COUNCIL AGENDA: 2/12/2019

ITEM: 3.4



Memorandum

TO: CITY COUNCIL

FROM: Mayor Sam Liccardo

Councilmember Raul Peralez Councilmember Lan Diep Councilmember Dev Davis Councilmember Johnny Khamis

SUBJECT: SEE BELOW DATE: February 8, 2019

Approved

Date .

02/08/2019

SUBJECT: MEASURE T – BUILDING A SUSTAINABLE FUTURE

RECOMMENDATION

Accept the status report on Measure T, and direct the City Manager to return to the Transportation and Environment Committee in the next 6-8 months with an update on the City's approach to developing Zero Net Carbon (ZNC) municipal buildings to inform the projects to be funded under Measure T. Include a review of:

- a. Municipal best practices for sustainable design and construction, and staff recommendations for ZNC standards for new municipal facilities, with some analysis of the impacts of ZNC on construction cost, life-cycle cost, and the City's Climate Smart goals;
- b. Best practices for improving resiliency to disasters where the City can utilize a combination of photovoltaics and storage to meet energy load requirements in facilities, and effectively take critical facilities "off the grid."

DISCUSSION

We'd like to thank the many City staff who have worked furiously to craft Measure T and to provide us with this opportunity, including Dave Sykes, Matt Cano, Jim Ortbal, Kerrie Romanow, Julia Cooper, Rick Doyle, and their respective teams. We also thank our residents for their confidence in our City, and their willingness to invest in our collective future.

We should explore how we can we can push the envelope on sustainable buildings and design in our Measure T projects, for three reasons.

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Most obviously, in February 2018 the City Council unanimously adopted Climate Smart San José, a Paris Agreement-aligned carbon reduction plan. The challenge outlined in the plan is significant and ambitious—a 6.5 percent reduction in emissions year-over-year through 2050. To meet this daunting challenge, we must align the City's practices with its goals, and leverage the best minds to demonstrate how it can be done. In other words, we must lead by example.

In San José, buildings contribute one-third of our carbon emissions and energy use citywide. Zero Net Carbon (ZNC) buildings are designed to meet their energy demand from zero-carbon energy sources such as solar or wind, and help to create healthier, climate smart communities. We are uniquely positioned to maximize our clean energy use in municipal facilities with San José Clean Energy, and groups like the Building Decarbonization Coalition are bringing together industry, advocacy, government experts, and the private sector to develop integrated and effective approaches to advance building decarbonization.

San José has long set the standard for green building practices. David Kaneda's Integral Group designed and built the world's first commercial net-zero-energy building in San José. San José City Hall became the first city hall in the nation to achieve LEED Platinum Certification for Existing Buildings, and the Adobe headquarters is the world's first commercial LEED platinum building. San José is among the top ten cities in the country in LEED certified buildings per capita, and last year, San José was named California's first, and the world's sixth, LEED-certified city.

Understanding how we can continue to build and retrofit our municipal facilities to a higher standard will play an important role in meeting our Climate Smart goals, and staff should return with an analysis of best practices for sustainable design and construction.

Second, historic experience and the looming absorption of tens of billions of wildfire-related costs inform us that energy costs will likely increase substantially in the years ahead, particularly energy transmission. The ability to generate more local sources of electricity, and to develop energy independence from the grid, could deliver long-term life-cycle cost savings for our taxpayers. Understanding—and demonstrating—the effect of greater upfront investment in ZNC approaches on reducing those maintenance and operations costs will pay continued dividends for the half-century or more that these buildings serve our community.

Finally, in an earthquake or other disaster, we can boost resiliency tremendously through distributed power—that is, by creating off-the-grid resources for the local production and storage of electricity. We have ample local examples of the use of solar energy and battery storage to meet load requirements in facilities that will keep operating when the power lines are down. In light of recent judicial actions relating to PG&E—threatening to shut down transmission lines when wind speeds exceed 30 mph in arid areas of the state—it appears we'll need to find ways immediately to boost reliability and resiliency to events far more routinely than the rare earthquake. Now is the time to start this essential work.

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