



Staff Report

RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE CITY OF BELMONT TO PARTICIPATE IN THE ASSOCIATION OF BAY AREA GOVERNMENTS “RETROFIT BAY AREA” ENERGY PROGRAM

Honorable Mayor and Council Members:

Summary

City Council is requested to approve the attached resolution enabling the City to participate in the Retrofit Bay Area Energy Program. Retrofit Bay Area is a separate but important enhancement of the CaliforniaFIRST program that Council agreed to join in January. The Retrofit Bay Area program will provide outreach and education for implementing the CaliforniaFIRST program. There is no cost to the City for participating in the program.

Background

At its January 12, 2010 meeting the City Council took action to join the CaliforniaFIRST energy conservation financing program. The Council took three actions at that meeting. Three resolutions were approved:

- Resolution to Join the CaliforniaFIRST Program
- Resolution Authorizing the County of Sacramento to Apply for Funds
- Resolution Approving an Agreement to Join the California Statewide Communities Development Authority

The CaliforniaFIRST program allows property owners in the City of Belmont to finance renewable energy, energy efficiency and water efficiency improvements on their property through loans secured against their property. The next step in implementing the CaliforniaFIRST program will be to educate and provide outreach to the property owners in the county regarding the benefits of the program. The Retrofit Bay Area Energy Program is designed to meet these goals.

Discussion

The Association of Bay Area Governments (ABAG) has partnered with eight counties, and other public and private partners to implement Retrofit Bay Area, a comprehensive community-scale building energy retrofit program. The partnership includes 103 local governments in the Bay Area. The Retrofit Bay Area program will promote building energy retrofits in the participating cities and counties.

A State Energy Program (SEP) grant for \$10.75 million was awarded to ABAG by the California Energy Commission (CEC) to fund a regional comprehensive residential energy retrofit program. The grant is part of the American Recovery and Reinvestment Act (ARRA). ABAG will be the prime contractor and program administrator, accountable for overall program success and reporting to the Energy Commission and Department of Energy. ABAG will subcontract with eight lead local government agencies representing eight separate countywide programs in the Bay Area. The plan is that cities in each County would sign a memorandum of understanding (MOU) to actively coordinate with Retrofit Bay Area but would not receive ARRA SEP funds directly. Although Retrofit Bay Area will build regional infrastructure and share tools and resources, each countywide program would be separately administered. ABAG would execute subcontract agreements with one lead agency in each county. The County of San Mateo has agreed to be the lead agency for participating cities in the County and will act as the fiscal agent and lead program implementer.

The Bay Area Retrofit program has 3 primary objectives that encourage comprehensive residential energy retrofits on a regional scale. One is to provide Property Assessed Clean Energy (PACE) financing to address the high upfront cost of retrofits. Retrofit Bay Area would assist with the region's existing investments into PACE financing. Second is to develop effective marketing and outreach methods to inform and motivate property owner participation. Retrofit Bay Area will bundle homeowner incentives (e.g., PACE financing, utility and local government rebates, tax credits, etc.) and employ an array of innovative outreach methods. A regional website and call center will be a part of the outreach effort. Third is to streamline participant, contractor, and administration processes to reduce the high transaction costs and to build a quality green workforce. Retrofit Bay Area will use new cutting-edge data and decision software tools to reduce transaction costs for both contractors and the program.

San Mateo County would coordinate the countywide Residential Energy Action Program (REAP) with participating cities utilizing the ABAG SEP grant funds as well as funds the County received from an Energy Efficiency and Conservation Block Grant. The program elements include: on-going training, marketing, and outreach to contractors; building inspector training; specific local market analysis; marketing and outreach plan for participant recruitment; and mini-grants to community partners for targeted outreach countywide.

Belmont will benefit from the ABAG SEP funds from the development of a model residential energy retrofit program. Working in unison with the County, our community will benefit from the opportunities of this program and help us reach our community greenhouse gas reduction goals.

General Plan/Vision Statement

General Plan Goals-

Number 6- To provide for the efficient use of energy resources in activities carried out or regulated by the City.

Fiscal Impact

There is no fiscal impact to Belmont associated with the action to participate in the Bay Area Retrofit Energy Program. All programs costs will be covered by the ABAG State Energy Plan grant and County EECBG grant.

Public Contact

Posting of City Council agenda.

Recommendation

It is recommended that the City Council adopt the attached Resolution authorizing the City of Belmont to participate in the Bay Retrofit Energy Program.

Alternatives

1. Refer to staff for more information.
2. Deny the resolution.

Attachments

- A. Resolution to Participate in the Bay Area Retrofit Energy Program.
- B. Exhibit A to the Resolution.

Respectfully submitted,

Karl Mittelstadt
Project Manager

Don Mattei
Acting City Manager

Staff Contact:

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RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE CITY OF BELMONT TO PARTICIPATE IN THE ASSOCIATION OF BAY AREA GOVERNMENTS “RETROFIT BAY AREA” ENERGY PROGRAM

WHEREAS, the City Council of the City of Belmont 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 Belmont has committed to an ongoing, coordinated effort to reduce greenhouse gas emissions that cause global warming, improve air quality, reduce waste, cut energy use and save money; 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 Belmont is eligible for SEP funding under the California Energy Commission’s SEP Program; and

WHEREAS, the City of Belmont 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 Belmont 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 in compliance with the California Environmental Quality Act (CEQA), the City Council of the City of Belmont finds that the approval of the energy efficiency project/s described in Exhibit A is not a “project” under CEQA.

BE IT FURTHER RESOLVED, with the funding from the California Energy Commission, the City of Belmont 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 Belmont 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.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont this 23rd day of February, 2010 by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSTAIN, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont

Exhibit A

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: \$10.75 Million

San Mateo County Allocation: \$785,595