



Memorandum

TO: CITY COUNCIL

FROM: Mayor Sam Liccardo
Councilmember Sergio Jimenez
Councilmember Raul Peralez
Councilmember Dev Davis
Councilmember Sylvia Arenas

SUBJECT: SEE BELOW

DATE: May 17, 2019

Approved

Date

SUBJECT: CLIMATE SMART SAN JOSÉ PLAN SEMI-ANNUAL UPDATE

RECOMMENDATION

Direct the City Manager to accept the Climate Smart San José status update with the following recommendations:

1. Develop a roadmap to meet our 1 GW solar city goal under Climate Smart San José that includes:
 - a. Baselining current solar conditions in San José, which requires our Community Energy Department (CED) to work with PG&E to quantify San José's current MW of residential, commercial, and municipal solar installations;
 - b. CED to develop Net Energy Metering (NEM) rates that incentivize on-site solar;
 - c. CED to develop calculators and informational collateral to educate residents and businesses on the value of on-site solar;
 - d. Starting in 2020, CED will develop local solar resources either through a feed-in tariff or power purchase agreement that would supply power to San José Clean Energy;
 - e. Return to the Transportation & Environment Committee by October with opportunities for financing access to solar and energy-efficiency measures in collaboration with state, regional, non-profit, and private-sector partners;
 - i. Opportunities should include explicit discussion of the Solar on Multifamily Affordable Housing program, the Single-family Solar Homes program, the Green Tariff program, the Community Solar Green Tariff program, and any partnerships with Grid Alternatives that can improve access for low-income residents to the benefits of clean energy. Update by October 2019 on application status and/or if any partners are applying for funds in San José.

COUNCIL AGENDA

May 17, 2019

Subject: Climate Smart San José Plan Semi-Annual Update

Page 2

- f. Development of a plan with objectives and key results (OKR's) that provides clarity about focus and progress.
2. Develop a public facing, interactive dashboard with relevant data – such as those metrics described on page 151 of the Climate Smart plan – that tracks progress on Climate Smart San José. The dashboard should:
 - a. Be updated quarterly;
 - b. Be structured around the three pillars and nine strategies associated with metrics under Climate Smart San José;
 - c. Include programs, projects, and partnerships that help advance the Climate Smart San José metrics;
 - d. Be done collaboratively with private sector partners, foundations, NGOs, universities, and agencies to support this work, with assistance from the Mayor's Office.
3. Direct the City Manager to update the Council memo template to include an alignment with Climate Smart San José section.
4. Return to Council with an Electric Vehicle Strategy by January 2020 that clearly identifies the multiple external funding opportunities for infrastructure investment—such as the Volkswagen settlement, PG&E funding, and the like—and San José's efforts to secure that funding.
5. Return to the Transportation & Environment Committee by October 2019 with a Climate Smart engagement strategy – in collaboration with nonprofit partners – to support the advancement of the Bloomberg American Cities Climate Challenge work, and Climate Smart broadly. The strategy should clearly articulate pathways to engage hard to reach, under-resourced, diverse communities, and low and modest-income families especially in multi-family housing.
6. Return to the Transportation & Environment Committee by October 2019 with a status update of the Council-approved recommendations from the Climate Smart San José memo from February 2018 signed by Mayor Liccardo and Councilmembers Jimenez, Peralez, Davis, and Arenas.

DISCUSSION

Since the unanimous adoption of Climate Smart San José in February 2018, there have been early successes – and indicators to point to – that demonstrate San José has joined the community of cities leading on climate action. Greenhouse gas emissions (GHG) have declined 17.6 percent in 2017 compared to 2014 levels. We successfully launched San José Clean Energy and are delivering cleaner and cheaper energy to businesses and families in San José. And the City was awarded a \$2.5 million grant under Bloomberg's American Cities Climate Challenge to drive down emissions from our two largest sources of emissions – the buildings we live and work in, and the transportation systems we rely on. Now is the time to double down to ensure we continue the momentum.

The Bloomberg grant provides a roadmap for work over the next two years that will tackle eight complex problems we face that will reduce emissions. With the assistance of a Natural Resources Defense Council (NRDC) funded City Strategist, we are embarking on an ambitious workplan. Over the next year, staff is working to develop a reach code to electrify our buildings, developing an ordinance to eliminate parking minimums for new development in transit rich areas, and developing a roadmap for building decarbonization, among other initiatives. As the work under the grant moves forward there are additional opportunities to forge ahead on with our Climate Smart goals – especially where there is funding available, ready partnerships, and policy strokes we can take to advance the plan.

Becoming the first 1 GW solar city in the country by 2040 will require a roadmap that baselines solar in San José, creates educational programs, favorable NEM rates, promotion of state funding programs, development of effective partnerships with non-profits, and an action plan that drives us in the right direction. Included in this work should be an update on the many programs currently available for solar development; for example, the Solar on Multifamily Affordable Housing program provides \$100 million annually to subsidize solar on multi-family affordable housing.

We understand that there will be a dashboard developed under the Bloomberg grant that will capture metrics under the grant program, and that there is a strong partnership underway with Microsoft to develop a dashboard for Climate Smart San José. It is incumbent that we communicate our progress under Climate Smart – the American Cities Climate Challenge – to the community in a clear and accessible way. The dashboard should be structured around Climate Smart San José with the metrics, strategies, and pillars that were outlined throughout the plan. This work should also link to programs, projects, and partnerships that will help advance the metrics.

Importantly, how we create a more inclusive and equitable San José will be dependent on consistently integrating equity and access considerations throughout this work. What we do now, lays a strong foundation for the work we do over the coming decades. When developing an engagement strategy, staff should clearly articulate pathways to engage hard to reach, under-resourced, diverse communities, and low and modest-income families especially in multi-family housing. Part of this work can be done in partnership with Council offices that represent and meet with communities on a regular basis.

Climate Smart San José, and the Bloomberg grant, were made possible by the hard work of staff and from the advocacy of the community, including groups like NRDC, the Open Space Authority, Mothers Out Front, SPUR, SVLG, the Silicon Valley Bike Coalition, and many more agency and non-profit partners. It is critical that we continue to engage our existing partners and leverage their networks as this work progresses.

Finally, we thank staff in the building who have made all the work accomplished so far possible. In particular, Kerrie Romanow and ESD staff, John Ristow and DOT staff, Lori Mitchell and CED staff, Rosalyn Hughey and Planning staff, Matt Cano and Public Works staff, and Dave Sykes and Jim Ortbal.

COUNCIL AGENDA

May 17, 2019

Subject: Climate Smart San José Plan Semi-Annual Update

Page 4

The success of Climate Smart San José and meeting the climate challenge ahead will require increased coordination inside and outside the building to reach our climate action and climate equity goals. We must continue to charge ahead.

BROWN ACT

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.