



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 18-0796, Version: 1

REPORT TO SUSTAINABILITY COMMISSION

SUBJECT

Eco district Feasibility and Incentives (Study Issue ESD 13-05C)

BACKGROUND

Study Issue 13-05C on Eco-District Feasibility and Incentives was ranked by the City Council to proceed with Phase I of the study during the January 2017 City Council Budget and Study Issue workshop. The scope of the study was to determine the feasibility of the eco-district concept in Sunnyvale and identify and make recommendations for incentives the City can offer developers to implement strategies for enhancing neighborhood sustainability, such as energy and water management systems, green streets and resource conservation, similar to how the City provides floor-area ratio (FAR) incentives for Leadership in Energy and Environmental Design (LEED). In reviewing the scope of work for this study issue, staff recommended a two-phase approach. Phase 1 would consist of initial staff research into eco-districts and an assessment of the alignment of the City's current practices and policies with eco-district principles and objectives. Conducting the Phase 1 assessment would help determine whether or not the City should invest in securing consultant support to conduct Phase 2 and further define the scope of consultant services needed. The Phase 2 study would include determining feasibility of eco-district implementation in Sunnyvale and incentives the City could offer to developers. This report summarizes the staff research and results.

The City Council is scheduled to consider this item on December 10, 2019.

EXISTING POLICY

Climate Action Playbook (CAP)

- Outlines Sunnyvale's path to achieve bold greenhouse gas reductions and to a "sustainable and healthy community that preserves natural resources and runs on clean energy."

General Plan

Chapter 2: Community Vision - Citywide Vision Goals

- *Citywide Vision Goal III, Environmental Sustainability* aims to "promote environmental sustainability and remediation in the planning and development of the City, in the design and operation of public and private buildings, in the transportation system, in the use of potable water and in the recycling of waste."

Chapter 5: Housing

- *Goal HE-6 Sustainable Neighborhoods, Sustainability Policy* states Sunnyvale has adopted a sustainability policy to become "a regional leader in environmental sustainability, advocating to reduce dependence on non-renewable resources by providing greater transportation options, reducing waste, protecting our natural resources, and promoting alternative energy usage and research."

ENVIRONMENTAL REVIEW

The action being considered is categorically exempt from environmental review under Section 15262 of the California Environmental Quality Act (CEQA) Guidelines, which exempts feasibility and planning studies for possible future actions that have not been funded or approved. The action is also exempt under CEQA Guideline Section 15306, which exempts information gathering activities undertaken as part of a study leading to action that the agency has not yet approved, adopted, or funded. Should Council decide to implement an eco-district(s), appropriate CEQA analysis will be performed at that time.

DISCUSSION

For this study, staff researched and reviewed available information on eco-districts, reviewed information provided by the non-profit organization, EcoDistricts™ (EcoDistricts), specific to their approved protocol and available resources, reviewed several case studies (Attachment 3), and participated in a webinar hosted by the Urban Sustainability Directors Network featuring the experience and results of several active eco-districts. Information gathered and the initial assessment was completed by staff in 2018 and is summarized in this report.

What is an eco-district?

In general, an “eco-district” is a community or neighborhood with broad commitment to accelerate neighborhood-scale sustainability. The term “eco-district” encapsulates an urban development approach that integrates the objectives of “sustainable development” and reducing the “ecological footprint” of a project or area. The initial concept sought to “scale up Portland’s sustainability practices beyond single green buildings to collective activities and infrastructure at the neighborhood scale.” The eco-district movement has evolved over the past several years. In its infancy, the eco-district movement was a community-led, self-organizing effort to foster and encourage neighborhood level sustainability. Recently the movement has adopted a more formal approach with a specified protocol and certification process that is overseen by EcoDistricts.

There are a few examples of less formal “eco-district” efforts; however, most current eco-districts are working with EcoDistricts and following the approved protocol. In either case, the overall goal of neighborhood-scale sustainability remains, and in both the formal and informal approaches, one of the key benefits of creating an eco-district is supporting revitalization and branding of the area to promote sustainability and redevelopment.

Benefits of an “eco-district”

Communities that work to establish an eco-district find that the approach can have broad benefits including:

- Increases desirability of a neighborhood
- Responsive to community interest and demand
- Aligns with collective interest
- Formal acknowledgment of sustainability efforts of a neighborhood project

Role of public agency

Typically, eco-districts have been spurred by grassroots or community-led efforts. The role of the public agency or city varies depending on the circumstances of the district. Once formed, all eco-districts have ongoing governance and an established entity (non-governmental) that is responsible for ongoing implementation of the district’s strategy. While a city or public agency is usually not

responsible for eco-district governance, the city or public agency role could include:

- Initial organizing
- Seed funding
- Ongoing support and coordination
- Be an Implementation partner

EcoDistricts

EcoDistricts has established a formal protocol for districts to follow that requires commitment and collaboration among the private and public sectors to efficiently address the needs of the community while keeping in mind the goals of social, economic and environmental sustainability. EcoDistricts also has an optional certification process that a district can choose to participate in as a guiding tool to keep all parties accountable for the sustainability goals of the area. Most active eco-districts are now working with EcoDistricts to formally adapt to their approach and benefit from the resources and support provided by the organization.

In general, the EcoDistricts Protocol is a framework that comprehensively integrates several elements of green building and sustainable community development into the formation and redevelopment of a neighborhood. An overarching goal is to address social, economic and environmental objectives for the improvement of the area. EcoDistricts' aim is to make livable, sustainable, holistically inclusive neighborhoods that benefit community members and support long-term sustainability goals for a given city.

In general, elements of EcoDistricts include, but are not limited to: green buildings (often with LEED certification), use of recycled water, accessible and efficient public transit, abundant walkways, safe bike routes, walkability, zero waste programs, and mixed use development that integrates commercial and residential uses.

What is included in the EcoDistricts Protocol?

EcoDistricts requires the collaboration among key stakeholders in a neighborhood. These stakeholders include city staff, private development, community members, property owners or business owners. The stakeholders generally work closely to develop a roadmap for what the area should look like and what priority areas will be addressed.

The EcoDistricts Protocol identifies the following guiding elements for the EcoDistricts:

- Team Formation and Commitment - Identification of key stakeholders, establishment of an on-going team to steer and implement projects, and formal commitment to EcoDistrict imperatives of Equity, Resilience and Climate Protection.
- Roadmap Development -- Development of a comprehensive action plan that identifies the priority projects and strategies, performance targets, and the schedule and resources needed for implementation
 - The roadmap should focus action in each EcoDistricts Priority Area. The roadmap includes an assessment of the current state and the needs in each area, identifies objectives and projects to drive improvements, and develops a set of indicators that will be tracked over time to measure progress. The EcoDistrict Priority Areas include:
 - *Place*: Create inclusive and vibrant communities

- *Prosperity*: Support education and economic opportunities that build prosperity and accelerate innovation
 - *Health and Well Being*: Nurture people's health and happiness
 - *Connectivity*: Build effective connections between people and places
 - *Living Infrastructure*: Enable and connect to flourishing ecosystems
 - *Resource Regeneration*: Work towards net positive energy, water efficiency and zero waste
- Performance Tracking and Reporting - Team should track implementation of projects and progress improvements against the chosen performance indicators on a biennial basis. A report should be provided to the stakeholders and community members to foster transparency and maintain momentum, and to EcoDistricts if the district is pursuing certification.

EcoDistricts Certification

EcoDistricts Certified is a recognized certification that communities following the EcoDistricts Protocol can choose to apply for (similar to LEED and Green Point Rated green building certifications). This certification serves as formal recognition for a neighborhood or district. The certification process consists of an initial registration and submittal of specific EcoDistricts documents (Imperatives Commitment, Declaration of Collaboration and Roadmap, and biennial Performance Reports) for review and acceptance by the EcoDistricts organization. Payment of certification fees are required at each point of submittal. Total costs for certification range from \$9,500 to \$13,100 and do not include staff time to prepare documents. The certification process includes documenting the formation and implementation roadmap for the eco-district as well as tracking performance over time.

Resources Required to Support EcoDistricts

EcoDistricts implementation requires active support by a city or public entity. EcoDistricts staff have shared that some communities pursuing the EcoDistricts protocol have a dedicated city staff person to facilitate and lead the process until an independent organization is established to lead the EcoDistrict team; then the city role shifts to supporting the effort as a key stakeholder.

Staff Assessment and Findings

Overall, the goals and priorities associated with EcoDistricts are in many ways accomplished by existing City policies and specific planning approaches and priorities, including many of the General Plan policies. For example, when developing a specific area plan, the City works closely with area stakeholders including land owners, developers, residents and businesses throughout the process. The City's area plan efforts have included identification of a vision and goals for the area, as well as guiding principles and policies that support the vision and goal. For example, the *Peery Park Specific Plan (PPSP), Book 1: Community Intent* lays out the vision statement for the District and includes several guiding principles that describe broad outcomes for improving connectivity, managing transportation demand, and improving environmental sustainability and resilience.

In case studies reviewed as part of this research, staff has found that both formal and informal eco-district formation has been driven by or spurred by the need to redevelop or revitalize an area, and community sustainability had been determined to be an important and uniting factor. This is also similar to the City's approach to specific area planning where the City works with key stakeholders to identify policies and priorities that guide and steer the redevelopment of the area over time and the

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specific plans often include key sustainability objectives such as improving connectivity and mobility (e.g., Peery Park Specific Plan or Lawrence Station Area Plan) or fostering new development that supports a sustainable community (pending update to El Camino Real Corridor Plan).

While there are many similarities between the City's approach to specific area planning and the EcoDistricts protocol, there are several key components where the City and EcoDistricts diverge. These include the role of the City, development of specific performance measures for the district, and ongoing oversight and implementation.

In Sunnyvale planning efforts, the City is the organizing entity and leads the plan development. Once an area plan is adopted by the City Council, the City's organizing role is complete and implementation is carried out by the developers as projects are identified and privately developed. In contrast, per the EcoDistrict protocol, districts must establish ongoing governance and are expected to establish an ongoing district team that actively manages the formation and implementation process over time. Projects that result from an eco-district collaboration are still subject to applicable City procedures and approvals. The City may seed the eco-district effort and help with initial organization, and can be an ongoing stakeholder, but is not the ongoing implementing entity. Ongoing district teams can be a non-profit or non-governmental agency such as a community improvement organization or business district, or a team based on key stakeholder representation.

A more detailed comparison of Eco-District guiding elements and priorities and the City's planning efforts is included in Attachment 2.

Conclusion

Based on the research and review conducted as part of the Phase 1 effort of this study, staff finds that there is significant overlap between the EcoDistricts approach and the City's long range/specific area planning initiatives, adopted General Plan policies and sustainability initiatives. Many of the goals and objectives are already woven into City programs. An eco-district created and led by the City is not in alignment with the typical EcoDistricts approach, as most EcoDistricts are community led. Staff does not recommend the establishment of a broad EcoDistrict program in Sunnyvale. However, there are opportunities to achieve the same goals and objectives by integrating key EcoDistricts concepts into the City specific area plan and sustainability initiatives. The upcoming update to the Moffett Park Specific Plan (MPSP) offers such an opportunity to maximize integration of sustainability objectives into a planning area. During the development of the MPSP, the Community Development Department will evaluate the feasibility of identifying and potentially certifying the MPSP as an EcoDistrict.

FISCAL IMPACT

There is no fiscal impact anticipated to result from the proposed staff recommendation.

PUBLIC CONTACT

Public contact was made through posting of the Sustainability Commission agenda on the City's official-notice bulletin board, on the City's website, and the availability of the agenda and report in the Office of the City Clerk.

ALTERNATIVES

Recommend that the City Council:

1. Accept this staff report on eco-district feasibility and incentive and staff findings that a broad

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EcoDistrict program is not required and evaluate the feasibility of identifying and potentially certifying the Moffett Park Specific Plan as an EcoDistrict.

2. Direct staff to return to Council with an estimate of resource needs to complete Phase 2 of the Study Issue.

RECOMMENDATION

Recommend Alternative 1 to the City Council: Accept this staff report on eco-district feasibility and incentive and staff findings that a broad EcoDistrict program is not required and evaluate the feasibility of identifying and potentially certifying the Moffett Park Specific Plan as an EcoDistrict.

Reviewed by: Melody Tovar, Regulatory Programs Division Manager

Reviewed by: Ramana Chinnakotla, Director, Environmental Services

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Reserved for Report to Council
2. EcoDistricts Approach Comparison to Sunnyvale Planning Approach
3. Case Study Examples