

CITY OF CHICO
CLIMATE ACTION COMMISSION
REGULAR MEETING OF THURSDAY, AUGUST 13TH, 2020
Municipal Center - 421 Main Street - Council Chambers - 6:00 pm

Commissioners Present: Mark Stemen, Chair
Cheri Chastain, Vice Chair
David Donnan
Rebekah Casey
Michael Nelson
Kirk Monfort

Commissioners Absent:

Staff Members Present: Brendan Vieg, Community Development Director (Planning and Housing)
Molly Marcussen, Associate Planner

1. CALL TO ORDER

Chair Chastain called the meeting to order at 6:09 PM.

1.1. Roll Call

Commissioners and staff were present as noted above. Commissioners Casey and Donnan arrived late.

2. CONSENT AGENDA

*All matters listed under the Consent Agenda are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Climate Action Commission. A member of the public may request that an item be removed, provided the item does not relate to a noticed hearing which has been closed to further public comment. **Items removed from the Consent Agenda will be considered immediately following the approval of the Consent Agenda.***

2.1. Approval of Minutes

Commissioner Nelson made a motion to approve the July 9th, 2020 meeting minutes. Commissioner Monfort seconded. Minutes approved 4-0-2 (*Casey and Donnan were not present for this item*).

3. ITEMS TO BE DISCUSSED

3.1. Community Engagement Update and Next Steps

Rincon Consultants provided a detailed update on the June/July Virtual Engagement effort (**Attachment B**). Rincon also discussed the strategy for the next round of outreach that will be starting the last week of September. Rincon with assistance from the subconsultant, AIM, will be hosting a focus group workshop around building electrification and a community wide virtual engagement. City staff with assistance from the Climate Action Commission will also host a small group meeting with key stakeholders who represent underrepresented communities in Chico, prior to the stakeholder focus group meeting and community-wide engagement efforts.

3.2. Draft CAP Measure Discussion

Rincon Consultants provided an update on the CAP measure development and discussed the top 10 most impactful measures (**Attachment B**). Human Impact Investors (HIP), a sub consultant, provided a brief update on potential funding and finance strategies to assist with implementing the CAP.

4. **BUSINESS FROM THE FLOOR/PUBLIC COMMENT**

None.

5. **REPORTS & COMMUNICATIONS**

None.

6. **ADJOURNMENT**

There being no further business from the commission, the meeting was adjourned at 7:18 pm to the Regular Meeting of Thursday, September 10th, 2020.

Approved on: 9-10-2020

Molly Marcussen

Molly Marcussen, Associate Planner

The logo for Rincon Consultants, Inc. is a blue stylized letter 'F' shape. The word 'rincon' is written in white lowercase letters inside the top horizontal bar of the 'F'.

rincon

RINCON CONSULTANTS, INC.

Environmental Scientists | Planners | Engineers

The background of the slide is a photograph of a large, leafy tree in silhouette against a bright sunset sky. The sun is low on the horizon, creating a warm orange and yellow glow. The tree's branches are spread out across the upper half of the image. In the foreground, there is a field of tall grass or reeds, also in silhouette.

Outreach and Measures Update

August 13, 2020

CAP Progress Update

CAP Outreach Update:

- ✓ Initial survey and comment period completed
- ✓ Comments and survey results reviewed and summarized
- ✓ Discussed next steps with City Staff and CAC Members

CAP Outreach Next Steps:

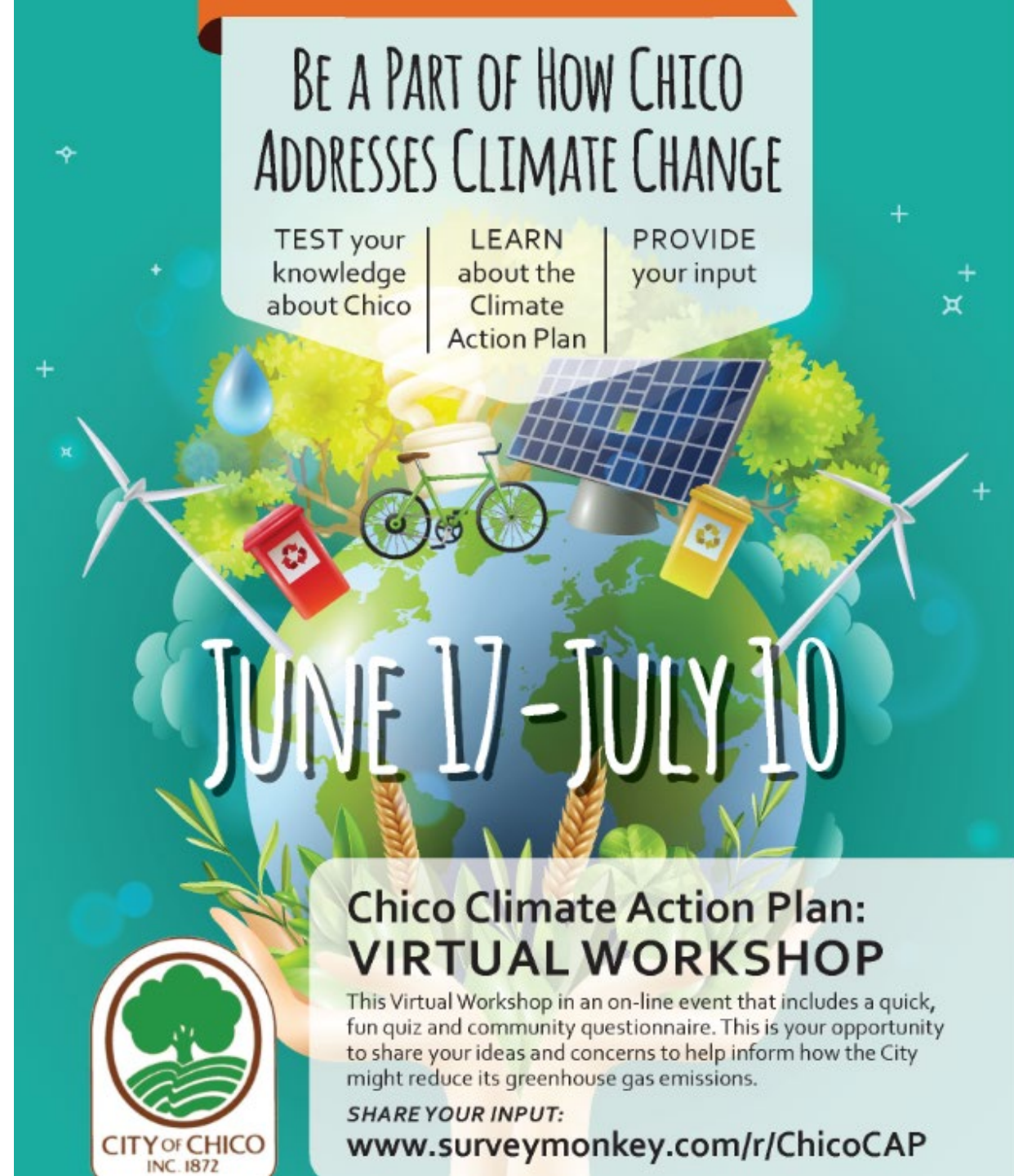
- ❑ Develop next round of outreach on Draft Measures

Draft Measures List:

- ✓ Gained feedback from City Staff
- ✓ Developed Draft List of Measures for CAC Review (sent out soon)

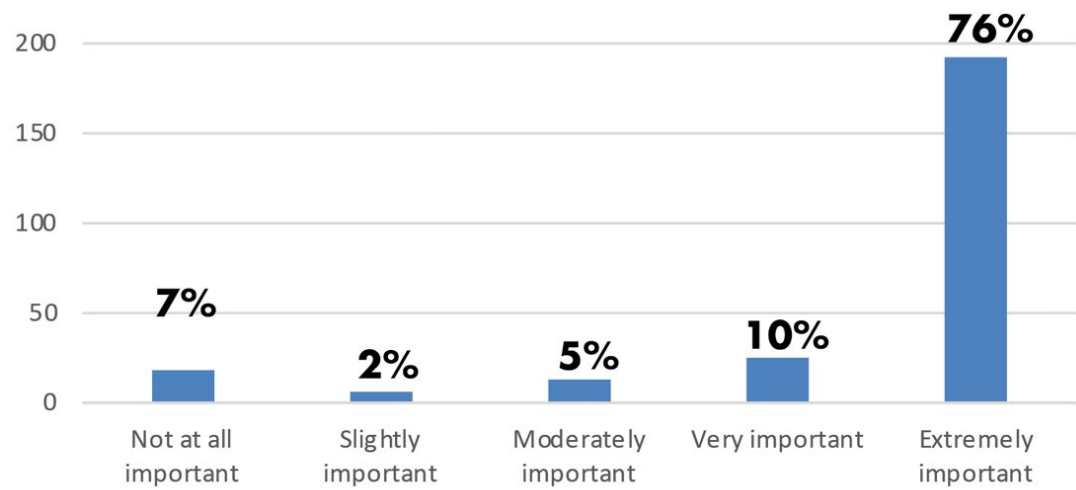
Measures Next Steps:

- ❑ Receive Feedback on Draft Measures List from CAC
- ❑ Edit Final Draft Measures List
- ❑ Develop Measure Quantification
- ❑ Solicit feedback on measures from community
- ❑ Funding and Financing Strategy (HIP)



Outreach Results – 349 Responses

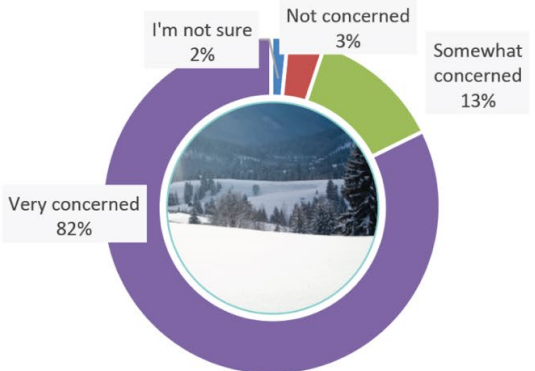
How important is it for the City to implement programs and policies to reduce greenhouse gas emissions?



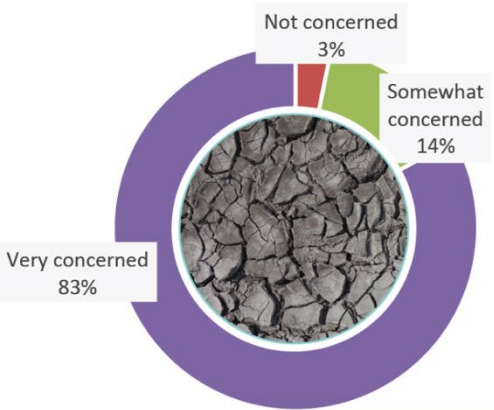
Heavy rainfall and flooding



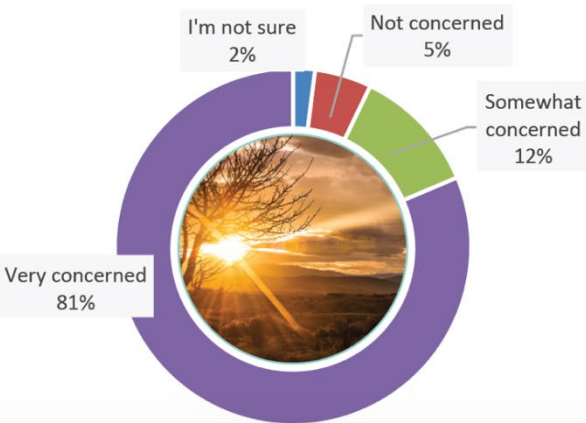
Changes to snowpack and water availability



Drought risk

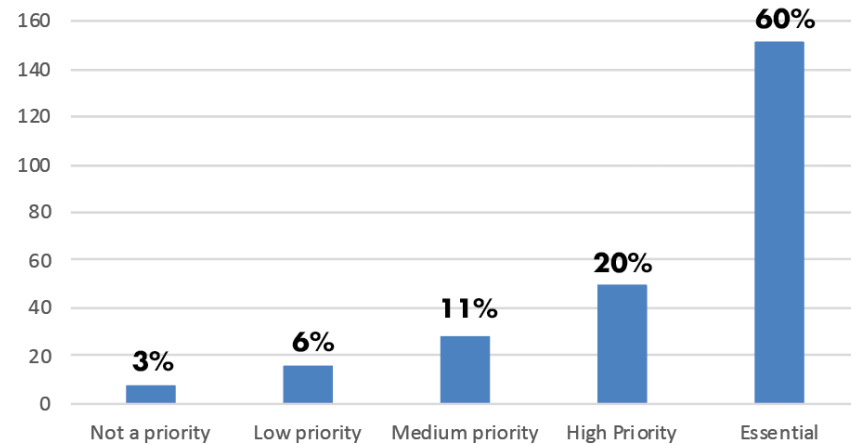


Extreme heat

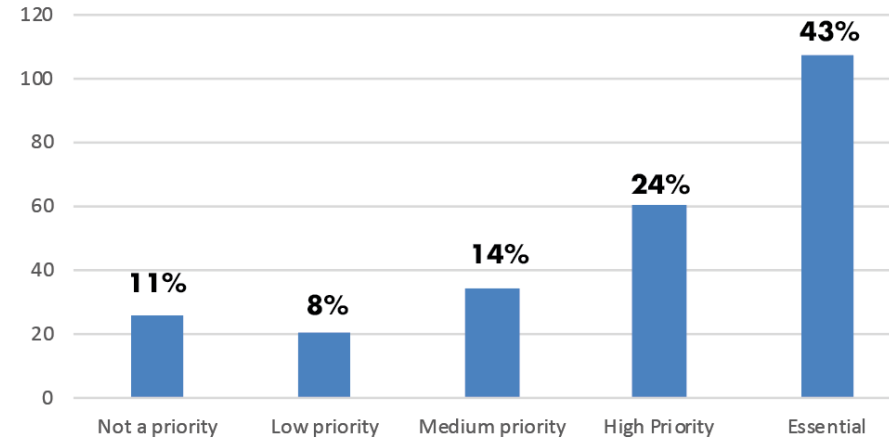


Outreach Results

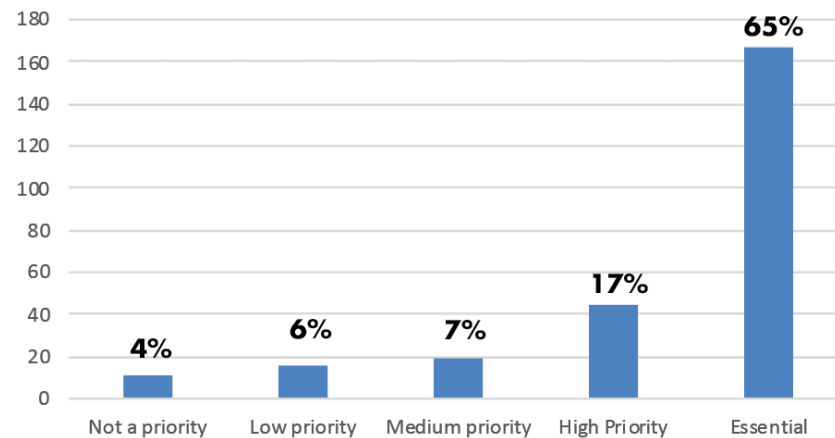
Energy efficient upgrades for buildings



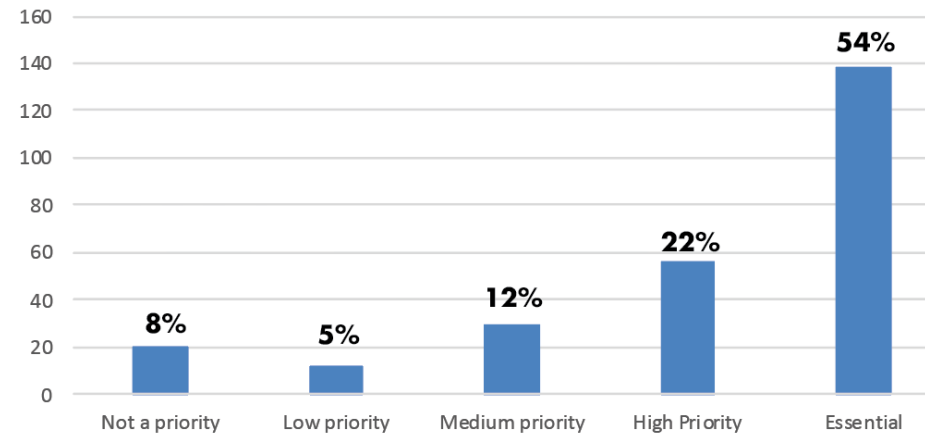
Electrification of buildings



Solar panel and/or battery storage on buildings



Improved infrastructure for cyclists & pedestrians



Outreach Next Steps and Goals



Continue to build community awareness and education about the Climate Action Plan (CAP) and the proposed measures;



Developed a shared understanding of the 10 key proposed CAP measures with examples of what these measures look like



Obtain community input on these measures and how they may impact the community

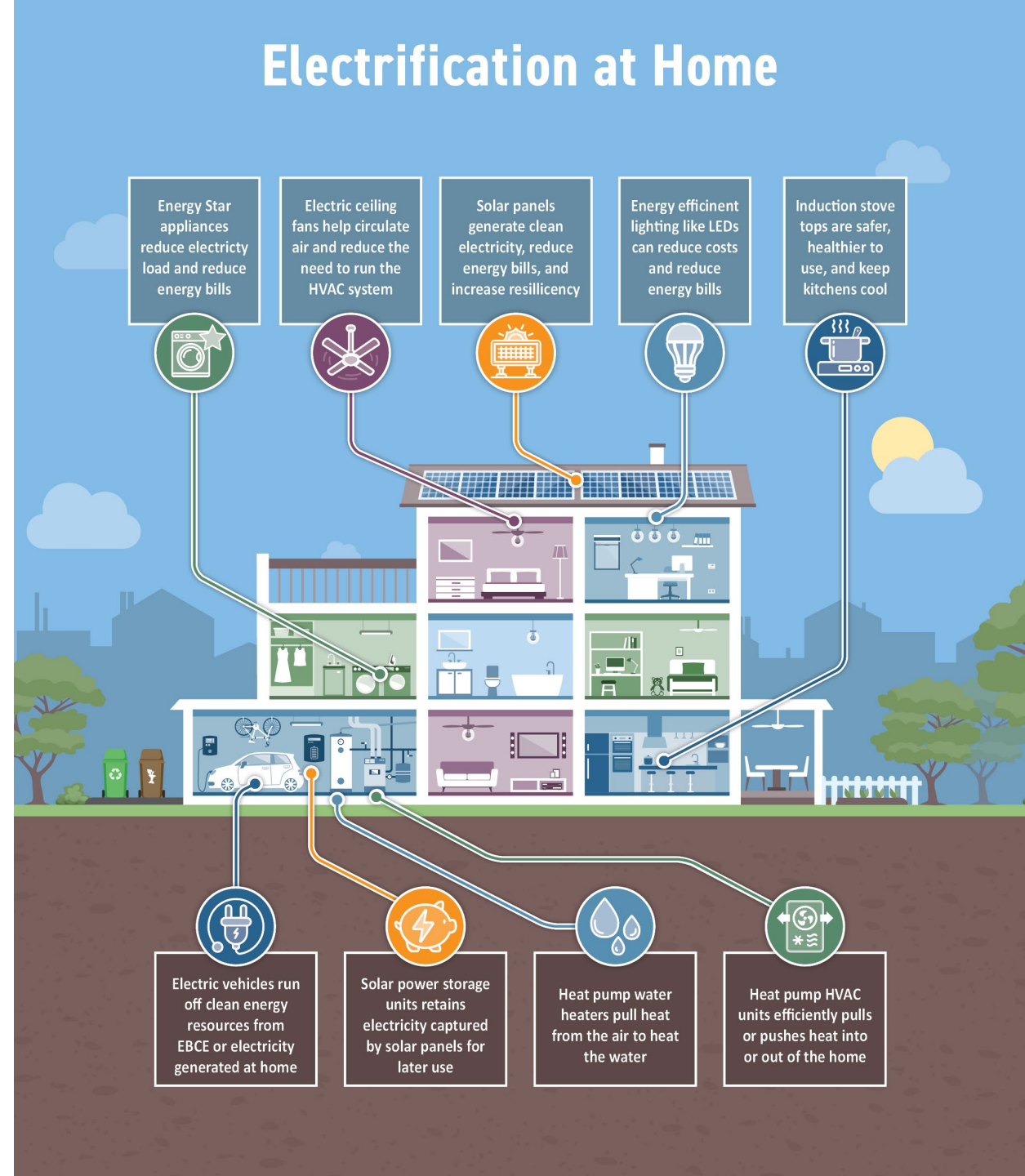


Allow for community members to provide suggestions for any additional measures.

Outreach Next Steps

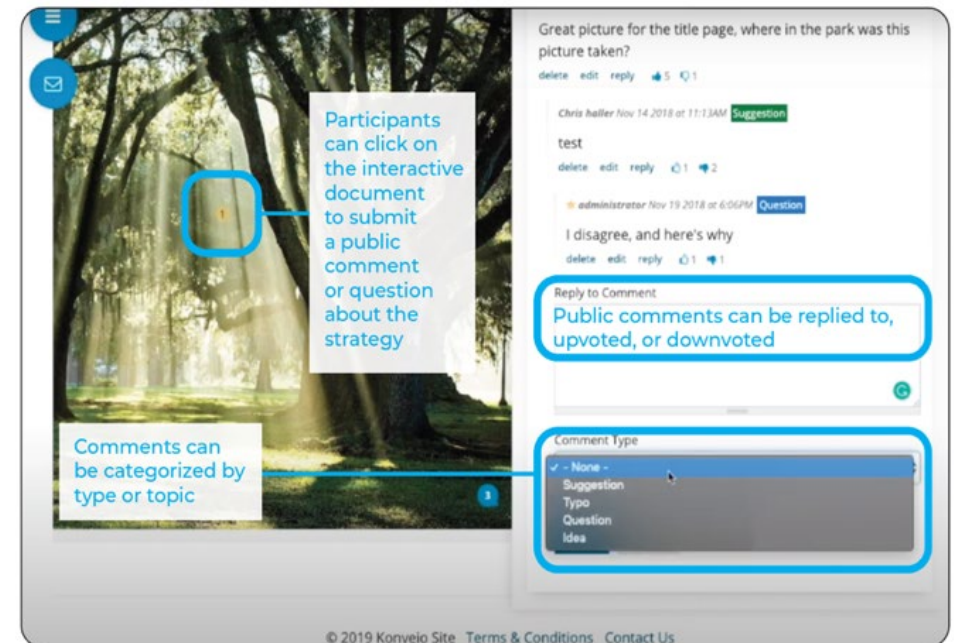
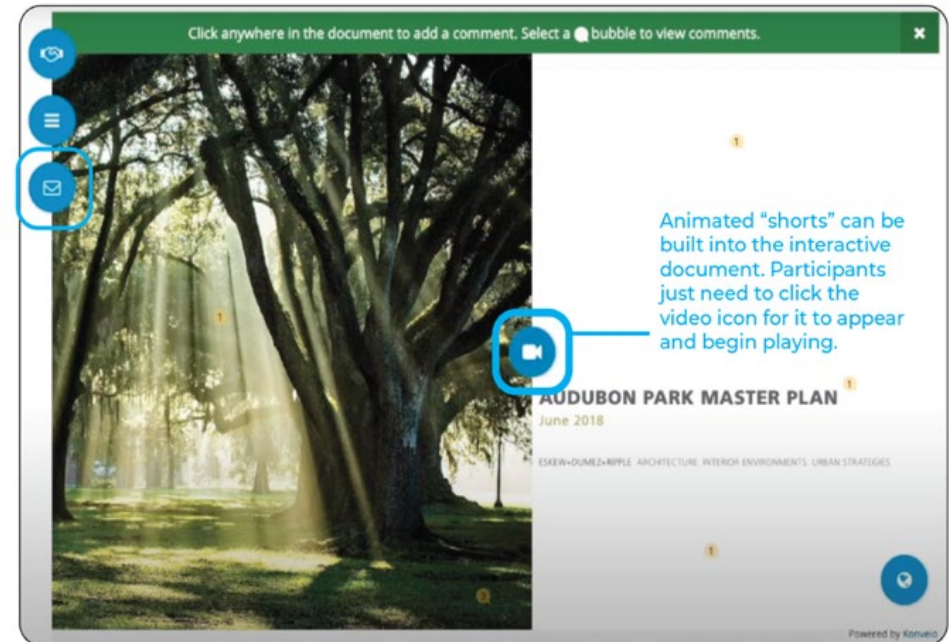
Focus Group Meeting

- Building electrification
- Building costs and benefits
- Specific hurdles
- Solutions
- Policy development



Outreach Next Steps

- Online format
- Deeper dive on top 10 GHG emissions Reducing Measures
- Use of Konveio real time commenting platform
- Embedded videos and links to more info
- Targeted outreach/calls to under-represented and disadvantaged groups



Examples of an interactive document hosted on Konveio.

Outreach Next Steps – CAC Feedback

- Memo of next steps to be provided.
- Some CAC feedback already provided.
- Other considerations/Suggestions?



Measure Discussion

Energy and Built Environment

Eliminate the use of Natural Gas in new construction (where cost effective)

#1. Adopt an electrification reach code which bans the use of natural gas in all new construction where electrification is cost effective (exemptions can be made for some building types like restaurants, labs, hospitals, etc.). Additionally require major retrofits to be electric ready (i.e., install a 200 amp electric panel and prewire for electric vehicles and appliances).



BUILDINGS

Energy and Built Environment

Reduce the use of Natural Gas in existing Buildings



BUILDINGS

#2. Perform an electrification feasibility study/existing building analysis in order to understand the potential for, and associated costs of, electrification retrofitting in the City of Chico and establish a plan for eliminating natural gas from existing buildings.

#3. Adopt an electrification ordinance for existing buildings, implemented through the building permit process, to transition natural gas to electric by attrition in two phases:

- Phase I: Limit expansion of natural gas lines in existing buildings (2022)
- Phase II: Require HVAC system replacements and new hot water heaters to be all-electric (2025)

#4 Amend the Residential Energy Conservation Ordinance (RECO), Title 16 of the Municipal Code, to require energy conservation/electrification improvements for substantial remodels (over 50%) or upon sale/transfer of homes and apartments.

Energy and Built Environment

Decrease carbon intensity of electricity through joining the Butte County CCA

#5. Pass an ordinance authorizing the implementation of a Community Choice Aggregation (CCA) Program through a Joint Powers Agreement with Butte County to form Butte Choice Energy CCA, amending Title 15 of the Municipal Code. Opt-up community accounts to 100% carbon-free electricity by 2025 with an opt-out option.



BUILDINGS

Transportation and Mobility

Reduce VMT by XX% through a mode shift to active transportation and shared mobility.



MOBILITY

#6. Develop and implement an Active Transportation Plan (consistent with the General Plan) that identifies funding strategies and policies for development of pedestrian, bicycle, and other modes of alternative transportation projects. Prioritize bike safety improvements and work with the City's bike/ped working group to identify high priority areas. Improvements include:

- Pave shoulders of streets that have high traffic counts
- Separate bike lanes from motor traffic with concrete bumper blocks or better (Main, Broadway, 5th Ave, 3rd and 4th Ave, Mangrove)
- Establish a safe east-west connection on Bikeway 99 south of Hwy 32

Transportation and Mobility

Reduce GHG emissions by XX% through a mode shift to electric vehicles.

#7. In accordance with the BCAG EV Readiness Plan, amend City Building Code to require the following:

- EV capable attached private garages for new single-family and duplex residential development
- **20%** EV capable charging spaces and panel capacity for new multi-family residential development
- **20%** EV capable charging spaces for new commercial development
- At least 1% working chargers for all new development and major retrofits

#8. Implement the Downtown Access Plan and utilize dynamic pricing for downtown area parking, increasing costs of parking during times of high usage.



MOBILITY

Waste

Reduce organics in the waste stream by at least 75% from 2014 levels by 2022 (SB 1383)

#9. Update waste hauler contracts to include requirements of SB 1383, including expanded organic waste collection and outreach and education.



WASTE

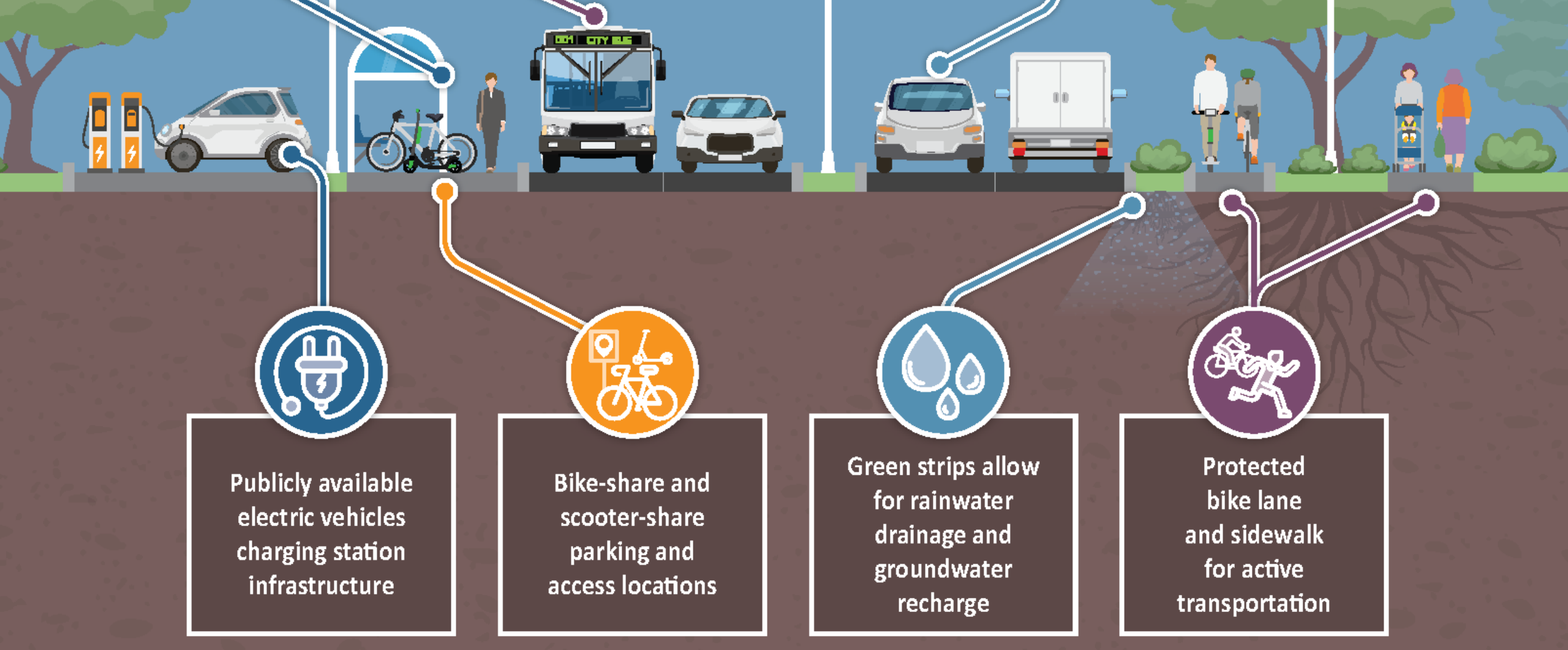
Carbon Sequestration

Sequester XX MT of CO₂e through tree planting by 2030/2045.

#10. Implement Urban Forest Revitalization Program to plant 700 trees by March 2022 (adopted) and **XX** trees by 2030 (new goal). Focus on areas of City with low tree canopy cover based on canopy map.



CARBON
SEQUESTRATION

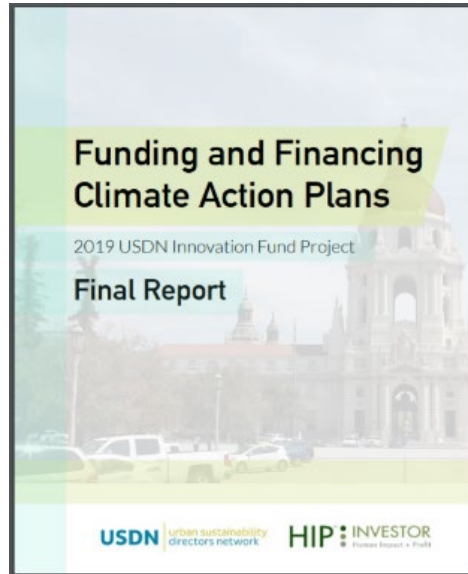


Funding and Financing – Keys to Implementation



HIP INVESTOR - Funding & Financing Climate Action

How to build funding and financing into Climate Action Plan development



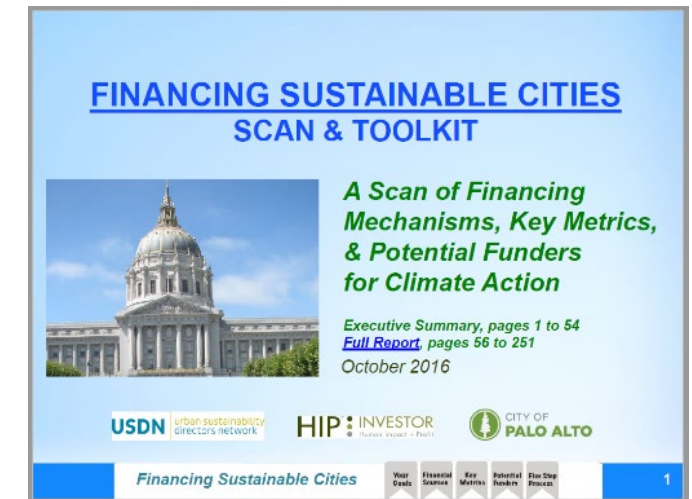
PARTICIPATING CITIES

- Oakland
- Fremont
- San Luis Obispo
- Bend, OR
- Anchorage, AK
- Columbia, MO

Scan of Financing Mechanisms, Key Metrics, & Potential Funders For Climate Action

PARTICIPATING CITIES

- Palo Alto
- Berkeley
- Oakland
- Ithaca, NY
- Milwaukee, WI
- Phoenix, AZ
- Vancouver, BC





HIP INVESTOR - Funding & Financing Climate Action

Prioritize Capital Intensive Measures



Step 1: Preparation



Step 2: Document Financial and Political Sensitivities



Step 3: Prioritize Climate Action Initiatives for Financial Analysis



Step 4: Cost Estimation

Identify Funding and Financing Pathways



Step 5: Generate List of Funding Pathways



Step 6: Build Relationships with External Funders and Partners



Step 7: Moving Towards Implementation



HIP INVESTOR – Financial Analysis

6 Key Climate Action Strategies

- 1. Fossil-Free Energy Generation:**
Solar, Wind, Hydro, Energy Storage
- 2. Resource Efficient Buildings:**
Sensors, Retrofits, HVAC improvements
- 3. Low-Carbon Transportation:**
Electric Vehicle EV charging, EV Fleet Replacement, Micro-Mobility
- 4. Zero Waste to Landfill:**
Biodigesters, Recycling, Waste Reduction
- 5. Clean Natural Resources:**
Urban Forestry, Wetlands Restoration
- 6. Resilience and Adaptation:**
Sea Walls, Education Programs, Resiliency HUBs; Health and Wellness Programs

Viable
Financing
Options

Grant Funding

- Non-Profit / Foundation Grants
- Corporate Grants
- Government Grants

Loans, Credit, & Bonds

- Loans & Loan Guarantees
- Lines of Credit
- Muni Bond SMAs, ETFs, Funds

Private Debt

- Lease Purchase Agreement
- PACE Loans: Commercial, Residential
- On-Bill Financing

Private Equity

- Opportunity Zone Funds
- Venture Capital
- Power Purchasing Agreement

Multi-Sector Partnerships

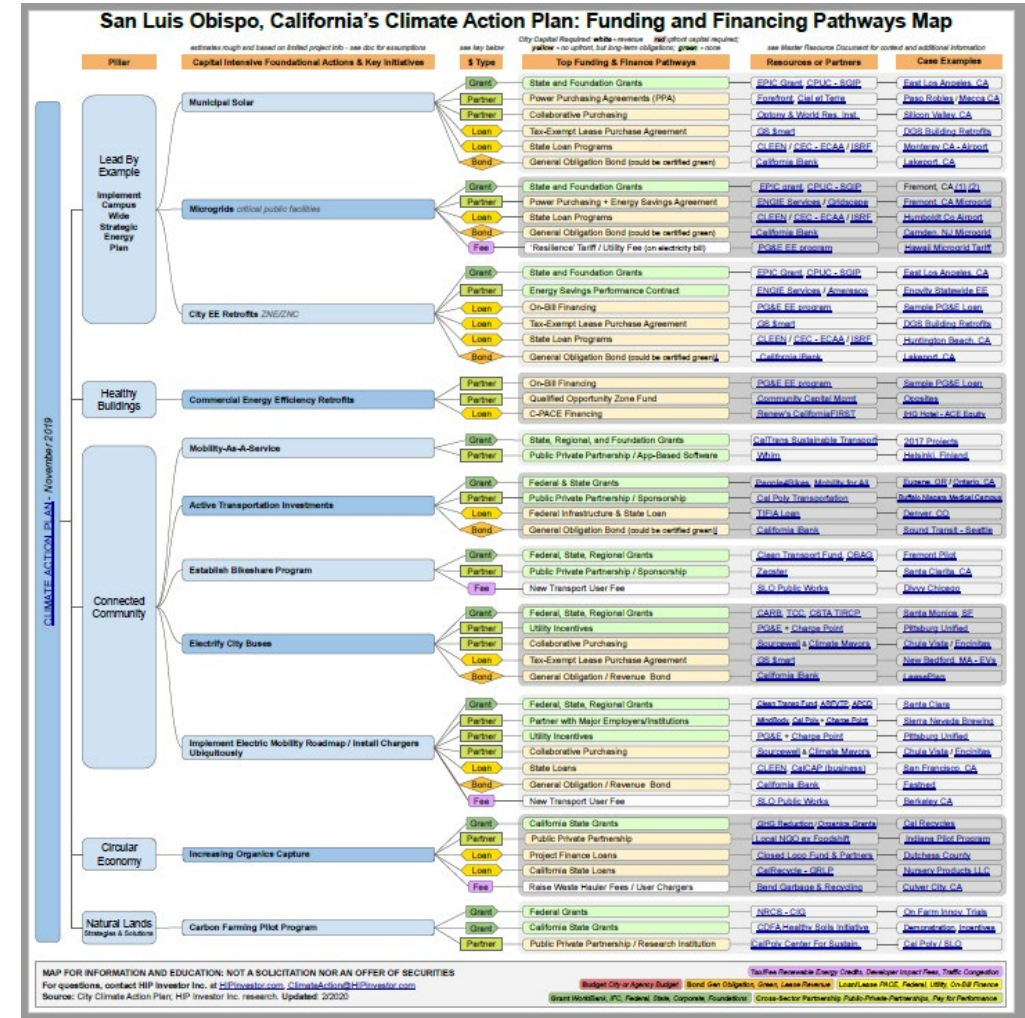
- Operating Partnerships
- Group Purchasing
- Community Choice Aggregation



HIP INVESTOR - Implementation

Funding and Financing Roadmap

- Illustrate the range of finance options that could be utilized to meet Chico's climate goals
- Showcase unique case studies and blended models for traditional financing strategies
- Communicate funding needs and options, and attract resources and partners
- Create opportunities for collaboration with other cities to build economies of scale and drive coordinated action.

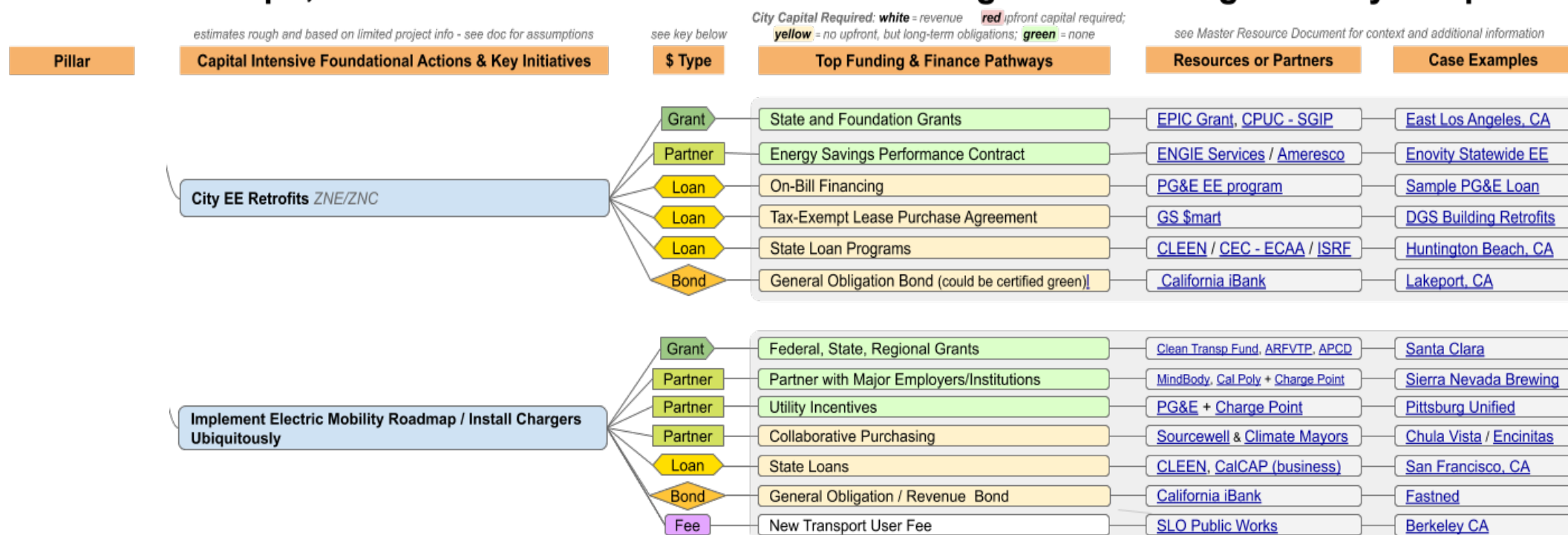


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HIP INVESTOR - Implementation

San Luis Obispo, California's Climate Action Plan: Funding and Financing Pathways Map



MAP FOR INFORMATION AND EDUCATION: NOT A SOLICITATION NOR AN OFFER OF SECURITIES
 For questions, contact HIP Investor Inc. at HIPInvestor.com, ClimateAction@HIPInvestor.com
 Source: City Climate Action Plan; HIP Investor Inc. research. Updated: 2/2020

Tax/Fee Renewable Energy Credits, Developer Impact Fees, Traffic Congestion
 Budget City or Agency Budget Bond Gen Obligation, Green, Lease Revenue Loan/Lease PACE, Federal, Utility, On-Bill Finance
 Grant WorldBank, IFC, Federal, State, Corporate, Foundations Cross-Sector Partnership Public-Private-Partnerships, Pay for Performance

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THANK YOU