

Council Communication

Office of the City Manager

Date: February 6, 2017

Agenda Item No. 29

Roll Call No. <u>17-0196</u>

Communication No. <u>17-067</u>

Submitted by: Scott E. Sanders, City

Manager

AGENDA HEADING:

Approving Amended Memorandum of Understanding with the Institute for Market Transformation and the Natural Resources Defense Council for the City Energy Project (CEP) and approval of Grant Agreement.

SYNOPSIS:

The CEP is a national initiative to create healthier and more prosperous American cities by improving the energy efficiency of buildings. The partnership between the CEP and Des Moines will support bold solutions that can be replicated by other municipalities nationwide and around the world to advance local economic prosperity and reduce pollution. Funding for the CEP is provided jointly by Bloomberg Philanthropies, Doris Duke Charitable Foundation and The Kresge Foundation. The total award amount from CEP is estimated to be \$550,000 - \$190,000 in direct funding and \$360,000 in indirect funding.

FISCAL IMPACT:

Amount: \$190,000 grant to City requiring a match of \$100,000 with the City's commitment of \$35,000 in FY18 and \$65,000 privately funded. Accepting \$59,000 by this action with balance to follow, a portion of which may include direct payments from CEP to a selected trainer or technical expert.

Funding Source: \$35,000 Citywide Training & Benchmarking ND409732, Page 123

ADDITIONAL INFORMATION:

- Established through a partnership with the Institute for Market Transformation and the Natural Resources Defense Council and funded by Bloomberg Philanthropies, Doris Duke Charitable Foundation, and the Kresge Foundation. The goals of the program are to:
 - > Substantially reduce citywide energy use and carbon pollution;
 - Improve the local economy by investing in skilled local jobs; and
 - Expand market opportunities for private sector investment in energy efficiency.
- Program is a 2-year commitment and provides a total of \$190,000 towards the hiring of a City Advisor (contracted consultant), education, training and funds for city building energy efficiency evaluations. This is an increase of \$100,000 in grant funds over the original application with no required increase in matched dollars. Proposed Scope of Work will include the following:

- O Benchmarking and Transparency (Required Policy) -The success of this policy will be based on existing relationships with leadership in the housing, business, and industry sectors within Des Moines. A benchmarking and transparency policy requires building owners to annually measure and report the energy and water use for properties above a certain square footage, using the U.S. Environmental Protection Agency's free online tool, ENERGY STAR Portfolio Manager, and to make specified output data public.
- Energy Audit (Supplemental Policy) -Des Moines would work with the same partners as with the Benchmarking and Transparency Policy to establish an audit protocol. In 2010, the City partnered with the Downtown Community Alliance and five (5) downtown buildings to perform similar audits to spur interest in retrofitting existing buildings to meet Energy Star and LEED standards. This effort would continue that work and establish a policy to help property owners make more informed decisions on their facility improvements.
- Energy Code Compliance (Program) Staff has evaluated the International Green
 Construction Code, but has not made any recommendations about adoption of the Code.
 The completion of PlanDSM provides a timely opportunity to update our zoning codes, and
 corresponding building codes. Participation from the Sustainability Team, Economic
 Development, Community Development, developers, and businesses will be essential for
 the success of this endeavor.
- Energy-Efficient Municipal Operations (Program) –Evaluation of current standards and propose new standards for new and existing facilities. Reviewing energy efficiency for existing operations would provide guidance to the City's new facilities director. Partners in this effort will include our Facilities Manager, Engineering Department, Sustainability Team, and others.

PREVIOUS COUNCIL ACTION(S):

Date: November 7, 2016

Roll Call Number: 16-1905

Action: Memorandum of Understanding with the Institute for Market Transformation and the

Natural Resources Defense Council, Inc. for the City Energy Project.

(Council Communication No. 16-643) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of Request for Proposal to hire a contractor to fulfill the role of City Advisor. Consideration of recommended policies that are an outcome of the program.

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