



CITY OF
HAYWARD
HEART OF THE BAY

April 21, 2009

Mayor Michael Sweeney
President Alameda County Conference of Mayors
777 B Street
Hayward, CA 94541

Dear Mayor Sweeney:

The Alameda County City Managers Association (ACCMA) endorsed the StopWaste.Org “Green Packages” Project at our meeting on April 15th. While questions remain regarding how the cost allocation among cities will be determined, the project concepts are supported by the group as being of great use to our member cities. The project’s objective is to create a county-wide program for improving the environmental performance of *existing* buildings and landscapes that maximizes the long-term benefits from the federal stimulus distributions to Alameda County jurisdictions.

As designed, the project will increase the effectiveness of Energy Efficiency Community Block Grant spending by capturing economies of scale across multiple jurisdictions and economies of scope between energy efficiency and other resource management practices (e.g., water conservation, stormwater quality protection, recycled content materials, etc.). It will also position Alameda County jurisdictions, collectively, to compete for additional funding to implement retrofits of existing buildings. A more detailed project description with key deliverables is attached.

The projected total budget for the project is \$647,700, which includes a contribution of \$130,000 from StopWaste.Org. with the remainder of the budget coming from participating agencies. This does not include spending to install the green retrofit packages; spending that if done effectively as proposed in this project will create permanent green jobs in Alameda County and drive recovery of the hardest hit sector of our local economy – construction.

Participating jurisdictions will fund the remaining project budget once jurisdictions have obtained authorization to participate from their governing Council or Board based upon a yet to be determined cost allocation. Consequently, the next step for this project is for each City and the County to authorize their City Manager or County Administrator to negotiate a final allocation of costs and to disburse funding to StopWaste.Org. Such authorization needs to happen as soon as possible so that StopWaste.Org may apply on behalf of the jurisdictions for competitive funding from state, federal and other sources for the purpose of implementing green packages in participating jurisdictions.

Office of the City Manager

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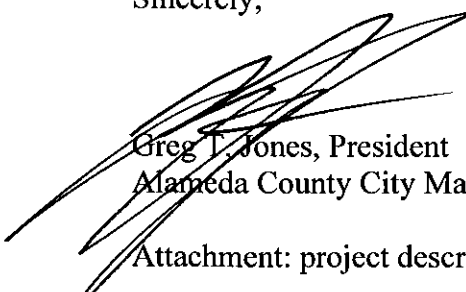
*Mayor Michael Sweeney
ACCMA Stopwaste.Org
April 20, 2009*

The first submittal deadline for competitive funding is April 24th, 2009 to the Bay Area Council Economic Institute. The Institute is reviewing projects for the Bay Area, and will be making recommendations to the Governor's office as to the highest priority projects for funding by State agencies. The Institute will not be awarding funds directly, but it is critical that we participate in this process. Stopwaste.org has agreed to apply to the Institute by this deadline on our behalf with a description of the proposed project.

The City Managers also discussed the fact that each jurisdiction will need to bring forward budget actions to their respective Councils in support of the project, and that while collective endorsement from the Alameda Mayor's Conference is desirable, it may not be possible due to the speed at which this effort is moving forward. We therefore recommend that the Mayor's Conference request an update from Mr. Wolff at the May Mayor's Conference regarding the process from here forward, rather than asking the Conference to reach a formal recommendation upon which to take action.

As each City Council will need to take action on this project individually within their upcoming budget processes, each agency will have the opportunity to determine how best to participate in this innovative program. In the interim, further details related to cost allocation, program elements, etc. can be addressed.

Sincerely,



Greg T. Jones, President
Alameda County City Managers Association

Attachment: project description

Cc: ACCMA Membership
Gary Wolff, Stopwaste.org



County-Wide Resource Efficiency Project for Greening Existing Buildings & Landscapes (The StopWaste.Org “Green Packages” Project)

OBJECTIVE:

Create a county-wide program for improving existing buildings and landscapes that maximizes the long-term benefits from Federal Energy Efficiency and Conservation Block Grant (EECBG) ‘formula’ distributions to Alameda County jurisdictions, and increases our competitiveness for additional funding

BENEFITS:

- Implementing green retrofit projects will be easier and more convenient for property owners
- Career-track green jobs will be created in the currently depressed construction industry
- Multiple funding sources will be leveraged and possibly pooled (e.g. federal stimulus, private, etc.)
- Proven green technologies and practices, including recycled content and non-hazardous materials, will be purchased more often, stimulating local supply and manufacturing when feasible
- Economies of scale in procurement, installation, financing, and marketing
- Economies of scope between energy, solid waste, water, household hazardous waste, etc.
- Climate action and diversion goals will be easier to reach and document
- Our local economy will be less vulnerable to resource supply disruptions

PROJECT COMPONENTS:

- A. Green Packages** (specifications suitable for use in contracts)
- B. Technical Advisory Group** (help make specifications widely accepted and useful)
- C. Outreach** (helps property owners know their retrofit options)
- D. Training, Verification and Tracking** (help property owners and funders maintain quality)
- E. Leverage Funding for Implementation** (multiple sources may be available – see list on last page)

KEY DELIVERABLES (Two-Year Project):

StopWaste.Org Only Scenario (\$130,000 -- \$65,000 in each of FY09-10 and FY10-11)

Deliverables are: Project Components A, B, and C for **Single Family Residential**

- Project Component A (Green Packages):
 - Create product and installation specifications for three single-family residential green packages: entry level, advanced, and renewable, in construction specification institute or other appropriate format. Installation of these packages may be funded through various mechanisms, such as AB811 special districts, Mello-Roos districts, federal formula or competitive stimulus funds, private funds, etc. Many of these funders will require standard specifications to be developed that do not yet exist, in order to ensure quality control over their investments.

- Project Component B (Technical Advisory Group):
 - Form a coalition of regional agencies representing water, air, utilities, city/county staff and other technical stakeholders to review and help integrate the green packages into existing programs. The Group will also coordinate all tasks, and avoid duplication with other entities (e.g. ABAG, Alameda County, cities, utilities).
- Project Component C (Outreach):
 - Develop collateral materials for consumers: What green package is best for you? What funding options are available?
 - Link packages to existing programs (Alameda County Community Development Agency, utilities rebates, tax credits, etc.)
 - Encourage and facilitate supply chain bulk purchasing
 - Perform community-specific audit and targeting, which will include analysis of existing building stock to target highest impact areas

County-Wide Participation Scenario (additional \$517,700 from jurisdictions)

The likelihood of success of Project Component E, Leveraging Funding for Implementation, is increased substantially if all jurisdictions participate. Deliverables are: Project Components D and E for **Single Family Residential**, and Project Components A-E for up to six additional green packages, listed below.

- Project Component D (Training, Verification and Tracking):
 - Train local installers and building inspectors to promote quality assurance
 - Provide assistance in tracking and reporting
 - Develop verification procedures when not duplicative with those developed by funders
- Project Component E (Leverage Funding for Implementation):
 - Work in Components A-D will reduce administrative costs and increase the long-term effectiveness of Municipal spending of EECBG formula funds
 - Stopwaste.org will apply for competitive funding from state, federal and other sources, for the purpose of implementing green packages in participating jurisdictions
- Provide Components A-E for each additional package, based on the following priority (all six packages may not be feasible):
 - Small Commercial (wood-frame buildings, low-rise, 10,000 square-feet and under)
 - Medium Size Commercial Landscapes
 - Multi Family Residential
 - Commercial – masonry walls with wood roofs and floors (mixed use, offices)
 - Commercial – masonry or concrete walls with interior building elements of solid or laminated wood without concealed spaces (historic structures, churches, less than 2 stories)
 - Commercial – concrete frame buildings with concrete floors, walls and roof (large offices, institutional)

Attachment 1

Two-Year Work Plan: 2009-2011

Program Components		Budget Scenarios	
		StopWaste.Org Only	County-Wide
A. GREEN PACKAGES			
1.	Develop green packages. Packages will promote a comprehensive green approach (energy, water, waste, IAQ/health, resources) even if only a portion can currently be financed. Promote these packages as a regional and statewide standard. Develop recycled content product specifications.	\$50,000 (sf res.)	\$117,700 (addtl. packages)
B. TECHNICAL ADVISORY GROUP			
1.	Establish partnerships with key technical stakeholders. Convene coalition of regional agencies representing water, air, utilities, and other technical stakeholders. Participating jurisdictions will be asked to send a representative to join the group.	\$15,000	\$40,000
2.	Analysis of existing housing stock to target highest impact areas Analysis and aggregation of available data associated with Alameda County's existing building stock may include vintage/age, building type, location, climate zone, size (sq. ft), energy usage, and utility rates. Develop prioritized recommendations on market targeting strategy.		\$40,000
3.	Establish supply chain relationships for bulk purchasing discounts. Secure discounted pricing for select products, materials, and technologies by negotiating bulk discounts with manufacturers, distributors, and contractors. Develop and distribute discount marketing and pricing guidelines for contractors.		\$20,000
C. OUTREACH			
1.	Policy assistance to member agencies. Technical assistance in coordinating retrofit policies, financing mechanisms, and countywide messaging.	\$10,000	\$30,000
2.	Develop marketing collateral to drive consumer participation and demand in recycled content products. Produce consistent consumer messaging and collateral countywide. Provide consumers with information about the benefits and availability of green packages, recycled-content products for building and landscape improvements, and available funding sources.	\$55,000	\$80,000
D. TRAINING, VERIFICATION AND TRACKING			
1.	Provide workforce development & training within County. Develop workforce education and training plan and schedule contractor trainings in Alameda County in 2009-2010.		\$70,000

2.	Develop verification procedures for quality assurance. Develop contractor procedures for field sampling, verification, and corrective measures. Develop verification mechanism for green packages that meet AB811 and other program requirements.		\$40,000
3.	Tracking of participation and reporting of resource benefits. Track, measure, and report number of audits and retrofits completed and associated resource benefits. Link to the Climate Calculator and provide participating jurisdictions with greenhouse gas reductions for climate action planning.		\$40,000
E. LEVERAGE FUNDING FOR IMPLEMENTATION			
1.	Leverage other funding sources and bundle incentives locally: Identify, secure and coordinate with all relevant funding sources to streamline program implementation and maximize program funding. Bundle green existing incentives including financing via AB811 assessment districts; utility rebates; tax credits; revolving loan funds; FHA 203K mortgage funds and grants for low, moderate, and upper income households. Identify and apply for foundation, state and federal grants to support program.		\$40,000
2.	Pursue legislation to expand special districts to include water and resource conservation measures (as necessary and appropriate)		0
	Green Building project funding	\$130,000	\$130,000
	Jurisdictions Contribution		\$517,700
	Total Project Cost	\$130,000	\$647,700

Attachment 2

Potential Funding Sources for Greening Existing Buildings and Landscapes

The following funding sources can potentially be leveraged. Other sources may also be available in addition to the ones listed here.

1. Energy Efficiency and Conservation Block Grants

Total Funding Available: \$3.2 billion

Overview: Federal grants to units of local government, Indian tribes, and states to reduce energy use and fossil fuel emissions, and for improvements in energy efficiency. Of the \$3.2 billion appropriated, \$2.8 billion will go out through a formula set by federal law and another \$400 million will go out in competitive energy grants. Cities with a population of over 35,000 and counties with population over 200,000 will apply for funds directly through the federal Department of Energy (DOE); Cities with populations of under 35,000 and counties with population under 200,000 will get their funding through the California Energy Commission. *Preliminary estimate for Alameda County: \$12.7 million. We are asking for approximately 4% of this amount.*

2. State Energy Program (SEP)

Total Funding Available: \$50 million

Overview: Proposal from Bevilacqua Knight, Inc. to the California Energy Commission to allocate the SEP grant as matching funds to encourage local governments to support regional comprehensive home energy retrofit and solar programs.

3. Weatherization Assistance

Total Funding Available: \$5 billion

Overview: Funding towards low-income weatherization programs through the federal Department of Energy for existing residential and multifamily housing with low-income residents. Low income residents in California can apply for weatherization funding through the State Department of Community Services and Development.

4. Neighborhood Stabilization Program

Total Funding Available: \$2.0 billion

Overview: The Neighborhood Stabilization Program provides emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The Neighborhood Stabilization Program (NSP) provides grants to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes.

5. Assisted Housing Stability and Energy and Green Retrofit Programs

Total Funding Available: \$2.25 billion

Overview: \$2 billion for project based rental assistance (e.g., "Section 8") for a 12-month period. In addition, \$250 million for grants or loans for energy retrofit and green investments in such assisted housing.

6. Green Jobs

Total Funding Available: \$500 million

Overview: Research, labor exchange and job training projects to prepare workers for careers in energy efficiency and renewable energy industries. Up to \$37.5 million provided for Job Corps Centers, which may include training for careers in energy efficiency.

7. State Water Board Revolving Loan Fund

Total Funding Available: \$280 million of stimulus funds at 0% or 1%, probably fully committed already. Additional funding of at least \$50 million and up to \$3 billion is possible, at 2-3% ($\frac{1}{2}$ the State General Obligation Bond Rate).

Overview: Revolving Loan Fund for projects administered by the State Water Board.