



City of Sunnyvale

Meeting Minutes - Draft

Sustainability Commission

Monday, May 15, 2017

7:00 PM

West Conference Room, City Hall, 456 W.
Olive Ave., Sunnyvale, CA 94086

CALL TO ORDER

Chair Paton called the meeting to order at 7:03 p.m. in the West Conference Room.

SALUTE TO THE FLAG

Chair Paton led the salute to the flag.

ROLL CALL

Present: 5 - Chair Bruce Paton
Vice Chair Amit Srivastava
Commissioner Dan Hafeman
Commissioner Petya Kisyova
Commissioner Kristel Wickham
Absent: 1 - Commissioner Steven Zornetzer

Vice Chair Srivastava arrived at 7:05 p.m.

Commissioner Zornetzer's absence is excused.

Council Liaison – Larry Klein (present)

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

- 1 [17-0554](#) Approve the Sustainability Commission Meeting Minutes of April 17, 2017

Commissioner Hafeman pulled the minutes of the April 17, 2017 meeting to ask whether Study Issue ESD 17-01 "Eliminate the Use of Chemical Pesticides on City Owned or Leased Property" would still need be evaluated by Council for prioritization as indicated in the minutes, or whether it would automatically be

approved for 2018. Elaine Marshall, Environmental Programs Manager, clarified that this year's Study Issue ranking process established a new category for approved Study Issues that would be conducted pending staffing and resource availability and which also specified that any approved Study Issues not completed would be forwarded for Council consideration as part of the next Study Issue cycle. Commissioner Hafeman acknowledged that the minutes accurately reflected the process as clarified by Ms. Marshall.

Commissioner Wickham moved, and Commissioner Kisyova seconded, a motion to approve the minutes. The motion carried by the following vote:

Yes: 4 - Chair Paton
Commissioner Hafeman
Commissioner Kisyova
Commissioner Wickham

No: 0

Absent: 1 - Commissioner Zornetzer

Abstain: 1 - Vice Chair Srivastava

Vice Chair Srivastava abstained as he was not present for the April 17 meeting.

PUBLIC HEARINGS/GENERAL BUSINESS

- 2 [16-0585](#) Adopt Resolutions Authorizing the Operation of Property Assessed Clean Energy (PACE) Financing Programs Within the City of Sunnyvale, Authorize the City Manager to Execute Agreements and Other Documents Necessary to Implement the Same, and Find that the Actions are Exempt from Environmental Review under CEQA Guidelines Section 15378(b)(4)

Elaine Marshall provided an overview of Property Assessed Clean Energy (PACE) financing programs, outlining their general operational process, benefits and risks to homeowners, the City's role in the administration of these programs, and the operating conditions proposed by staff for PACE providers operating in Sunnyvale. She highlighted that staff recommended authorizing PACE providers that agreed to the staff proposed operating conditions by signing a letter of agreement and that agreed to operate in accordance with the best practices laid out in the Association of Bay Area Governments' (ABAG) Regional Collaborative Services Agreement (RSCA). Ms. Marshall also noted that a representative of the HERO

program informed staff of recent changes to their program and that HERO program will no longer offer contractual subordination of PACE assessments, which would preclude them from signing the proposed letter of agreement. Staff was alerted of this change on May 12, 2017 after the Commission Agenda packet had been posted.

The Commission discussed the staff recommendation, identifying concerns and receiving clarification from staff and PACE program representatives. Ms. Marshall provided several key several clarifications, which included: (1) Council would need to adopt resolutions to join each program's Joint Powers Authority (JPA) with no financial relationship; (2) PACE is a form of public-private partnership that would involve the issuance of bonds by JPAs to fund the projects; (3) the programs are primarily marketed through contractors that are affiliated with the PACE providers and who work directly with property owners; and (4) the City will provide information on available PACE programs on the City's website, but would not provide lists of approved contractors (as these are available on PACE provider websites).

Commissioner Kisyova expressed concerns about the lack of performance measures to assess whether PACE-funded projects actually achieve energy, water, and long-term financial savings. Additionally, Commissioner Kisyova asked about realtors' acceptance of PACE programs and noted that the real estate association had opposed a Climate Action Plan item requiring energy audits at time of resale. The Commission discussed how PACE program participation is voluntary while the CAP item that was opposed by the real estate association was mandatory. Commissioner Kisyova also observed that sustainability should be achieved through codes and regulations and applied to all projects rather than through the creation of special programs like PACE. Commissioner Wickham noted that PACE program interest rates were higher than those offered for other types of financing.

Chair Paton opened the Public Hearing.

Emily Goodwin, Ygrene Works, clarified several questions posed by the Commission regarding the operation of PACE programs, including that PACE was aligned with the State's AB 32 goals and targets for water and energy conservation. Although Ygrene does not measure energy and water savings, it does communicate with each homeowner directly at the outset to confirm the contractor's scope of work. While contractors are not exclusive to individual PACE programs, if one PACE provider is released from program due to quality issues, information is shared among the PACE providers to ensure that poor contractors do not move among the providers. Ms. Goodwin also noted that PACE creates local jobs by providing financing that may be otherwise unavailable to property owners.

Leah Wiggs, HERO PACE Program, also clarified several questions from the Commission. She explained that most PACE programs perform rigorous quality assurance to ensure that their approved contractors meet specific standards. HERO has a contractor quality rating system and has excluded contractors from their approved pool for failing to meet quality standards. Furthermore, HERO's team of property advisors work directly with realtors and homeowners of active Multiple Listings Service (MLS) listings to assist them in selling or refinancing homes with PACE liens. Ms. Wiggs confirmed that HERO is no longer offering contractual subordination based on the recent experience with Federal Housing Finance Agency's (FHFA) position. However, she noted that the Federal Housing Administration (FHA) and Veterans Affairs (VA) have recently taken a position to allow PACE assessments on their loans.

Rachel Hobbs, California Statewide Communities Development Authority (CSCDA) OpenPACE program, noted that the quick 3-day loan approval turnaround offered by PACE programs was particularly useful for financing unanticipated energy and water efficiency upgrades (e.g., replacing an air conditioner that stopped working).

Chair Paton closed the Public Hearing.

Vice Chair Srivastava moved, and Commissioner Hafeman seconded, a motion to approve Alternatives 1-8 as recommended by staff. Chair Paton clarified that approval of Alternative 3 would be contingent on HERO's agreement to sign the proposed Letter of Agreement. The motion carried by the following vote:

Yes: 4 - Chair Paton
Vice Chair Srivastava
Commissioner Hafeman
Commissioner Wickham

No: 0

Absent: 1 - Commissioner Zornetzer

Abstain: 1 - Commissioner Kisyova

Commissioner Kisyova abstained due to the aforementioned concerns.

- 3** [17-0492](#) Approve the City's Green Infrastructure Plan Framework and Find that the Action is Categorically Exempt from Environmental Review under CEQA Guidelines Section 15308

Melody Tovar, Regulatory Programs Division Manager, provided an overview of the City's Green Infrastructure Plan Framework, which describes the City's workplan to develop the required Green Infrastructure Plan and integrate stormwater treatment to control and reduce stormwater pollutants, particularly polychlorinated biphenyls (PCBs) and mercury. The proposed Framework outlines a roadmap for developing a complete Plan by July 2019 as required by the City's stormwater permit. Staff will also screen Capital Projects for potential to include green infrastructure in City projects even before completion of the Plan.

The Commission asked clarifying questions and inquired about the scope of the Green Infrastructure Plan.

Commissioner Kisyova moved, and Commissioner Wickham seconded, a motion to recommend that Council approve staff's proposed Green Infrastructure Plan Framework. The motion carried by the following vote:

Yes: 5 - Chair Paton
Vice Chair Srivastava
Commissioner Hafeman
Commissioner Kisyova
Commissioner Wickham

No: 0

Absent: 1 - Commissioner Zornetzer

- 4 [17-0557](#) Annual Review of the City Manager's Recommended Budget
Full budget available online at:
<<http://sunnyvale.ca.gov/Departments/Finance/BudgetDocuments.aspx>>

The Commission discussed aspects of the Recommended Budget related to the City's Climate Action Plan (CAP). Ms. Tovar clarified that the \$250,000 proposed in Budget Supplement No. 6, Accelerating Climate Action, included funds only to expand the CAP to meet long-term targets beyond year 2020, separate from implementation of the adopted CAP.

Chair Paton asked why CAP Implementation project (831290) had been reduced in the out-years. Ms. Marshall clarified that funding had been reduced in out-years to account for \$90,000 grant awarded to the City by the Silicon Valley Energy Watch (SVEW) for residential energy efficiency programs and to reflect realistic potential to use the funding for current CAP implementation, given the priority of developing CAP 2.0 in the upcoming year.

Commissioner Wickham moved, and Commissioner Kisyova seconded, a motion to recommend that Council adopt the Recommended Budget including fully funding the following items: (1) Budget Supplement No. 6; (2) CAP Implementation (831290); and (3) CAP and Green Building Updates (901261). The motion carried by the following vote:

Yes: 5 - Chair Paton
Vice Chair Srivastava
Commissioner Hafeman
Commissioner Kisyova
Commissioner Wickham

No: 0

Absent: 1 - Commissioner Zornetzer

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

Commissioner Wickham inquired whether the City had considered studying parking fees to raise revenue for funding sustainable transportation initiatives. Ms. Tovar and Ms. Marshall clarified that the adopted CAP includes an action to study the potential for downtown parking fees, but this study was scheduled for later years. Councilmember Klein added that Council had approved a program for paid parking in Downtown Caltrain commuter lots on May 9, 2017.

Vice Chair Srivastava moved, and Commissioner Wickham seconded, to add to the June Commission agenda the discussion of a potential Study Issue to examine no-cause evictions and rent control. The motion carried by the following vote:

Yes: 5 - Chair Paton
Vice Chair Srivastava
Commissioner Hafeman
Commissioner Kisyova
Commissioner Wickham

No: 0

Absent: 1 - Commissioner Zornetzer

Nupur Hiremath, Sustainability Coordinator, confirmed that the discussion of a potential Study Issue on improved transportation controls which was proposed by Commissioner Kisyova would also be included on the June agenda.

NON-AGENDA ITEMS & COMMENTS

-Commissioner Comments

Commissioner Wickham shared that she attended the People's Climate March and a talk on "Making Silicon Valley America's Bike Capital: Lessons from the Dutch," which had informative strategies on how to promote bicycling. She also gave an update on the Sustainability Speaker Series, noting that publicity was well under way for the first event, a talk on building electrification by Pierre Delforge on Wednesday, May 31 at 7:00 p.m. in Council Chambers. She also noted that the transportation electrification speaker was changed to Rod Diridon. Subsequent Speaker Series events will be held in July (Rod Diridon) and August (Bea Johnson).

Commissioner Hafeman noted that he attended the "Future of El Camino Real" event, where the Mayor stated that Bus Rapid Transit was coming to Sunnyvale. Vice Chair Srivastava and Councilmember Klein clarified that the Mayor was referring to a version of BRT that would not be implemented with a fully dedicated bus lane. Commissioner Hafeman reiterated his request for information on the smoke-free ordinance outreach from staff. Ms. Tovar noted that staff was preparing to send out an update via email and would coordinate with staff on the possibility of a future Commission presentation.

Commissioner Kisyova shared that she attended a meeting of the Division of the State Architect at which she learned that the 2016 California Building Code (Title 24), effective as of January 1, 2017, contains new specific accessibility standards for electric vehicle charging stations requiring that they are as accessible to individuals with disabilities as ATMs or gas stations. She indicated that the City could consider adopting these guidelines. She also announced that a local group was providing walking tours of El Camino Real.

Vice Chair Srivastava shared that he also attended the Future of El Camino Real event and the People's Climate March. He shared information on a new group, Mothers Out Front, that was a local neighborhood group that had organized itself to address climate change.

Chair Paton shared that he attended a meeting of the Silicon Valley Leadership Group where he learned about sea-level rise threats to Bay Area cities, like Alviso. He noted this is an important issue for Council to consider even though Sunnyvale seemed farther away from the Bay relative to other cities.

-Staff Comments

Ms. Hiremath provided clarification on the use of the Non-Agenda Items portion of Commission meetings. She noted that Commissioner comments should be limited

to comments and not a discussion of the merits or demerits of a topic. If the Commission wanted further discussion, the Commission would need to vote to add this discussion to a subsequent meeting's agenda. She also noted that Earth Day Poster and Video Contest winners would be recognized at the May 23 Council meeting and that staff is coordinating National River Cleanup Day on May 20.

Kent Steffens, Assistant City Manager, announced that the selection of the design consultant for Civic Center Master Plan was scheduled for City Council approval at their May 23, 2017 meeting. The City Council has already established that the Civic Center achieve LEED Platinum certification and strive to be a Zero Net Energy facility. The consultant scope includes developing the LEED Platinum checklist and identifying sustainable features needed to achieve LEED Platinum. The consultant also will be coming to the Sustainability Commission in June or July to get input from the Commission on sustainable features to be evaluated for the new Civic Center, and Assistant City Manager Steffens encouraged the Commission to begin thinking about potential sustainable features.

Ms. Marshall announced that the City's Schools Goin' Green program, which was funded through a Santa Clara Valley Water District grant, was selected by the California Stormwater Quality Association to receive it's 2017 Award for Outstanding Stormwater News, Information, Outreach, and Media program or project.

ADJOURNMENT

The meeting was adjourned at 9:45 p.m.