

DATE: February 26, 2008

TO: Mayor and City Council

FROM: Director of Community and Economic Development

SUBJECT: Authorize the City Manager to Enter a Contract with the Bay Area Air Quality Management District and to Issue a Request for Proposals and Negotiate and Execute a Contract with a Consultant for the Preparation of a Climate Action Plan

RECOMMENDATION

That Council reads and comments on this report and adopts the attached resolutions. The first resolution authorizes the City Manager to enter into a contract with and receive \$40,000 in grant funds from the Bay Area Air Quality Management District (BAAQMD) for the purpose of climate planning. The second resolution appropriates \$40,000 from the City's Measure D Funds to be used with the grant funds for the preparation of a Climate Action Plan. The final resolution authorizes the City Manager to issue a request for proposals and negotiate and execute a contract with a consultant for the preparation of a Climate Action Plan in an amount not to exceed \$80,000.

SUMMARY

Using funds from a BAAQMD grant and Measure D, staff intends to hire a consultant to assist the City with the preparation of a Climate Action Plan (CAP). A CAP is necessary for Hayward to do its part to reduce its emissions of carbon dioxide and other gases that cause global warming. The CAP will set greenhouse gas (GHG) emission reduction targets and outline the ways in which the City can achieve such reductions and will provide implementation and monitoring strategies.

BACKGROUND

The earth's climate is changing as a result of human activities. Global warming or global climate change is recognized as a real phenomenon by the State of California as well as by many other governments and scientists around the world. Extensive information about global climate change is available on the internet. A widely respected source of scientific information on the topic is the United Nations' Intergovernmental Panel on Climate Change (IPCC) on-line at <http://www.ipcc.ch/>. Other informative websites about global climate change are listed in Exhibit A.

On April 8, 2005, the City of Hayward became a participant in the U.S. Mayors Climate Protection Agreement and committed to reducing greenhouse gas emissions by seven percent below 1990

levels by 2012. In 2005, Governor Schwarzenegger issued Executive Order # S-3-05, which established a greenhouse gas reduction target of 80 percent below 1990 levels by 2050. Assembly Bill 32, the California Global Warming Solutions Act of 2006, requires the State's greenhouse gas emissions to be reduced to 1990 levels by 2020. The first step in making measurable reductions in GHG emissions is to measure existing emissions.

In June 2006, the City of Hayward joined the Alameda County Climate Protection Project. This project allowed the City to partner with ICLEI-Local Governments for Sustainability¹ and the Alameda County Waste Management Authority to prepare a "Baseline Greenhouse Gas Emissions Inventory Report", dated November 2006. The emissions inventory used a baseline year of 2005 and found that the City generates approximately 764,529 tons of GHG annually. Of this total, approximately 24 percent is attributed to residential energy use, 36 percent to commercial and industrial buildings and 45 percent to transportation. In 2005, the City's residents consumed 242,674,455 kilowatt hours (kWh) of electricity, or about 5,253 kWh per household and 19,496,850 therms of natural gas, or about 422 therms per household. In addition, the City sent approximately 173,509 tons of solid waste to landfills.

When the City joined the Alameda County Climate Protection Project and ICLEI's Cities for Climate Protection Campaign in 2006, the Council adopted Resolution 06-074, committing to implement a five-step program:

1. Conduct a local emissions inventory and forecast of greenhouse gas emissions.
2. Develop an emissions reduction target.
3. Prepare an action plan to achieve the target.
4. Implement the approved action plan.
5. Evaluate, monitor and review progress in meeting the stated targets.

The City has already begun to implement various measures that will help to reduce greenhouse gas emissions. Those measures include requiring the submittal of a Residential Green Building Guidelines Green Points checklist for Multi-Family projects of 20 units or more, adoption of a 75 percent waste diversion goal by 2010, and regulations requiring recycling of construction and demolition debris. In January 2006, the Council also required that new municipal buildings meet a minimum Leadership in Energy Efficient Design (LEED) "Silver" standard. On January 29, 2008, the Council introduced the Civic Bay-Friendly Landscaping Ordinance. Adoption of this Ordinance is scheduled for the February 19 Council meeting. The City is also in the process of developing green building guidelines/ordinances for single-family, commercial, and industrial development projects.

In November 2007, the City of Hayward submitted a proposal to BAAQMD requesting grant funds for the preparation of a Climate Action Plan. Of the 81 proposals received by the District, Hayward's ranked third and of the 21 applications submitted in the Climate Planning category, Hayward's ranked number one. On December 19, 2007, the BAAQMD Board of Directors approved a \$40,000 grant for the City of Hayward to prepare a Climate Action Plan.

¹ ICLEI was founded in 1989 as the International Council for Local Environmental Initiatives. In 2003, the name was changed to "ICLEI – Local Governments for Sustainability".

DISCUSSION

Staff is requesting the Council to authorize implementation of steps two and three of the above five-step program. An emissions reduction target is expected to be adopted concurrently with the Climate Action Plan. Various GHG reduction strategies will be presented in the draft CAP and each will be presented along with the associated costs and benefits. This will allow the Council to adopt a CAP knowing the costs, benefits, opportunities and challenges that can be expected during implementation. The City will hire a consultant with expertise in the calculation of such costs and benefits. GHG reduction measures will be prioritized based on cost, potential CO₂ reductions, co-benefits and other factors. The adopted Plan would include specific implementation strategies in an effort to ensure that actual reductions in greenhouse gas emissions are realized. Implementation strategies would include the eventual incorporation of new sustainable policies into the City's General Plan, as well as a schedule for necessary ordinance amendments.

As part of the CAP preparation, the City will work with ICLEI to make minor changes to the 2005 base year emissions inventory by incorporating additional data that was not available in 2006 when the inventory was prepared. The updated data for 2005 emissions would include corrected data from PG&E and an adjustment to the calculation of emissions associated with solid waste disposal. The updated inventory may also include the incorporation of vehicle miles traveled on freeways and emissions from the Hayward Executive Airport, which were omitted from the 2005 inventory.

Once a consultant is retained, the City will hold scoping meetings to further define the project tasks and gather input from community stakeholders. Community meetings will be held to gather input prior to the development of the Plan and again during a public comment period on the draft Plan. A working group will be formed that includes representatives from the City Council's Sustainability Committee, every City department, the Hayward Unified School District, California State University, Chabot College, the Hayward Chamber of Commerce, the Keep Hayward Clean and Green Task Force, and neighborhood groups. The working group will meet periodically during the formulation of the Climate Action Plan.

For significant reductions in GHG emissions to occur, it will be necessary to re-evaluate most, if not all, City policies and practices. Doing so will require educating employees about sustainability with a focus on specific operational changes that can be implemented to reduce greenhouse gas emissions. Some examples include fuel-efficient driving, reducing energy use at work, and implementation of an Environmental Purchasing Policy. Additionally, the City may examine innovative strategies to promote certain technologies in the community such as solar photovoltaic, high efficiency lighting, LED street lighting and cool roofs.

Education and outreach programs to improve the community's understanding of greenhouse gas effects and how their actions affect greenhouse gas emissions will also be necessary. To help the community understand how their actions affect climate change, staff will identify tools for residents and businesses to estimate their emissions and recommend strategies for a wide range of cost-effective emission reductions. Some of the community-wide policies for consideration may include adoption of green building requirements and City-wide Bay-Friendly Landscaping standards. The City Council Sustainability Committee reviewed a draft green building ordinance on February 6,

2008 and directed staff to prepare a comprehensive ordinance addressing all types of construction. Both green building and Bay-Friendly Landscaping ordinances will be presented to the Council in 2008.

Long term climate protection strategies would be ensured by incorporating the policies of the Climate Action Plan into the City's General Plan and other applicable plan and policy documents. The City's Planning Division would incorporate climate protection measures into the development review process, including requiring a global climate change analysis in environmental documents. The City's development application submittal checklist may also be revised to require developers to submit information about the sustainability of their projects.

In the Bay Area, the cities of San Mateo, San Francisco, Palo Alto, Berkeley, and Albany have adopted emission reduction targets and most have been adopted in conjunction with Climate Action Plans. As indicated on Exhibit B, Hayward's emissions are comparable to other cities of similar size. Most other jurisdictions' targets either meet or beat the State's reduction targets. Some use baseline years other than 1990, which makes it difficult to make direct comparisons to the State's reduction targets. Many cities, including Hayward, have used more recent years for the baseline because more data is available for the recent past. According to ICLEI, it is near impossible for local jurisdictions to obtain baseline data for 1990.

Co-Benefits of GHG Reduction –

When behavior patterns shift as a result of carbon emissions mitigation, we will see an improvement in the quality, convenience, affordability, and awareness of public transit, walking, bicycling, telecommuting, ridesharing, and vehicle sharing. These measures would reduce vehicle miles traveled, improve air quality, reduce traffic and could improve public health. Increasing ridership on public transportation could enable regional agencies to implement cleaner technologies with their vehicle fleets. Reducing our water use would not only save electricity, but would also improve our drinking water supplies and increase the water available for our rivers and natural ecosystems. Various recycling programs would reduce our dependence on landfills, reduce our demand on the world's natural resources for raw materials and may reduce littering.

Engage Impacted Communities within Hayward –

The City of Hayward has several areas that are considered "impacted communities" according to BAAQMD (see Exhibit C). These are neighborhoods whose residents are particularly sensitive to air pollution due to age, medical conditions and other socio-economic factors and may be most at risk from the adverse effects of climate change. The fact that at least 50 percent of Hayward is considered "impacted" underscores the importance of developing a Climate Action Plan as a means of reducing the air pollutants in those neighborhoods. The District requires that the City solicit the involvement of these impacted communities. Staff plans to make special efforts to engage all sectors of the community.

Potential Implementation Strategies –

As part of the CAP, the Council might consider implementing the following greenhouse gas reduction measures:

- Mandatory green building requirements;
- Prohibit use of polystyrene foam disposable food service ware;
- Consider the formation of Community Choice Aggregation (CCA) to assist in reducing emissions caused by electricity generation from “brown” sources;
- Promote buying food grown locally and products manufactured locally instead of items that must be transported long distances;
- Consider adoption of a local version of the Urban Environmental Accords;
- Offer incentives and financing information for residential solar photovoltaic projects;
- Continue to install solar photovoltaic system on City facilities, including City Hall;
- Require more high density, transit-oriented development for housing, retail, and jobs;
- Consider adoption of a residential energy conservation ordinance;
- Consider increased mandates for energy efficient public buildings;

Contract with Bay Area Air Quality Management District-

The City’s agreement with BAAQMD will require staff to submit quarterly reports to the District demonstrating adherence to the approved scope of work and timeline. Upon the receipt and approval of each quarterly report, the City will be reimbursed \$10,000.

Consultant –

The City plans to hire a consultant to assist with preparation of the Plan, to provide assistance conducting meetings with staff and the community and technical assistance at City Council and Planning Commission meetings. Upon receiving grant funding, the City would distribute a Request for Proposals (RFP) to identify and select the most appropriate consultant.

California Environmental Quality Act –

The preparation of the CAP will be categorically exempt from the requirements of the California Environmental Quality Act (CEQA) per Section 15308 of the Guidelines (*Actions by Regulatory Agencies for Protection of the Environment*).

FISCAL IMPACT

The BAAQMD Board has approved the City of Hayward to receive \$40,000 for the preparation of a Climate Action Plan. According to StopWaste.Org (the public agency consisting of the Alameda County Waste Management Authority and the Alameda County Source Reduction and Recycling Board), Measure D funds may be used for up to 50 percent of the budget for the Climate Action Plan provided that the Plan contains a waste reduction and recycling component. Measure D, is a County initiative that assesses a per ton disposal surcharge on all waste disposed in Alameda

County. Fees are collected by disposal sites and transfer stations within Alameda County. The initiative was approved by Alameda County voters in 1990 and provides jurisdictions in Alameda County with funds to support waste reduction and recycling programs.

Using these two funding sources, the City will have a budget of \$80,000 to prepare the Climate Action Plan. Based on preliminary discussions with consultants and BAAQMD, staff is confident that this budget is sufficient to cover the cost of the consultant. If staff does not receive acceptable proposals with a budget of less than \$80,000, then staff may request additional funds from the Council. The value of staff time that is attributable to the General Fund is expected to be approximately \$130,000. Staff will pursue additional funding from other sources to minimize the impact to the General Fund.

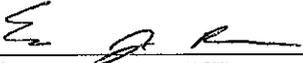
PUBLIC CONTACT

On January 17, 2008, a summary of the greenhouse gas emission inventory was presented to the Council Sustainability Committee and the Committee expressed support for the preparation of the Climate Action Plan. The public will need to be involved in the preparation of the Climate Action Plan. City staff will actively solicit comments from a wide spectrum of community members, including residents and school personnel in the impacted neighborhoods. As we begin preparation of the Plan, we intend to place advertisements and issue press releases to the local newspaper, mail notices to special interest and neighborhood groups and create a dedicated web-page to share information regarding the Plan's preparation. Public meetings would be held in various locations throughout the City to offer convenient opportunities for community members to participate. Meetings would likely be held at community centers, public schools and City Hall. On February 6, 2008, the Council Sustainability Committee heard a presentation regarding global climate change and the Committee expressed interest in raising public awareness of the issue.

SCHEDULE

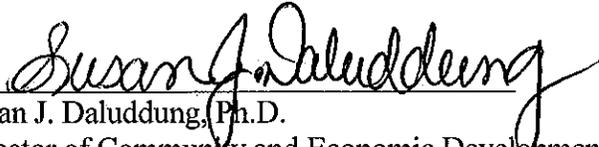
As indicated in the attached timeline (Exhibit D), the preparation of the climate action plan is expected to be a two-year process. The next steps will include executing a contact with the Bay Area Air Quality Management District, selecting a consultant, creating a working group and scheduling community meetings.

Prepared by:



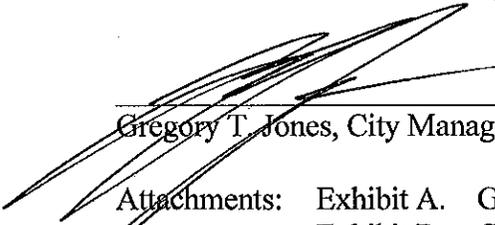
Erik J. Pearson, AICP
Senior Planner

Recommended by:



Susan J. Daluddung, Ph.D.
Director of Community and Economic Development

Approved by:



Gregory T. Jones, City Manager

Attachments: Exhibit A. Global Climate Change Websites
Exhibit B. Climate Action Plans by Other Cities
Exhibit C. Impacted Communities Map
Exhibit D. Timeline

Draft Resolutions

2/14/2008

Global Climate Change Websites

California Climate Change Portal: <http://www.climatechange.ca.gov/>

Pew Center on Global Climate Change: <http://www.pewclimate.org/>

ICLEI: <http://www.iclei.org/index.php?id=800>

Union for Concerned Scientists: <http://www.ucsusa.org/>

US Conference of Mayors: <http://usmayors.org/climateprotection/>

Kyoto Protocol: http://unfccc.int/kyoto_protocol/items/2830.php

American Planning Association – Planning & Climate Change:

<http://www.planning.org/energy/>

Institute for Local Government:

<http://www.cacities.org/index.jsp?displaytype=§ion=climate&zone=ilsg>

Solar Sebastopol: <http://www.solarsebastopol.com/>

World Business Council for Sustainable Development: <http://www.wbcsd.org/>

Why is CO₂ so heavy?

<http://www.terrapass.com/blog/posts/2006/03/how-to-turn-6-pounds-of-gasoline-into-20-pounds-of-carbon-d.html>

Reducing U.S. Greenhouse Gas Emissions: How Much at What Cost?

<http://www.mckinsey.com/client-service/ccsi/greenhousegas.asp>

Emissions and Reduction Targets of Bay Area Jurisdictions

Jurisdiction	Population	GHG Emissions (Metric Tons)	GHG Emissions (Imperial Tons)	CAP Adoption Date	Reduction Target	Meets or Exceeds AB32	Meets or Exceeds EO S-3-05
Hayward	146,300 (2005)		764,529				
San Mateo	99,100	625,009 (2006)	689,072		Reduce greenhouse gas emissions each year, beginning with 2009 emissions being less than the 2006 baseline and then exceed the 2020 state target (emissions at 1990 level in 2020) and meet the 2050 state target (emissions at 80% below 1990 level).	Meets	Meets
San Francisco	795,800	9.1 Million (1990)	10,032,750	2002	20% below 1990 levels by 2012	Exceeds	
Palo Alto	75,500	728,720 (2005)	803,414	12/3/2007	Set greenhouse gas emissions reduction targets as follows: <ul style="list-style-type: none"> • A 5% reduction from 2005 City emissions levels by July 2009. This would equal a reduction of 3,266 metric tons CO₂e. • A 5% reduction in City and Community emissions by July 2012. This would equal a reduction of 39,702 metric tons of CO₂e. • A community-wide target of a 15% decrease from 2005 levels by 2020, equal to a reduction of 119,107 metric 	Meets	

					tons. Achieving this goal would enable Palo Alto to match the State of California's goal of 1990 emission levels by the year 2020 (statewide it is estimated that 2005 emissions were 15% higher than 1990 emissions).		
Santa Rosa	154,212	36,334 (01/02)	40,058		Set target of 20% of 2000 levels by 2010		
Berkeley	102,743	634,798 (2005)	699,865		<ul style="list-style-type: none"> • Ultimate target is an 80% reduction below 2000 baseline level of 696,498 eCO2 by 2050 • Interim target is a 33% reduction by 2020 		
Oakland	399,484	2,248,667 (2005)	2,479,155				
Piedmont	10,952	59,092 (2005)	65,149		No target has been set yet		
Menlo Park	30,648	440,042 (2005)	485,146		Target is currently under discussion		
Albany	16,444	83,429 (2005)	91,980		Reduce greenhouse gas emissions 25% below 2004 levels by 2020		
Fort Bragg	7,026 (2000)	138,824 (05/06 fiscal year)	153,053				
Santa Cruz	249,705 (2006)				Reduce community-wide greenhouse gas emissions to 30% below 1990 levels by 2020 and 80% below 1990 levels by 2050.	Exceeds	Meets

Portland and Multnomah County, OR	538,544 (2003)	10.6 million (1999)	11,686,500		Set goal to reduce greenhouse gas emissions to 10% below 1990 levels by 2010.		
Boulder, CO	93,051 (2003)	1.81 million (2004)	1,995,525		Resolution 906 set the city's goal to reduced greenhouse gas emissions to 7% below 1990 levels by 2012.		
London	7,512,400 (2006)	13.9 million (2003)	15,324,750		Set goal to reduce greenhouse gas emissions to 60% below 1990 levels by 2025.		
Marin County	248,742 (2006)	3,188,522	3,515,346		15% below 1990 levels by 2020.	Exceeds	
San Jose	898,349 (2003)				25% below 1990 levels by 2012; 35% by 2020; 50% by 2030 and 80% by 2045.	Exceeds	Exceeds
Sonoma County	466,891 (2006)	88,700 (2001)	97,792		25% below 1990 by 2015	Exceeds	

AB32 requirements - reduce GHG levels in California to 1990 levels by 2020.

EO (S-3-05) – the Executive Order includes the AB32 requirements as well as the target to reduce GHG levels in California by 80% below 1990 levels by 2050.

Climate Action Plan Timeline

Deliverable	Anticipated Completion Date
Issue Request for Proposals	February 27, 2008
Hire Consultant	April 2008
Begin Update of Baseline Emissions Inventory	April - May 2008
Scoping Meeting with Consultant	April - May 2008
First Working Group Meeting	May 2008
Briefing for Sustainability Committee	June 4, 2008
First Community (Scoping) Meeting	June 2008
Joint PC/CC Work Session	July 22, 2008
Additional Meetings with: Working Group, Community and various City Staff	Sept. - Dec. 2008
Prepare Draft Climate Action Plan	September 2008 -- March 2009
Briefing for Sustainability Committee	December 3, 2008
Review Draft Climate Action Plan in meetings with Public, Working Group, Planning Commission, City Committees and City Council	April – August 2009
Review and Complete Final Climate Action Plan	September – October 2009
Planning Commission Review	November 2009
Adoption of Climate Action Plan by City Council	December 2009

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HAYWARD CITY COUNCIL

RESOLUTION NO. 08-

Introduced by Council Member _____

mhe
1/29/08

RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER A CONTRACT WITH BAY AREA AIR QUALITY MANAGEMENT DISTRICT FOR RECEIPT OF \$40,000 IN GRANT FUNDS FOR THE PURPOSE OF CLIMATE PLANNING

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to execute a contract with the Bay Area Air Quality Management District for the receipt of \$40,000 in grant funds to be used for the purpose of climate planning, in a form approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2008

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

Acting City Attorney of the City of Hayward

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 08-

Introduced by Council Member _____

mm
1/29/08

RESOLUTION AMENDING RESOLUTION 07-079, THE BUDGET RESOLUTION FOR FISCAL YEAR 2007-08, RELATING TO AN APPROPRIATION OF FUNDS FROM MEASURE D FUNDS (FUND 215) FOR THE PREPARATION OF A CLIMATE ACTION PLAN

BE IT RESOLVED by the City Council of the City of Hayward that Resolution No. 07-079, the Budget Resolution for Fiscal Year 2007-08, is hereby amended by approving an additional appropriation of \$40,000 from Measure D funds (Fund 215) for the preparation of a Climate Action Plan.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2008

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward