

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	June 21, 2021
Action Requested:	Approval of Resolutions
Presenter:	Susan Elliott, Climate Protection Program Manager
Staff Contacts:	Susan Elliott, Climate Protection Program Manager Kristel Riddervold, Environmental Sustainability Manager David Brown, Department of Public Works Director
Title:	2021 City Climate Protection Program – Program Support Grant with LEAP - \$44,718

Background:

The City of Charlottesville’s Environmental Sustainability Division is proposing to grant previously appropriated funds of \$44,718 in a grant to the Local Energy Alliance Program (LEAP) for support to the Climate Protection Program. The City has partnered with LEAP since its establishment, and this will be the eighth Climate Protection Program support grant.

Charlottesville has been involved with climate protection related efforts at the local level for over 10 years, beginning with the establishment of the Climate Protection Program following the City of Charlottesville’s 2006 commitment through the US Mayors Climate Protection Agreement to reduce communitywide greenhouse gas (GHG) emissions. This commitment was reconfirmed through joining of the Global Covenant of Mayors for Climate & Energy in June 2017.

Over 95% of Charlottesville’s GHG emissions are associated with non-municipal activities (the three largest sectors, in order, are residential, commercial, and transportation), indicating that success and progress in reducing our community’s emissions requires participation of the public *and* private sectors. It is noted, as well, that emissions-reducing actions are also frequently associated with reduced energy usage, lower utility bills, greater comfort, and health benefits. As such, the Climate Protection Program has a focus on increasing the availability, accessibility, affordability, and awareness of programs and resources that support emission-reducing actions within the community. Successful efforts have routinely included an ongoing partnership with the LEAP through a yearly program support agreement adjusted to the current needs of the City’s Climate Protection Program and the Charlottesville community.

LEAP, a community-based 501c3 nonprofit, aims to lead the effort in local communities to implement clean energy technologies in buildings to promote cost savings for families and businesses, job creation, energy self-reliance, local economic development, and the mitigation of climate change. LEAP’s alliance model is a community-based, public-private partnership. Annual reports representing all of the localities LEAP serves are available at <http://leap-va.org/about/annual-reports>.

In working with LEAP, the Climate Protection Program receives program support in the form of providing core services to the community and opportunities to work collaboratively together to address specific needs. Additionally, LEAP is able to leverage funding from other sources – such as utility programs (e.g., Dominion Energy and Charlottesville Gas’ low-income weatherization programs), grant opportunities, partnerships with other non-profits with aligned programs, and the City-funded Home Energy Conservation Grant program – and layer them with the Climate Protection Program support agreement funds to expand the services available to City residents and businesses.

Bills passed during recent Virginia General Assembly Sessions have changed the funding landscape in the Commonwealth for energy-efficiency and renewable energy services. As a result, there is now less need for the Climate Protection Program to provide funding support for service delivery and a greater need for support to connect City residents with fully-funded services and new programs. This shift in funding needs is reflected in the proposed 2021 Program Support Agreement with LEAP.

Discussion:

The grant to LEAP will provide ongoing support to the Climate Protection Program and continues the strategy to reduce energy consumption and associated GHG emissions, increase cost savings for residents, and contribute to the City’s climate policy goals. As presented in the attached proposal, the ongoing partnership between LEAP and the City will continue a demonstrable, effective, and nimble model for delivering increased energy performance to the City’s building sectors – in particular, its residential sector (owner-occupied and renter-occupied homes) at multiple income levels. LEAP continues to utilize City funds through these agreements to leverage and increase access to significant outside funding sources to support increased level of energy efficiency and renewable energy services implemented in Charlottesville.

As with previous agreements, City staff have closely coordinated with LEAP on the development of this proposal and appreciates the blend of activities that aim at engaging market-rate and low-income households, rental- and owner-occupied properties, new homeowners, and layering outreach on existing and trusted communication channels to reach target demographics. The proposed grant of \$44,718 from the City to LEAP to implement the 2021 Climate Protection Program Support Agreement (attached) during fiscal year 2021-2022 will be used to:

1. Connect Residents with Funded Energy Efficiency Service Programs, including:
 - a. Educational material development, co-branded
 - b. Mailing inserts to leverage existing City-led targeted mailings
 - c. New Homeowner Outreach including an energy ‘welcome basket’
 - d. LEAP topic-expertise support for City-led outreach efforts
2. Develop and deliver a Low-Income Solar & Energy Efficiency Pilot Program
3. Offer a Solarize Charlottesville 2022 Campaign

The attached Memorandum of Understanding provides a summary of the purposes of the funds, program parameters desired by the City, and progress reporting expectations.

Alignment with City Council's Vision and Strategic Plan:

Approval of the Resolution for the 2021 Climate Protection Program Support Grant aligns directly with Council's vision for Charlottesville to be *A Green City* with clean air and energy efficient homes and buildings. It also contributes to the following goal/objective in the City's Strategic Plan:

Goal 3: A Beautiful and Sustainable Natural and Built Environment
Objective

Community Engagement:

There have been and will continue to be numerous initiatives engaging various community audiences. Utilization of the resources offered through past support agreements and questions that City staff receive from community members seeking resources and information regarding improved energy use speak to community interest in these services. Additionally, public comments received during adoption of a new greenhouse gas reduction goal and development of a climate action plan reflect the need for continued and increased levels of GHG emission reduction and climate adaptation actions.

Budgetary Impact:

There is no additional budgetary impact to the City. Funding support for this program would come from funds that were previously appropriated as part of the Fiscal Year 2021 Gas Fund adopted budget within the Environmental Sustainability Division.

Due to market disruptions during 2020, funding from the 2019-2020 program support agreement was sufficient to carry through to 2021.

Recommendation:

Staff recommends approval of the Resolution.

Alternatives:

If Council chooses not to proceed, other approaches to promote energy efficiency improvements in the residential and non-residential sectors will be examined.

Attachments:

- Funding Resolution
- Signature Resolution and Proposed Memorandum of Understanding Agreement
- LEAP 2021 Proposal for City of Charlottesville Climate Protection Program Support

**RESOLUTION APPROPRIATING FUNDS FOR
2021 Climate Protection Program Support Grant
\$44,718**

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$44,718 is hereby paid to LEAP from previously appropriated funds in the Gas Fund, Environmental Sustainability Cost Center as follows:

\$44,718 Fund: 631 Cost Center: 2711001000 G/L Account: 599999

RESOLUTION

BE IT RESOLVED by the Council for the City of Charlottesville, Virginia, that the City Manager is hereby authorized to sign the following document, attached hereto, in form approved by the City Attorney or his designee.

Memorandum of Understanding (MOU) between the City and the Local Energy Alliance Program (LEAP) for grant funds to support the Climate Protection Program and promote energy performance improvements.

**MEMORANDUM OF UNDERSTANDING
2021 CLIMATE PROTECTION PROGRAM SUPPORT**

This Memorandum of Understanding (“MOU”) is made this ___ of _____, 2021, by and among the City of Charlottesville, Virginia and the Local Energy Alliance Program.

Whereas, the City of Charlottesville, Virginia, (hereafter, the City) wishes to increase energy performance of Charlottesville homes and non-residential buildings, and to reduce the greenhouse gas associated with community-wide energy use, and;

Whereas, the Local Energy Alliance Program (hereafter, LEAP) wishes to serve our local community to conserve energy in existing buildings, to promote cost savings, job creation, sustainability, local economic development, and environmental stewardship, and;

Whereas, LEAP wishes to provide access to expertise and action steps for energy efficiency and renewable energy implementation;

Whereas, the parties agree that the intended use and release of City funds should be authorized in a mutually agreed fashion, in furtherance of these shared goals;

Now, Therefore, the City and LEAP jointly agree that upon execution of this MOU, LEAP will be granted an amount of Forty-Four Thousand Seven Hundred Eighteen Dollars (\$44,718) the source of which is already appropriated funds in Fund 631, Cost Center 2711001000, for the purpose of providing 2021 Climate Protection Program support focused on providing access to expertise and services for improved energy performance and reduce greenhouse gas emissions. The parties agree to the terms and conditions of this MOU as set forth below:

1. Use of Funds:

The parties agree that funds may be used only for the following purposes as covered in the 2021 Climate Protection Program Support proposal.

2. Program Parameters:

Upon receipt of the grant, LEAP agrees to provide the proposed program support to promote energy performance improvements.

3. Program Progress Reports

LEAP acknowledges the City’s desire to receive progress reports regarding the accomplishments of the program through monthly progress update meetings, two written reports at the mid-term and conclusion of grant activity, and through metrics established in the funding proposal. Progress reports may be provided to those LEAP board members appointed to represent the City of Charlottesville and may contain the metrics outlined in the 2021 proposal.

4. Modification Terms

This MOU may be supplemented, modified, or amended by mutual agreement as set forth in writing.

In Witness Whereof, the City of Charlottesville and the Local Energy Alliance Program have executed this MOU effective the last date written below.

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____

Title: _____

Date: _____

Approved as to Form:

Funds are Available:

City Attorney

Director of Finance, or designee

LOCAL ENERGY ALLIANCE PROGRAM

By: _____

Title: _____

Date: _____

2021 Program Support Agreement Proposal for the City of Charlottesville Climate Protection Program

June 2021



Summary

LEAP is presenting this proposal to the City of Charlottesville to continue supporting the Climate Protection Program (CPP). LEAP continues to be the key provider of reducing energy demand in existing residential buildings – an integral element of reducing GHG emissions.

The landscape of funded energy-efficiency programs available from utilities and the state has changed over the last couple of years. New state and Dominion Energy utility energy-efficiency programs are now available, expanding funded energy improvements for low-income residents and including services previously funded by the City's CPP. These programs, unfortunately, are complex administratively and are not marketed heavily by the utilities. In response to this landscape change and marketing gap, LEAP proposes to shift our activity within this program support proposal from directly funding services to instead focus on connecting City residents to the new and existing utility- and state-funded programs including energy efficiency improvements and a new low-income solar program and offering a market-rate Solarize Charlottesville campaign in 2022.

LEAP believes this new PSA will allow LEAP to assist the City's residents to maximize their usage of the above external programs while also helping the City achieve its climate action goals. Additionally, connecting City residents with these funded programs serves the accessibility, affordability, and awareness aims of the City's Climate Protection Program.

2021 PROGRAM SUPPORT PROPOSAL

Strategies

In order to educate and connect residents to energy-efficiency programs, LEAP will utilize multiple communication and outreach channels seeking to reach market-rate, income-eligible, and other program demographic-eligible residents. LEAP will also offer two campaigns for installing onsite solar renewable energy systems. One campaign will assist low-income City residents to receive solar arrays as part of a new Dominion low-income solar program. The other campaign will build on the successful Solarize Charlottesville campaign model.

1. Connecting Residents with Funded Energy Efficiency Service Programs

Working with City staff, area partners, and community groups, LEAP will continue our efforts to engage City residents to increase awareness of and participation in energy efficiency and solar programs while tying the importance of both to mitigating climate change and realizing individual household benefits.

These efforts will include:

1a. Educational Material Development:

LEAP will collaborate with the City to create co-branded displays, flyers, handouts, and social media campaign materials to spread awareness about available energy efficiency and solar programming as well as general information about weatherization and energy-efficiency measures. Materials will acknowledge the City's support and commitment to climate action. LEAP has a graphic designer on retainer for any more advanced design needs these efforts may require.

Specific displays, flyers, and handouts will be determined in collaboration between LEAP and City CPP staff. LEAP will develop four 'evergreen' social media campaigns for the City CPP use on the 'A Green City' accounts. These campaigns will target general information for the heating and cooling seasons (2), the Solarize Charlottesville 2022 program, and fully-funded low-income weatherization and energy efficiency programs.

1b. Mail Inserts:

Having found the prior mailings so successful in recruiting eligible residents for available services, LEAP proposes developing several sets of mailing inserts to be included targeted City-sent mailings. Examples of prior successful mailings include adding an insert with one of the monthly utility bills and in the Charlottesville Housing Assistance Program (CHAP) outreach. In the case of the CHAP mailer, the City's CHAP eligibility requirements align significantly with the utility- and state-funded energy efficiency programs' eligibility, creating a layering of funded services to a targeted segment of the City community. In considering other potential targeted mailings, LEAP proposes up to 8 mailing insert projects, dependent upon availability and partnership with the associated City departments and offices.

Inserts' development will be coordinated with City CPP staff, who will work internally with other City staff and departments. Inserts would inform City residents of weatherization services available and encourage Home Energy Check Up sign ups.

1c. New Homeowner Outreach:

LEAP proposes doing outreach to realtors and their local association to partner in welcoming new City homeowners with an energy-efficiency-focused 'welcome basket', including educational materials, tools for DIY projects, where and how to start on your home EE journey, and connecting homeowners to available energy efficiency and solar programs. A focus will be on getting homeowners to take the first step by signing up for a Home Energy Check Up (home energy assessment) and then moving them along the Energy Smart Homes pathway, which is supported by City residential rebates and other state- and utility-funded programs. LEAP will offer to new homeowners a subsidized or free Home Energy Check Up to be provided by the City as part of the welcome basket and other outreach.

1d. LEAP Support of City-led Community Outreach Initiatives:

Recognizing the value of LEAP's expertise as a whole-home energy efficiency and solar provider and being the Charlottesville-area provider of utility- and state-funded energy improvement programs, LEAP is in a unique position to provide technical expertise and practitioner perspective to community engagement efforts as well as speak directly to questions about how the state- and utility-funded programs work.

As the City's Climate Protection Program develops and implements community engagement activities, LEAP is available to assist and participate on an ad hoc, hourly, as-needed basis. Activities include review and contribution of messaging for outreach campaign materials, support and participation in community presentations as a technical expert and practitioner, and working in conjunction with City staff or City-contracted support on other efforts.

2. Low-Income Solar/EE Pilot

Legislation passed in 2019 VA General Assembly as part of the Grid Transformation Act created a low-income solar program that is expected to be approved by the State Corporation Commission (SCC) in 2021 and become available in early 2022. The legislation requires that program recipients participate in an energy-efficiency program in order to be eligible to receive the solar benefit. LEAP proposes coordinating a targeted enrollment effort in a low-income neighborhood (or portion of a neighborhood) to assist residents in receiving the requisite energy-efficiency program measures and to prioritize their qualification for the solar benefit.

LEAP will provide the administrative support for this program and will coordinate outreach with the City's CPP staff. Following the SCC's approval (anticipated in June or July 2021), LEAP will review all final program design aspects to ensure the availability and conditions of the benefits. LEAP will also lead community engagement and outreach efforts, aiming to communicate the opportunity to potential eligible residents while managing expectations of enrollment caps and program limitations. LEAP staff time will be necessary to follow and influence the implementation of the program, collaborate with the City to select the neighborhood(s), target communication and outreach to the selected neighborhood, coordinate and contract with solar installers, and publicize the eventual results.

Program design and identification activities will occur in late fall 2021 while implementation (i.e., installing solar on roofs) could begin in early 2022 contingent upon when Dominion makes the program available. Recognizing both the City and LEAP's interest in accruing this benefit for City residents, as well as seeing the potential for this effort to inform future programs and funding priorities, LEAP will work with the City to maximize program enrollment and identify available and relevant metrics to report locally. LEAP believes that at a minimum of 10 households could benefit from this program and would hope to reach dozens more if the approved program rules allow.

3. Solarize Charlottesville 2022 Campaign

LEAP is dedicated to being the go-to resource on residential solar and any related topics. In 2022, as part of both Solarize Piedmont and Solarize Charlottesville, LEAP intends to leverage the support of local nonprofits, municipal contacts, and other key stakeholders to increase awareness of the Solarize program and educate community members about renewable energy.

A detailed scope for the 2022 campaign will be informed by results during Solarize Charlottesville 2021 and developed in agreement between LEAP and City Climate Protection staff. 2022 campaign activities are expected to be similar and to include the following proposed strategies aimed at building awareness of Solarize Charlottesville specifically:

- Mailings
- Flyering
- Social Media
- Radio
- Tabling
- Webinars

Metrics

In regards to assessing success of this proposal's activities in connecting residents to energy efficiency and renewable energy services, LEAP will track the number of market-rate and demographic-eligible households that receive home energy check-ups and that move forward with LEAP to receive greater energy improvements. As home-specific data is currently a challenge to track, LEAP will provide data from income-eligible homes that participate in the City's Assisted Home Performance Program as a suitable proxy for outcomes of all other income-eligible participating homes.

Additionally, over this year, LEAP will be building out its database to better capture data and results from its services. As part of this process, LEAP will identify, of metrics the City is interested in, which can be included and regularly tracked and which would require additional investment and effort to track specifically for the City. In response to this database development, some of the metrics for this proposal may be shifted by agreement with the City and LEAP.

Overall, for energy efficiency programs, we intend to measure are:

- Conversion from Home Energy Check-Ups (HECUs) to receiving energy improvements
- Estimated % of household energy reduction from work scope proposed and completed
- Blower door tests or other results from HECUs that speak to the energy improvement potential of homes

- Cost of the improvements done and the amount of funding contributed by the household
- Receiving data by market rate vs. income- and other demographic-eligible households
- Seeing some City participation levels compared to regional levels (ex. what % of regional HECUs and energy improvement projects are in the City)
- How many Solarize participants went on to receive a HECU and do energy efficiency work

Metrics for the Low-Income Solar and Energy Efficiency Pilot Program and the 2022 Solarize Charlottesville campaign will be identified and agreed upon by City-staff and LEAP during the program design phase for those efforts.

Budget, Invoicing, and Reporting

LEAP shall invoice the City after services have been provided on monthly or quarterly basis. Such invoices shall provide expenses at the activity level with labor and material charges separated and if feasible, identify specific events as relevant. All expenses that are invoiced shall be archived and made available at the request of the City. As the exact shape of some items in this proposal may shift as we approach implementation, LEAP will coordinate with City CPP staff on adjustments to remain reflective of the intent of this proposal.

Total funding support requested is \$44,718 to be expended over the 2021-2022 fiscal year.

LEAP and City CPP staff shall meet monthly to review progress on implementation of the PSA and coordinate upcoming events/activities. LEAP shall also generate one mid-project report documenting activities after having spent half of the approved budget and provide a final report after all of the activities were completed. The report shall reflect the organization of the PSA proposal, summarize implementation activities in regards to successes and challenges, adjustments made, recommended next steps, and inclusion of the reporting metrics.