



Council Meeting: January 8, 2008

SUBJECT: Authorization to Submit Grant Request Not to Exceed \$200,000 to Department of Energy for Solar America Cities Grant

REPORT IN BRIEF

The Department of Energy is offering grant funding to support the facilitation and implementation of solar technology. This is to request authorization to apply for grant funding not to exceed \$200,000, for a regional effort to increase the region's implementation of solar technology, with Sunnyvale acting as the fiduciary agent.

BACKGROUND

For the second year in a row, the Department of Energy (DOE) is offering Solar America Cities grant funding. DOE seeks to provide support to up to 12 cities ready to take comprehensive, systemic, city-wide approaches to solar technology to facilitate mainstream adoption and provide a model for other cities. Cities with populations 100,000 or more are eligible to apply.

The DOE will award up to 12 cities with funding and technical support to develop a fully scoped, city-wide solar implementation plan to:

- Integrate solar technology into city energy planning and facilities
- Streamline city-level regulations and practices that affect solar adoption by residents and local businesses (e.g. permitting, inspections, local codes)
- Promote solar technology among residents and local businesses

Sunnyvale applied for this grant in 2007. While funding was not received, the City received a letter from DOE indicating that while the overall proposal was strong several modifications would be needed, including increased partnering, to further strengthen Sunnyvale's position for future funding consideration. This new application will address and include those modifications.

EXISTING POLICY

Air Quality Sub-Element – Goal A: Improve Sunnyvale's Air Quality and reduce the exposure of its citizens to air pollutants.

Council Policy – 3.5.1 Energy

Adopted in 2000, the City of Sunnyvale's Energy Policy purpose states that the "*preservation of natural resources through the use of energy efficient activities is of great importance to the citizens and businesses of Sunnyvale.*" The policy statement includes:

- Minimize energy consumption in City operations,
- Promote the development of alternative energy resources and support the enhancement of existing technologies,
- Utilize alternative energy sources at the Sunnyvale Water Pollution Control Plant,
- Support installation of cost-effective energy efficiency measures in municipally owned buildings and facilities,
- Support efforts to provide affordable, reliable, diverse, safe, and environmentally acceptable power to the citizens and businesses of Sunnyvale.

DISCUSSION

As noted at the September 2007 Council Study Issues Workshop on Sustainability, Sunnyvale has a long tradition of environmentally progressive services and practices. Council has recently reviewed several reports to Council on sustainable practices including reports on City-wide solar energy planning, CO₂ emissions, and building design codes. In addition, staff continue to review and implement sustainability practices in diverse operating areas City-wide as limited budgets allow.

The most recent report to Council on solar energy was RTC 07-409, 2007-0800 *Citywide Solar Plan*, which was presented on December 11, 2007. The report provides extensive information on Sunnyvale's solar energy history, current practices, and challenges. Council concurred with and supported the report's recommendations, and directed staff to:

- Participate in joint efforts with partner agencies and businesses to provide community education and promote existing opportunities to utilize alternative energy, including solar.
- Reduce financial barriers and provide incentives. Reduce the fees for the planning and building permits for single-family homes. Allow for minor setback and height deviations, and allow minor lot coverage and FAR incentives for the installation of solar equipment.

Consistent with these recommendations, and with DOE feedback from the City's 2007 Solar America Cities application, staff has held preliminary

discussions with staff from several cities, including Palo Alto, Mountain View and Santa Clara, to explore their interest in collaborating. The final formulation of cities is pending.

The following scope of work has been identified for grant funding, and will be further explored by staff for inclusion in the final grant proposal:

- Develop and implement a regional community outreach plan
- Increase regional consistency in solar permitting processes, including streamlining current practices
- Develop and conduct training and education for planning and building inspection staff
- Explore solar energy implementation cost minimizing strategies, including options for regional financing.

FISCAL IMPACT

DOE grant guidelines require applicants to match grant funding. The regional cities will match funding with already budgeted staff time.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center and Department of Public Safety; posting the agenda and report on the City's Web site; and making the report available at the Library and the Office of the City Clerk.

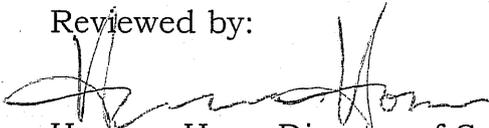
ALTERNATIVES

1. Approve authorization to submit a grant request not to exceed \$200,000 to the Department of Energy for a Solar America Cities grant to fund a regional collaboration to promote solar technology among residents and local businesses, and streamline city-level regulations and practices that affect solar adoption.
2. If funding is received, authorize the City to act as fiduciary agent and authorize staff to expend funding in accordance with grant guidelines and City policies.
3. Do not approve authorization to submit a grant request not to exceed \$200,000 to the Department of Energy.
4. Other action as identified by Council.

RECOMMENDATION

1. Approve authorization to submit a grant request not to exceed \$200,000 to the Department of Energy for a Solar America Cities grant to fund a regional collaboration to promote solar technology among residents and local businesses, and streamline city-level regulations and practices that affect solar adoption.
2. If funding is received, authorize the City to act as fiduciary agent and authorize staff to expend funding in accordance with grant guidelines and City policies.

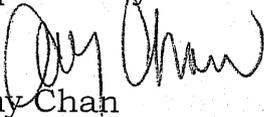
Reviewed by:



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Approved by:



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