

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS MAKING CEQA FINDINGS, AUTHORIZING ABAG TO ACCEPT A GRANT ON THE CITY’S BEHALF, RECOGNIZING THE COUNTY’S ROLE AS THE LEAD LOCAL IMPLEMENTER FOR THE CITIES AND COUNTY OF SANTA FOR THE RETROFIT BAY AREA PROJECT, AND DELEGATING CERTAIN AUTHORITY TO THE COUNTY EXECUTIVE**

**WHEREAS**, the City of Milpitas recognizes that it is in the interest of the local, regional, state, and federal agencies to stimulate the economy, create and retain jobs, reduce fossil fuel emissions, and reduce total energy usage and improve energy efficiency; and

**WHEREAS**, the City of Milpitas has committed to an ongoing, coordinated effort to reduce the emissions that cause global warming, improve air quality, reduce waste, cut energy use and save money; and

**WHEREAS**, State Energy Program (SEP) funds are available through the California Energy Commission’s SEP Funding Opportunities for grants to eligible local governments for cost-effective energy efficiency projects; and

**WHEREAS**, the SEP allows for public agencies or non-profit entities to apply for funds on behalf of eligible local governments; and

**WHEREAS**, the City of Milpitas is eligible for SEP funding under the California Energy Commission’s SEP Program; and

**WHEREAS**, the City of Milpitas has collaborated with the Association of Bay Area Governments (ABAG) to submit a regional application to implement the energy efficiency project(s) described in Exhibit A for the purpose of qualifying for SEP funds from the California Energy Commission; and

**WHEREAS**, the City of Milpitas has considered the application of the California Environmental Quality Act (CEQA) to the approval of the energy efficiency project(s) described in Exhibit A; and

**NOW, THEREFORE**, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. In compliance with the California Environmental Quality Act (CEQA), the City of Milpitas finds that the approval of the energy efficiency project(s) described in Exhibit A is a “project” under CEQA that is exempt under California Code of Regulations, Title 14, sections 15301 (repairs and minor alterations to existing facilities), 15302 (replacement or reconstruction of existing structures and facilities), 15306 (information collection), 15308 (actions to protect the environment), 15309 (inspections), and 15322 (training programs) because the project would develop standards for resource-conserving and energy-saving retrofits of existing structures in conformance with existing building codes; train contractors, homeowners and other building professionals; encourage participation in the green retrofit program; provide rebates for tested and certified retrofit projects; and monitor and evaluate environmental performance of projects;
3. The City of Milpitas authorizes ABAG to accept a grant award on its behalf and to enter into all necessary contracts and agreements, and amendments thereto, on its behalf to implement and carry out the project(s) described in Exhibit A.

4. The City of Milpitas recognizes the County of Santa Clara as the lead local implementer for the project(s) described in Exhibit A for all of the local governments in Santa Clara County, and that ABAG, as the fiscal agent, will disburse the funds to Santa Clara County to implement and carry out the project(s) described in Exhibit A.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

\_\_\_\_\_  
Mary Lavelle, City Clerk

\_\_\_\_\_  
Robert Livengood, Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael J. Ogaz, City Attorney

**Attachment A: Retrofit Bay Area**  
**Comprehensive Residential Building Retrofit Program**

*Summary of grant proposal submitted by ABAG to the California Energy Commission on December 21, 2009*

**Description of Proposed Program**

The Association of Bay Area Governments (ABAG) is collaborating with eight Bay Area counties to establish a comprehensive residential single-family and multifamily building retrofit program that leverages regional cooperation and funding while enabling autonomy at the local level. The proposed ABAG program aligns with local, regional and national goals of promoting economic vitality through an increase in green jobs, reducing U.S. oil dependency through increases in energy efficiency and deployment of renewable energy technologies, and reducing greenhouse gas emissions.

On behalf of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, Solano and Sonoma Counties, ABAG submitted a proposal to the California Energy Commission's State Energy Program (SEP) to receive \$10.8 million in American Recovery and Reinvestment Act (ARRA) grant funds administered by the U.S. Department of Energy. This grant program, known informally as SEP 2 to distinguish it from three other elements of California's SEP program, runs from February 11, 2010 to March 31, 2012. The ARRA/SEP 2 grant funds would be used by ABAG program participants to carry out local and Bay Area-wide consumer outreach and education campaigns and workforce development activities that will accelerate demand for home energy retrofits and expand the regional building industry's capacity to delivery high-quality, cost-effective retrofit services.

To achieve these goals, Retrofit Bay Area has identified a set of three core program objectives:

1. Provide Property Assessed Clean Energy (PACE) financing to address the high upfront cost of retrofits, which enables homeowners to finance energy efficiency retrofits and renewable energy improvements through assessments paid via their property taxes.
2. Demonstrate more effective marketing and outreach methods to inform and motivate property owner participation.
3. Streamline participant, contractor, and administration processes to reduce the high transaction costs and build a quality "green" workforce.

The ABAG program thereby will complement existing and planned local retrofit activities.

**Program Participants and Roles**

<b>Participant</b>	<b>Role</b>
Association of Bay Area Governments	Fiscal agent and contract administrator
Alameda County (StopWaste.Org) and Sonoma County (Sonoma County Transportation Authority)	Regional tasks and local retrofit program implementation
Contra Costa, Marin, San Francisco, San Mateo, Santa Clara and Solano Counties	Local retrofit program implementation
Bevilacqua Knight, Inc., Build It Green and California Building Performance Contractors Association	Regional and local implementation assistance, quality assurance and reporting

**The County of Santa Clara’s Role**

The County of Santa Clara has represented the interests of the County and its cities in working with ABAG to develop a regional energy program and is working with the cities to develop a countywide element that will become the Santa Clara County Residential Retrofit Program (SCRRP). If grant funding is awarded to ABAG, Santa Clara County will receive more than \$1,950,000 for the SCRRP to implement local efforts to promote energy audits and retrofits for the residential sector in all the cities and unincorporated areas of the County.

The County is providing a grant process for nonprofits, businesses, housing agencies, utilities and consulting firms to provide energy audits to the residential community. The SCRRP will consist of a suite of environmental programs and information, including PACE financing options that will be uniformly packaged, marketed and presented to County constituents. The energy audits are expected to stimulate interest in comprehensive home retrofits such as added insulation, weatherization, heating, ventilation and air conditioning upgrades, new windows and energy efficient appliances, resulting in significant reductions in energy and water consumption.

The nearly \$2 million that will be available for the SCRRP will fund two County staff positions and various programs. ABAG is seeking to facilitate 17,000 retrofits in the Bay Area during the grant cycle, with an average of 20% energy reduction. Based on the County having 26% of the population of the eight participating counties, the SCRRP will aim for 4,359 retrofits. It is projected that this work will result in 446 new jobs, \$1.7 million saved in energy costs for homeowners, 100 billion reduction of BTU, and \$43.8 million spent in the County.

The SCRRP will not change the permitting or building inspection processes within the County, and will seek to inform and educate residents on steps that they can take to reduce their energy consumption and water usage. Residents who participate in the program and have energy audits performed on their homes will be encouraged to implement the steps recommended by the energy audit and upgrade their home to be more energy efficient and to consume less water.