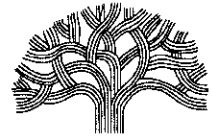


CITY OF OAKLAND



OFFICE OF THE CITY CLERK

CITY HALL • 1 FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612

2006 SEP 29 PM 8:12

NANCY J. NADEL
Councilmember
District # 3

(510) 238-7003
FAX (510) 238-6129
TTY (510) 238-7413

October 10, 2006

TO : Public Works Committee members
FROM: Councilmember Nancy J. Nadel, District 3
RE: Resolution To Create A Task Force Composed Of Eleven (11) Appointees, Three (3) By The Mayor And Eight (8) By The City Council – Representing Various Fields Of Expertise – That Will Draft And Submit An Action Plan For Oakland To Become Oil Independent By 2020.

SUMMARY

This report recommends that the City Council create a broad-based expert Task Force that will provide the Council and Mayor with facts, guidance, and recommendations in the work to significantly reduce the City of Oakland's dependence on oil by 2020. The Task Force would be appointed within 45 days of passage of the resolution, and deliver an action plan one year after the first meeting of the Task Force.

FISCAL IMPACT

Some staff resources will be dedicated to providing administrative support to the Task Force, in order to comply with Sunshine Ordinance and Brown Act noticing requirements. A representative of the City Attorney's Office will provide legal advice and attend Task Force meetings, as needed.

BACKGROUND

Increasingly the price of oil is affecting Oakland's growth and employment – higher oil prices slow business expansion, impact wages and jobs, and increase production costs. The burning of fossil fuels, one of the chief causes of global warming¹, threatens the living conditions of future generations of our City residents – Oakland residents suffer from asthma disproportionately in neighborhoods adjacent to freeways and other major sources of exhaust and pollution generated by traffic and the burning of fossil fuels. Moreover, oil still plays a major role in global peace and security issues. To address all of these issues, broad and long-term political efforts are needed. There is a great potential for the City of Oakland to lead a growing green technology industry that will provide alternatives to oil.

¹ U.S. Inventory of Greenhouse Gas Emissions and Sinks 1990-2004 (EPA 2006) at <http://www.epa.gov/globalwarming/publications/emissions>.

Declining access to conventional oil, in combination with our joint responsibility to stop global warming, will be a test of the City's readiness to meet its needs through energy conservation and the use of energy systems that are more sustainable in the long term. To that end, we can go beyond simply reducing greenhouse gases – we can also secure our supply of energy, strengthen our economy, and promote the development of sound growth driven by technology and environment, with new business opportunities for local industry. In short: the phase-out of oil dependence can further strengthen our position as one of the world's leading cities in sustainable development.

The City of Oakland's commitment to sustainable development is not new. There are a variety of energy efficiency measures, conversion technologies, infrastructure improvements, and public programs which the City of Oakland has implemented in the last several years to reduce their oil consumption, including:

- The Oakland City Council adopted the Sustainable Community Development Initiative (SDI) in December 1998.
- In 2005, the FY 2005-2007 Policy Budget was adopted, highlighting: *Goal #1: Develop a Sustainable City.*
- In May 2005, the Oakland City Council unanimously adopted a Civic Green Building Ordinance, thereby adding Oakland to a growing list of cities on the West Coast and throughout the Country that officially promote Green Building techniques. Such techniques minimize the environmental and health impacts of the built environment through energy, water and material efficiencies and improved indoor air quality.
- In October 2005, the City of Oakland became the first city in California to serve as one of six pilot communities in the Pacific Gas and Electric Company's (PG&E) "Savings by Design Lead Incentive Pilot" (SBDLIP) program. Through a collaborative relationship between PG&E, the Mayor's Office and the Planning Department in CEDA, this program fosters energy efficient building designs in new commercial and mixed use construction and major renovation projects.
- AC Transit and the City of Oakland collaborated on Oakland's first hydrogen fueling station, which opened in 2005, with negotiations taking place between the City and the Port of Oakland for a second station to be built downtown.
- In June 2006, the City Council adopted an ordinance to prohibit the use of polystyrene foam disposable food service ware and require the use of biodegradable or compostable disposable food service ware by food vendors and city facilities.

Clearly, the City of Oakland has established a strong foundation to support the development of strategies to reduce our dependence on oil. The goal of significantly reducing our dependence on fossil fuels, primarily oil and coal, by the year 2020 is bold, and the issue embraces all aspects of living and working in Oakland. Therefore, it is essential that the Task Force have a broad base, including experts from the community, industry/business, sustainability, forestry, science, and special experts on energy efficiency and renewable energy sources. In this way, the Task Force will be forced to examine conflicts of goals and different aspects of each issue, and then offer strategic, comprehensive policy recommendations.

PROJECT DESCRIPTION

The Task Force's mandate is to propose different measures to prepare Oakland for a new kind of

Development – through know-how, technology, and economic means. Solely replacing oil with renewable fuels cannot break oil dependency. Measures to reduce the total use of energy and to make energy use more efficient are also necessary. The Task Force will pursue these goals by addressing strategies that will not only reduce the City of Oakland’s dependence on oil, but will do so through policies that create jobs and economic growth in our City .

The transition to an increasingly fossil-free, and thus more sustainable, society brings with it not only great challenges, but also significant, positive opportunities for unique and creative developments in technology and business. The Task Force will allow the City of Oakland to explore the potential of biofuels and other alternative energy sources, but also opportunities in construction, vehicle, and industrial technology. In turn, this can generate revenue, employment and, hopefully, new regional opportunities.

This plan will be a collaborative effort, using proven domestic and international laws and programs already in effect as examples for the future of an oil independent, economically vibrant, and green Oakland. The Task Force will examine policy recommendations put forth by, for example,

- The U.S. Department of Energy’s Hirsch Report (February 2005)², which analyzes the impacts, mitigation, and risk management associated with the peaking of world oil production;
- the U.S. Mayors Climate Protection Agreement, U.S. Conference of Mayors (June 2005)³;
- the Commission on Oil Independence, Government Offices of Sweden, “Making Sweden an Oil-Free Society” (June 2006)⁴; and
- the “Green Collar Jobs” Solutions Salon⁵ sponsored by the Oakland Apollo Alliance and the Ella Baker Center for Human Rights on September 21, 2006, at which Councilmember Nadel was a panelist.

The Task Force will examine these, and other domestic and international analyses, in order to develop locally-focused strategies. To that end, the Task Force might move forward in the following four interacting strategies:

- 1) More resource-efficient technology combined with more sensible use of such technology. Examples include: recommending public actions such as fuel efficient/hybrid fleet purchasing of cars and incentives for using public transit, and properly adjusted HVAC systems, to recommending simple private actions such as spending less time in the shower or line-drying clothes.
- 2) Fuel conversion from oil and fossil fuels to renewable, non-fossil fuels. Examples include: ethanol and biofuels instead of petrol; solar and wind power instead of heating oil.
- 3) Infrastructure development. Examples include: public transportation, urban planning, system choice in energy policy (coupling efficiency upgrades with home sales, siting wind or solar in city limits, etc.).
- 4) Change in behavior. Examples include: more efficient use of family car journeys, more effective flow in haulers' handling of goods, energy awareness in consumption of food and electricity. This point includes research, education, teaching, and studies in popular movements, local energy advisory services.

² See http://www.netl.doe.gov/publications/others/pdf/Oil_Peaking_NETL.pdf.

³ See <http://www.seattle.gov/mayor/climate/>.

⁴ See <http://www.sweden.gov.se/sb/d/2031/>.

⁵ See <http://ellabakercenter.org/page.php?pageid=26&contentid=22>

Regardless of how great the supply of fossil fuels might be in the near future, Oakland must nevertheless have a high level of ambition in the work to reduce its emissions of climate gases. The Action Plan prepared by the Task Force will present strategic policies that comprehensively consider economic, environmental and social equity goals, which the City of Oakland can implement in its long-range planning efforts to reduce its oil dependence.

SUSTAINABLE OPPORTUNITIES

Economic:

Most experts predict that the price of gasoline and diesel will continue to rise over time and will continue to be quite volatile, subjecting consumers and businesses to unpredictable and costly transportation expenses. The price of alternative vehicles and fuels are becoming more affordable and more stable than petroleum. Investing in programs that wean Oakland from petroleum use and promote alternatives will insulate local consumers and businesses from oil price shocks in the future.

There is a growing “green” economy characterized by business investments in alternative energy. Oakland is well positioned to attract these types of firms to the city. City policy, programs, and strategies to reduce oil dependence and boost the use of alternatives will create markets and other incentives for this economic activity to locate in Oakland.

Environmental:

The use of petroleum-based fuels is the major contributor to air pollution and global climate change. Reducing dependence on oil and promoting the use of clean alternatives will improve air quality in the region and reduce Oakland’s contribution to global climate change.

Social Equity:

Low-income communities are disproportionately impacted by pollution from petroleum fuels because of proximity to diesel truck routes, industrial facilities, and major traffic arterials such as freeways and thoroughfares. City programs and strategies for reducing oil dependence will benefit public health in low-income communities already suffering high rates of asthma and other pollution-caused illnesses.

Oil independence strategies also have the potential to create family-supporting jobs in the new energy economy through coordination with community-based apprenticeship preparation job training programs

Oil independence strategies also have the potential to promote smart growth policies that take cars off the road and put money otherwise spent on cars back into the pockets of low-income residents. Today, the poorest 20 percent of American households spend 40.2 percent of their take-home pay on transportation.⁶ Building efficient and effective public transit systems can save families in low-income communities thousands each year and generate more vibrant and accessible urban centers, while simultaneously reducing emissions and improving air quality in these areas.

⁶ See http://www.apolloalliance.org/about_the_alliance/benefits_of_apollo_s_plan/community.cfm#_ftn2#_ftn2.

DISABILITY AND SENIOR CITIZEN ACCESS

This Task Force will not affect disability or senior citizen access.

ACTION REQUESTED OF THE CITY COUNCIL

Councilmember Nadel recommends that the City Council adopt this Resolution to create a broad-based expert Task Force that will provide the Council and Mayor with facts, guidance, and recommendations in the work to significantly reduce the City of Oakland's dependence on oil by 2020.

Respectfully submitted,

Nancy J. Nadel

Nancy J. Nadel

City Councilmember, District 3

Prepared by:
Marisa Arrona
Policy Analyst for
Councilmember Nancy J. Nadel

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OFFICE OF THE CITY CLERK
OAKLAND, CALIFORNIA

Approved as to Form and Legality

2005 SEP 28 PM 8:12

Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER NANCY NADEL

RESOLUTION CREATING A TASK FORCE COMPOSED OF ELEVEN (11) APPOINTEES – EIGHT (8) BY THE CITY COUNCIL AND THREE (3) BY THE MAYOR, REPRESENTING VARIOUS FIELDS OF EXPERTISE – THAT WILL DRAFT AND SUBMIT A PLAN FOR OAKLAND TO BECOME OIL INDEPENDENT BY 2020.

WHEREAS, in testimony before the U.S. Senate Foreign Relations Committee former CIA director James Woolsey discussed reasons why U.S. dependence on foreign oil is more likely than ever to precipitate a national energy crisis including the increased likelihood of oil shortages, economic recession, escalating food prices, and increased costs for energy and basic human needs¹; and

WHEREAS, the U.S. has only two percent of world oil reserves yet consumes 25% of world oil production, demonstrating an undue reliance on a shrinking resource²; and

WHEREAS, in 2004, the burning of fossil fuels in the U.S. resulted in the release of 5656.6 million metric tons of Carbon Dioxide, and is considered one of the chief causes of global warming³; and

WHEREAS, global warming in California alone is expected to lead to potential water shortages, powerful heat waves, more frequent wildfires, and property damage and disappearing coast lines related to rising sea levels, according to the Union of Concerned Scientists⁴; and

WHEREAS, the country of Sweden has successfully adopted the goal of becoming oil independent by 2020 and has created an expert panel headed by the Prime Minister to recommend immediate, feasible actions particular to the climate, geography, available energy resources and energy of Sweden⁵; and

¹ Foreign Affairs, Jan./Feb. 1999, Copyright 1999 by the Council on Foreign Relations, Inc.

² Georgia Institute of Technology, Strategic Energy Institute, "World Oil Production: Future Implications," at http://www.energy.gatech.edu/docs/oil_production.pdf. See also Energy Information Administration, International Energy Annual 2002, at <http://www.eia.doe.gov/pub/international/iealf/table12.xls>. See also 8 World Oil, Vol. 224, No. 8 (August 2003).

³ U.S. Inventory of Greenhouse Gas Emissions and Sinks 1990-2004 (EPA 2006) at <http://www.epa.gov/globalwarming/publications/emissions>.

⁴ Union of Concerned Scientists, "Climate Change in California: Choosing Our Future," (September 2004) at http://www.ucsusa.org/assets/documents/global_warming/CA_climate_summary.pdf.

⁵ Commission on Oil Independence, Government Offices of Sweden, "Making Sweden an Oil-Free Society" (June 2006), at <http://www.sweden.gov.se/sb/d/2031/>.

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WHEREAS, there continues to be a profound lack of leadership in the U.S. on energy policy for cities and their residents to move away from oil dependence; and

WHEREAS, recent history has shown that leadership at the city level has in turn driven national policy on sustainability issues, thereby creating an imperative for cities to take the lead in reducing dependence on oil⁶; and

WHEREAS, Oakland residents are negatively affected by rising oil and energy costs, making renewable energy investment a cost effective and vital priority; and

WHEREAS, Oakland residents suffer from asthma disproportionately in neighborhoods adjacent to freeways and major sources of exhaust and pollution generated by traffic and the burning of fossil fuels; and

WHEREAS, Oakland's air quality as part of the Bay Area is increasingly out of compliance with State and Federal standards due to increased emissions; and

WHEREAS, there are a variety of solutions in the form of efficiency measures, conversion technologies, infrastructure improvements, public programs and other means that Oakland and other cities worldwide are beginning to implement to reduce their oil consumption; and

WHEREAS, Oakland has been ranked the fifth most sustainable city in the U.S. in public reports⁷ and is poised to become a leader in an emerging billion dollar green economy, and would be the first city in the U.S. to create a plan to reduce oil consumption specifically for cities; and

WHEREAS, Congressman Roscoe Bartlett (R., Md.) drafted House Resolution 507 which expresses the likelihood of an oil crisis in America as necessitating a solution driven by "an energy project with the magnitude, creativity, and sense of urgency that was incorporated in the 'Man on the Moon' project"⁸; and

WHEREAS, according to the Apollo Alliance, a nationally recognized coalition of labor unions, environmental groups, businesses, and civil rights organizations, taking action to reduce dependence on oil will position Oakland as a leader in the growing "green economy" and create good jobs and economic growth in the City; and

WHEREAS, Oakland is a city primed to take advantage of the emerging renewable energy and fuel economy, boasts an educated and willing labor force and a history of strong participation in the manufacturing, construction, operating and maintenance industries - jobs that make up a renewable energy economy; now therefore be it

⁶ U.S. Mayors Climate Protection Agreement, U.S. Conference of Mayors (June 2005), at <http://www.seattle.gov/mayor/climate/>.

⁷ SustainLane 2006 U.S. City Rankings (June 2006) at <http://www.sustainlane.com/article/853/>.

⁸ H. Res. 507, 109th U.S. Congress (2005-2006) at <http://www.govtrack.us/congress/billtext.xpd?bill=hr109-507>.

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RESOLVED: That the City Council of the City of Oakland shall create a Task Force comprised of eleven (11) experts from various areas of expertise – eight (8) to be appointed by the City Council and three (3) by the Mayor – to develop an action plan for Oakland to become oil independent by 2020; and be it

FURTHER RESOLVED: That this plan will be a collaborative effort, using proven domestic and international laws and programs already in effect as examples for the future of an oil independent, economically vibrant, and green Oakland; and be it

FURTHER RESOLVED: That this action plan will address strategies to create jobs and economic growth in Oakland, by examining potential new policies within the City of Oakland's municipal power, that will benefit our residents; and be it

FURTHER RESOLVED: That this action plan will be presented to the City Council within six (6) months of the appointment of the Task Force members and will be the guide for Oakland's transition towards an oil independent future.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES - BRUNNER, KERNIGHAN, NADEL, QUAN, BROOKS, REID, CHANG, AND
PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
Latonda Simmons
City Clerk and Clerk of the Council of the
City of Oakland, California