



DATE: October 22, 2019

CATEGORY: New Business

DEPT.: City Manager's Office

TITLE: **Sustainability Action Plan 4**

RECOMMENDATION

1. Adopt the Sustainability Action Plan 4 (SAP-4) for Fiscal Years 2019-20 through 2021-22 (Attachment 1 to the Council report).
2. Approve a three-year spending plan for the \$7.5 million Sustainability Fund appropriated by Council in April 2019 (Attachment 2 to the Council report).

BACKGROUND

The City Council adopted an original Environmental Sustainability Action Plan (ESAP) in March 2009 for Fiscal Years 2008-09 through 2010-11, to serve as a plan for achieving the City's short- and long-term sustainability goals. Subsequently, the Council adopted Environmental Sustainability Action Plan 2 (ESAP-2) in April 2012 for Fiscal Years 2011-12 through 2013-14. In 2015, the Council adopted a communitywide Climate Protection Road Map and Municipal Operations Climate Action Plan as road maps for achieving the City's greenhouse gas (GHG) reduction targets through 2050. In September 2016, the Council adopted Environmental Sustainability Action Plan 3 (ESAP-3) for Fiscal Years 2016-17 through 2018-19.

Between September 2017 and June 2018, the City convened the Environmental Sustainability Task Force 2 (ESTF-2), an advisory body of appointed community members who lived or worked in Mountain View. The core purpose of ESTF-2 was to evaluate whether current City sustainability plans and goals should be modified based on new technologies and processes for addressing climate change. ESTF-2 produced a Final Report that recommended 36 actions to reduce community GHG emissions through 2030, which was presented to Council in June 2018. Staff performed an analysis of these recommendations to verify assumptions on cost and GHG emissions reductions and presented these results to Council in December 2018.

In response to the ESTF-2 recommendations, the City hired a consulting firm (Cadmus) in fall 2018 to conduct a Sustainability Program Assessment (including staffing, governance, and a benchmark against other cities) and develop a Sustainability Strategic Plan. On April 30, 2019, staff presented the Sustainability Strategic Plan to the City Council during a Study Session, offering three levels of response to climate change (Foundational, Advanced, and Innovative), with corresponding actions to be taken and additional program budget and staffing needed at each level. The Strategic Plan called for the following estimated three-year funding levels: Foundational (\$3.8 million), Advanced (\$11.8 million¹), and Innovative (\$13.6 million²). At the Study Session, the Council directed the following:

Overall Direction

- Strive to achieve an Advanced or higher level of response.
- Identify and prioritize strategies to achieve the largest reduction in GHG emissions per funds spent.
- Return to the Council with specific initiatives to be undertaken as part of Sustainability Action Plan 4 (SAP-4).

Funding

- Create a three-year fund for sustainability projects of \$7.5 million from the unallocated General Fund balance and a redirection of Fiscal Year 2018-19 and Fiscal Year 2019-20 Strategic Property Acquisition Reserve (SPAR) contributions.
- Identify other sources of ongoing funding, such as revenue from the new business license tax, short-term rentals, cannabis sales, the Development Services Fund, the Shoreline Community District, and Enterprise Funds.
- Explore the creation of new impact fees, as well as a revenue measure to increase the Transient Occupancy Tax (TOT), as other potential funding sources.

In accordance with the direction from the April 2019 Study Session, Council approved the creation of a Capital Improvement Program (CIP) (20-99) for Sustainability Projects

¹ Includes a very modest \$2.5 million in various capital and program costs; additional, unquantified but substantial costs are anticipated.

² The Innovative level of funding was much more difficult to estimate, and there would be considerable additional unquantified transportation project/service costs.

(the “Sustainability Fund”) on June 11, 2019, with an allocation of \$7.5 million from the General Non-Operating Fund (\$6.5 million Fiscal Year 2018-19 carryover and \$1.0 million Fiscal Year 2019-20 GOF).

The Council Sustainability Committee (CSC) met on September 16, 2019 to provide feedback on a Draft SAP-4 for Fiscal Years 2019-20 through 2021-22. CSC comments are included toward the end of this report.

Broader Sustainability Scope

As identified in the Sustainability Strategic Plan, leading cities have incorporated social equity as a formal component of their sustainability programs. While this term can have different meanings in different contexts, it generally prioritizes the need to sustain people, not just the planet, and it acknowledges that sustainability impacts and solutions may vary across different socioeconomic groups. With an intention to formally incorporate a social equity lens, and in support of its long history of focus on its diverse community members, the City changed the name of the “Environmental Sustainability” Program to the “Sustainability” Program in July 2019.

ANALYSIS

Staff has prepared a Draft SAP-4 plan for Fiscal Years 2019-20 through 2021-22 to serve as the City’s continued road map for strategic investment in sustainability. Among its proposed 81 new actions and 79 already-approved actions, SAP-4 contains both smaller projects that provide GHG reductions in the near term, and larger, longer-term infrastructure projects that may not have immediate impact but will yield significant GHG reductions over time. A combination of both of these strategies is needed to achieve the GHG emissions reduction targets adopted by Council.

SAP-4 Goals

While achieving the City’s short- and long-term GHG reduction targets remains the overall focus of the City’s sustainability program, the proposed SAP-4 actions encompass the broader spectrum of sustainability. As outlined in Attachment 3, SAP-4 actions are organized around high-level goals in each sector, to highlight the synergies between different actions across City departments and to recognize the broad array of interdependent policies and programs needed to achieve the City’s sustainability goals. Focusing on goals rather than stand-alone initiatives responds to a core theme in the ESTF-2 Final Report. These goals will enable the City to operate more systematically and increase the chance of reaching our emissions reduction targets over time.

The following list outlines the 27 goals around which the SAP-4 actions are organized. These goals were developed by staff and reviewed by the newly formed, cross-departmental Sustainability Governance Committee, and build on our existing efforts.

Transportation

The vast majority of transportation-related GHG emissions in Mountain View are due to single-occupancy vehicle travel. Therefore, the City's GHG reduction strategy in this area focuses on: (1) reducing the total vehicle miles traveled by encouraging a shift to walking, biking, transit, carpooling, and other alternatives to driving alone; and (2) encouraging drivers to switch to electric vehicles.

T1. Develop comprehensive, multi-modal transportation plans and strategies to decarbonize the sector. Multi-modal transportation planning that assesses GHG impacts of new infrastructure, systems, and programs is a key foundation for programs and policies to reduce GHG emissions from the transportation sector. (1 new action; 4 existing actions)

T2. Complete a low-stress network of active transportation infrastructure. A Citywide network of safe, convenient, and accessible active transportation with regional connections is necessary to support walking and bicycling, which have the lowest GHG impacts of any transportation mode and promote physical health and well-being. (3 new actions; 14 existing actions)

T3. Develop policies and programs that support active transportation in Mountain View. In addition to infrastructure, City programs can support and incentivize active transportation to catalyze mode shift away from vehicles. (5 new actions; 2 existing actions)

T4. Improve transit access and connections through regional collaboration. Collaboration with transit providers on infrastructure and service is critical to make transit more convenient for residents and employees, improve connections and local service, increase capacity, and reduce emissions from buses and trains. (7 existing actions)

T5. Improve road safety for all users. Properly designed, safety-focused initiatives are a critical component of supporting active transportation since they ensure that people of all abilities feel comfortable using pedestrian and bicycle infrastructure in the City. (1 new action; 2 existing actions)

T6. Expand Transportation Demand Management efforts in Mountain View. Expanding TDM efforts to new areas of the City, and developing new programs to support existing businesses and residents will help reduce single-occupancy vehicle trips Citywide. (3 new actions; 4 existing actions)

T7. Accelerate the electrification of vehicles. While reduction of vehicle miles traveled is the primary focus of transportation-sector efforts, supporting the electrification of the on-road vehicle fleet through infrastructure and vehicle adoption is a key component of decarbonizing the transportation sector. (9 new actions; 2 existing actions)

T8. Reduce GHG emissions from City-owned fleet vehicles and equipment. Addressing this major contributor to the City's municipal operations GHG inventory will require improving fuel efficiency, electrifying fleet and equipment, and exploring other alternatives to fossil fuels. (4 new actions; 1 existing action)

T9. Reduce GHG emissions associated with City employee commutes. This sector is the second largest contributor to GHG emissions from City operations. (2 new actions; 1 existing action)

Buildings and Energy

With the launch of Silicon Valley Clean Energy, which provides carbon-free electricity to its customers in Mountain View, the majority of communitywide emissions from the energy sector come from natural gas usage. Reducing natural gas use in both new and existing buildings is critical to achieving further GHG reductions in the Buildings and Energy sector. In addition, integrating decarbonization measures into the design and operation of City facilities helps the City be a more effective leader in identifying the opportunities and challenges to reducing building emissions and motivating the broader community to make these changes.

B1. Reduce GHG emissions from energy use in new buildings. Mountain View has planned for a significant amount of new development, and reducing the use of natural gas in new buildings reduces the need for future electrification retrofits to meet GHG reduction targets. (3 new actions)

B2. Reduce GHG emissions from energy use in existing buildings. Despite the significant amount of new construction expected in Mountain View, the current building stock will continue to be responsible for the vast majority of energy-related GHG emissions, and it is critical to address this emissions source. (5 new actions; 1 existing action)

B3. Decarbonize the energy supply. As new and existing buildings are electrified, it will be important to continue to develop a resilient, carbon-free energy supply for the community. (3 new actions; 1 existing action)

B4. Decarbonize and improve the efficiency of City facilities. While City buildings are responsible for a relatively small portion of emissions from municipal operations, implementing energy efficiency upgrades and engaging in efforts to eliminate the use of fossil fuels in City facilities offers cost savings benefits, enables the City to lead by example, and fosters a new mindset among employees that can enable staff to develop more effective community-focused programs. (8 new actions; 3 existing actions)

Land Use

L1. Develop land use strategies and policies that support VMT reduction. Planning for complete neighborhoods, addressing the jobs-housing imbalance, and creating and maintaining opportunities for residents of a broad socioeconomic range to live closer to where they work reduces GHG emissions from transportation and improves quality of life. (6 existing actions)

L2. Incorporate broad sustainability measures into land use planning. In addition to GHG reduction, land use planning should support broad sustainability efforts such as green building, access to open space, green infrastructure and stormwater management, water conservation, and protection of wildlife habitat. (3 existing actions)

Zero Waste

Z1. Achieve the City's Zero Waste goals. Reducing the amount of waste sent to landfill, especially organic material, reduces GHG emissions from the waste sector. (15 existing actions)

Water

W1. Reduce potable water use through efficiency and conservation measures. Ensuring that potable water is used as efficiently as possible helps create a community that is more resilient to drought and other climate change impacts. (1 new action; 1 existing action)

W2. Increase the use of alternative water sources for nonpotable uses. Maximizing the use of alternative water sources (e.g., stormwater, rainwater, and recycled water) improves drought resilience by developing alternative supplies and reducing potable water use. (3 existing actions)

Parks and Ecosystems

P1. Manage open space to protect wildlife habitat, provide ecosystem services, and support sustainability goals. Open space and parks provide a broad array of sustainability and health benefits to the environment and community. (2 existing actions)

P2. Increase the City's tree canopy to provide environmental benefits, including carbon sequestration. The City's tree canopy goals support the broad sustainability and social benefits provided by trees, which include GHG emissions reduction and carbon sequestration. (3 new actions)

P3. Reduce emissions from landscaping equipment. While landscaping equipment represents a very small portion of community GHG emissions, electrifying this equipment wherever possible also reduces air pollution and noise. (2 new actions)

Core Sustainability Programs and Governance

S1. Integrate sustainability across City government. Improvements to interdepartmental sustainability governance, metrics, and reporting across all City departments will elevate the importance of sustainability and create a more integrated approach to developing new sustainability programs and achieving the City's sustainability goals. (7 new actions, 1 existing action)

S2. Improve GHG management and accounting. Achieving the City's GHG reduction targets requires efforts to improve the climate action and GHG inventory reporting processes, and to evaluate the City's GHG targets. (12 new actions)

S3. Provide accessible, engaging information about City sustainability initiatives and provide opportunities for community input. Engaging residents from across Mountain View's neighborhoods and different demographic and socioeconomic groups is critical to development of equitable sustainability goals that can realistically be achieved through community action. (2 new actions; 1 existing action)

S4. Facilitate programs, tools, and events to educate residents about actions they can take to reduce their impact. Outreach to engage residents in making more sustainable choices is necessary to achieving the City's GHG reduction targets and addressing consumption-based emissions, some of which are not accounted for in the City's official GHG inventory but represent a significant contribution to climate change. (4 new actions; 3 existing actions)

S5. Engage businesses to educate, share best practices, and pilot new sustainability initiatives. Businesses are key partners in achieving the City's GHG reduction and sustainability goals since employee commutes and commercial energy use are responsible for the majority of communitywide GHG emissions in both the transportation and energy sectors. (2 new actions; 1 existing action)

S6. Create and implement outreach programs to encourage City employees to adopt sustainable practices. Engaging with City employees is important to reducing emissions associated with City facilities and commuting, and to encourage employees to make more sustainable choices outside of work. By modeling this behavior, City staff can influence community members in Mountain View and beyond. (1 new action; 1 existing action)

How the Actions for SAP-4 Were Developed

Staff developed SAP-4 based on the recommendations in the Environmental Sustainability Task Force 2 Final Report and Sustainability Strategic Plan, both of which used intensive stakeholder processes involving outreach to the Mountain View community and City staff. Staff discussed both sets of recommendations, along with direction from the City Council, and refined the list of proposed new actions through a series of interdepartmental meetings. These proposed new actions are outlined in Attachment 1 and include all items not previously approved by Council or otherwise incorporated into a department work plan. These actions are intended to be started within the three-year time frame of SAP-4 and, in some cases, completed as well.

In addition, where possible, staff collected relevant actions from existing department work plans that supported GHG reduction and sustainability goals. Attachment 3 has the full list of newly proposed and currently planned actions, and indicates the relevant Strategic Plan and ESTF-2 recommendations for each action, if applicable. (A full update on the status of existing and planned actions related to each component of the ESTF-2 recommendations, including both City initiatives and those led by other organizations, can be found in Attachment 4.) The intent of presenting the new and

existing actions is to highlight the full range of the City's sustainability efforts and show how the proposed new initiatives fit into a broader set of actions.

While SAP-4 is an attempt to capture relevant strategies, policies, programs, and projects from each City department, it is not an exhaustive list of all relevant sustainability actions under way. Rather, it is intended to broaden the scope of Sustainability Action Plans and increase interdepartmental collaboration in response to many of the recommendations in the Sustainability Strategic Plan. Staff expects the tracking of relevant sustainability efforts across all departments to improve as many of the strategies related to governance and interdepartmental collaboration and reporting are implemented over the next three years.

As part of its analysis of newly proposed actions, staff considered an estimate of each action's GHG reduction potential and resulting cost-effectiveness, the overall benefit realized, and the synergies among different actions, current staff resources and workloads, the implementation timeline, the level of effort required, whether additional staff is needed, the cost, and the availability of funding to implement the action (including the new Sustainability Fund).

Staff identified the following seven different overall benefits to be used as criteria for including actions in SAP-4 (also shown at the end of Attachment 1):

1. Action results in direct GHG emissions reduction.
2. Action enables measures that create long-term GHG reduction.
3. Action results in improved internal sustainability/GHG management.
4. Action improves outreach and community engagement efforts.
5. Action yields cost savings to the City.
6. Action reduces consumption-based emissions.
7. Action supports other sustainability goals.

The above benefits resulted in the inclusion of actions that directly or indirectly reduce emissions, produce cost savings for the City, and improve the effectiveness of the City's sustainability efforts through cross-departmental coordination and governance. Staff is confident the full set of actions being proposed represents best practices among cities, customized for Mountain View. Further, many of the actions have co-benefits beyond

emissions reductions, such as increased air quality, safer streets, improved public health, and cost savings.

Staff has provided a Spending Plan (Attachment 2) that provides a detailed breakdown of staffing and program costs during the three fiscal years of SAP-4. In some cases, proposed new actions have been grouped as a “package” to specify which actions are collectively dependent on the indicated additional staffing and to show the synergies that would be lost if the actions were implemented separately.

Many of the proposed items are contingent on additional staffing for implementation, as outlined in the later section titled “Proposed New Staffing to Support SAP-4.” In some cases, proposed positions fill critical staffing needs to support existing programs that are not feasible with current workloads. The Spending Plan specifies if programs/actions are already in the Adopted Budget or will be funded through other sources, and identifies whether costs are Limited-Period or ongoing (beyond the three-year time frame of the Sustainability Fund).

Greenhouse Gas Emissions

In November 2009, the City adopted short- and long-term GHG reduction targets, expressed as a percentage below the City’s baseline 2005 emissions levels, as shown in Table 1.

Table 1: Mountain View Community-wide GHG Reduction Targets

Year	GHG Reduction Target
2012	5 percent
2015	10 percent
2020	15 percent to 20 percent
2025	26 percent
2030	37 percent
2035	48 percent
2040	58 percent
2045	69 percent
2050	80 percent

The preliminary 2017 Community GHG inventory, presented to Council in March 2019, showed that GHG emissions in Mountain View have for the first time begun to decrease, though the preliminary total of 716,535 metric tons of carbon dioxide equivalent (MT CO₂e) was still 2.9 percent above the 2005 baseline and nearly 100,000 MT CO₂e above the level needed to stay on track to reach the City’s adopted reduction

targets. Staff has begun to calculate the final 2017 Community GHG inventory and believes the final total will be closer to 660,000 MT CO₂e. This level of emissions is still about 7 percent above the interpolated 2017 target. (The 2017 target is interpolated because our official target years are 2015 and 2020.) Staff will present the final 2017 and preliminary 2018 inventories to Council in December.

The “Proposed New Actions” document (Attachment 1) outlines the annual GHG reductions and cost-effectiveness of each proposed action, where possible. These actions are separated into Community and Municipal and organized roughly by GHG emissions sector in the Community and Municipal inventories. Staff included an annual amount of GHGs reduced (in metric tons of carbon dioxide equivalent (MT CO₂e)) where the scope of an action has been reasonably defined and its emissions reductions can be calculated. These estimations were calculated by staff based on examples of similar types of programs, making basic assumptions for scaling the proposed program to Mountain View. GHG reductions were not calculated for actions: (1) already approved by Council (included in Attachment 3), although many of these actions are expected to result in significant GHG reduction; (2) that have not yet been fully scoped; or (3) where it is impossible to accurately estimate the level of emissions reductions. Of the 81 new actions in SAP-4, 43 are expected to result directly in GHG reductions. (As mentioned above, some actions are necessary in order to enable future measures with significant GHG reduction benefits and achieve other important sustainability benefits.) We were able to estimate reductions for 40 percent of those 43 actions, and the total amount of annual GHG reductions would be 27,562 MT CO₂e.

Per Council direction in April 2019 to identify and prioritize specific strategies to achieve the largest GHG reductions for the investment, staff has estimated the cost-effectiveness of GHG-reducing actions in terms of cost per MT CO₂e reduced. The exact cost-effectiveness of each measure will depend on the final program details. The cost-effectiveness calculation in Attachment 1 represents the cost per total emissions reduction *expected through 2030*, to allow for more accurate comparison among actions, since some actions result in a one-time GHG reduction while others yield ongoing annual emissions reductions.

When designing the details of the proposed programs, there is often a tradeoff between cost-effectiveness and total GHG reductions. For example, increasing the amount of a City rebate may increase the participation in the program and, therefore, the total GHG reductions achieved, but it will lower the cost-effectiveness of the measure. While some initiatives may appear to be highly cost-effective due to their relatively low cost, their potential to reduce GHG emissions in a significant way is limited. As staff is designing the specific scope of the initiatives, we will seek to optimize the balance between cost effectiveness and total GHG reductions.

Emissions Reduction Strategy Primary Areas of Focus

To date, the majority of the City's success in reducing GHG emissions has been by supporting the creation of Silicon Valley Clean Energy (SVCE), which provides carbon-free electricity to the vast majority of residential and business customers in Mountain View. The proposed actions in SAP-4 support continued energy sector "decarbonization" through reducing natural gas use.

Given that the largest portion of communitywide emissions is from transportation, it is important for the City to focus its efforts on encouraging active transportation, public transit use, and alternative-fuel vehicles. As such, the majority of actions in SAP-4 are transportation-related and, therefore, staff proposes using the majority of the total funding leveraged from the Sustainability Fund and other sources to support transportation-related programs and staff.

Staff has proposed some actions that are not expected to result in direct GHG reductions because these actions are critical to supporting or enabling future programs and strategies that will yield significant GHG emissions reductions. In a few cases, staff is proposing actions that may not yield large GHG reductions, or ones that reduce emissions not currently accounted for in our City inventories (such as consumption-based emissions), because these actions support broader sustainability goals. The "Benefits Realized" column in Attachment 1 indicates the criteria satisfied by each action.

Key Actions

Many of the actions included in SAP-4 focus on the two largest contributors to the City's communitywide GHG emissions: transportation and natural gas use. Reducing vehicle miles traveled, electrifying vehicles, and reducing natural gas use in new and existing buildings are critical to achieving Mountain View's near- and long-term GHG reduction targets. The following list highlights nine of the key, new actions being proposed. The full list of 81 new actions is in Attachment 1.

Transportation

- Accelerate implementation of active transportation infrastructure projects for the next three years with the new, Limited-Period Active Transportation CIP team. (T2.17)

- Develop and implement a Citywide Bicycle Monitoring Program and Pilot Bicycle Facilities Project to enhance bicycle infrastructure, systems, and programs in the near term, including deployment of monitoring systems Citywide, pilot bike lanes on key corridors, and supporting infrastructure such as bike racks. (T2.16)
- Install additional EV chargers in downtown parking garages and evaluate opportunities to add EV chargers to other City facilities. (T7.3 and T7.5)
- Explore the feasibility of a downtown Transportation Demand Management pilot program to support small businesses and employees of the Downtown Parking District, which represents the part of the City best served by transit, in coordination with the TMA. This would allow the TMA to pilot new initiatives that may better serve smaller businesses and potentially help expand TDM programs and TMA membership beyond the large employers that are already members. (T6.5)

Buildings and Energy

- Develop a reach code to incentivize or require electrification measures in newly constructed buildings through a regional process that includes robust outreach to the community and staff training. (B1.1)
- Explore development of a second Energy Upgrade Mountain View-type of program, leveraging all available third-party and City-funded rebates to promote energy efficiency and fuel switching of appliances and vehicles. Develop a City-funded pilot program for fuel-switching rebates to address gaps in existing rebate/incentive programs. (B2.4 and B2.5)
- Develop a building energy benchmarking ordinance to address commercial energy use, possibly including mandatory audit or retro-commissioning measures. (B2.6)

Proposed New Staffing to Support SAP-4

There are a total of 10 new positions proposed to support key actions in the SAP-4. Six of the positions are three-year Limited-Period, and four are ongoing. These staff positions were detailed in the Sustainability Strategic Plan, which identified a total of 15.75 FTE in new staff capacity required to support actions at the “Advanced” level. The Fiscal Year 2019-20 budget funded 3.75 FTE of the identified positions, 7 FTE are proposed as part of SAP-4, and an additional 5 FTE are proposed as part of other budget processes (three in the CIP and two in the Zero Waste Plan). The positions included in SAP-4 are described below, along with the key programs they support.

- **TDM and Parking Demand Management Analyst** (1 FTE ongoing, CDD) – This position provides policy evaluation and analysis support for Transportation Demand Management and Parking Management programs. The role also supports TDM compliance analysis and enforcement since additional staff will be needed to support the planned expansion of TDM requirements Citywide.
- **Active Transportation CIP Team** (3 FTE Limited-Period – three years, PWD) – This team of three limited-period staff will focus on active transportation projects, enabling the City to accelerate design and implementation of key infrastructure projects toward achieving long-term GHG emissions reductions in the transportation sector. Staff recommends that this team be funded as part of the capital improvement projects on which they would be working. Staff also recommends that the City Council take action on funding this team and the associated projects (including Transportation Items T2.16 and T2.17) as part of the next (2020-21) Capital Improvement Program so that the projects can be scoped, planned for, and approved in the context of all projects competing for funding.
- **Transportation Planner** (1 FTE ongoing, PWD) – This position addresses a gap in current staff capacity to support already-approved programs, particularly those related to overseeing projects that require regional coordination with transit agencies. The role would create capacity to manage transit-related projects, including supporting Caltrain electrification, expansion/modification of the Community Shuttle, and oversee “new mobility” services.
- **Program Manager for Building and Vehicle Electrification** (1 FTE Limited-Period – two years, CMO) – This position creates the capacity to develop key building and vehicle electrification programs. The programs supported are limited-period but are expected to yield high annual ongoing GHG emissions reductions. These programs require staff support beyond the existing capacity of the Sustainability Division, along with specialized expertise in key areas.
- **Deputy Building Official** (1 FTE ongoing, CDD) – This position was identified in the Sustainability Strategic Plan as addressing a gap in current staffing capacity to achieve the foundational level of green building programs. Due to the volume of the current workload in the Building Inspection Division, staff has needed to prioritize the critical life safety issues that is the Division’s core responsibility, leaving little time to focus on green building and other relevant sustainability issues. The addition of a Deputy Building Official would provide the Division with the bandwidth to be forward-looking in addressing sustainability and climate goals in the building sector, including evaluating new building code

considerations such as reach codes, developing policies and programs to streamline the provision of services to support green building, and providing input into State-level conversations on green building standards. This expansion of staff capacity could also help the City accelerate the adoption of advanced technologies that reduce GHG emissions in new development such as EVs, solar hot water systems, heat pumps, energy storage, cool roofs, green roofs, and many more. Due to the specialized expertise required to develop and implement these programs, these duties cannot sufficiently be filled by staff in other departments.

- **Sustainability Facilities Project Manager and Sustainability Facilities Maintenance Worker I/II** (2 FTE Limited-Period—two years, PWD)—These two positions address a gap in current capacity to support basic energy efficiency projects, such as City facility lighting upgrades, due to prioritization of urgent maintenance needs. The roles would implement a backlog of key energy efficiency and electrification upgrades, as well as implementation of renewable energy projects, yielding annual savings for the City from reduced utility costs.
- **Chief Sustainability and Resilience Officer** (1 FTE ongoing, CMO)—This position would oversee the City's sustainability program, providing oversight and strategic direction as well as critical upper-level management capacity to support new interdepartmental and regional collaboration. The CSRO would provide expertise on sustainability, resilience, and equity, and oversee the integration of sustainability into City policies and programs across the organization. Additionally, the CSRO would: (1) support the new Sustainability Governance Committee; (2) oversee developing interdepartmental sustainability metrics and reporting, future action plans, and a Citywide climate adaptation and resilience plan; and (3) lead collaboration on sustainability initiatives with peer cities and other sustainability networks. This position provides needed capacity to support existing and planned sustainability program management that cannot be accomplished with the current core staffing of one Coordinator and two Analysts. The Sustainability Strategic Plan estimated that 10 percent to 20 percent of an FTE is needed to support the Governance Committee and lead a proposed new manager-level working group. In addition, significant capacity impacts are expected to implement proposed new programs and outreach. Without this position, Sustainability Division staff would need to defer development and implementation of a significant number of other SAP-4 programs to support these new interdepartmental coordination responsibilities. It is anticipated that a CSRO would work in partnership with the Assistant City Manager/Chief Operating Officer, who serves as the department head for Sustainability, thus freeing up capacity for the full range of responsibilities for that position.

Council Environmental Sustainability Committee Comments

The Council Committee reviewed a Draft SAP-4 plan at its September 16, 2019 meeting. The staff memo recommended that the Committee recommend to the Mayor to change the committee name from “Council Environmental Sustainability Committee” to “Council Sustainability Committee” (or CSC). This proposed change reflected the City’s renaming of the “Environmental Sustainability” Program to the “Sustainability” Program in July 2019, consistent with the inclusion of social equity as discussed in the Sustainability Program Assessment and Strategic Plan presented to Council in April 2019. The Committee was supportive of recommending renaming the Committee, and subsequently the Mayor approved this change.

The CSC provided comments on the Draft SAP-4. Staff evaluated the Committee’s feedback and has provided responses as summarized in Table 2.

Table 2: CSC Comments and Staff Responses to Draft SAP-4

CSC Comment	Staff Response
A. Build flexibility into the plan to adjust as things change, including Federal or State policy or programs. Include a plan to revisit SAP-4 to course-correct as necessary.	Staff agrees with the need for adaptability in SAP-4 and will develop a plan for ongoing reporting to the CSC and Council, including proposed changes based on annual GHG inventories and program evaluations. Staff also requests flexibility to make changes in the implementation timelines and budget allocation for proposed projects as needed within the total \$7.5 million Sustainability Fund.
B. Include an evaluation of carbon offsets, including the potential to offset the City’s entire inventory.	Evaluation of carbon offsets is proposed in SAP-4 Actions S2.1 and S2.7. Consistent with existing Council direction, staff plans to present an analysis of all ESTF-2 recommendations about the City’s GHG targets and inventories, including purchase of carbon offsets, to Council on December 3, 2019. Staff will include an evaluation of offsetting the City’s full inventory in this analysis.

CSC Comment	Staff Response
C. Investigate potential carbon sequestration projects, including tree canopy goals.	The SAP-4 Proposed New Actions document (Attachment 1) includes a section on Carbon Sequestration/Offsets with actions related to investigating potential local carbon sequestration projects (S2.10) and quantifying the carbon sequestration benefits of the City's tree canopy (P2.1 and P2.2).
D. Include pedestrians more in promoting active transportation, rather than focusing on bicycle infrastructure, and support this through both infrastructure and land use/planning.	More than half of the active transportation infrastructure projects listed under Goal T2 in Attachment 4 are pedestrian-focused or include pedestrian infrastructure, including signalization changes and crosswalk improvements. Programs such as Vision Zero (T5.1) and Safe Routes to School (T5.2) are focused on both pedestrian and cyclist safety. Staff will consider this feedback when identifying potential active transportation projects along with the proposed new active transportation CIP team.
E. Incorporate adaptation measures into sustainability planning, including addressing sea level rise.	Staff has proposed a new position, Chief Sustainability and Resilience Officer (CSRO), in SAP-4 in part to provide the staff capacity to incorporate adaptation and resilience measures into the sustainability program. This would include developing a city resilience and adaptation plan (S1.7) to address climate impacts such as sea level rise.
F. Consider moving up outreach programs related to SVCE's programs (such as the heat pump water heater rebate), and prioritize items that enable the City to leverage outside funds.	Staff has adjusted the proposed timeline for some outreach programs that could leverage SVCE incentives and other related programs, and will further align outreach efforts with outside incentives wherever possible.

CSC Comment	Staff Response
G. Evaluate an increase in the Transient Occupancy Tax as a potential source of funding for the \$889,200 in ongoing costs.	Staff recognizes the need to plan for ongoing funding sources to support ongoing expenses, beyond the three-year timeframe of the dedicated sustainability funding. Beginning in spring 2020, and as directed by Council, sustainability staff (in collaboration with other staff) will evaluate the Transient Occupancy Tax as well as other potential sources of revenue to support ongoing costs expected from this plan.
H. Examine the potential to conduct a consumption-based GHG inventory on a periodic basis.	Staff plans to include an evaluation of conducting consumption-based GHG accounting in the analysis of the City's GHG targets and inventories (S2.1), which will be presented to Council on December 3, 2019.
I. Consider additional funding to promote plant-based diets (Item S4.7) based on community feedback, including leveraging outside funding sources.	Staff originally proposed funding this item at \$10,000 (nearly four times the level of program costs identified by the ESTF-2 for the first three years), and reached out to community members and relevant organizations to determine the value of providing additional funding. Based on this further assessment, staff has proposed a total of \$30,000 for the three years. Staff plans to leverage resources and volunteer support provided by organizations such as Green Monday to support this effort. Other proposed programs in SAP-4, such as the Community Climate Solutions platform (S4.3), will also include outreach about the impacts of a plant-based diet, so the funding for item S4.7 does not reflect the full amount of resources allocated to this effort. Staff has also accelerated the implementation of this item, to begin in the first rather than second half of 2020.

CSC Comment	Staff Response
J. Investigate the potential of additional efforts to address plastics reduction and recycling, including increased outreach around this issue at City events and public recycling bins along Castro Street, since the State did not pass legislation to address this issue this year.	There are several proposed items in the Zero Waste Plan that address outreach to improve recycling and other waste reduction efforts, as well as legislative advocacy at the State level. Some are among the already-approved items included in SAP-4 (Goal Z1) to showcase the full breadth of supporting efforts across all departments. While these items may be included in future sustainability reporting, they have their own work plan at the department level and are considered separately by Council. The Committee's comments have been shared with Solid Waste program staff.
K. Leverage outreach programs to support multiple sustainability goals wherever possible.	Two of the proposed outreach programs in SAP-4, Community Climate Solutions (S4.3) and Cool Block (S4.5), are specifically designed to support a broad range of sustainability goals through household-level engagement. Staff intends to leverage all planned residential and business outreach programs to support multiple sustainability goals wherever feasible.
L. Include some consideration of methane emissions from landfills.	These emissions are accounted for in both of the City's inventories: solid waste emissions in the Community GHG inventory estimate the methane emissions from landfilled waste disposed by the Mountain View community, and the Local Government Operations inventory includes measured methane emissions from the Shoreline landfill that is managed by the City.

CSC Comment	Staff Response
M. Investigate the ability to get better transportation data to evaluate transportation impacts of resident displacement, and quantify impacts of new development.	Staff is working to identify potential new sources of transportation data for the City's GHG inventories, including Google's new Environmental Insights Explorer tool, which would provide measured rather than modeled transportation data. While this would provide better data on transportation trends across multiple transportation modes (rather than just vehicle miles traveled), it will not allow staff to attribute these changes to any specific cause. Instead, it will represent the combined impact of all programs, policies, and development in Mountain View as well as external factors and individual behavior change.
N. Look into quantifying any revenue or cost savings expected from SAP-4 measures.	Staff has identified municipal energy efficiency projects that will result in cost savings to the City, included in the Municipal Operations Actions list of SAP-4. The cost savings from these projects will be quantifiable when the scopes of various upgrades are defined. As proposed, savings from municipal energy efficiency projects would be reinvested in the energy efficiency revolving loan fund (B4.7) to fund future energy efficiency projects. At this time, staff does not anticipate revenue from any SAP-4 actions.

CSC Comment	Staff Response
O. Incorporate social equity elements into sustainability programs, e.g., ensure that any rebates or other programs are accessible to all community members.	Staff will consider how best to incorporate social equity into existing programs in consultation with the interdepartmental Sustainability Governance Committee and the Multilingual Community Outreach Program, and will include social equity in the development of proposed new SAP-4 programs. Since the City has already been focusing on equity issues outside of the sustainability program, it makes sense to track equity issues more explicitly and explore best practices to see if there are gaps that need to be addressed (S1.6). Toward these goals, staff proposes \$80,000 in funding during the three years for (1) staff training/development, (2) community engagement resources and events, (3) community partnerships development, and (4) equity consultants.

FISCAL IMPACT

The proposed new actions are estimated to cost \$10.6 million over the Plan's three-year time frame, using approximately \$7.2 million from the Sustainability Fund (established as a CIP by Council in June 2019) and \$3.4 million of capital improvement funding (Construction/Conveyance Tax, CIP reserve, or other), which will be proposed as part of the next CIP funding cycle. The plan includes \$889,200 in annual ongoing costs, beginning in Fiscal Year 2022-23 to support the four ongoing staff positions recommended in SAP-4.³ Specific funding for these ongoing costs is not currently identified but, if approved by Council, the costs would be built into long-range forecasts, as would any funding sources that may be developed.

The Sustainability Fund Spending Plan (Attachment 2) outlines staffing and other program costs necessary to accomplish the recommended programs and other actions. (It should be noted that staff costs are based on 2019 salary data and will be adjusted in future years as necessary.) Staff has estimated the cost as closely as possible. However, staff expects to refine the costs as the programs/actions are further developed and, therefore, requests discretion to allocate funds based on final SAP-4 program/action

³ Additional ongoing costs may be incurred beginning in Fiscal Year 2022-23 if any of the proposed Limited-Period staff positions are extended beyond their initial term.

expenses. Staff also seeks discretion to utilize the approximately \$300,000 in unallocated funds within the total \$7.5 million Sustainability Fund for additional expenses associated with any approved actions in SAP-4, such as extending a successful pilot program or funding additional rebates beyond the initial amount budgeted. Should staff identify additional need for funding, or identify the need for new programs or projects, we would return to the Council for direction.

The City received a \$125,000 grant from the County of Santa Clara, to be disbursed over three years, to support community sustainability and disaster preparedness education through the Cool Block neighborhood program (S4.5). The \$125,000 shown in the Spending Plan (Attachment 2) is Mountain View's matching portion for three years.

Table 3, below, outlines the total costs expected in each of the three fiscal years of the Spending Plan, both from the Sustainability Fund and all sources, including CIP funds. They also provide the breakdown of staff versus program costs, as well as community-focused actions and staffing versus municipal operations-focused actions and staffing.

Table 3: SAP-4 Total Costs by Fiscal Year and by Program Versus Staff

	FY 19-20	FY 20-21	FY 21-22	TOTAL
Total from Sustainability Fund	\$1,795,900	\$3,521,800	\$1,862,500	\$7,180,200
Total Cost (including CIP Funds)	\$2,937,900	\$4,663,800	\$3,004,500	\$10,606,200

Total Program Costs:	\$5,300,000
Total Staff Costs:	\$5,306,200
Total Costs:	\$10,606,200

Total Program and Staff Costs (Community):	\$9,617,000
Total Program and Staff Costs (Municipal):	\$989,200
Total Costs:	\$10,606,200

CONCLUSION

Since its initial adoption in March 2009, the ESAP has served as a road map for achieving the City's short- and long-term sustainability goals. Adoption and implementation of the proposed SAP-4 will allow the City to build on its past sustainability successes and be well positioned to proactively address additional sustainability challenges in the future.

Since the sustainability landscape is constantly evolving, staff will annually report to the CSC so that it may assess the progress of SAP-4 initiatives and, as appropriate,

recommend additions or other modifications to SAP-4 for Council consideration in the context of Citywide and department funding priorities and workload.

ALTERNATIVES

1. Modify the proposed SAP-4 by adding, removing, or changing the timeline of the proposed actions.
2. Do not adopt SAP-4.
3. Provide other direction.

PUBLIC NOTICING

Agenda posting and e-mails sent to community members interested in sustainability.

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EB-SA/2/CAM/620-10-22-19CR/190510

Attachments: 1. SAP-4: Proposed New Actions
2. SAP-4: Sustainability Fund Spending Plan
3. SAP-4: Newly Proposed and Currently Planned Actions
4. SAP-4: Status of Existing and Planned Actions

cc: CDD, PWD, ACDD, APWD – Cameron, APWD – Hosfeldt, ZA, DZA – Hagan,
TM – Lo, SWPM, WRM, FFM, TP – Baird, TP – Kim, PP – Anderson