Environmental Quality Commission



REGULAR MEETING AGENDA

Date: 6/21/2023 Time: 6:00 p.m.

Location: Zoom.us/join - ID# 879 3070 9093 and

City Hall Downtown Conference Room, 1st Floor

701 Laurel St., Menlo Park, CA 94025

Members of the public can listen to the meeting and participate using the following methods.

How to participate in the meeting

- Access the meeting, in-person, at the Downtown Conference Room
- Access the meeting real-time online at: Zoom.us/join –Meeting ID 879 3070 9093
- Access the meeting real-time via telephone at: (669) 900-6833
 Meeting ID 879 3070 9093

Press *9 to raise hand to speak

Subject to change: The format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the city website menlopark.gov. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.gov/agendas).

Regular Session

- A. Call To Order
- B. Roll Call Evans, Vice Chair Hedley, Kissel, Lin, McKenna, Pelegri-Llopart, Schmidt
- C. Public Comment

Under "Public Comment," the public may address the Commission on any subject not listed on the agenda. Each speaker may address the Commission once under public comment for a limit of three minutes. You are not required to provide your name or City of residence, but it is helpful. The Commission cannot act on items not listed on the agenda and, therefore, the Commission cannot respond to non-agenda issues brought up under public comment other than to provide general information.

- D. Regular Business
- D1. Approve the May 17, 2023 Environmental Quality Commission meeting minutes (Attachment)
- D2. Review and discuss the annual City Arborist report (Presentation)
- D3. Consider and advise on possible programs to expend \$4.5 million in state funds for communitywide

Environmental Quality Commission Regular Meeting Agenda June 21, 2023 Page 2

electrification projects (Presentation) (Attachment)

D4. Consider appointing additional commissioners to the building decarbonization and climate outreach ad hoc subcommittee (Attachment)

E. Reports and Announcements

E1. Reports and announcements from staff and Commissioners

F. Adjournment

At every Regular Meeting of the Commission, in addition to the Public Comment period where the public shall have the right to address the Commission on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during the Commission's consideration of the item.

At every Special Meeting of the Commission, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during consideration of the item.

For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or before, the public hearing.

Any writing that is distributed to a majority of the Commission by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at jaherren@menlopark.gov. Persons with disabilities, who require auxiliary aids or services in attending or participating in Commission meetings, may call the City Clerk's Office at 650-330-6620.

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Environmental Quality Commission



REGULAR MEETING MINUTES - DRAFT

Date: 5/17/2023 Time: 6:00 p.m.

Location: Teleconference and

City Hall Downtown Conference Room, 1st Floor

701 Laurel St., Menlo Park. CA 94025

Emergency Circumstances

ACTION: Motion and second (McKenna/ Kissel), to approve the remote participation under Assembly Bill 2449 (AB 2449) Emergency Circumstances for Commissioner Evans, passed unanimously.

A. Call To Order

Vice Chair Hedley called the meeting to order at 6:01 p.m.

B. Roll Call

Present: Evans (remote – AB 2449 Emergency Circumstances and exited at 7:59 p.m.), Vice

Chair Hedley, Kissel, Lin, McKenna, Pelegri-Llopart, Schmidt, Lin

Staff: Sustainability Manager Rebecca Lucky, Management Analyst II Liz Tapia

C. Public Comment

• Lihn Dan Do provided an update on the Love Our Earth Festival event April 22, 2023.

D. Regular Business

D1. Welcome new Commissioners

Vice Chair Hedley introduced the item.

The Commission introduced and welcomed new Commissioners Brian Kissel and Eduardo Pelegri-Llopart.

D2. Select chair and vice chair

Vice Chair Hedley introduced the item.

ACTION: Motion and second (McKenna/ Kissel), to select Commissioner Hedley as Chair and Commissioner Schmidt as Vice Chair, passed unanimously.

D3. Approve the April 27, 2023 Environmental Quality Commission special meeting minutes (Attachment)

Environmental Quality Commission Regular Meeting Minutes – DRAFT May 17, 2023 Page 2 of 3

Chair Hedley introduced the item.

ACTION: Motion and second (McKenna/ Kissel), to approve April 27, 2023 Environmental Quality Commission special meeting minutes, passed unanimously.

D4. Review and provide feedback on proposed education and outreach ideas for existing building electrification (Presentation)

Chair Hedley introduced the item.

Management Analyst Liz Tapia made the presentation (Attachment).

The Commission discussed and provided feedback on proposed education and outreach ideas for existing building electrification, data matrix to determine target groups, featured ambassadors, the creation of partnerships with the community, distribution of incentive and permit waiver information, and providing education on climate impacts generated from homes.

D5. Consider disbanding commission subcommittees and establish a process for creating ad hoc subcommittees going forward (Presentation) (Attachment)

Chair Hedley introduced the item.

Sustainability Manager Rebecca Lucky made the presentation (Attachment).

ACTION: Motion and second (Kissel/ Schmidt), to disband the Transportation Decarbonization, Climate Adaptation, Trees and Sustainable Initiatives and Exploring Collaborative Opportunities Subcommittees, passed 5-0 (Pelegri-Llopart abstain, Evans absent).

E. Reports and Announcements

E1. Reports and announcements from staff and Commissioners

Chair Hedley introduced the item.

Commissioner McKenna provided information on an upcoming Peninsula Clean Energy grantee presentation on home electrification in Pacifica and Belmont.

Vice Chair Schmidt provided an update on the Urban Forest Master Plan.

Chair Hedley provided an update on the recent Community Collaborations meeting.

Sustainability Manager Lucky provided updates regarding the Environmental Quality Commission calendar, Peninsula Clean Energy Advisory Committee meeting, Climate Action Plan progress report, roles and responsibilities of the Environmental Quality Commission, zero emission landscape equipment policy, existing building reach codes, permit fee waivers for existing building electrification, Belle Haven pool electrification, and upcoming Environmental Quality Commission meeting topics.

Environmental Quality Commission Regular Meeting Minutes – DRAFT May 17, 2023 Page 3 of 3

E. Adjournment

Chair Hedley adjourned the meeting at 8:46 p.m.

Liz Tapia, Management Analyst II





AGENDA



- Overview of Ad Hoc Subcommittees
- EQC subcommittees and challenges
- What to do going forward to continue some of the work as individuals instead of a subcommittee
- Recommendation





WHAT IS AN AD HOC SUBCOMMITTEE

- An Ad Hoc Committee is:
 - Limited in duration and scope
 - Appointed by the Commission to consider a specific matter
 - Dissolved automatically upon submitting its final report/recommendation to the Commission
- Generally ad hoc subcommittees result from an agenda item or topic where the commission is having difficulties reaching a decision or they would like to explore an alternative policy, program, or recommendation to present back to the Environmental Quality Commission (EQC)
- No more than three of the Commission members can serve on an ad hoc subcommittee





AD HOC SUBCOMMITTEE CONTINUED

- An Ad Hoc Subcommittee is not:
 - A standing committee with a broad scope
 - Ongoing indefinitely
- Standing ongoing committees become Brown Act bodies that require further process and protocols:
 - Must follow Brown Act public meeting rules
 - Posting agendas prior to the meeting and preparing minutes for public record
 - Only the City Council can establish a standing subcommittee
 - Requires additional staff resources that may not be available



BEST PRACTICES FOR AD HOC SUBCOMMITTEES



- Aligns with direction provided to the EQC by the City Council
- Scope is narrow and specific resulting in a final report to the EQC
- Time limited- no longer than six months
- Scope is within the roles and responsibilities as defined for commissions
- Involves limited dealings with staff operations, but some check-ins may be required for final report out to the commission



ENVIRONMENTAL QUALITY COMMISSION (EQC) SUBCOMMITTEES



- Currently the EQC has 6 ad hoc subcommittees:
 - 1. Building Decarbonization
 - 2. Transportation Decarbonization
 - 3. Climate Adaptation
 - 4. Climate Outreach
 - 5. Trees & Sustainable Initiatives
 - 6. Exploring Collaborative Opportunities
- See attachment A for further details



CHALLENGES WITH CURRENT SUBCOMMITTEES



- Have existed longer than one year
- Lacks a narrow and specific scope that would result in a recommendation to the commission
- Several subcommittees require significant staff resources and limits the value of subcommittees to the commission if staff is not available to support or can only provided limited support
- Some subcommittee activities are outside the roles and responsibilities of the EQC as an advisory body to the City Council
- Potential Brown Act violations



HOW TO CONTINUE SOME OF THE GREAT IDEAS OF THE SUBCOMMITTEES



- Continue work as individuals:
 - Citizen-led community collaboration sessions
 - Research opportunities and policies and programs
 - Attending meetings of other commissions or advocacy organizations or groups
 - Working with electrification partners on specific projects as an individual and not as a city or commission representative
- Use and share what you are learning, seeing, hearing, and working on as it relates to items that come before the EQC
- Choose a Brown Act buddy and let staff know to ensure no Brown Act violations





RECOMMENDATION

- Consider disbanding all subcommittees and establish an agreed upon process for creating subcommittees going forward, such as:
 - Informing staff of your Brown Act buddies
 - Creating no more than two subcommittees at a time
 - Follow best practices when forming subcommittees
- Example of appropriate ad hoc subcommittees:
 - 2023 EQC work plan
 - Prohibition on gas powered gardening equipment that was directed by the City Council



THANK YOU



Environmental Quality Commission Subcommittees

				D5-ATTACHMENT
Building Decarbonization	Transportation Decarbonization	Climate Adaptation	Climate Outreach	Trees & Sustainable Initiatives
This subcommittee of up to 3 people will assist staff in developing policies and plans to convert 95% of Menlo Park's existing buildings to all-electric by 2030. Work will include: Researching the technical and financial feasibility of converting the City's existing building stock to all-electric Researching financing options available to assist community members with conversions Researching policy and funding mechanisms to assist low-income households with conversions Reviewing legal frameworks for key policies Facilitating City collaboration with key regional agencies and nonprofits, such as Peninsula Clean Energy Collaborating with City staff and contractors in drafting key policies Preparing materials to help educate the public about building electrification Assisting City staff in completing electrification of municipal buildings Developing Council recommendations for 2021 CAP actions related to building decarbonization	This subcommittee of 3 people will assist staff in developing policies and plans to eliminate the use of fossil fuels in transportation in Menlo Park by 2030. Work will include: Researching the technical and financial feasibility of policies and programs to increase access to EV charging, especially during the day and for residents of multi-family housing Reviewing the offerings of service providers who may be able to assist the City and community members in building out its EV charging network Reviewing legal frameworks for proposed policies Serving as a liaison to the Complete Streets Commission in developing and achieving a City goal to reduce Vehicle Miles Traveled by 25% through 1) rezoning to support increased housing density near transit and 2) the build out of a network of connected bike/ped paths throughout town Tracking and promoting the City's goals of 1) making all new vehicles be electric by 2025 and 2) reducing gasoline sales each year by 10% Assisting City staff in converting the municipal vehicle fleet to all electric by identifying new electric vehicle offerings for staff and Council consideration Developing Council recommendations for 2021 CAP actions related to transportation decarbonization Facilitating City collaboration with key regional nonprofits and agencies	This subcommittee of up to 3 people will research and inform City staff and Council on strategies for preparing the City for the effects of climate change. Work will include: Attending meetings of the San Mateo County Flood and Sea Level Rise Resiliency District Board and reporting back to EQC Working with staff and Council members to engage community members who will be most affected by sea level rise to educate them and take their input on how best to address the issue Tracking Menlo Park's plans for sea walls and/or levees to protect the community against sea level rise and keeping the EQC apprised of those plans Making recommendations to City Council on proposed development in the City's future flood zones Researching other potential effects of climate change on the City, including wildfire, drought and heat waves, and identifying plans to address those effects Developing a proposal for capturing 10% of the City's 2005 greenhouse gas emissions by 2030 through direct carbon removal Facilitating City collaboration with key regional nonprofits and agencies	This subcommittee of 3 people will devise strategies for educating members of the public about Menlo Park's climate action plan to reduce greenhouse gas emissions by 90% by 2030. Work will include: • Identifying opportunities for Staff and the EQC to educate the public about climate change and Menlo Park's climate action plan • Preparing educational materials and promoting them, either in conjunction with Staff or as private citizens with a focus on student/teacher/school outreach • Devising a plan, including proposed venues, for regularly presenting the public with information about ways to electrify buildings, decrease gasoline consumption, reduce vehicle miles traveled and prepare for climate-related emergencies • Relaying to EQC any public feedback on the CAP and related policy proposals • Supporting the City's formal outreach effort on climate policies, as directed by Staff • Facilitating City collaboration with key regional nonprofits and agencies	This subcommittee of up to 3 people will support Staff in addressing all sustainability matters not addressed by the Climate Action Plan. Work will include: - Organizing the City's Arbor Day Tree Planting event - Assessing the effectiveness of the City's new Heritage Tree Ordinance and making recommendations to EQC for any changes needed - Supporting Staff in development of an inventory and catalogue of the urban tree canopy - Receiving public concern related to non-climate sustainability concerns, including: habitat protection, healthy ecology, environmental health protection, healthy air, surface water runoff quality, water conservation and waste reduction - Recommending appropriate responses or programs to address public concerns about non climate sustainability matters - Facilitating City collaboration with key regional nonprofits and agencies
This subcommittee supports CAP actions #1 & 5	This subcommittee supports CAP actions #2, 3, 4 and 5	This subcommittee supports CAP action #6	This subcommittee supports CAP action #1, 2, 3, 4 and 6	This subcommittee supports EQC goals for Urban Canopy Preservation and Green and Sustainable Initiatives not related to the Climate Action Plan
Evans, McKenna	Schmidt, McKenna	Lin, McKenna	Hedley, Schmidt	Hedley, Schmidt



ANNUAL ARBORIST REPORT

June 21, 2023 EQC meeting





TREE DIVISION OVERVIEW

City staff

- 4 Maintenance Workers, Public Works
 Tree Supervisor, City Arborist,
 Management Analyst
- Permit review and tree maintenance contractors

Tree City USA for 24 years

- Maintain a tree board or department
- Have a community tree ordinance
- Spend at least \$2 per capita on urban forestry
- Celebrate Arbor Day

Growth Award for 8 years

High level of tree care and community engagement







2022-2023 Developments

- Promoted Natividad Alamo from Senior Maintenance worker to Public Works Tree Supervisor
- Added 3 new tree maintenance workers to the team
- Updated tree work equipment
- Obtained new licenses and certifications
- Updated the City's standard tree protection specifications for development
- Created and implemented a review process for emergency tree removal requests











- 18,955 street and park trees
 - Routine maintenance every 5 years
 - Residents may request evaluation of work needs outside of 5-year cycle too
- Top 3 public tree species
 - Coast Live Oak: 2,350
 - American Sweetgum (pictured to the right): 1,325
 - London Plane: 1,046
- Fiscal year 2022-2023
 - Number of Trees planted: 185
 - Number of Trees pruned: 5,350
 - Number of Trees removed: 176





STORM DAMAGE DECEMBER 2022 TO APRIL 2023



- Unpreceded numbers of tree failures due to the combined impact of years of drought stress, saturated soil conditions, and strong wind gusts
- Approximately 340 tree related calls
 - 50 trees blocking public right-of-way
 - 120 branch failures
 - 125 whole tree failures
 - 95 miscellaneous tree issues
 - Reporting challenges







POST-STORM RECOVERY

- Removal and replacement of significantly damaged trees
 - Nealon Park long term replacement plan
- Inspection and corrective pruning for remaining trees
 - Communication with public
- Emergency tree removal permit process



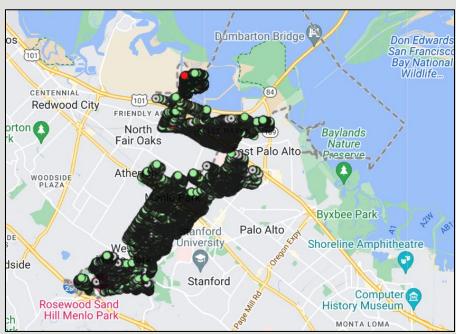




STREET TREE REQUESTS AND REPORTING



- Residents can request that street trees be planted in front of their property in the public right-of-way
 - City's street tree management plan
 - Partnership with Canopy
- Residents can also report treerelated issues to ACT Menlo Park
 - menlopark.gov/Services/ACT-Menlo-Park diside





OTHER TREE DIVISION RESPONSIBILITIES



- Organize annual Arbor Day celebration with EQC
- Evaluate heritage tree permits for removals and heavy pruning
- Review building and demolition permits
- Help ensure protection of trees during construction
- Investigate potential heritage tree violations
- Review and update administrative guidelines
- Provide City tree root pruning consultation for hardscape work









Purpose

- To ensure that there will be a significant population of large, healthy trees over the long term; and
- To protect and preserve the scenic beauty and natural environment, prevent erosion of topsoil and sedimentation in waterways, encourage quality development, provide shade and wildlife habitat, counteract pollutants in the air and decrease wind velocities and noise.







HERITAGE TREE DEFINITION

- Any tree other than oaks that has a trunk with a circumference of 47.1 inches (diameter of 15 inches) or more, measured at 54 inches above natural grade
- Any oak tree native to California that has a trunk with a circumference of 31.4 inches (diameter of 10 inches) or more measured at 54 inches above natural grade
- A tree or group of trees specifically designated by the City Council for protection because of its historical significance, special character or community benefit





PERMIT PROCESS

Type of heritage tree permit	Application requirement	Replacement tree requirements	Appeal process
Non-development	 Application form City-approved arborist report Replacement tree plan 	Correlates to trunk diameter size	Only the permit applicant may appeal
Development-related	 Additional requirements: Proposed construction plans Cost analysis 	Correlates to the tree's appraisal value	 Any community member may appeal Notices are mailed out within 300 feet of the property On-site postings are required
Emergency removal	 Residents contact city arborist directly Tree must show signs of overall extreme risk. 	Correlates to trunk diameter size	N/A Page D-2.11







- For more information about applying for a permit, visit: menlopark.gov/trees
- To submit and search for a heritage tree permit application, visit: Menlopark.org/permitcenter
- For statistics for permit application submittals, visit: menlopark.maps.arcgis.com/apps/dashb oards/90ab3ab183ad4ece9a936c9446d 3bd59

Home Building Planning Public Works	Special Event Permits
Search Applications	
Search for Records Enter information below to search for records. • Site Address • Parcel Number • Record Information Select the search type from the drop-down list.	
General Search	General Search ▼
Record Number: Record Type: Heritage Tree Permit Project Name:	*
Start Date:	
Street No.: Street Name: (7)	Unit ① No.:
City: State: Zip:	
Parcel No.:	
Search Additional Criteria	
Search Clear	Page D-2.

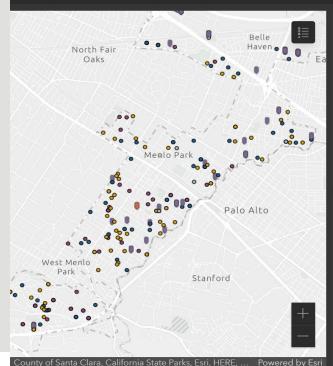


FISCAL YEAR 2022-2023 DASHBOARD



Heritage Tree Removal Permit Applications

Fiscal year 2022-2023, Last update: May 12, 2023

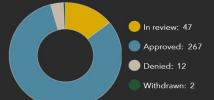


Tree removal requests

328

Total removal permit application: 188 Average tree removal per application: 2

Application status

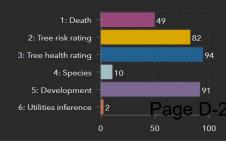


Tree removal requests by district

District



Approved based upon







IN PROGRESS

- Updating the administrative guidelines
- Adding more city approved consulting arborists to list
- Working towards urban forest master plan
- Implementing certain phases now
- Plans to set aside funds
- Partnership with Canopy





THANK YOU







FISCAL YEAR COMPARISON

Fiscal year	Heritage tree permit applications	Heritage tree removal requests	Top three tree species for removal	Top three primary removal reasons
2020 – 2021	202	401	 Monterey Pine Coast live oak Coast redwood 	Tree healthTree riskDeath and development
2021 – 2022	178	318		DeathDevelopmentTree health
2022 – 2023	188	328		Tree healthTree riskDevelopment





CHANGES TO THE ORDINANCE

- More application requirements
- Clearer decision making criteria
- City-approved consulting arborist list
- New appeal process
- Tree replacement requirement
- Include tree appraisal values for mitigation requirements (development only)





OUTCOME OF THE ORDINANCE

- Application requirements more stringent
 - Cost analysis in construction and tree preservation
 - Alternative design
 - Replacement tree requirement based on tree appraisal value
 - Replacement tree plan includes specific details: location, container size, and tree species
- More incentive to preserve trees







BACKGROUND

- Menlo Spark requested \$4.2 million from the state through Senator Josh Becker's office to support low income electrification projects in Menlo Park. Anticipated that up to 200 homes could participate from the Belle Haven neighborhood.
- \$4.5 million was allocated to the City of Menlo Park for community wide electrification project (November 2022)
- State designated the California Energy Commission (CEC) to coordinate dispersing funds to the City of Menlo Park.





BACKGROUND

- In late March, the CEC notified the City it had received state funds to allocate to Menlo Park.
- City will receive first half of the funds (\$2.25 million) once agreement is signed.
- Funds must be expended by June 30, 2026.
- CEC is currently working on returning a baseline agreement for City signature in the next 4 to 6 weeks.
 - See attached draft sample agreement from the CEC





FEEDBACK RECEIVED TO DATE

- Menlo Spark advocates that the funds be used for whole home electrification for low income residents in the Belle Haven neighborhood, particularly for space heating heat pumps that can provide air conditioning to adapt to extreme heat events.
- Members of the Building Decarbonization Ad Hoc Subcommittee recommend a portion of the funds to be used on workforce development to create high quality jobs that lift local residents out of poverty.
- Staff discussions with Peninsula Clean Energy (PCE) to explore leveraging their current program offerings (e.g. Home Upgrade, existing building electrification incentives, etc.)



SEEKING FEEDBACK ON PROGRAM AREAS TO EXPLORE FURTHER



- Whole home electrification for low income residents.
- Solar and battery installation to reduce utility bill costs and increase resiliency
- Local workforce training to complete electrification projects
- Electrification readiness program to provide panel and wiring upgrades to support potential rules for existing buildings requiring gas equipment to be replace with heat pumps upon reaching the end of its life (e.g. Bay Area Air Quality Management District rule that would prohibit the sale of gas fired equipment) Page D-3.5





ADMINISTRATION OF PROGRAM AREAS

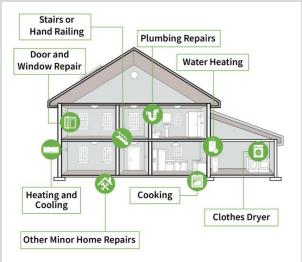
- The city would need to partner or hire an administrator to implement programs
- Possible options include:
 - Develop a Request for Proposal (RFP) to find a feasible administrator
 - Partner with PCE to implement programs within their existing programs
 - Explore selecting an administrator from a recent local government RFP process to hire an administrator





PCE'S HOME UPGRADE PROGRAM

- Phase 1: Allocation of \$3.5 million to provide no cost home repairs for up to 300 low income single family homes in San Mateo County.
- Upgrades focused on critical home needs for low income single family residence: energy efficiency measures, broken door, roof repairs, ADA upgrades, and other minor repairs.
- Includes at least one electrification measure, such as installing a heat pump water heater, electric stove, or dryer.
- Phase 2: Program is expanding to whole home electrification as part of its offerings
 - May include solar and battery installation on some homes
 - 4-5 whole home electrification pilot over the next year
 - 150 to 250 whole home electrification projects per year starting in 2024
 - Will issue an RFP for the ramp up of the program





COSTS TO ELECTRIFY STARTING 2024



- \$30,000 for whole home electrification
 - \$16,750 for high income earners with rebates and tax credits
 - \$7,910 for middle to low income earners with rebates and tax credits
- \$6,200 for heat pump water heater conversion
 - \$0 with rebates and tax credits for all income levels (\$5,750-\$6,200 in rebates and \$2,000 tax credit)
- \$19,000 for heat pump space heating
 - \$12,500 with rebates (\$4,500) and tax credits (\$2,000)
 - \$4,500 for middle income and low income with incentives (\$12,500 rebates and \$2,000 tax credit)

Information provided by PCE and are all-in costs (not incremental) for single-family home





COSTS TO ELECTRIFY STARTING 2024

- \$2,500 for induction cooktop
 - \$1,660 for middle and low income (\$840 rebates)
- \$1,750 for electric dryer- no rebates available
- \$4,150 for panel and electrical service upgrade for median home
 - \$2,650 for all income levels (\$1500 from PCE)
- \$8,000 for pool heating
 - No incentives for single family
 - BayREN offers \$1,500 per pool for multifamily





COSTS TO ELECTRIFY STARTING 2024

- 12,000 for battery storage for median home
 - \$9,000 for all income levels (\$3,000 rebate SGIP)
 - \$1,800 for SASH participants or homes with resale restrictions (\$10,200 incentive)
 - \$0 for areas with 2 or more power outage events, resale restrictions, or enrolled in Medical Baseline Program (\$12,000 incentive)
- \$20,000 for solar installation for median home
 - \$14,000 for all income levels (\$6,000 federal tax credit)
 - Important to note that solar is a motivating factor to electrify homes

Information provided by PCE and are all-in costs (not incremental) for single- family home





NEXT STEPS

- Receive feedback/advice from the Commission
- City Council to provide authority to accept funds
- City Council to determine specific scope of work and how to proceed with an administrator (August/September)
- Start to implement direction provided by the City Council, such as developing any related RFPs or partnering with any agencies
- Report progress in 18 months to the CEC to receive remaining funds
- Expend funds by June 30, 2026





DISCUSSION QUESTIONS

- Feedback on potential programs discussed?
- Are there any programs that you would like to see added?



THANK YOU

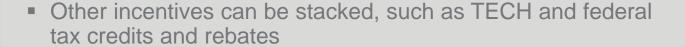




PCE BUILDING ELECTRIFICATION INCENTIVES



- \$3,000 for heat pump water heater
- \$3,500 for heat pump space heating
- \$1,500 for panel upgrade
- On-bill zero interest loan up to \$10,000
- Whole home electrification costs between \$30,000 and \$40,000- depends on conditions in the home





Heat pump condenser evaporator unit



Installed heat pump water heater

California Energy Commission

Pass Through Grant Subaward to the City of Menlo Park

1. Background and Authority for this Grant

California Assembly Bill 179 (AB 179), Chapter 249/Statues of 2022, section 19.56(e)(3), included an appropriation to the California Energy Commission (CEC) solely for a citywide electrification project in the City of Menlo Park (City):

"To be allocated by the California Energy Commission, \$4,500,000 to the City of Menlo Park for the citywide electrification project."

Accordingly, the CEC and City are entering into this grant agreement (Agreement) to exercise this authority and fund the project.

2. Scope of Work and Products

The City shall only use funds received under this Agreement for its citywide electrification project. The City shall provide two products to the CEC:

Products			
1.	Midway Project Report	Submitted with the second invoice (see next section below "Budget, Invoices, and Payment").	
2.	Final Project Report	Submitted on or before the Agreement end date.	

Both can be brief documents (e.g., 1-3 pages) and shall include at a minimum the project status; any actual or anticipated issues with completing it; and if the project is still within budget, and if not, what the City will do about it. For the Final Project Report, the City shall also include one or more photos of the completed project. The City can decide if it submits the products in hard copy or electronic form. The City shall submit both products to the contact listed in section 4. below.

3. **Budget, Invoices, and Payments**

The CEC only has authority to provide up to \$4,500,000 under this Agreement. The CEC will provide this amount in two equal half payments of \$2,250,000 each upon receiving and approving invoices from the City. The City can invoice at the beginning of this Agreement (First Invoice) and then at some point midway through the project when the first payment of \$2,250,000 is close to being paid out by the City (Second Invoice).

The City shall submit the Midway Project Report from Section 2. above with the Second Invoice. The CEC has the authority to make advance payments to the City in these two payments because Section 19.56 of AB 179 provided (underlining added):

For allocations in this section that include a designated state entity, the entity shall allocate the funds to the recipients identified in the paragraphs following each designation. The state entity shall determine the best method for allocation to ensure the funds are used for the purposes specified in this section.

Notwithstanding any other law, a designated state entity administering an allocation pursuant to this section may provide the allocation as an advance lump sum payment, and the allocation may be used to pay for costs incurred prior to the effective date of the act adding this paragraph.

To reduce the administrative time and cost on both the CEC and the City, thus ensuring more funds are spent on the actual project and it is completed faster, the CEC has decided to use a two-part advance payment approach.

Since the City receives advance payments, it does not need to provide details when submitting the two invoices. However, the City shall promptly provide any information requested under Section 7, D. Audit and L. Access to Sites and Records, in this Agreement.

4. CEC and City Project Contacts

California Energy Commission	City of Menlo Park
Project Contact	Project Contact
Elizabeth Butler, Commission Agreement Manager 715 P Street, MS-28 Sacramento, CA 95814 Elizabeth.Butler@energy.ca.gov (916) 903-4533	Rebecca L. Lucky, Sustainability Manager City Hall - 2nd Floor, 701 Laurel Street Menlo Park, CA 94025 RLLucky@menlopark.gov (650) 330-6765

5. <u>Certification</u>

By signing this Agreement, the City hereby certifies that all funds received pursuant to this agreement shall be spent exclusively for its citywide electrification project. The City further certifies that it shall comply with all applicable laws in performing under this Agreement and in carrying out and administering the citywide electrification project.

6. California Environmental Quality Act (CEQA) Compliance

Before signing this Agreement, CEC staff considered the applicability of CEQA. The CEC's execution of this Agreement for the citywide electrification project is not a project under CEQA. CEQA only applies to "to discretionary projects proposed to be carried out or approved by public agencies." (Public Resources Code section 21080(a).) The CEC does not have discretion to not award these funds to the Page 2 of 5

City for this project. AB 179 (2022) section 19.56(a)(2) states, "For allocations in this section that include a designated state entity, the entity <u>shall</u> allocate the funds to the recipients identified in the paragraphs following each designation." (Underline added.) Accordingly, the CEC's part in this pass-through appropriation from the Legislature is not a project for purposes of CEQA, but the City must still comply with any applicable CEQA requirements.

7. Terms and Conditions

A. Nondiscrimination Statement of Compliance

During the performance of this Agreement, the City and its subcontractors will not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition, age, marital status, or denial of family care leave. The City and its subcontractors will ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

The City and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Sections 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4.1 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part of it as if set forth in full. The City and its subcontractors will give written notice of their obligations under this section to labor organizations with which they have a collective bargaining or other Agreement.

The City shall include the nondiscrimination and compliance provisions of this section in all subcontracts to perform work under this Agreement.

B. Drug-Free Workplace Certification

By signing this Agreement, the Recipient certifies under penalty of perjury under the laws of the State of California that it will comply and will ensure its subcontractors will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.). In addition to any other rights and remedies available to the CEC, failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both, and the Recipient may be ineligible for any future state awards if the CEC determines that any of the following has occurred: (1) the Recipient has made false certification, or (2) violates the certification by failing to carry out the requirements of the Act.

C. Americans With Disabilities Act

By signing this Agreement, the City assures the CEC that it complies with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. Section 12101, et seq.), which prohibits discrimination on the basis of disability, as well as applicable regulations and guidelines issued pursuant to the ADA.

D. Audit

The City agrees that the CEC, the Bureau of State Audits, or their designated representative shall have Page 3 of 5

the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The City agrees to maintain such records for possible audit for a minimum of three (3) years after the agreement ends in any way. The City agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the City agrees to include a similar right of the CEC, the Bureau of State Audits, or their designated representative, to audit records and interview staff in any subcontract related to performance of this Agreement. These rights and responsibilities are in addition to and not restrictive of those in Section 7. L. Access to Sites and Records.

E. Public Works

The City is responsible for complying with all applicable laws, which can include public works requirements under the Labor Code. City acknowledges acceptance of Agreement funds may trigger public works laws (Labor Code Section 1720 et seq.), a requirement of which is to pay prevailing wages, applying to its entire project. If the project is public works then it is subject to compliance monitoring and enforcement by the Department of Industrial Relations. By signing this Agreement, City certifies that it shall comply with all applicable Public Works laws and requirements.

F. Intellectual Property

As between the City and the CEC, the City owns all intellectual property it or its subcontractors create under this Agreement. The CEC has a no-cost, non-exclusive, transferable, irrevocable, royalty-free, worldwide, perpetual license to use, publish, translate, modify, and reproduce the products identified in Section 2. above, for governmental purposes.

G. Amendment

No amendment or variation of this Agreement shall be valid unless made in writing and signed by both the City and CEC.

H. Governing Law

This Agreement is governed by the laws of the State of California as to interpretation and performance.

I. <u>Independent Capacity</u>

In the performance of this Agreement, City and its agents, subcontractors, and employees will act in an independent capacity and not as officers, employees, or agents of the CEC or the State of California.

J. Severability

If any provision of this Agreement is unenforceable or held to be unenforceable, all other provisions of this Agreement will remain in full force and effect.

K. Waiver

No waiver of any breach of this Agreement constitutes waiver of any other breach. All remedies in this Agreement will be taken and construed as cumulative, meaning in addition to every other remedy

provided in the Agreement or by law.

L. Access to Sites and Records

The City shall provide during the Agreement and for at least 3 years after the Agreement ends in any way to the CEC or its representatives reasonable access to all project sites and to all records related to this Agreement. These rights and responsibilities are in addition to and not restrictive of those in Section 7. D. Audit.

M. Survival of Terms

The following terms survive this Agreement no matter how the agreement ends, such as by its own terms or via termination:

- D. Audit
- E. Public Works
- F. Intellectual Property
- H. Governing Law
- J. Severability
- K. Waiver
- L. Access to Sites and Records

N. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The CEC shall provide the Recipient advance written notice of such termination, allowing the Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the CEC.

D4-ATTACHMENT

Building Decarbonization	Climate Outreach
This subcommittee of up to 3 people will assist staff in developing policies and plans to convert 95% of Menlo Park's existing buildings to all-electric by 2030. Work will include: Researching the technical and financial feasibility of converting the City's existing building stock to all-electric Researching financing options available to assist community members with conversions Researching policy and funding mechanisms to assist low-income households with conversions Reviewing legal frameworks for key policies Facilitating City collaboration with key regional agencies and nonprofits, such as Peninsula Clean Energy Collaborating with City staff and contractors in drafting key policies Preparing materials to help educate the public about building electrification Assisting City staff in completing electrification of municipal buildings Developing Council recommendations for 2021 CAP actions related to building decarbonization	This subcommittee of 3 people will devise strategies for educating members of the public about Menlo Park's climate action plan to reduce greenhouse gas emissions by 90% by 2030. Work will include: • Identifying opportunities for Staff and the EQC to educate the public about climate change and Menlo Park's climate action plan • Preparing educational materials and promoting them, either in conjunction with Staff or as private citizens with a focus on student/teacher/school outreach • Devising a plan, including proposed venues, for regularly presenting the public with information about ways to electrify buildings, decrease gasoline consumption, reduce vehicle miles traveled and prepare for climate-related emergencies • Relaying to EQC any public feedback on the CAP and related policy proposals • Supporting the City's formal outreach effort on climate policies, as directed by Staff • Facilitating City collaboration with key regional nonprofits and agencies
This subcommittee supports CAP actions #1 & 5 Evans, McKenna	This subcommittee supports CAP action #1, 2, 3, 4 and 6 Hedley, Schmidt