



# Memorandum

**TO:** TRANSPORTATION AND  
ENVIRONMENT COMMITTEE

**FROM:** Kerrie Romanow

**SUBJECT:** SEE BELOW

**DATE:** September 19, 2018

Approved

Date

9-21-18

**SUBJECT: UPDATE ON CLIMATE SMART SAN JOSE ACTIVITIES**

## RECOMMENDATION

Accept this update on Climate Smart San José activities.

## OUTCOME

Provide a semi-annual update to the City Council on key activities completed and underway to implement Climate Smart San José.

## BACKGROUND

In February 2018, the City of San José was one of the first U.S. cities to adopt a Paris Agreement-aligned climate action plan: Climate Smart San José. Climate Smart San José is a data driven plan with specific goals and actions focused on three components: energy, mobility and water. It details not only ways to reduce the city's carbon footprint but also to improve quality of life for those who live and work in San José.

Climate Smart San José is led strategically by the Environmental Services Department (ESD) and collaboratively implemented across the organization via a technical working group and executive steering committee. The technical working group is comprised of managers and deputy directors from nine City departments and the executive steering committee is composed of leadership from five City departments. The primary goals of these teams are to coordinate organizational efforts, align work plan development, create a comprehensive reporting mechanism to convey progress, synchronize funding and grant opportunities, and ensure alignment with the action plan detailed in Climate Smart San José.

First year funding for ESD staffing to spearhead the effort is funded by a one-time award from PG&E for San José's Step up and Power Down initiative which provides for, a deputy director (1 FTE), a communication staff (1 FTE), and a program manager (.3 FTE) as well as marketing and outreach funding. ESD is applying for outside funding to provide ongoing funding to lead Climate Smart San José beyond FY18-19 as well as fund programs to drive greenhouse gas (GHG) reductions citywide.

## **ANALYSIS**

Significant efforts have been made across city departments to embrace Climate Smart San José. The engagement and interest from city staff across the organization has been very positive and shifting how we align program and policy work to meet the goals of the Paris Accords. However, effective implementation of Climate Smart San José requires community involvement from our residents and businesses. This engagement and community activation will require increased investment to realize the aspirations outlined in Climate Smart San José. Staff believe that our efforts since plan adoption in February 2018 have set the initial foundation for action plan implementation. The following include a few key initiatives and/or activities to provide insight on how the Climate Smart San José movement is beginning to gain traction.

### **Grant Activity**

Technical working group has been actively collaborating to secure meaningful grant funding to enable the development and implementation of the action plan. Below are a few key highlights of this activity:

- In June 2018, ESD was awarded a \$325,000 Bay Area Air Quality Management District's Climate Protection Grant to reduce GHG emissions from existing buildings to develop and implement *Climate Smart Goal- Accelerate Development of ZNE<sup>1</sup> Homes - 2.2-G-J* with "Electrify San José!". This program will implement a mix of incentives, trainings, market adoption strategies along with a cutting-edge demonstration project and result in 1) reducing GHG emissions from existing buildings (121 Metric Tons of Carbon Dioxide per year MTCO<sub>2</sub>e/yr); 2) increasing the knowledge-base of contractors, residents, and community members regarding the benefits of Zero Net Carbon<sup>2</sup> (ZNC) buildings, energy efficiency, and electrification; and, 3) accelerating the transformation towards residential electrification and ZNC buildings.
- In May 2018, ESD applied for PG&E's Better Together Resilient Communities grant program for \$125,000 to develop a comprehensive project to conduct a heat vulnerability

<sup>1</sup> ZNE (Zero Net Energy) is defined as "a building which produces as much energy as it consumes over the course of a year"

<sup>2</sup> ZNC is defined as "a highly energy efficient building that produces on-site, or procures, enough carbon-free renewable energy to meet building operations energy consumption annually"



assessment and to design strategies that will inform San José's climate change adaptation planning efforts. In July, ESD received notice that as a result of uncertainty associated with the October 2017 wildfires in Northern California, PG&E will be delaying or cancelling the selection of the 2018 Better Together Resilient Communities grant recipients.

- In July 2018, the technical working group submitted a robust application to Bloomberg Philanthropies for the American Cities Climate Challenge. This initiative aims to accelerate and deepen U.S. cities' efforts to create the greatest climate impact through 2020 and showcase the benefits – good jobs, cleaner air, and cost savings – that climate solutions bring. The winners of the challenge will be announced in October 2018 for a funding package worth approximately \$2.5 million in resources and technical support.

## **Work Plan Update**

### **Community Engagement Strategy - Climate Smart Action - Network Activation 2.2-M**

The Climate Smart program developed a community engagement strategy to engage stakeholders and community members in the implementation of the Climate Smart San José goals. The overarching community engagement strategy was completed in May 2018 by ESD. In addition, PBCE, DOT and OED have developed separate targeted Climate Smart engagement plans to support specific initiatives. To date, the following notable engagement activities have been completed:

- Presentations at nine community meetings and outreach at 15 community events
- Selected presentations include: Sustainable Brands Conference, Santa Clara Valley Water District, the American Environmental Planning meeting and at Adobe.
- The Earth Ride - More than 150 people participated in the 13-mile bike ride, touring sites around San José.
- LED Giveaway - Nearly 400 light bulbs have been given away so far. ESD plans to give away a total of 12,600 at community events in 2018 and 2019.
- Global Climate Action Summit Affiliate Event and Green Arts Festival - Hosted an affiliate event of the Global Climate Action Summit at City Hall on September 12, 2018. The event included an invitation-only conference, and a community green arts festival. The conference was also the launch of San José Clean Energy.
- Created a pilot partnership project with the advocacy group Mothers Out Front South Bay, who agreed to promote Climate Smart San José in 2018 using house parties, movie screenings and other tactics to engage residents.
- Trilingual (English, Spanish, Vietnamese) baseline survey conducted in April and May 2018 of 720 residents to measure awareness of Climate Smart San José and attitudes regarding climate change and energy/water efficiency.
- Meetings with stakeholders such as: Social Finance, Silicon Valley Leadership Group, EV Strategists, eBay, The Tech Museum and the Hewlett Foundation.

**Develop Data Tools and Online Dashboard** *Climate Smart Action - Network Activation 2.2-N*

As directed by Council, the technical working group has been seeking external partners, and funding, to establish an online dashboard to measure progress towards the City's climate smart goals and activities. The dashboard will be made up of key indicators and used to assess the efficacy of the current programs and strategies. Staff had anticipated the dashboard to be completed by Fall 2018 but progress with an academic partner did not materialize as expected. However, a new partner has been identified and in July Microsoft committed in-kind resources to ProspectSV to develop a Climate Smart San José dashboard. This project will start in September 2018 and take approximately six to nine months to complete.

**Identify Financing Options for Solar and Efficiency Measures with Emphasis on Low- and Modest- Income Households** - *Climate Smart Action - Building Codes & Permitting 1.1-G*

The goal of this initiative is to centralize access to available financing resources to enable the community to more easily implement solar and energy efficiency projects to reduce energy usage and increase solar installations. This will be posted to the City's website in October 2018. Staff has also posted a new solar resources webpage and is in the process of drafting a residential solar strategy for stakeholder input.

**Develop Innovative Policies and Programs to Spur Commercial Buildings Energy Efficiency through the City Energy Project** *Climate Smart Action -Retrofit - 3-2.C,H,I,J &L*

Over the last two years, ESD staff have been working to develop and implement energy policies, programs, and resources which aim to reduce energy usage in large commercial buildings with the City Energy Project. This year, the following accomplishments have been completed:

- Energy and Water Building Performance Ordinance: Hosted six stakeholder meetings through August 2018 and plan to present an ordinance for City Council consideration in November 2018
- Green leasing resources: Researching resource content for a new web page and planning a green leasing workshop for mid-October 2018
- Energy code compliance assessment: Collected data in coordination with Cadmus and PBCE staff in March 2018 and received draft report from Cadmus in August 2018. The plan outlines opportunities for the City of San José to improve code enforcement to reduce GHG emissions.
- ZNC trainings/education/ incentives: Hosted ZNC trainings, worked with Integral Group to host a half-day ZNC industry experts workshop to identify opportunities to advance ZNC development in San José and drafted ZNC webpage for launch in October 2018.
- Multi-family retrofit resources: Promoted final multi-family report to Silicon Valley Energy Watch partners, which includes all cities in Santa Clara County except for Santa Clara and Palo Alto; shared multi-family resources with building owners/managers; developed next steps for continuing to promote information for multi-family energy retrofits.



### **Launch San José Clean Energy**

#### *Climate Smart Action - San José Clean Energy 1.1*

In September 2018, the City of San José launched the largest single-jurisdiction community choice energy program in the U.S., San José Clean Energy (SJCE). SJCE will provide 95 percent carbon-free power, with further goals outlined in Climate Smart San Jose to provide 60 percent renewable power to its customers by 2030, 87 percent by 2040, and 100 percent by 2050.

### **Water Conservation Efforts**

#### *Climate Smart Action – Commercial Buildings/Reservoir Capacity/Recycled Water 1.2: F-G:*

ESD staff is pursuing a variety of water efficiency projects and programs to achieve the water targets set forth in Climate Smart. The multifaceted approach to water efficiency includes increasing residential water audits, working towards the energy and water building performance ordinance for commercial buildings, conducting pilot studies to evaluate effective water saving methods, and expanding the existing partnership with the Santa Clara Valley Water District (“District”). The pilot studies include leak detection and advanced metering infrastructure.

In addition, ESD has been coordinating with the District on their Countywide Recycled Water Master Plan (CWMP). The CWMP is a collaborative strategy to integrate and expand recycled and purified water as a local, reliable, environmentally adaptive, drought-proof water supply and guide strategic investment of public funds over the next 20 years. Staff has also been working with other regional agencies to create an Onsite Reuse Working Group. In coordination with Public Works, staff is conducting a feasibility study to identify areas or “targeted zones” in San José that could accommodate onsite reuse projects.

### **Develop an electric vehicle (EV) strategy to advance public and private charging infrastructure and deployment of EVs**

#### *Climate Smart Action – Vehicle Electrification 2.3-A-I:*

The City is developing a strategy that encourages shared electric vehicles that integrate with public transit and other mobility options to accelerate EV adoption and charging. Staff has developed an EV Strategy outline and is in the process of finalizing a contract with a consultant to work with the City on the first phase of the strategy. The City is developing this strategy in phases due to funding constraints. The City has developed the criteria for Phase I, which will: 1) establish a baseline analysis of existing conditions and critical indicators; 2) identify opportunities for expanding electric vehicles (EV) and shared mobility (including the number, type and priority locations for additional EV chargers); and, 3) identify short-term priority action items. Additional funding or resources will be necessary to complete phase II of this plan. This effort will leverage a grant from the Knight Foundation to develop people-centered Smart Cities to better integrate shared, electric and ultimately autonomous vehicles with other forms of transit and help improve public life.

### **Climate Smart San José Phase II – Natural and Working Lands Analysis**

#### *Climate Smart Action - Future*

Climate Smart San José phase II will include a natural and working lands analysis which will research the interplay between Natural and Working Lands (NWL) and community-wide GHG



emissions. It will include convening of representatives from interested environmental organizations and will be receiving external funding, which will be matched up to \$100,000. The City Council approved \$100,000 in City matching funds and Open Space Authority board approved \$40,000 in funding; additional external funding is pending. In addition to securing a portion of the funding for the project, there have been two group coordination meetings, regularly scheduled lead coordination phone calls, and a scope of work for the consultants has been completed. Staff is currently drafting a consultant Request for Qualifications which is anticipated to be released in fall 2018, pending commitment of the remaining external match funding.

### **Convene Technical Experts to Inform and Advise Climate Smart through San José Sustainable Development Goals (SDG)**

Climate Smart SDG Compact is an agreement for collective action that brings together the City, residents, the public and private sectors, community foundations and academia, to accelerate measurable progress in achieving the targets identified in the Climate Smart plan. In April and June 2018, Climate Smart SDG Compact meetings were hosted by the City of San José, Stanford University, and Global Development Incubator (GDI) in which over 70 people attended. The meetings included stakeholders, non-profit organizations, business leaders, entrepreneurs, community members, and presenters from academia to develop a Climate Smart San José SDG Compact action plan and timeline.

After the meetings, the Climate Smart Program, Stanford University and GDI co-authored both a full grant proposal and a planning grant in August 2018 to fund the “Race to Climate Smart Sustainable Development” in San José. The San José Race for Climate Smart Sustainable Development (“The Race”) is being designed to mobilize collective action and commitments from an expanding network of stakeholders in support of these goals and by setting time bound and measurable targets outlined in the Climate Smart San José plan. GDI is currently doing outreach to solicit funding for these proposals and the continuation of this effort is dependent on funding.

### **Develop reporting structure for GHG emissions for the City through the Global Protocol for Community-Scale Greenhouse Gas Emission Inventories**

In July 2018, the Climate Smart team submitted our 2014 GHG emissions inventory through the Carbon Disclosure Project and the Global Covenant of Mayors. This is the first time San José disclosed its community-wide GHG emissions (scope 1 and 2). The emissions reported were collected by a consultant doing the state mandated GHG inventory led by PBCE. Moving forward, the Climate Smart team will require resources to continue reporting GHG emissions. Continued reporting on this platform is integral to securing external funding to implement Climate Smart San José as the majority of funding opportunities require cities to report their GHG emissions. Additionally, to measure progress on the effectiveness of Climate Smart San José efforts over the long term requires reporting through a standard and reputable reporting platform to allow for regular tracking, clarity on progress, and comparison among peers.

**Climate Smart Council Memo Section**

CMO and ESD are finalizing a new council memo section to incorporate Climate Smart San Jose into the Council decision making process. Completion of this effort is anticipated in late Fall 2018.

**EVALUATION AND FOLLOW-UP**

Staff will provide progress updates to T&E and City Council on Climate Smart San José activities on a semi-annual basis.

**PUBLIC OUTREACH**

This memorandum will be posted on the City's website for the October 1, 2018 T&E agenda as well cross-referenced on the City's Council Agenda website for October 30, 2018.

**COORDINATION**

This memorandum has been coordinated with the City Attorney's Office, Transportation Department, Community Energy Department and Planning, Building and Code Enforcement.

**COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

**FISCAL/POLICY ALIGNMENT**

Climate Smart San José activities align with the Climate Smart San José strategies and the City's Envision 2040 General Plan approved by City Council.

**CEQA**

Not a project, File NO. PP17-003, Agreements/Contracts (New or Amended), resulting in no physical changes to the environment.

/s/

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For questions, please contact Kerrie Romanow, ESD Director, at (408) 535-8552.