funds and Department of Energy's (DOE) \$390 million in Retrofit Ramp-Up funds provide an unprecedented opportunity to develop and implement a regional community-scale building retrofit program. The Association of Bay Area Governments (ABAG) in partnership with the eight counties and a total of 104 local governments in the San Francisco Bay Area are working together to present an innovative proposal - *Retrofit Bay Area* - to establish the infrastructure for a market-driven residential retrofit program. This self sustaining program will stimulate the economy and create jobs while transforming

energy markets in California. Designed for scalability and transferability this program will create a model that can be replicated statewide and nationally.

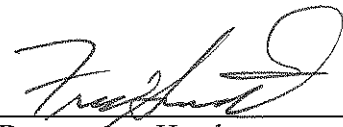
- **Regional Scope of Work:** ABAG is applying for a \$10.75 million grant to fund *Retrofit Bay Area*, a region-wide energy efficiency program that will retrofit 17,000 homes (single family and multifamily) to achieve reduction in home energy consumption, while creating 1,739 home energy retrofit jobs. The grant, if awarded, would include regional program development, local program development and implementation, evaluation, measurement and implementation and administration and reporting.
- **Local Scope of Work:** ABAG and the grant Steering Committee have agreed to a population based allocation for each county-specific program, if the grant is awarded. In addition, StopWaste.Org and Sonoma County Transportation Authority will be tasked to carry out some regional deliverables, since the two agencies have a substantial head start in planning and developing components of green retrofit programs. San Mateo County's proposed budget allocation is \$785,595. See attached Exhibit A of Resolution No. 2010-11 for a summary description of *Retrofit Bay Area*.
- **CEC Requirements:** All participating counties and cities in the ABAG proposal must provide an authorizing resolution. The Resolution must be approved by the city's/county's Governing Authority. If funding is awarded, an agreement between the California Energy Commission and ABAG must be signed and will include the project description, work statement tasks and milestones, budget, and schedule. Prior to the agreement being executed all cities in each county will have to sign a memorandum of understanding (MOU) to actively coordinate the program with ABAG, but will not receive ARRA SEP funds. Funds will be released by ABAG to San Mateo County as the program implementer for all County jurisdictions.

FISCAL IMPACT/FINANCING ISSUES:

None

MEASURE OF SUCCESS:

Property owners in Brisbane will be able to utilize an efficient and effective program to improve the energy efficiency of their properties and reduce the community's level of greenhouse gas emissions.



Department Head



City Manager

ATTACHMENTS:

Proposed Resolution No. 2010-11

RESOLUTION NO. 2010-11

RESOLUTION AUTHORIZING THE ASSOCIATION OF BAY AREA GOVERNMENTS (ABAG) TO APPLY FOR STATE ENERGY PROGRAM (SEP) FUNDS ON BEHALF OF THE CITY OF BRISBANE

WHEREAS, the City of Brisbane recognizes that it is in the interest of the local, regional, state, and federal agencies to stimulate the economy; create and retain jobs; reduce fossil fuel emissions; and reduce total energy usage and improve energy efficiency; and

WHEREAS, the City of Brisbane has committed to an ongoing, coordinated effort to reduce the emissions that cause global warming, improve air quality, reduce waste, cut energy use and save money and is committed to reducing community-wide greenhouse gas emissions; and

WHEREAS, State Energy Program (SEP) funds are available through the California Energy Commission's SEP Funding Opportunities for grants to eligible local governments for cost-effective energy efficiency projects; and

WHEREAS, the SEP allows for public agencies or non-profit entities to apply for funds on behalf of eligible local governments; and

WHEREAS, the City of Brisbane is eligible for SEP funding under the California Energy Commission's SEP Program; and

WHEREAS, the City of Brisbane has collaborated with the Association of Bay Area Governments (ABAG) to submit a regional application to implement the energy efficiency project/s described in Exhibit A for the purpose of qualifying for SEP funds from the California Energy Commission; and

WHEREAS, the City of Brisbane has considered the application of the California Environmental Quality Act (CEQA) to the approval of the energy efficiency project/s described in Exhibit A.

NOW, THEREFORE, BE IT RESOLVED, that The City Council hereby finds that adoption of this Resolution and other energy related projects and activities authorized by ARRA described in Exhibit A is not a "project" under the California Environmental Quality Act, because the program does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4)).

BE IT FURTHER RESOLVED, that if recommended for funding by the California Energy Commission, the City of Brisbane authorizes ABAG to accept a grant award on its behalf and to enter into all necessary contracts and agreements, and amendments thereto, on its behalf to implement and carry out the project/s described in Exhibit A; and

BE IT FURTHER RESOLVED, that the City of Brisbane recognizes the County of San Mateo as the lead local implementer for the project/s described in Exhibit A for all of the local governments in San Mateo County, and that ABAG as the fiscal agent, will disburse the funds to San Mateo County to implement and carry out the project/s described in Exhibit A.

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PASSED AND ADOPTED at a regular meeting of the City Council of the City of Brisbane held on the 16th day of February, 2010, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

W. Clarke Conway, Mayor

ATTEST:

Sheri Marie Spediacci, City Clerk

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EXHIBIT A

PROJECT DESCRIPTION

RETROFIT BAY AREA

COMPREHENSIVE RESIDENTIAL BUILDING RETROFIT PROGRAM

Summary of grant proposal submitted to the California Energy Commission on December 21, 2009

Description of Proposed Program

The Association of Bay Area Governments (ABAG) is collaborating with eight Bay Area counties to establish a comprehensive residential single-family and multifamily building retrofit program that leverages regional cooperation and funding while enabling autonomy at the local level. The proposed ABAG program aligns with local, regional and national goals of promoting economic vitality through an increase in green jobs, reducing U.S. oil dependency through increases in energy efficiency and deployment of renewable energy technologies, and reducing greenhouse gas emissions.

On behalf of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, Solano and Sonoma Counties, ABAG has submitted a proposal to the California Energy Commission's State Energy Program (SEP) to receive \$10.7 million in American Recovery and Reinvestment Act (ARRA) grant funds administered by the U.S. Department of Energy. This grant program, known informally as SEP 2 to distinguish it from three other elements of California's SEP program, runs from February 1, 2010 to March 31, 2012. The ARRA/SEP 2 grant funds would be used by ABAG program participants to carry out local and Bay Area-wide consumer outreach and education campaigns and workforce development activities that will accelerate demand for home energy retrofits and expand the regional building industry's capacity to delivery high quality, cost-effective retrofit services.

The ABAG program will complement existing and planned local retrofit activities, including the Property Assessed Clean Energy (PACE) financing districts that enable homeowners to finance energy efficiency retrofits and renewable energy improvements through assessments paid via their property taxes. This ABAG program will leverage and complement other local, regional and federal funding sources for energy retrofits, including anticipated grant funds from the State Energy Program's Municipal Financing Program (known as SEP 1).

Program Participants and Roles

Participant	Role
Association of Bay Area Governments	Fiscal agent and contract administrator
Alameda County (StopWaste.Org) and Sonoma County (Sonoma County Transportation Authority)	Regional tasks and local retrofit program implementation
Contra Costa, Marin, San Francisco, San Mateo, Santa Clara and Solano Counties	Local retrofit program implementation
Bevilacqua Knight, Inc., Build It Green and California Building Performance Contractors Assn.	Regional and local implementation assistance, quality assurance and reporting

Summary of Grant Funds

Regional Program Development:	Approx. \$2,070,000
Local Program Implementation:	Approx. \$7,750,000
Administration and Reporting:	Approx. \$600,000
Evaluation, Measurement, Verification:	Approx. \$320,000
Total:	<hr/> \$10.75 Million
San Mateo County Allocation:	\$785,595