

**CITY OF OAKLAND**  
**AGENDA REPORT**

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
2009 NOV 18 PM 12:48

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Public Works Agency  
DATE: December 1, 2009

RE: **Report And Recommendation On The United States Department Of Energy Competitive Energy Efficiency And Conservation Block Grant Retrofit Ramp-up Program Funding Opportunity Under The American Recovery And Reinvestment Act (Federal Government's "Stimulus Package").**

---

**SUMMARY**

This report recommends that City Council endorse an application to the United States Department of Energy's (DOE) Energy Efficiency and Conservation Block Grant (EECBG) competitive funding opportunity - the Retrofit Ramp-up Program. This opportunity is funded by the American Recovery and Reinvestment Act of 2009 (ARRA), the Federal Government's "Stimulus Package".

The DOE released the Retrofit Ramp-up Program competitive solicitation in October 2009, with proposals due December 14, 2009. Funding awarded by this program could enable energy efficiency improvements to Oakland's residential, commercial, industrial and municipal building stock.

Given the timing, technology emphasis, size, scope, potential for collaboration and job creation, five-to-one (5:1) leveraged funds requirements, and other factors associated with this funding opportunity, the best path forward for Oakland is to pursue this opportunity in collaboration with other partners. As of the writing of this report, discussions indicate that the Association of Bay Area Governments (ABAG) would serve as the prime applicant and would ensure delivery of services that benefit Oakland. Staff recommends the City Council endorse Oakland's participation in a multi-agency proposal that would increase the number of residential energy retrofits and create jobs for Oakland and other Bay Area jurisdictions.

At this time, staff does not anticipate that any awarded funds resulting from this proposal would be directly appropriated to the City.

**FISCAL IMPACT**

This report has no anticipated fiscal impact on the City. If, in final form, any of these proposals result in funds being awarded or otherwise directed to the City, a resolution will be prepared to accept and appropriate funds.

Item: \_\_\_\_\_  
Public Works Committee  
December 1, 2009

## BACKGROUND

The DOE issued a Funding Opportunity Announcement (FOA) for the competitive portion of its EECBG Program on October 19, 2009.<sup>1</sup>

Oakland is eligible to apply under Topic 1 of this FOA, referred to as the Retrofit Ramp-up Program. Entities eligible to apply under the Retrofit Ramp-up Program include state governments, local governments, tribes, and quasi-governmental or non-governmental not-for-profit organizations working on behalf of any of these entities.

DOE anticipates making eight to 20 awards under the Retrofit Ramp-up Program, with award sizes of \$5 million to \$75 million (DOE contribution).

Applicants are asked to submit a letter of intent by November 19, 2009. Proposals must be submitted by December 14, 2009.

The Retrofit Ramp-up Program will provide funds for large-scale programs driving ongoing energy efficiency retrofits in residential, commercial, industrial and public buildings in geographically focused areas. These programs should result in high-quality retrofits resulting in significant efficiency improvements to a large fraction of buildings within targeted neighborhoods, technology corridors or communities (i.e. "whole-neighborhood" retrofits). Geographic areas represented by the proposal do not necessarily have to be contiguous.

DOE is seeking applications that target innovative, "game-changing" ideas that create a comprehensive framework for building retrofits and could serve as templates for communities across the country. Applicants are encouraged to include processes for financing, marketing/education, delivery, monitoring and verification measurement as program components.

The Retrofit Ramp-up Program aims to stimulate activities and investments which can:

- Deliver verified energy savings from a variety of projects in the local jurisdiction of the applicant, with a particular emphasis on efficiency improvements in residential, commercial, industrial and public buildings;
- Achieve broader market participation and greater efficiency savings from building retrofits;
- Highly leverage grant funding in order to significantly enhance the resources available for supporting the program;
- Sustain themselves beyond the grant monies and the grant period by designing a viable strategy for program sustainability;
- Serve as pilot building retrofit programs that demonstrate the benefits of gaining economy of scale; and

---

<sup>1</sup> Links to this FOA can be found at [http://www.eecbg.energy.gov/about/competitive\\_grants.html](http://www.eecbg.energy.gov/about/competitive_grants.html).

- Serve as examples of comprehensive community-scale energy-efficiency approaches that could be replicated in other communities across the country.

DOE seeks projects that are highly leveraged. Proposals are encouraged to demonstrate that they will leverage at least five dollars for every dollar awarded to meet total project expenses. DOE considers this leveraging to include building owner contributions, partner contributions, in-kind contributions, project revenues, other federal funds (including other DOE funds), and state funds.

DOE seeks proposals that would:

- Leverage the participation and support of multiple local jurisdictions, regional planning agencies, and state energy offices;
- Prioritize energy efficiency and/or energy conservation as first in the loading order before investments are made in new generation; however, DOE is interested in applications that integrate cost-effective renewables with efficiency.
- Move beyond the planning stage and be ready for implementation;
- Clearly articulate and demonstrate the ability to achieve measurable stretch goals and that have the potential to make an impact at the regional or national level; and
- Maximize the creation and/or retention of jobs in the United States.

## **KEY ISSUES AND IMPACTS**

Significant potential exists to improve energy efficiency within Oakland's existing residential, commercial and municipal building stock. Energy retrofit projects would also help to create local green jobs. The Retrofit Ramp-up Program solicitation offers an opportunity to pursue funding for energy efficiency improvements in Oakland.

The City of Oakland's opportunity is to participate in a multi-agency, multi-regional proposal in response to this solicitation. Tentatively the Bay Area, Los Angeles, San Diego and Sacramento regions will be partnering on one proposal. Regional agency and local government staff from each of these regions, along with staff from the California Energy Commission (CEC), have been in dialogue to develop a proposal that would benefit each region and maximize the chance that California would receive at least one award under the DOE Retrofit Ramp-up Program.

Within the Bay Area, the proposal is expected to primarily focus on expanding the number of residential properties receiving energy efficiency improvements. This emphasis would best leverage current regional collaboration for the CEC's stimulus-supported State Energy Program (SEP) funding opportunities. It may also enable SEP funds being sought on behalf of the region to be counted toward DOE leveraging requirements.

Staff from ABAG and the City of San Francisco have taken a lead role in representing the interests of Bay Area jurisdictions for the development of this multi-agency, multi-regional

proposal. As the lead agency of the collaborative proposal, ABAG is well positioned to shape the Retrofit Ramp-up Program proposal to best leverage existing local efforts.

This evolving proposal represents the best opportunity to secure funding for Oakland under the Retrofit Ramp-up Program.

### **SUSTAINABLE OPPORTUNITIES**

Economic: Projects that could be funded as a result of this proposal would result in significant long-term energy cost savings to Oakland residents and businesses.

Environmental: This funding opportunity aligns with the City's ongoing efforts to reduce energy consumption, greenhouse gas emissions and other air pollutants.

Social Equity: Projects that could be funded as a result of this proposal would help to create and retain jobs for Oakland residents and help create new contracting opportunities.

### **DISABILITY AND SENIOR CITIZEN ACCESS**

This report and recommendation will not have any direct impact on access for persons with disabilities or senior citizens.

### **RECOMMENDATION AND RATIONALE**

Given the timing, technology emphasis, size, scope, potential for collaboration and job creation, five-to-one (5:1) leveraged funds requirements, and other factors associated with this funding opportunity, the best path forward for Oakland is to pursue this opportunity in collaboration with other partners. The City has an opportunity to leverage the capacity and leadership of agencies that have chosen to develop a proposal offering partnership opportunities for Oakland. This collaborative opportunity represents Oakland's best chance to be part of a competitive proposal with the potential to secure funding that would benefit Oakland residents and businesses.

It is recommended that City Council endorse Oakland's participation in a multi-agency proposal that would drive residential energy retrofits and create benefits for Oakland.

Should it be funded, this proposal would help to address several needs in Oakland:


1. Create and retain jobs;
2. Deliver significant energy savings in Oakland;
3. Reduce energy costs for Oakland property owners and tenants;
4. Assist Oakland property owners in improving the quality of their properties; and
5. Create additional community economic and quality of life improvements.

This proposal would also help connect green jobs to green development in Oakland, and would support the City's ongoing sustainability, climate action and energy efficiency work (e.g., Energy and Climate Action Planning, green building requirements). Staff will continue to develop partnerships and seek funds from various sources to meet the City's goals.

**ACTION REQUESTED OF THE CITY COUNCIL**

It is recommended that the City Council endorse Oakland's participation in a collaborative multi-agency proposal to the DOE's Retrofit Ramp-up Program representing Oakland's best opportunity to secure funding for energy retrofit projects as described in this report.

Respectfully submitted,

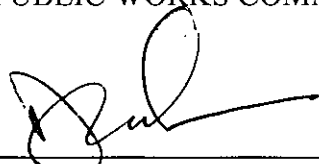
  
\_\_\_\_\_  
Vitaly B. Troyan  
Public Works Agency Interim Director

Reviewed by:  
Brooke A. Levin, Assistant Director

Reviewed by:  
Susan Kattchee, Environmental Services Manager

Prepared by:  
Garrett Fitzgerald, Sustainability Coordinator  
Environmental Services Division

APPROVED AND FORWARDED TO THE  
PUBLIC WORKS COMMITTEE

  
\_\_\_\_\_  
Office of the City Administrator

Item: \_\_\_\_\_  
Public Works Committee  
December 1, 2009