

**City Council Questions**  
**December 3, 2019 Council Meeting**

**ITEM 4.2 DOWNTOWN PRECISE PLAN UPDATE: SCOPE OF WORK AND CONSULTANT CONTRACT**

1. The VMWP scope (Attachment 4) suggests that the City “can consider using the valuable office use as an incentive” to achieve other objectives. Could this include a “community benefit” obligation, analogous to the programs approved in other precise plans? Would we need to explicitly add this to the scope of work if we wanted to study a community benefit requirement?

**The current scope of work includes testing different development scenarios (e.g. types of land uses, development intensity, and other development standards) to achieve Precise Plan objectives. As part of this, the project team will study increased intensity of office use to add greater value to various development scenarios. This added value could then be used to potentially make residential or mixed use residential development more feasible.**

**Staff notes that the scope of work is limited to three sub areas of the Downtown Precise Plan. The Precise Plan could include a “community benefit” analysis but it would require an expanded scope of work not discussed at the June 25, 2019 Council meeting. Staff also notes that this approach would be more impactful and easier to administer if implemented for the entire precise plan area instead of just three sub areas.**

**The Council could either expand the scope of work now to include a community benefit analysis or could defer this decision when staff returns to Council for a study session to discuss the results of the initial development scenarios when more information is available.**

2. Which two firms were suggested by a resident? Do those two firms have relevant experience, and/or have worked in the Bay Area?

**The two firms suggested by a resident are Architecture + History, LLC and Bottomley Design & Planning. Architecture + History, LLC appears to be primarily an historic preservation consulting firm and has done work in the Bay Area, while Bottomley Design and Planning has worked on a number of similar plans in the Bay Area. Staff can add these two firms to our qualified consultant list if the firms are interested in responding to future Request for Proposals depending upon the scope of work for future planning projects in Mountain View.**

3. The DRC is not typically included in the development of Precise Plans so could you please elaborate on what role they would play on this project?

**Staff has included an option to review some of the design alternatives with the DRC given the importance of having quality architecture and design in downtown. The DRC would provide additional review from the City’s consulting architects and allow an additional meeting for the public to review and discuss architectural design options for this update.**

4. How many firms are on our list of consultants for this kind of work and how often is the list updated?

**There are six firms on our list of consultants. This list gets updated when staff receives new information from qualified firms interested in working for the City.**

**ITEM 4.3 SAFE ROUTES TO SCHOOL EDUCATION PROGRAM FUNDING AGREEMENT AND PROFESSIONAL SERVICES**

1. The scope of services (attachment 2) references “20 SRTS Program schools.” Which schools are participating? Or, if easier to express, are there any schools in Mountain View that will NOT be part of the program?

**The SRTS Education Program will be provided to all public and private K to 12 grade schools in Mountain View. It will also be provided to Los Altos High School and Springer Elementary School in Los Altos.**

2. Would it be possible to include LASD schools that serve students living in Mountain View?

**As indicated above, the SRTS Education Program includes Los Altos High School and LASD’s Springer Elementary School, both of which serve Mountain View students.**

3. Will school-specific data/results be provided to the Council? Will this information be used to prioritize traffic safety capital improvements?

**The SRTS Education Program Report will compile all the education, encouragement, engagement, and evaluation work conducted at each school including walk/bike to school participation rates and recommendations/resources for implementing future SRTS activities. The report will be presented to the Bicycle/Pedestrian Advisory Committee (B/PAC) and City Council by the conclusion of the proposed scope of services in mid-2021. Information collected through the SRTS program is considered in setting priorities for traffic safety capital improvements.**

**ITEM 4.5 POLICE/FIRE ADMINISTRATION BUILDING, DESIGN, PROJECT 20-49-AUTHORIZE DESIGN PROFESSIONAL SERVICES AGREEMENT**

1. Does SVA have to leverage one of the previously developed alternatives, or can they start from scratch and develop updated alternatives?

**Yes, updated or new alternatives could be incorporated into the agreement if desired by the City. If the City wanted to swap out (or add) one or more alternatives before work began, or if SVA has their own to propose, that could be addressed in a minor agreement amendment after it is executed. There are sufficient additional services fees included in the proposed agreement to cover that possibility if SVA required additional fees to explore those options.**

**ITEM 6.1 1720 VILLA STREET RESIDENTIAL PROJECT AND 660 MARIPOSA AVENUE**

1. Was this project exempt from the Phase 1 BMR requirements, meaning it was exempt from the 15% onsite affordable units requirement?

**This project is subject to Phase I requirements. Since it is a rental project, the project does have a 15% on-site BMR requirement. It was exempt from Phase II.**

2. Is the \$96 per square foot from the Phase 1 BMR requirements analysis? If not, was this calculation done specifically for this project? Or did it come from some other analysis?

**The \$96 per square foot was based on the recently completed study for the BMR Phase II update and represents the economic equivalency of providing the 15% BMR on-site units (i.e. the \$96 per square foot represents the economic value of the BMR units). Staff used that number as a way to compare the**

estimated value of the approved 34 BMR units on-site (\$20.1 million) against the applicant's proposal of contributing \$12.4 million towards the Mariposa alternative mitigation request.

3. What specifically does SB 330 require when it comes to replacing demolished rent-stabilized units?

**SB 330 states:**

**(A) (i) The project will replace all existing or demolished protected units.**

**(ii) Any protected units replaced pursuant to this subparagraph shall be considered in determining whether the housing development project satisfies the requirements of Section 65915 or a locally adopted requirement that requires, as a condition of the development of residential rental units, that the project provide a certain percentage of residential rental units affordable to, and occupied by, households with incomes that do not exceed the limits for moderate-income, lower income, very low income, or extremely low income households, as specified in Sections 50079.5, 50093, 50105, and 50106 of the Health and Safety Code.**

**(iii) Notwithstanding clause (i), in the case of a protected unit that is or was, within the five-year period preceding the application, subject to a form of rent or price control through a local government's valid exercise of its police power, and that is or was occupied by persons or families above lower income, the affected city or affected county may do either of the following:**

**(I) Require that the replacement units be made available at affordable rent or affordable housing cost to, and occupied by, low-income persons or families. If the replacement units will be rental dwelling units, these units shall be subject to a recorded affordability restriction for at least 55 years.**

**(II) Require that the units be replaced in compliance with the jurisdiction's rent or price control ordinance, provided that each unit is replaced. Unless otherwise required by the affected city or affected county's rent or price control ordinance, these units shall not be subject to a recorded affordability restriction."**

4. On page 8 of the staff report, in the last sentence, does this refer to displaced tenants from 660 Mariposa? Or does it refer to displaced tenants from any demolished units in Mountain View?

**The last sentence refers to displaced tenants broadly but also specifically to displaced tenants at 660 Mariposa.**

5. Was the 15% Inclusionary a requirement or considered under community benefits in light of the timing of the gatekeeper approval? What were the other community benefits that were offered and accepted - I remember one being the bike trail ramp leading to the tunnel.

**The project is subject to the 15% Phase 1 BMR requirement. This BMR requirement was confirmed at the project's December 12, 2017 Council Study Session prior to the June 4, 2019 entitlement hearing.**

**Community benefits were also required as a Gatekeeper application. The benefit amount was \$3,644,161 based on the \$22.40 per net new square foot of development as set forth in the San Antonio and El Camino Real Precise Plans (the per-square-foot amount is set to the Consumer Price Index so it can increase). Council directed the applicant to use those funds to construct the site's portion of a multi-use path and provide additional traffic-calming measures along Villa Street. The applicant also will provide a pedestrian path connection from Villa Street to Evelyn Avenue on the west side of the Shoreline Boulevard and Villa Street intersection.**

6. I thought the applicant mentioned that Bridge is willing to deed restrict the Mariposa units in perpetuity instead of 55 years. Could you confirm this?

**The formal proposal submitted does not specify the duration of the deed-restriction, and 55 years is what is currently in our ordinance. The Applicant has subsequently confirmed that 48 units at Mariposa would be deed-restricted in perpetuity (not 55 years).**

7. When evaluating the Mariposa proposal, did staff take into account the land dedication being proposal in tat scenario - that Bridge would take into possession the land, and that they are proposing to add some units, and could add more in the future?

**Staff studied the Applicant's formal proposal in order to make a recommendation. The applicant had informally discussed providing two additional units as part of the 660 Mariposa project but the formal proposal submitted (Attachment 4 to the staff report) did not include any additional units or discussion of potential additions in the future so it was not part of the evaluation. The land dedication alternative mitigation as part of BMR is intended to be land dedication to the City as opposed to another entity.**

8. What if hybrid details can't be worked out or it becomes too expensive?

**Staff recommends that the condition or the "hybrid" be modified so that final details of the deed are agreed by the time of building permit issuance, including the cost, or the project would revert to the 34 units on site.**

**ITEM 6.2 GATEKEEPER APPLICATION FOR 365 TO 405 SAN ANTONIO ROAD AND 2585 TO 2595 CALIFORNIA STREET**

1. If we open up the San Antonio Precise Plan and make amendments for this project, can we add that new development in the SAPP is subject to the citywide school strategy?

**Based on recent Council input and policy/feasibility analysis, the new citywide school strategy would apply to Bonus FAR projects in the North Bayshore and East Whisman Precise Plan areas and rezoning (Gatekeeper) projects elsewhere in the City. The citywide school strategy would apply to this project as a Gatekeeper project. For future non-Gatekeeper projects in the San Antonio Precise Plan (SAPP) and El Camino Real Precise Plan (ECR PP), the Public Benefit Programs in each Plan provide a mechanism for new Bonus FAR development to implement the school strategy as part of their public benefit contributions.**

**While it is technically possible to add new school policy language to the SAPP as part of this project, staff advises Council to discuss and provide direction for expanded implementation in Precise Plans through the citywide school strategy process, which is scheduled to return to Council in Q1 2020. This will allow for broader Council discussion, separate from a project to which the strategy already applies. Separating these amendments from this project would also facilitate more comprehensive implementation of the SAPP, ECR PP and any other Precise Plan area where Council wishes to see the strategy implemented for Bonus FAR projects. It would also allow necessary resources to be budgeted into the Division workplan for feasibility analysis to support the right balance of school strategy and public benefit contributions, etc. in these Precise Plan areas.**

**ITEM 7.1 OVERSIZED VEHICLE PARKING ON CERTAIN STREETS ADJACENT TO CLASS II BIKEWAYS**

1. When the Council discussed this in October, staff indicated that implementation, and therefore enforcement, could happen before the end of the year. What has changed to push the date out to March 2020? What can be done to pull this back into 2019?

**Implementation includes adoption of the resolution (tonight's action), designing and determining locations for signs (currently underway), and fabricating and installing signs. With current workload and staffing, and the holidays, staff considered March 2020 a reasonable timeframe. Staff will try to have installation complete in February, but cannot guarantee it.**

## ITEM 8.1 FINAL 2017 AND PRELIMINARY 2018 COMMUNITY GREENHOUSE GAS INVENTORIES

1. On page 9 of the staff report it has the ratio of new housing permits. What is the ratio of? New housing permits to total housing? New housing permits to what? Same question for jobs ratio.

**The ratio is the number of housing permits issued in Mountain View to the number of housing permits issued in Santa Clara County. For jobs, it is the ratio of the number of jobs in Mountain View to the number of jobs in Santa Clara County. Since the modeled data on emissions from off-road equipment are only available at the County level, the ratio of City to County housing permits or jobs is used to scale County-level emissions to City-level emissions in this sector. This is the standard method used by cities in California to complete this section of the inventory.**

2. In figure 8, what does landfill gas combustion have to do with wastewater emissions?

**Some of the emissions from wastewater are due to the energy usage at the wastewater treatment plant. The facility that treats Mountain View's wastewater uses gas collected from a nearby landfill facility as an energy source for some of its equipment instead of utility-provided natural gas. While it is primarily composed of methane, landfill gas has a very different greenhouse gas emissions profile than utility-provided natural gas, so emissions from landfill gas must be calculated separately.**

3. The staff report says, "For mobile source emissions, such as transportation and off-road equipment, where measured data is not available, emissions are estimated at the County level using standardized GHG accounting methodologies and then adjusted to City scale." How accurate is this, particularly in terms of measuring the carbon footprint of increasing mega-commutes by low-income workers to and from the Central Valley?

**The location of jobs and housing is part of the modeling used to estimate vehicle miles travelled (VMT), so some of the effects of the jobs-housing imbalance (including mega-commutes) would be accounted for in the current estimation. However, it is difficult to know how accurate this methodology is, as there is currently no source of measured data to compare it to.**

4. At one point we talked about new car tracking measures that would become available that would be more accurate than County level estimates. Will we use those sometime soon?

**For past inventories, staff has used City-level estimates for VMT calculated as part of the transportation impact assessment in the Environmental Impact Review for the various Plan updates. These are obtained from a transportation model that estimates vehicle trips and VMT based on land use and demographic information. Staff is currently working with Google's Environmental Insights Explorer (EIE) team to see if their new tool can be used as a source for city-level VMT. However, the EIE team is still calibrating the estimates provided by this tool and only has one year of data available (2018). The EIE data has a significantly lower VMT number for 2018 (548,800,000 miles) compared to the estimate used in the preliminary inventory (1,106,087,796 miles). Without a second year of data to compare trends, and with such a large difference between the two sources of VMT, staff does not feel comfortable making the switch to this alternative source of data at this time. However, we will continue to work with the team as they develop this resource and consider it as part of future inventories.**

5. Somewhat related the staff report says, “gasoline-powered passenger vehicles and light-duty trucks continue to generate the vast majority of the City’s transportation-related emissions. These emissions will continue to decline if expected trends in VMT per capita, fuel efficiency, and EV adoption continue.” I read different stories on this, some saying as the staff report does, that use of gas-powered SOVs are down and others saying that they’re up due to increasing moves to exurbs and mega-commutes by lower-income service workers. Which of these stories does staff think is true? Could different inventory methods be coming up with different results?

**Regional trends may not be reflective of the specific conditions in Mountain View, where per capita VMT has not significantly increased in recent years. The total citywide VMT in Mountain View has increased as the service population has grown, which is reflected in the inventory. However, an increase in total citywide VMT does not necessarily result in an increase in transportation sector emissions.**

**There are two major factors affecting the emissions from passenger vehicles: the total VMT and the average fuel efficiency of vehicles. VMT per capita in Mountain View is predicted to decrease as the City addresses the jobs-housing imbalance. (This would not be the case in a similar city that has not planned to build more housing, however, which is why a regional trend does not always reflect local conditions.) The total citywide VMT will still increase as the service population grows, however. State regulations on vehicle fuel efficiency have resulted in significant efficiency improvements in gasoline-powered vehicles over the past decade, which decreases per-mile emissions from these vehicles. The large increase in purchases of EVs also contributes to reduced per-mile emissions, meaning that even as the total VMT increases, transportation sector emissions decrease. This trend is expected to continue, with Santa Clara County leading the state in the purchase of EVs.**

**Cities in California use a standardized methodology for calculating their transportation emissions, obtaining VMT estimates from either the Metropolitan Transportation Commission or a city-level transportation model. All California cities use the California Air Resources Board’s modeling tool to obtain per-mile emissions information for their county. It is unlikely that the variation in VMT trends between cities is due to the inventory estimation methodology and more likely, that it is due to differences in factors such as the jobs/housing ratio, the density of land uses, quality of transit service and pedestrian or bicycle infrastructure, and the regional rate of EV adoption.**

6. “Updated Census Bureau data for 2017, released in September 2019, resulted in slightly lower transportation emissions due to a reduction in estimated freight vehicle traffic.” Could this be due to more online purchases that use more air and fewer freight vehicles? Does staff know why this has happened?

**The Census Bureau data referred to quantifies the number of jobs in freight-heavy industries, which are correlated to the amount of freight vehicle traffic. Mountain View has a smaller share of the County’s jobs in these freight-heavy industries than in previous years, resulting in a decrease in the percentage of regional freight emissions attributed to Mountain View in this methodology. Staff does not have any further insight into any causes for this change.**

7. Clarification of Attachment 2:
- a. As for Off-Road Mobile, why have emissions from industrial and commercial equipment risen? Does staff know why emissions from construction equipment spike in 2017 and then go down in 2018?

**The emissions from industrial and commercial equipment have increased slightly over time as Mountain View has experienced increased commercial development. These emissions are estimated at the county level and then downscaled to Mountain View by using the City-to-County jobs ratio. The spike in construction equipment emissions in 2017 is due to a spike in new housing permits in that year in Mountain View (1390 permits in 2017 versus 351 permits in 2018).**

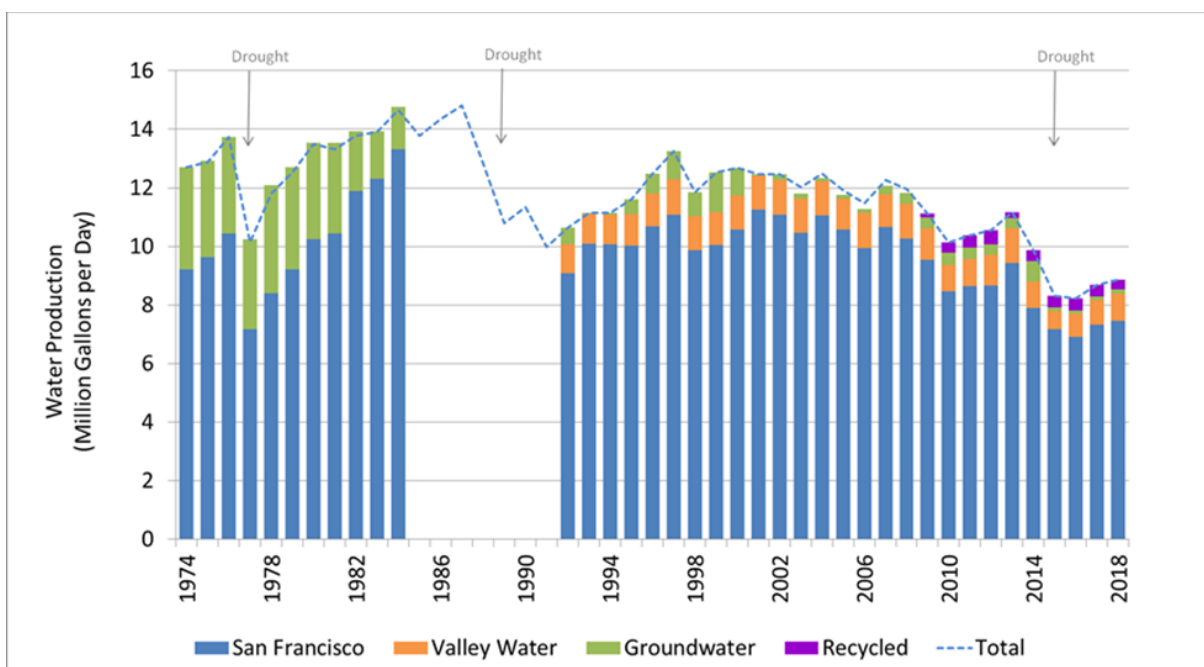
- b. Does staff know what percent of solid waste is construction debris &/or what percent is commercial vs. residential?

Staff does not know the percentage of landfilled waste that is commercial versus residential. Periodically, the City will conduct a waste characterization study (the most recent was in 2010) which will provide this information for waste collected and brought to the sorting station, but not for the waste that is eventually landfilled. Many of the materials collected as trash are recovered at the SMaRT station and diverted from the landfill, so staff uses the characterization of the residual material sent to landfill after sorting for purposes of calculating the GHG emissions. Characterization studies of the residual waste are conducted more frequently by various SMaRT station partner cities, with the most recent from Palo Alto in 2017. The residual characterization study only classifies residual waste by material type, not by commercial/residential, since it is impossible to distinguish these waste streams after sorting. In 2017, five percent of landfilled waste from the SMaRT station was construction and demolition debris. However, some construction and demolition waste is self-hauled directly to the landfill by independent companies and does not pass through the SMaRT station for sorting. So, while that tonnage is reported as part of the total landfilled waste for Mountain View, staff does not have data on the material types disposed.

- c. Does staff know why water demand has started to climb again?

Staff attributes the current increase in water use to “rebound” from the recent severe drought. Between 2013 and 2016 (the peak year of the drought), Mountain View’s water use declined by 30 percent. Staff expects this rebound to continue for another three to four years, as customers continue to rehabilitate their landscapes, many of which died during the recent drought. On a year-to-year basis, local temperature and rainfall can also dictate irrigation needs and influence Mountain View’s water use for that year.

For perspective, the chart below illustrates Mountain View’s long-term water use, which has decreased considerably since the mid-1980s. Three major periods of drought are visible on the chart, reaching the lowest level of water production in 1977, 1992 and 2016. During these years, Mountain View customers responded to the request for conservation with dramatic decreases in water use. Several years of rebound are evident following each of these droughts.



- d. Does staff know why carbon emissions from wastewater treatment went up over the past year? Does staff know how our recent decision to increase recycled water treatment will affect carbon emissions?

**Carbon emissions from wastewater treatment went up due to an increase in the volume of wastewater, which was correlated to increased potable water use.**

**The impact of increased recycled water use on GHG emissions will depend on several factors. The planned improvements in water treatment are very energy-intensive and will increase energy use at the facility. But, electricity used by the wastewater treatment plant is carbon-free, so this will not affect emissions unless the improvements also increase natural gas use. If an increase in the use of recycled water results in less treated wastewater being released into the Bay, this could also decrease emissions.**

- e. What is Alternative Daily Cover and why has it gone down so much?

**Alternative daily cover (ADC) is any material other than dirt that is spread over the active part of a landfill at the end of each operating day to control blowing litter, smells, pests and scavenging. In the past, organic material such as landscaping waste comprised a large share of ADC, but California has implemented regulations to phase organic material out of ADC and transition to inert materials, resulting in decreased emissions from this source.**

- f. As for off-road mobile, why are so many of the figures not available? Does staff know why off-road mobile construction emissions have gone down so much even as the amount of construction has risen over the past five years or so?

**Reported emissions are from the California Air Resources Board (CARB), which includes a variety of measured and modeled factors to estimate emissions from off-road equipment. Prior to the 2017 inventory, the City was using CARB's latest tool, which had not been updated since 2007. This tool has since been replaced by a newer version, which was used for the 2017 and 2018 GHG inventories. This change in estimation tool resulted in different categories of off-road equipment beginning in 2017. CARB no longer quantifies emissions from some sources, including lawn and garden equipment, so staff has switched to the off-road categories included in the new tool as advised by ICLEI staff. It is difficult for staff to have insight into any specific factors affecting emissions calculated by this tool, but many of the changes in pre-2017 and post-2017 emissions are likely due to the change in CARB's methodology.**

## **ITEM 8.2 COMMUNITY GREENHOUSE GAS ACCOUNTING, REDUCTION TARGETS, AND CARBON NEUTRALITY**

1. The report says, "Staff believes the most effective way to address consumption-based emissions is to use the results of the 2015 regional CBEI for Mountain View to identify key emissions sources and develop community engagement programs to address them." In addition to this would there be any way to lobby for more county/city coordination like that in Oregon for use in the future?

**Based on discussions with staff in other cities that have worked on CBEIs, the issue is not a lack of coordination between cities and counties, but a difference in governance structure in Oregon that makes the data more useful at the city level. Most economic input/output data is only available at the county level and above, which means that a city-level CBEI must use different methodologies to estimate consumption of goods and services.**



2. Does staff know if any of the 8 cities identified in Table 7 as having adopted Carbon Neutrality targets already have carbon neutrality plans that are either started or completed? Could we use those plans as models to speed up development of a plan of our own?

**Staff can investigate where these cities are in the development of their carbon neutrality plans. While the basic components of carbon neutrality plans are the same (emissions reduction, carbon sequestration, and sometimes carbon offsets), each city's carbon neutrality plan is very specific to local conditions and depends on what types of emissions reductions and sequestration opportunities are available locally. Calculating the specific local emissions reduction potential, identifying carbon sequestration projects, and quantifying the carbon sequestration potential specific to Mountain View is what takes time. A carbon neutrality plan was not included in SAP-4, but many planning actions that are necessary first steps to inform a carbon neutrality plan were approved as part of SAP-4.**

**Cities that have adopted carbon neutrality targets did so in addition to GHG reduction goals and so are prioritizing GHG reduction measures in the near term. Consideration of sequestration or offset projects is deemed a last resort for emissions that cannot be reduced and is generally only included in these plans for implementation closer to the carbon neutrality target date.**

3. Does staff have links to more detailed descriptions of what the carbon offsets used in the 5 programs listed in Table 5 are?

**Many of the organizations listed in Table 5 have multiple offset projects available for investment. Detailed descriptions are available on their websites:**

- **COTAP: <https://cotap.org/>**
- **Carbon Fund: <https://carbonfund.org/projects/>**
- **Terrapass: <https://www.terrapass.com/projects/project-list>**
- **Native Energy: <https://nativeenergy.com/our-approach/carbon-offsets/>**

4. Palo Alto participates in three offset programs (1) reforestation in the US (2) a dairy farm gas recycling & sustainable energy project and (3) forest management in Mexico. They have been doing offsets since at least 2017. [SEE HERE](#). Can we use their offset program information or that of another city that has already started on a program like this to start our own programming up more quickly?

**According to staff at the City of Palo Alto, all of the carbon offsets from these three projects are purchased through a third-party broker. Palo Alto is not involved in the administration of any of the carbon offset projects. If the City Council directs staff to purchase offsets, Mountain View could purchase them through a public bidding process (RFQ or similar) in the same way as Palo Alto, which would allow the city to choose the specific projects to invest in. Staff could request any public bidding documents (RFQ, contracts, etc.) from Palo Alto to serve as a template for creating our own.**

5. Could we adopt a date earlier than 2025 to complete a carbon neutrality plan and start implementing it and if so what date might be reasonable?

**Staff believes 2025 is the earliest reasonable date to set for completion of a carbon neutrality plan, given expected staffing levels and other program needs. These plans are very staff-time intensive, generally take several years to complete, and would need an updated climate action plan (included as an action in SAP-4) as a basis. The 2025 date allows for development of a carbon neutrality plan to begin as soon as SAP-4 is complete. A carbon neutrality plan was not included in SAP-4, so moving this item sooner would require additional staff and/or delaying actions approved as part of SAP-4.**

**It is important to note that all existing carbon neutrality plans (1) prioritize direct emissions reduction first to meet adopted GHG reduction targets, (2) reduce the amount that must be sequestered or offset to**

a manageable level, and (3) prevent baseline emissions levels from increasing. All GHG reduction measures underway at the City, including those approved as part of SAP-4, would be part of the carbon neutrality plan. Therefore, implementation is essentially already underway due to significant investment in GHG reduction efforts. It is unlikely that development of a carbon neutrality plan would result in implementing different actions in the near term.

6. Are there any grants available to jump start cities on this? Can I ask and report back?

Staff continually monitors grants and other available funding opportunities related to sustainability programs. These are generally available for a limited time and for specific types of projects, but staff will research availability of grant funds for any approved projects when they are ready for implementation. The State has had several grant programs available in the past that fund certain types of carbon sequestration projects, such as tree planting or wetland restoration, that could be used in Mountain View. Last month, the City Council authorized the City to apply for a grant from Valley Water to fund habitat restoration along the Mountain View tidal marsh.

Staff is unaware of grants available for purchase of carbon offsets and State Cap-and-Trade funds (which are the funding source for most state-funded grants in this area) are restricted to direct GHG reduction measures and cannot be used for purchase of offsets.