

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE TO AUTHORIZE THE ASSOCIATION OF BAY AREA GOVERNMENTS TO ACCEPT A GRANT AWARD ON BEHALF OF THE CITY RELATED TO THE RETROFIT BAY AREA PROGRAM, A COMPREHENSIVE RESIDENTIAL ENERGY EFFICIENCY OUTREACH, RETROFIT, AND JOB CREATION PROGRAM AND RECOGNIZING THE COUNTY OF SANTA CLARA AS THE LEAD LOCAL IMPLEMENTER FOR SANTA CLARA COUNTY LOCAL GOVERNMENTS

WHEREAS, the City of San José (“City”) 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 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

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 is eligible for SEP funding under the California Energy Commission’s SEP Program; and

WHEREAS, the City 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 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 BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. In compliance with the California Environmental Quality Act (CEQA) the City of San José finds that the approval of the energy efficiency project/s described in Exhibit A is a "project" under CEQA that is exempt under California Code of Regulations, Title 14, sections 15301 (repairs and minor alterations to existing facilities).
2. The City of San José authorizes ABAG to accept the grant award, on its behalf, from the California Energy Commission's SEP Funding related to the Retrofit Bay Area Program. The City of San José recognizes the County of Santa Clara as the lead local implementer for the project/s described in Exhibit A for all of the local governments in Santa Clara County, and that ABAG, as fiscal agent, will disburse the grant funds to Santa Clara County to implement and carry out the project/s described in Exhibit A.

ADOPTED this ____ day of _____, 2010, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk

EXHIBIT A

Retrofit Bay Area Comprehensive Residential Building Retrofit Program

Program Description

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 by increasing energy efficiency and renewable energy deployment, and reducing greenhouse gas emissions.

On behalf of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, Solano and Sonoma Counties, ABAG submitted a proposal to the California Energy Commission's State Energy Program Topic 2 (SEP-2) to receive \$10.8 million in American Recovery and Reinvestment Act (ARRA) grant funds administered by the U.S. Department of Energy. This grant program shall run from February 11, 2010 to March 31, 2012. The SEP-2 grant funds will be used by program participants to carry out local and Bay Area-wide consumer outreach and education campaigns, as well as 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.

To achieve these goals, *Retrofit Bay Area* has identified a set of three core program objectives:

1. Provide Property Assessed Clean Energy (PACE) financing to address the high upfront cost of retrofits, which enables homeowners to finance energy efficiency retrofits and renewable energy improvements through assessments paid via their property taxes.
2. Demonstrate more effective marketing and outreach methods to inform and motivate property owner participation.
3. Streamline participant, contractor, and administration processes to reduce the high transaction costs and build a quality "green" workforce.

Retrofit Bay Area will thus complement existing and planned local retrofit activities, including those of the Silicon Valley Energy Watch (SVEW), the City of San José's County-wide, multi-sectoral energy efficiency partnership with PG&E; and the City's

Solar America Cities program. Through the SVEW program, the City was an active participant in the program development process with ABAG and Santa Clara County.

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 Association	Regional and local implementation assistance, quality assurance and reporting
City of San José	Via the Silicon Valley Energy Watch program and Housing Rehab division, participate in local program coordination, and share information optimize program penetration and energy savings

The County of Santa Clara's Role

Santa Clara County expects to receive approximately \$1,950,000 through the *Retrofit Bay Area* program. The County worked closely with its municipalities and with ABAG to develop the countywide chapter of the regional program, to be implemented as the Santa Clara County Residential Retrofit Program (SCCRRP). In collaboration with existing efforts, the SCCRRP will promote residential energy education, audits, and retrofits throughout the County.

The nearly \$2 million that will be available for the SCCRRP will fund two County staff positions and a suite of programs. The County will implement a grant process for nonprofits, businesses, housing agencies, and consulting firms to provide energy audits to the residential community. The SCCRRP will consist of a suite of environmental programs and information, including PACE financing options, which will be uniformly packaged, marketed and presented to County residents. Home energy audits are expected to stimulate interest in comprehensive retrofits, such as added insulation, weatherization, heating, ventilation and air conditioning upgrades, and energy efficient appliances, resulting in significant reductions in energy and water consumption.

ABAG is seeking to facilitate 17,000 retrofits in the Bay Area during the grant cycle, with an average of 20% energy reduction. Based on population, Santa Clara County expects to complete at least 4,359 retrofits, create 446 new jobs, \$1.7 million saved in

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energy costs for homeowners, 100 billion reduction of BTU, and \$43.8 million spent in the County.

The SCCRRP will inform and educate residents on steps that they can take to reduce their home energy and water consumption. Residents who participate in the program and have energy audits performed on their homes will be encouraged to implement the steps recommended by the energy audit. Those who qualify and are able will be encouraged to pursue "whole house" efficiency measures, accomplishing as high as 70% energy reductions per home.