CITY OF DES MOINES	Council Communication Office of the City Manager	Date:	January 10, 2011
		Agenda Item No.	36
		Roll Call No.	<u>11-0041</u>
		<b>Communication No.</b>	<u>11-009</u>
		Submitted by:	Terrance N. Vorbrich,
			Acting Economic
			Development
			Administrator

### AGENDA HEADING:

Authorizing the Mayor to execute agreements with the Iowa Office of Energy Independence to accept a \$30,000 Power Fund Community Grant and with Natural Capitalism, Inc. to conduct sustainability training sessions for Des Moines businesses.

### SYNOPSIS:

The City of Des Moines submitted an application for an Iowa Power Fund Community Grant to the Office of Energy Independence (OEI) in August 2010. A \$30,000 grant was awarded to develop a program to provide sustainability training for local businesses. The firm Natural Capitalism, Inc. (Elliot Hoffman, 82 Levant Street, San Francisco, CA 94114) will conduct the training sessions from December 2010 to May 2011. The training is designed to provide businesses with tools and information to increase their level of sustainability in the areas of heating, ventilation and air conditioning, lighting, water and waste management, equipment usage and transportation/travel. The grant will pay 50% of the training costs; participating businesses will pay the other 50%. OEI recognizes the program was initiated prior to the execution of this agreement; the payment schedule for programming is reflected in the Agreement. Participating businesses include Hy-Vee, Metro Waste Authority, The Principal Financial Group, Des Moines Water Works, and the Energy Group. The Office of Economic Development and City of Des Moines Park and Recreation Department will also participate in the training. The Center on Sustainable Communities and the Greater Des Moines Partnership have collaborated with the City and OEI on this project.

# FISCAL IMPACT:

The City of Des Moines will be a pass-through entity for the \$30,000 Iowa Power Fund Community Grant to be provided to Natural Capitalism, Inc. The grant will provide 50% of the cost for the program; the remaining 50% will be paid by participating businesses.

Amount: \$60,000 total cost for Natural Capitalism program

<u>Funding Source</u>: 50% to be paid by Iowa Power Fund Community Grant; 50% to be paid by participating businesses, including \$3,750 by the City of Des Moines from FY2010-2011 Operating Budget, Economic Development Enterprise Fund, SP743, CMO980717, Page 56.

# **ADDITIONAL INFORMATION:**

The City of Des Moines has adopted the goal of being a sustainable green community, and has taken numerous actions through management of public buildings, equipment, vehicles, land and water resources to reach this goal. The coordination of sustainability training sessions through Natural Capitalism, Inc., gives the City the opportunity further this goal by providing critical information to the local business community. The City of Des Moines recognizes the need to both act and educate, internally as well as externally, to bring about real change. This business sustainability training program will allow for both of those elements to occur.

The Natural Capitalism, Inc. program brings businesses together in a peer environment over a six month period of time, providing participants the ability to learn from one another, as well as learning from recognized experts in sustainability, small business development and economics. Through the course of the program, participants are able to host sessions at their facilities, focusing one of the topics within the curriculum. An action plan is created for each participating entity. There is an ability to calculate a return on investment for changes in facility management and operations that result in demonstrated cost savings and improved use of resources.

The Natural Capitalism, Inc. program has shown a strong return on investment for past participants, and provided the ability for businesses to significantly reduce costs of operation by adopting more sustainable practices. The City of Des Moines' use of the Power Fund Community Grant from the Iowa Office of Energy Independence to sponsor 50% of the costs for participants provides an incentive to business to participate, and demonstrates the City's ongoing commitment to sustainability.

### **PREVIOUS COUNCIL ACTION(S):**

Date: August 9, 2010

Roll Call Number: 10-1281

<u>Action</u>: Application for a grant from Iowa Office of Energy Independence (OEI) under the Power Fund Community Grant Program and authorizing negotiation with Natural Capitalism for an education program to improve business sustainability, \$50,000. (Council Communication No. 10-501) **Moved by Moore to adopt. Motion Carried 7-0.** 

### **BOARD/COMMISSION ACTION(S): NONE**

### ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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