



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Daniel Hamilton
Chief Resilience Officer,
City Administrator's Office

SUBJECT: Acceptance Of Funding And
Technical Assistance For BayREN
Decarbonization Showcase Program

DATE: October 20, 2025

City Administrator Approval


[Jestin Johnson \(Nov 19, 2025 10:06:58 PST\)](#)

Date: 11/19/2025

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution (1) Accepting And Appropriating Technical Assistance And Gap Funding In The Amount Of One Hundred Thousand Dollars (\$100,000), And Additional Funding As Available For Fiscal Year 2027-2028, From The Bay Area Regional Energy Network (BayREN) For Energy Audits, Equipment Replacement, And Building Electrification Improvements At Municipal Facilities To Further The City's Climate Action, Electrification, And Equipment Modernization Goals, (2) Adopting Appropriate California Environmental Quality Act (CEQA) Findings, And (3) Authorizing The City Administrator To Negotiate And Enter Into Professional Services Agreements To Participate In The Building Decarbonization Showcase Program.

EXECUTIVE SUMMARY

Approval of the proposed Resolution will enable the City to participate in BayREN's Building Decarbonization Showcase Program and receive up to \$100,000, plus additional funding if available, for the electrification of the Temescal Branch Library and potentially other Oakland Municipal facilities. The funds will be used to replace gas-powered heating systems with efficient, all-electric alternatives, consistent with the City's adopted Equitable Climate Action Plan (ECAP) and Capital Improvement Program (CIP).

This initiative advances the ECAP, the Local Hazard Mitigation Plan, and CIP goals by reducing deferred maintenance costs, improving energy efficiency, and enhancing the library facilities' ability to operate as resilience hubs during heat and smoke events.

REASON FOR URGENCY

BayREN's Building Decarbonization Showcase Program is administered on a rolling, first-come, first-served basis. Timely Council approval is required to secure funding and proceed with the project during the current construction cycle.

BACKGROUND / LEGISLATIVE HISTORY

In July 2020, the City Council adopted the 2030 Equitable Climate Action Plan (ECAP) ([Resolution No. 88267 C.M.S.](#)), which includes commitments to phase out methane gas in existing buildings (Action B-2) and ensure that all major municipal facility retrofits are fully electric (Action B-5). Methane gas is a potent greenhouse gas and poses health and safety risks to patrons and staff due to indoor air quality impacts and potential gas leaks.

The ECAP also includes Action A-1, which calls for the creation of Resilience Hubs that can function during extreme heat, wildfire smoke, and other climate emergencies. Libraries are key candidates for this role because of their geographic distribution throughout Oakland and their accessibility to Oaklanders.

Replacing the current gas furnace with an electric heat pump system has multiple benefits, including increased continuity of operations, increased comfort, and energy savings. The new system will have cooling capacity, which will increase comfort and prevent the current practice of closing the library when indoor temperatures reach unsafe levels (over 85 degrees). The new system will also have air filtration, which will improve conditions during poor air quality days and allow the library to provide respite to Oakland residents. Finally, the new heating system will use less energy to heat the building, resulting in an operating cost reduction.

Because the City previously has already replaced the gas water heater with an electric heat pump water heater, reducing emissions and energy use, the Temescal Branch Library will serve as a showcase for other branches and local governments, demonstrating the benefits of facility electrification.

The Temescal Branch Library is scheduled for upgrades to its failing gas furnace system through the City's Capital Improvement Program (CIP). BayREN funding will supplement these efforts, enabling the facility to be modernized in line with City goals while reducing the use of General Fund and CIP dollars. Additional ways to improve energy efficiency and resilience are likely to be discovered as part of the BayREN program's site assessment and analysis. These funds will support the CIP project "Library Energy Assessment and Upgrades" and use Fund 2999.

BayREN is a coalition of the nine Bay Area counties, funded by ratepayers through the California Public Utilities Commission. It offers technical support and financial incentives for energy and greenhouse gas reduction projects.

BayREN accepted five applications in its inaugural cohort for the Building Decarbonization Showcase: the Temescal Branch Library in Oakland, the San Anselmo Library, the San

Francisco Village Sunnydale Community Center, the Menlo Park Belle Haven Child Care Development Center, and the San José Roosevelt Community Center. Once completed, these projects will serve as case studies for other jurisdictions who are working towards zero emissions facilities.

ANALYSIS AND POLICY ALTERNATIVES

Acceptance of BayREN funding will allow the City to install an electric heat pump system in place of the failing gas furnace at the Temescal Library. The installation of a new heating system requires an engineering assessment, design, development of bid documents, procurement, and construction. Without support from this program, the City would likely be unable to electrify the Temescal Library's heating system within current CIP budgets in the near future. The proposed funds will supplement existing project funds that were adopted by City Council in the CIP. Absent these funds, the City would need to reallocate funds from other library improvements. Staff estimates that BayREN's free technical engineering and design support will accelerate the project timeline by two years.

Absent BayREN support, the Library would miss out on multiple benefits:

- **Health & Resilience:** Improved indoor air quality, user comfort, and ability to remain open during heat and smoke events
- **Operations:** Increased energy efficiency and reduced deferred maintenance.
- **Climate:** Reduction in fossil fuel use and greenhouse gas emissions

The new heat pump system would have reduced long-term maintenance costs. A modern heating system will require less maintenance time and would be under warranty. Keeping the current furnace running requires significant staff time for maintenance. Because of its age, replacement parts are no longer manufactured, requiring numerous customized repairs that are costly and time-consuming.

Alternative approaches include deferring upgrades or installing a new gas heating system, which would be inconsistent with ECAP goals, result in higher lifecycle costs, and preclude cooling.

Adoption of the proposed Resolution advances the Citywide Priority of **vibrant, sustainable infrastructure** by increasing energy efficiency at municipal buildings and replacing outdated infrastructure.

FISCAL IMPACT

The project is primarily funded through external grants. There is no immediate General Fund impact. The electrification upgrades will likely reduce long-term operating costs by improving energy efficiency and avoiding major repairs.

PUBLIC OUTREACH / INTEREST

Given the technical nature of the project and its alignment with existing policies, no specific public outreach was conducted. Previous community processes, which led to the creation of the Local Hazard Mitigation Plan, ECAP, and related documents, provided input relevant to this project.

COORDINATION

This project has been coordinated by the Sustainability and Resilience Division of the City Administrator's Office in collaboration with Oakland Public Works, Oakland Public Library, and the Emergency Management Services Division of the Oakland Fire Department. The Agreement was reviewed by the City Attorney and the Finance Department Budget Bureau.

SUSTAINABLE OPPORTUNITIES

Economic: The project reduces capital and operational costs by leveraging external funding to increase energy efficiency.

Environmental: The project reduces greenhouse gas emissions and supports decarbonization. Once complete, this project will also serve as a showcase to encourage local and regional electrification.

Race & Equity: The project will have limited effects on overall racial equity in the City. This project is part of the City's plan to decarbonize all city buildings in climate-vulnerable communities.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

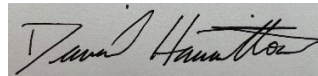
The City Council has independently reviewed and considered the project and finds and determines that it is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15268 (Ministerial Projects), 15183 (Projects Consistent with a Community Plan, General Plan or Zoning), 15301(c) (Existing Facilities, Highways and Streets), 15302 (Replacement or Reconstruction), 15303 (Small Structures), 15304 (h) (minor alterations to land, and/or 15061 (b) (3) (No significant Effect on the Environment); and/or CEQA Guidelines section 15061 (b)(3) (common sense exemption), with each of the aforementioned provide a separate and independent basis for CEQA compliance.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution (1) Accepting And Appropriating Technical Assistance And Gap Funding In The Amount Of One Hundred Thousand Dollars (\$100,000), And Additional Funding As Available For Fiscal Year 2027-2028, From The Bay Area Regional Energy Network (BayREN) For Energy Audits, Equipment Replacement, And Building Electrification Improvements At Municipal Facilities To Further The City's Climate Action, Electrification, And Equipment Modernization Goals, (2) Adopting Appropriate California Environmental Quality Act (CEQA) Findings, And (3) Authorizing The City Administrator To Negotiate And Enter Into Professional Services Agreements To Participate In The Building Decarbonization Showcase Program.

For questions regarding this report, please contact Nick Kordesch, Energy Programs Manager, at (510) 238-6266.

Respectfully submitted,



DANIEL HAMILTON
Chief Resilience Officer, City Administrator's
Office

Reviewed by:

Shayna Hirshfield-Gold, Acting
Sustainability Director

Prepared by:
Nick Kordesch, Energy Program Manager

Attachments (1):
A: Draft Funding Agreement