



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** June 16, 2009

**TO:** Mayor and Councilmembers

**FROM:** James L. Armstrong, City Administrator

**SUBJECT:** Economic Stimulus Funding - Energy Efficiency And Conservation Block Grant Application

### RECOMMENDATION:

That Council authorize the City Administrator to apply for Energy Efficiency and Conservation Block Grant funding in the amount of \$868,200 for energy efficiency projects at City facilities and the development of a Climate Action Plan.

### DISCUSSION:

The American Recovery and Reinvestment Act allocated \$2.6 billion for Energy Efficiency and Conservation Block Grants (EECBG) nationwide. These funds are formula-based and are awarded to jurisdictions based on population size. Santa Barbara is eligible to apply for and receive \$868,200.

The purpose of the EECBG is to assist states, counties, cities and tribes in creating and implementing strategies to reduce energy use, improve energy efficiency in the building, transportation and other appropriate sectors and reduce fossil fuel emissions while maximizing the benefits for local and regional communities.

Staff proposes spending these funds on energy efficiency and conservation projects in City General Fund facilities and the development of a Climate Action Plan for the community. The proposed funding allocation is shown below.

Energy Retrofits in City Facilities	\$ 818,200
Climate Action Plan	<u>\$ 50,000</u>
TOTAL	\$ 868,200

The energy projects in City facilities would include lighting retrofits, HVAC system upgrades and replacements, HVAC and lighting automation systems, and building system commissioning. It is estimated that completion of these projects will save the City 526,000 kWh of electricity and \$81,000 annually. Based on the U.S. Department of Energy's calculation, this effort will create or retain 10 jobs in the community. Incentives are also available through the South Coast Energy Efficiency Partnership (SCEEP) to pay for portions of the projects. The energy retrofit projects are located in the following City facilities:

- City Hall
- Central Library
- East Side Library
- Franklin Center
- Cabrillo Pavilion Arts Center
- Parks and Recreation Administration Building
- Fire Station 1
- West Side Community Center
- Chase Palm Park
- Teen Center
- Cabrillo Ball Field
- Dwight Murphy Field
- Pershing Park

The grant funding will help address maintenance backlog items as discussed in the Infrastructure Financing Taskforce Report “Keeping Santa Barbara In Shape” completed in October 2008. Without the economic stimulus funds, these projects would be delayed and the backlog would continue to grow.

The balance of grant funds or \$50,000 would be used to assist with the preparation of a Climate Action Plan (CAP). A CAP is one of the eligible activities under the grant which would provide the City a head start on responding to impending requirements of AB 32, the California Global Warming Solutions Act 2006. A CAP would inventory greenhouse gas emissions in the community and identify strategies to reduce emissions. Pursuant to AB 32, the state Attorney General has used CEQA litigation to force local agencies to address the issue of greenhouse gas emissions in their general plans. In an advice letter to local agencies, the Attorney General’s Office identifies the preparation of a CAP as a reasonable mitigation measure for potential environmental impacts due to greenhouse gas emissions. The preparation of a CAP would, in part, address the Attorney General’s goal of shaping land use patterns in a manner that is consistent with AB 32.

#### Sustainability Impact

These projects are consistent with the City’s sustainability efforts and play an important role in demonstrating the City’s leadership and direction in conserving energy and reducing carbon emissions.

**SUBMITTED BY:** Nina Johnson, Assistant to the City Administrator  
James Dewey, Facilities and Energy Manager  
John Ledbetter, Principal Planner

**APPROVED BY:** City Administrator's Office