



CITY COUNCIL AGENDA
Wednesday, March 5, 2014

(rescheduled from March 3 due to inclement weather)

CALL TO ORDER 8:00 p.m. *Council Chambers*
PLEDGE OF ALLEGIANCE
ROLL CALL

AWARDS/RECOGNITIONS ANNOUNCEMENTS GFOA Distinguished Budget Award; Festival of the Book; National Nutrition Month

MATTERS BY THE PUBLIC Public comment will be permitted for the first 12 speakers who sign up in advance of the meeting (limit of 3 minutes per speaker) and at the end of the meeting on any item, provided that a public hearing is not planned or has not previously been held on the matter.

COUNCIL RESPONSE TO MATTERS BY THE PUBLIC

1. CONSENT AGENDA* (Items removed from the consent agenda will be considered at the end of the regular agenda.)

a. Minutes for February 18

b. RESOLUTION: LEAP Climate Protection Program Partnership Proposal - \$100,130 (1st of 1 reading)

c. RESOLUTION: Wayfinding Maintenance Transfer – \$10,000 (1st of 1 reading)

2. REPORT School Board Adopted FY 2015 Budget

3. REPORT City Manager's Proposed FY 2015 Budget

4. REPORT UVA Housing Study

5. REPORT ONLY Georgetown University Energy (*no verbal presentation*)

OTHER BUSINESS
MATTERS BY THE PUBLIC

Immediately Following Regular Council Meeting **Closed session as provided by Section 2.2-3712 of the Virginia Code**
Second Floor Conference Room (annual performance evaluation for City Manager and Clerk of Council [deferred from Feb. 18]; cost sharing agreement with the Albemarle County Service Authority for capital wastewater projects and negotiation of terms and conditions for acquiring a utility easement from Albemarle Co.)

*ACTION NEEDED

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CITY OF CHARLOTTESVILLE, VIRGINIA



Agenda Date:	March 3, 2014
Action Required:	Resolution
Presenter:	Susan Elliott, Climate Protection Program Coordinator
Staff Contacts:	Susan Elliott, Climate Protection Program Coordinator Kristel Riddervold, Environmental Sustainability Manager Judith Mueller, Department of Public Works Director
Title:	2014 City-LEAP Climate Protection Program Partnership Proposal - \$100,130

Background:

Charlottesville has been involved with climate protection and energy efficiency efforts at the local level for nearly 10 years. Building on previous initiatives and in an ongoing and evolving partnership with the Local Energy Alliance Program (LEAP), recent efforts have included Home Energy Reviews, engagement of the non-residential sector through the Better Business Challenge and related energy benchmarking, as well as support for the development of financing tools including no-interest residential PowerSaver loans and the Clean Energy Commercial Loan program offered in partnership with LEAP and the UVA Community Credit Union.

Last year, the City's Climate Protection Program granted funds to LEAP to support components of both a Residential and Non-Residential Program.

Discussion:

As presented in the attached proposal, the ongoing partnership between LEAP and the City is a demonstrable, effective, and nimble model for delivering energy efficiency support to both the City's residential and non-residential building sectors. This partnership has enabled LEAP to expand its operations and service territory and bring additional resources to the City, while creating jobs and contributing to the growth of our "community power plant." LEAP deeply appreciates past grants from the City, as they have enabled LEAP to leverage significant additional funding (\$550,000 in 2013) that has enhanced the delivery of energy efficiency programs and services to Charlottesville. With the gathering momentum of local energy efficiency activity and the City's intent to participate in the Georgetown University Energy Prize (GUEP) competition, LEAP will continue to be an important partner.

The proposal to grant additional funds to LEAP to provide ongoing support to the Climate Protection Program will continue the strategy to reduced energy consumption, cost savings, and related reductions in greenhouse gas emissions.

Through a proposed grant of \$100,130 from the City to LEAP to implement the 2014 Climate

Protection Program Support proposal (attached), the following shared goals will be furthered:

- Raise the energy literacy and awareness in the community
- Provide access to expertise and action steps for energy efficiency
- Make the energy efficiency actions process streamlined, easy to understand, and financially attractive and affordable

The grant funds are again intended to support a range of residential and non-residential program elements as presented in the attached proposal from LEAP.

As before, City staff has coordinated with LEAP on the intent of the grant, and the attached Memorandum of Understanding provides a summary of the purposes of the funds, program parameters desired by the City, and progress reporting requests. The accompanying Resolution is also provided.

LEAP, a community-based 501c3 nonprofit, has a mission to lead the effort in its community to retrofit buildings with energy efficient and renewable technologies. LEAP's overarching goals include cost savings, job creation, energy self-reliance, local economic development, and the mitigation of global warming.

Community Engagement:

There have and will continue to be numerous initiatives engaging various community audiences. Implementation of the grant will assist with continued community engagement on energy efficiency and community energy planning associated with the GUEP.

Alignment with City Council's Vision and Priority Areas:

Approval of the Resolution for the 2014 Climate Protection Program Support Grant aligns directly with Council's vision for Charlottesville to be **A Green City** with clean air and energy efficient homes and buildings. Expected outcomes are continued increases in level of energy "literacy" as well as quantifiable action regarding energy efficiency in both the residential and non-residential sectors that contribute to emission reduction goals and support competitive participation in the Georgetown University Energy Prize competition.

Budgetary Impact:

Funds are currently appropriated as part of the FY14 budget within the Environmental Sustainability Division cost center.

Recommendation:

Staff recommends approval of the Resolution.

Alternatives:

If Council chooses not to proceed with this proposal, other approaches to promote energy efficiency improvements in the residential and non-residential sectors will be further examined.

Attachments:

LEAP 2014 Proposal for City of Charlottesville Climate Protection Program Support
Proposed Memorandum of Agreement
Resolution

Proposal for City of Charlottesville Climate Protection Program Support

February 2014



LEAP Proposal for City of Charlottesville Residential and Non-Residential Energy Efficiency Programs

Executive Summary

LEAP continues to provide and support unique programs and initiatives in the City of Charlottesville that align with numerous community goals, including climate protection. Examples include the Home Energy Conservation Program for income-qualifying homeowners, PowerSaver No Interest Loans for Home Performance with ENERGY STAR, Home Energy Makeover Contests, the Energize!250 Campaign, the Better Business Challenge, and the Clean Energy Loan Fund, as well as collaboration with the local real estate market to increase demand for energy efficient homes. The ongoing partnership between LEAP and the City is a demonstrable, effective, and nimble model for delivering energy efficiency support to both the City's residential and non-residential building sectors. This partnership has enabled LEAP to expand its operations and service territory and bring additional resources to the City, while creating jobs and contributing to the growth of our "community power plant."

LEAP deeply appreciates past grants from the City, as they have enabled us to leverage significant additional funding that has enhanced the delivery of energy efficiency programs and services to Charlottesville. Other grantors, such as the Department of Energy and the Virginia Department of Mines, Minerals, and Energy have made additional awards to LEAP in part because of the City's demonstrable support of our efforts in this community. In 2013 alone, LEAP was able to bring over \$600K in additional grant funding to the central Virginia area, much of which has been spent in Charlottesville providing rebates for energy improvements to local businesses and residents. What is more, those leveraged federal and state funds have enabled still more grant funding from foundations to be leveraged for specific initiatives that directly benefit the City, such as the Better Business Challenge.

With the gathering momentum of local energy efficiency activity and the City's intent to participate in the Georgetown University Energy Prize (GUEP) competition (launching in August 2014), LEAP remains fully committed to our special partnership with Charlottesville. This proposal outlines the scope of that continued and growing support for FY15.

Updates from 2013 Proposal Implementation

In April of 2013, LEAP signed an MOU with the City of Charlottesville for the implementation of residential and non-residential energy efficiency programs in partnership with the City's Climate Protection Program (CPP). An Interim Report describing activities and accomplishments was provided in October 2013 and a final report summarizing the program support outcomes will be generated after the completion of the period of performance (June 30, 2014).

At the time of the MOU signing, it was envisioned that much of the grant dollars from the City would be expended providing rebates to City residents and property owners. Another large portion of the funds were budgeted against program outreach and management. However, as an exciting outcome of LEAP's hard work,

good fortune, and special relationship with the City, LEAP obtained additional sources of funding subsequent to the MOU signing, and the CPP plan was modified accordingly. The following events necessitated the change in plans:

- 1) LEAP received an additional grant allocation from the Southeast Energy Efficiency Alliance (SEEA) on the Department of Energy's Better Buildings Neighborhood Program (BBNP) Grant in acknowledgement of our high performance. It is important to note that LEAP was the only SEEA grantee (out of 13) to receive additional funding. This additional \$500K was to be expended by September 2013, covered program management costs, and provided rebate dollars for Home Energy Reviews, residential improvements, and non-residential building improvements. On top of this supplemental SEEA grant, LEAP was also successful in pursuing a state energy office grant which provided \$50K in operational support for our work in the Charlottesville area. With this unexpected influx of funding, LEAP (in consultation with the CPP staff) logically deferred expending City grant dollars until after BBNP's closeout in September 2013.
- 2) Dominion modified their Home Energy Check-Up (HECU) program in September 2013 which presented LEAP with a remarkable opportunity to continue providing comparable Home Energy Review services to residents in single-family homes while generating significant revenue from Dominion. LEAP quickly recalibrated and began performing HECUs in Dominion's program. These checkups are funded by a \$45 fee from the resident and a cash rebate from the utility to LEAP. Similar in price point to the Home Energy Review, the HECU has added benefits for LEAP, residents, and the community as a whole. LEAP's education and outreach to the resident is covered by the rebate; residents benefit from LEAP's expertise and energy-saving products installed by LEAP; and the community's aggregated residential energy usage is reduced as a result. This development in particular has dramatically increased our market penetration within single-family homes. As a result, we are proud to report that we have expanded our Charlottesville full-time staff from seven to ten employees over the past 8 months.

As a result of these fortuitous events, LEAP was able to identify and pursue several opportunities to enhance its support services within the City:

- 1) Because Dominion's HECU program does not provide rebate dollars towards gas-fueled equipment (like a furnace or water heater), LEAP coordinated with CPP staff to devise a pilot program for City gas customers whereby CPP funds that were initially budgeted for rebates would be used instead to provide City gas customers with the same low cost energy saving installations that all-electric homes get through the Dominion's HECU program.
- 2) LEAP and the CPP have also developed an innovative plan to use CPP funding to bring the benefits of HECUs to low income apartment dwellers in the City. The low income and multi-family portions of the residential sector pose unique challenges to achieving energy efficiency gains, and efforts are being made across the country to identify effective approaches to do so. This planned pilot initiative will focus on a Section 8 multi-family property in the City and will provide valuable experience to inform continuing efforts locally.

- 3) Perhaps most exciting, the City and LEAP have agreed to work together to formulate an approach to compete for the \$5 Million Georgetown University Energy Prize (GUEP). As part of our preparation for this competition, LEAP applied for and was awarded a Leadership Charlottesville team to help develop outreach and promotional strategies for broad participation of the City's residents as a part of this competition. This has been a major effort over the past 3 months, and some program administration dollars were redirected for staff to manage the team and prepare the proposal.

With the fortunate influx of additional program funding from non-City sources, the delivery of programs and services in the City has been occurring at an elevated scale. CPP-support funds have been applied in pursuit of program goals as originally expected with some adaptations made as advantageous opportunities arose. LEAP anticipates fully expending the City funds by June 30, 2014. Furthermore, we project that program goals outlined in the original proposal will, for the most part, be achieved or exceeded.

Integrated Program Summary

LEAP is locally-headquartered nonprofit that works cooperatively with the City of Charlottesville and its Climate Protection Program (CPP) staff to deliver performance-based programs on energy efficiency. As such, a coordinated effort tracked through regular progress meetings and reporting is put forth by LEAP and the City to maximize effectiveness of outreach efforts and the programs themselves. The ongoing goals for these programs, both residential and commercial can be summarized in three areas:

- 1) Raise the energy literacy and awareness in the community
- 2) Provide access to expertise and action steps for energy efficiency
- 3) Make the energy efficiency actions process streamlined, easy to understand, and financially attractive and affordable

Specific goals and performance objectives for the respective programs follow.

Residential Program

LEAP's Home Performance with ENERGY STAR (HPwES) residential energy efficiency program promotes a comprehensive, whole-house approach to improving the energy efficiency and comfort of existing homes and includes multiple participation pathways, including an innovative and developing "staged retrofit" path, in order to appeal to a wide range of homeowners. LEAP is the U.S. Department of Energy's designated administrator of the HPwES program in central Virginia.

The residential program LEAP conducts specifically for Charlottesville incorporates a comprehensive strategy for delivering cost-effective and credible energy and water savings that includes:

- Assisting in the development and execution of a focused Community Energy Plan (created and managed in conjunction with the GUEP) that drives mass uptake of energy efficiency work in the residential and low-income/multifamily sectors.

- Provision of low cost Home Energy Checkups (HECUs) for Charlottesville residents that include a checklist of improvement opportunities and the installation of baseload energy savings measures.
- Incorporation of water saving and home safety measures into the HECU
- Development of plans to have the HECU cost underwritten or decreased by a rebate for low income residents.
- Improved durability, affordability, and value of the City's residential building stock.
- Bringing additional grants, resources, and expertise to Charlottesville's CPP and the community.
- Promotion of energy literacy and healthy homes in the Charlottesville community by holding periodic educational workshops.
- Promotion of Charlottesville rebates and tax credits via customer marketing, education, and outreach including presentations, e-Newsletter content, and campaigns.

Promotion of financing for energy improvements through LEAP's partnership with the UVA Community Credit Union and their low interest PowerSaver loans currently supported by an interest rate buy down funded by City-awarded US DOE EECBG grant dollars.

Residential Program Promotion

In support of an effective, broad-reaching program, LEAP will work with the City to develop a coordinated promotion strategy for both the program and the GUEP. Strategies will include:

- Promotion on our respective websites and social media channels
- Promotion through partnered nonprofits, Parent-Teacher Organizations, Neighborhood Associations, and other channel partners that enable Targeted Neighborhood Outreach – a tactic LEAP has developed that defines our process for engaging neighborhoods
- Weekly television spots that promote the City's CPP and GUEP efforts. LEAP has a contract with NewsPlex to film/create 8 x 90 second interviews that will be shown once each week / six times each (simulcast on ABC and CBS) in Charlottesville. Co-branding of local marketing, educational, and outreach materials
- Seasonal articles in City Notes
- LEAP-led presentations to community groups, houses of worship, schools, and neighborhood associations as appropriate to promote HPwES, the rebates which help to underwrite improvements, and efforts towards the GUEP competition.

Ultimately, we seek to leverage the above strategy into a coherent outreach and marketing campaign around CPP goals and the GUEP competition in coordination and partnership with City staff. The goal of the competition is maximum reduction of the City's residential and municipal energy usage over a two year timeframe (with the associated reduction in utility costs and greenhouse gas emissions). As has proven successful over the past year in enabling LEAP to deliver an enhanced level of program services, additional non-City funding will be sought and incorporated to expand where possible.

Residential Program Goals

Program performance and progress towards achieving established goals will be evaluated on a continual basis. Suggested performance goals:

- 750 Home Energy Checkups completed yearly
- 75 City homes certified through the HPwES program (includes 25 AHPwES) yearly
- 8 LEAP-led presentations as part of the residential program promotion

Non-Residential Building Program

Many non-residential property owners are interested in cost effective ways to lower their ongoing operational expenses - such as energy and water bills. Money saved on utility bills can be used to offset financing for improvements such that, over time, the improvements pay for themselves. From that point forward, the business or nonprofit has just increased its positive cash-flow.

The difficulty is that many non-residential property owners do not know whether or not their building is performing well in the first place because they have not benchmarked their usage. Like our residential program, LEAP's Non-Residential Energy Efficiency Program has multiple entry points for property owners, not all of which require substantial capital investment. Building on the UVA Community Credit Union's financing products that support our residential program and their understanding of the similar value non-residential enterprise, we have developed with them a Clean Energy Loan Program (leveraged from a City loan program grant for renewable energy projects). This \$1 million fund was created by reallocating \$200K from the City's remaining renewable loan fund to a loan loss reserve, which itself created a much larger capital pool for nonresidential energy efficiency and renewable energy installations. The basic elements of our non-residential program include:

- Benchmarking services
- Energy Treasure Hunt and Presentation
- Scoping or Investment Grade Energy Assessment
- Installation of Improvements
- Promote and facilitate financing options available through our partner, the UVA Community Credit Union

Non-Residential Program Promotion

In an integrated non-residential program, marketing efforts are coordinated between the City of Charlottesville and LEAP to provide the biggest uptake and consistent messaging for customers. They include:

- Promotion on our respective websites
- Co-branding of local marketing materials
- Targeting businesses who provide public services with direct mail, outreach, and consultations for our Portfolio Manager Benchmarking service
- Low cost energy walk-throughs followed by LEAP-led presentations to community groups, houses of worship, schools, and business associations or groups as appropriate to promote the program
- Promotion of the Charlottesville Clean Energy Loan Fund

- 2 targeted information exchange events (opportunities to be explored with the Economic Development office and other City supported efforts)

Non-Residential Program Performance Goals

Program performance and progress towards achieving established goals will be evaluated on a continual basis. Evaluations will include market, process, and impact evaluations to review the program's operations, its impact on the local market, and, in cooperation with non-residential entities and their utilities, verification of projected vs. actual energy savings produced by the program. Suggested performance goals:

- 12 Portfolio Manager scores completed yearly for City businesses
- 12 low-cost lighting assessments
- 6 City businesses retrofitted
- Yearly focus on particular building stock sector – in 2014 LEAP will continue to focus on faith-based buildings, schools (and daycare), nonprofits, and community buildings.

Evaluation Plan

The proposed evaluation plan for the residential and non-residential program has been informed by previous program experience and completed accomplishments.

Residential Program

LEAP will track the following metrics when evaluating the effectiveness of the HPwES Integrated Program:

- Customer conversion rate: number of completed Home Energy Checkups; number of leads to contractors; and number of single measure jobs completed; and HPwES jobs certified
- Low-income impact: same metrics listed above but segmented for the low-income and multi-family sectors
- Market participation: percent of City residences taking actions per year and since LEAP was established
- Projected energy savings: year to year; net by household since enrolling in LEAP's programs; and estimated avoided energy costs
- Number and type of efficiency measures installed; and amount of City funds and private funding leveraged
- Number of contractors trained and registered
- Tracking of aggregated HPwES projected savings results and data report
- Number of individuals reached through LEAP-led community presentations

Non-Residential Program

LEAP will track the following metrics when evaluating the effectiveness of the Non-residential Program:

- Customer conversion and reported motivations for taking action

- Number of completed Portfolio Manager scores, lighting assessments, and walk-throughs; and number and type of efficiency measures installed
- Projected energy savings: (1) year by year; (2) net by organization since enrolling in LEAP's programs; (3) estimated avoided utility costs
- Installation/retrofit costs, leveraged City funds, and private funding for City non-residential organizations
- Number of contractors trained and registered

Conclusion

The City of Charlottesville was instrumental in the creation of LEAP. Since that time in 2009 LEAP has grown and evolved in many ways that were not anticipated, but have proven to be a pleasant surprise – particularly when they include additional grants and resources we have been able to bring to Charlottesville. In addition to LEAP's basic services, the City's program support has enabled LEAP to provide specialized attention and focused outreach from LEAP staff, development of effective delivery pilot initiatives that expand the accessibility of services within the City and can serve as models for other localities in LEAP's service area, additional funding to Charlottesville from non-City sources, and support in advancing the City's CPP goals and its competitiveness in the upcoming GUEP competition. LEAP remains fully committed to the special relationship it has with the City of Charlottesville as its energy efficiency program implementer and looks forward to continued growth, innovation, and success.

**MEMORANDUM OF UNDERSTANDING
2014 CLIMATE PROTECTION PROGRAM SUPPORT**

This Memorandum of Understanding (“MOU”) is made this ___ of _____, 2014, by and among the City of Charlottesville, Virginia and the Local Energy Alliance Program.

Whereas, the City of Charlottesville, Virginia, (hereafter, the City) wishes to promote energy efficiency improvements in Charlottesville homes and non-residential buildings, and;

Whereas, the Local Energy Alliance Program (hereafter, LEAP) wishes to serve our local community to conserve energy in existing buildings, to promote cost savings, job creation, sustainability, local economic development, and environmental stewardship, and;

Whereas, the parties agree that the intended use and release of City funds should be authorized in a mutually agreed fashion, in furtherance of these shared goals;

Now, Therefore, the City and LEAP jointly agree that upon execution of this MOU, LEAP will be granted an amount of One Hundred Thousand One Hundred and Thirty Dollars (\$100,130) the source of which is already appropriated funds in Fund 631, Cost Center 2711001000, for the purpose of providing 2014 Climate Protection Program support focused on raising the energy literacy and awareness in the community, providing access to expertise and action steps for energy efficiency and making the energy efficiency actions process streamlined, easy to understand, and financially attractive and affordable. The parties agree to the terms and conditions of this MOU as set forth below:

1. Use of Funds:

The parties agree that funds may be used only for the following purposes as detailed in the 2013 Climate Protection Program Support proposal:

- A. Assisting in the development and execution of a focused Community Energy Plan (created and managed in conjunction with the GUEP).
- B. Provision of low cost Home Energy Checkups (HECUs) for Charlottesville residents that include a checklist of improvement opportunities and the installation of baseload energy savings measures.
- C. Incorporation of water saving and home safety measures into HECUs
- D. Development of plans to have the HECU cost underwritten or decreased by a rebate for low income residents.
- E. Improved durability, affordability, and value of the City’s residential building stock.
- F. Bringing additional grants, resources, and expertise to Charlottesville’s CPP and the community.
- G. Promotion of energy literacy and healthy homes in the Charlottesville community by holding periodic educational workshops.
- H. Promotion of Charlottesville rebates and tax credits via customer marketing, education, and outreach including presentations, e-Newsletter content, and campaigns.
- I. Delivery of non-residential program elements (Benchmarking services, Energy Treasure Hunt and Presentation, Scoping or Investment Grade Energy Assessment, Installation of Improvements, Promote and facilitate financing options available through our partner, the UVA Community Credit Union)
- J. Associated marketing, outreach, and program administration.

2. Program Parameters:

Upon receipt of the grant, LEAP agrees to provide the proposed program support to promote energy efficiency improvements in residential and non-residential buildings in the City of Charlottesville.

3. Program Progress Reports

LEAP acknowledges the City’s desire to receive progress reports regarding the accomplishments of the program at a minimum on two mutually established checkpoint dates. Both parties agree to the value of monthly progress/coordination meetings to ensure that pursuit of common goals is on track. Progress reports may be provided to those LEAP board members appointed to represent the City of Charlottesville, and may contain the following information:

- A. Market participation and customer conversion rate
- B. Projected energy savings and estimated avoided energy costs
- C. Number and type of efficiency measures installed
- D. Non-residential installation/retrofit costs
- E. Amount of leveraged funds
- F. Data related to participating contractors
- G. Number of individuals reached through LEAP-led community presentations
- H. Number of completed Portfolio Manager scores, lighting assessments, and walk-throughs
- I. Service hours provided by LEAP and full market value

4. This MOU may be supplemented, modified, or amended by mutual agreement as set forth in writing.

In Witness Whereof, the City of Charlottesville and the Local Energy Alliance Program have executed this MOU effective the last date written below.

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____

Title: _____

Date: _____

Approved as to Form:

Funds are Available:

S. Craig Brown, City Attorney

Director of Finance, or designee

LOCAL ENERGY ALLIANCE PROGRAM

By: _____

Title: _____

Date: _____

RESOLUTION
2014 Climate Protection Program Support Grant
\$100,130

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$100,130 is hereby paid to LEAP from currently appropriated funds in the Gas Fund, Environmental Sustainability Cost Center as follows:

\$100,130 Fund: 631 Cost Center: 2711001000 G/L Account: 599999

Interim Report

City of Charlottesville and LEAP

Climate Protection Program Partnership

October 2013



The report is comprised of the following four sections.

- **Background**
- **Activities and accomplishments – past 6 months**
- **Objectives for next 6 months**
- **Data & Evaluation**

Background

LEAP and the City of Charlottesville furthered their partnership in April 2013 when the two organizations entered into a Memorandum of Agreement. As part of that agreement, LEAP provides a progress report to the City every six months. This report is the first such progress report.

Under the terms of the MOU, LEAP received \$100,087 in already-appropriated funds for the purpose of supporting the city's Climate Protection Program. Specifically, LEAP is tasked to raise the energy literacy and awareness in the community; provide access to expertise and action steps for energy efficiency; and to make the energy efficiency action process streamlined, easy to understand, and financially attractive. These objectives apply to both the residential and nonresidential sectors.

The MOU directed that the city's funds could only be used for the following purposes:

- A. Delivery of do-it-yourself resources for energy and water improvements and other workshops for owners and tenants;
- B. Benchmarking of residential and nonresidential properties and providing the data to the City;
- C. Facilitation in implementation of energy and water improvements including but not limited to promotion of City incentives and resources;
- D. Increasing community awareness and understanding of the benefits of energy efficiency;
- E. Improving quality of life for citizens via cost savings, healthier indoor air, and basic comfort;
- F. Improving durability and affordability of building stock; and
- G. Associated marketing, outreach, and program administration

The original budget provided a blend of operating funds and rebate dollars designed to underwrite the following:

- Residential outreach and marketing driving city homeowners to get a Home Energy Review (HER). The \$100 HER would be discounted \$75 for city residents (subsidized by City funds).
- Nonresidential marketing and outreach to encourage local businesses to get an energy walkthrough assessment. The \$150 walk-through would be discounted \$75 for city nonresidential property owners (subsidized by City funds).
- The Better Business Challenge was programmed to receive \$5000 for marketing and outreach.

Activities and Accomplishments: 4/2013 – 10/13

RESIDENTIAL PROGRAM

LEAP's operating environment changed dramatically twice over the past 6 months in ways that ultimately benefited the City. In early May, the Southeast Energy Efficiency Alliance provided an unanticipated \$550K in Better Buildings Neighborhood Program (BBNP) funds for operations and rebates in and around Charlottesville that had to be expended by 9/30/13. After conferring with the City's Environmental Sustainability Division, it was decided that LEAP would perform the activities specified in the CPP MOU while expending the BBNP funds, thereby conserving the CPP funds for later use. With the influx of BBNP dollars, LEAP rapidly conceived and launched the "90 Days of Summer" campaign with the goal of performing 200 residential and 5 nonresidential retrofits in and around Charlottesville prior to 9/1/13. LEAP conducted extensive outreach and marketing over the summer and met the ambitious goals of the campaign. A total of 203 residential retrofits (87 City residents) and 5 nonresidential retrofits participated in LEAP's program. Eleven homeowners also took advantage of the City's special interest rate reduction program that LEAP oversees in conjunction with the UVA Community Credit Union. As a result of this promotion, \$40K in rebates went to city residents leveraging well over \$600K in private investment for almost \$30K in yearly energy savings (136 MWhrs and 13,000 therms).

The second significant event occurred in July when Dominion Virginia Power announced they were changing the way their Home Energy Check Up program distributed rebates. Home Energy Check Ups consist of a walkthrough assessment and direct install of energy saving measures such as light bulbs, weatherstripping, and smartstrips. Whereas previously the company paid rebates directly to the homeowner after the check up, they now pay rebates directly to the contractor – this makes the evaluation much more appealing to homeowners because they do not have to cash flow the expense. This change presented a significant outreach opportunity for LEAP, resulting in our becoming a participating contractor in Dominion's program. These check ups will combine the Healthy and Efficient Home Evaluations LEAP was performing as part of our City program with the advantage of direct install benefits to residents. Using Dominion's

rebates will provide a cost savings to the City in terms of dollars needed to incentivize residents. LEAP has been doing Dominion Home Energy Check Ups for about 45 days, and to date, LEAP has performed a total of 51 Home Energy Check Ups in the City.

Although the “90 Days of Summer” and LEAP’s entry into the Dominion Home Energy Check Up program were highlights of the past 6 months, LEAP staff was also very busy with other activities for City programs. Some of these activities are directly funded from the CPP grant, and others have different City funding streams. For example, LEAP oversaw the energy upgrades and HPwES Certification of twenty Charlottesville low income homes and has nine more to retrofit before the end of the year. As a result of our work in this sector, LEAP’s Key Accounts Manager is now participating on the City’s Housing Advisory Committee. Also, LEAP’s Senior Technical Advisor has performed nine audits as part of the City Block by Block project in connection with AHIP. Other major activities in Charlottesville include:

City Community Outreach: An important part of the City program includes education and outreach to citizens on ways to save energy and money. LEAP was a featured presenter at numerous events over the past 6 months. LEAP staff tabled at the Healthy Living Expo, the Eco-Fair, Go-Green Festival, Veggie Fest, and the Chamber of Commerce Expo. LEAP’s E.D. presented at CAAR’s monthly real estate meeting and at a renewables workshop on the City’s residential and loan programs respectively. A very successful energy efficiency workshop was held for low income elderly residents at Midway Manor and was covered extensively by the local media. Staff members have also presented to several youth groups.

Promotion of the City’s Special Tax Rate for Energy Efficient Buildings: In January of 2013, City Council passed a modification to the city tax code that allowed residents who earned the Home Performance with ENERGY STAR (HPwES) Certificate to qualify for the City’s special Energy Efficient Buildings tax rate. LEAP worked closely with Neighborhood Development Services to design the process for homeowners to apply. The first HPwES homeowner was approved for the special tax rate in May of this year. Since that time 23 HPwES clients have qualified for the special tax rate. This program could be a powerful incentive for the City’s residential program, and LEAP intends to do more work promoting it in the coming months.

Collaboration with City Water Conservation Efforts: LEAP collaborated with the City’s Water Conservation Program Blue Team initiative to include energy efficiency education in their efforts while also adding water conservation education to our residential check-ups. The Blue Team and LEAP shared outreach materials and each distributed the others’ literature, thereby synergizing both groups’ educational efforts.

Third Annual Home Energy Makeover Contest (HEMC): This year’s contest was largely coordinated and run by the UVA Community Credit Union, but LEAP played a key supporting

role throughout the contest. This year 210 City residents entered the HEMC, and our \$10,000 grand-prize winner was a family in Belmont.

NONRESIDENTIAL PROGRAM

Not all of LEAP's work in the Nonresidential Program is connected to a campaign – sometimes we just make the extra time to be of assistance to local businesses, such as was the case with Barrett Learning Center and Entero Solar. These two businesses received a free walk through evaluation from LEAP's Senior Technical Advisor, although they did not benchmark their buildings.

Interfaith outreach: As part of our efforts to promote the nonresidential program, LEAP launched a pilot program for faith-based institutions whereby we educate church leaders, administrators, stewards, maintenance staff and congregants on energy efficiency by delivering valuable technical information and recommendations for their buildings. Thus far we have completed walk-through energy assessments and home energy efficiency presentations for four Charlottesville churches. These churches have begun to follow our recommendations for energy efficiency upgrades in their church building. One particularly successful effort involved Sojourners United Church of Christ. After numerous meetings with a variety of administrators, LEAP was invited to do a walk-through energy assessment. During our visit, our Senior Technical Advisor discovered carbon monoxide being improperly vented near the congregation's nursery. After being alerted, the church maintenance crew rapidly fixed the problem. LEAP will continue with this program as we have gotten good response from those with whom we've worked. We anticipate energy upgrades to be pursued in several of the city's churches and in the homes of many of their congregants.

Better Business Challenge: Much time and effort has been given to planning, coordinating and launching the second Better Business Challenge (BBC) over the past 6 months. The BBC is a joint effort between LEAP and Better World Betty and is one of the cornerstones of our nonresidential outreach efforts. LEAP has helped raise grant dollars for the BBC while also providing funds and in-kind support to help this program flourish in Charlottesville. The BBC kicked off in early September, and we will be using the campaign to highlight benchmarking and walk through assessments LEAP offers to City businesses and to cross-promote the residential program to City residents. Given the US Department of Housing and Urban Development's Community Development Block Grant (CDBG) funding this year's Challenge includes, LEAP looks forward to our outreach efforts with these City businesses to help them become more profitable through lowering their operating costs.

Retail Partnership Program: LEAP is developing innovative and synergistic partnerships with local retailers. Our most successful such partnership thus far is with Batteries+Bulbs (B+B) on Emmet Street. As B+B expanded into the energy efficient lighting market, LEAP saw this is a natural alliance. After much negotiation, LEAP and B+B cosigned an MOU this summer whereby we co-market each other's promotions. LEAP has sent many homeowners to B+B for their lighting needs and B+B has given LEAP significant floor space for advertising the benefits of Home Performance. B+B also offers free lighting assessments for nonresidential properties and they have become a key ally in our commercial program while also being a strong supporter of the BBC and a supplier of bulbs for our Home Energy Check-ups. Other retail partnerships explored or under development include the Habitat Store.

Future Objectives – next 6 months

RESIDENTIAL PROGRAM

With the end of most of our federal grants, LEAP's number one priority for these next six months is to grow demand for Home Energy Check Ups through workshops, marketing, and other outreach efforts, while simultaneously expanding our capacity to perform this service. Based on experience and available data, it is clear that some of the best opportunities for energy efficiency savings exist in the low-income and elderly market segments. We intend to focus our Charlottesville efforts in these sectors, raising the energy literacy and awareness in the community while driving demand. Furthermore, we intend to add additional part-time or contracted team members tailored to these markets. We have started discussions with the City's Section 3 Coordinator and other influencers in the community to both identify the right neighborhoods for us to target and potential Energy Coach apprentices who could be quickly trained to perform these check ups.

LEAP is developing a marketing strategy for the Home Energy Check Ups to work specifically with City residents via neighborhood outreach, PTO's, etc. As we refine our processes, we anticipate being able to perform as many as 160 check-ups each month and are excited to bring these evaluations to the City's rental and low income community (recognizing there is significant overlap in these segments) as a means to share low and no cost energy savings information. We also hope to work with Charlottesville Gas to identify high bill complaint customers who should receive a check up as well.

There are some constraints built in to Dominion's program that we believe our partnership with the City can help mitigate. For example, the rebates provided by Dominion cannot be used towards saving gas-produced energy. Thus, a home with a gas powered water heater cannot leverage Dominion's rebate for water heater insulation, even if the homeowner would benefit

greatly from such insulation. LEAP proposes a modification to the CPP-LEAP budget that will enable us to provide the full suite of energy saving measures to homeowners who use gas.

NONRESIDENTIAL PROGRAM

Faith-based outreach and the BBC will continue to be LEAP’s primary nonresidential efforts, and we will pursue additional business outreach through that program with the intent of educating owners and encouraging them to benchmark and undertake energy efficiency work in their buildings.

Conclusion

Our final major initiative for the next six months will be working with the Environmental Sustainability Division staff to devise Charlottesville’s submission for the Georgetown University Energy Prize competition - a \$5 million Award energy competition. Drafting this proposal will be a major effort for both the CPP staff and LEAP and will ultimately serve as a roadmap for our partnership for the next 2+ years.

Data and Evaluation

Outreach events	5		
In home evaluations	51		
Upgrades	87	\$668,763	520 megawatts
Outreach events	4		
Scoping Audits	2	\$300	
Upgrades			

**CITY OF CHARLOTTESVILLE, VIRGINIA.
CITY COUNCIL AGENDA.**



Agenda Date:	March 3, 2014
Action Required:	Approval of Resolution Transfer of Funds
Staff Contacts:	Jared Buchanan, Assistant Traffic Engineer Leslie Beauregard, Budget and Performance Management
Presenter:	Jared Buchanan, Assistant Traffic Engineer
Title:	Transfer of Funds for Wayfinding Maintenance - \$10,000

Background: The City has implemented a very successful Wayfinding program and signs have been erected giving direction to Downtown, the University Corner and many other locations. Signs also welcome visitors to our community.

Discussion: From time to time these signs are damaged by vandalism, vehicles or storms. Because of the custom nature of the Wayfinding signs, they cannot be repaired by City Staff. This request is to transfer \$10,000 to the Wayfinding account from the Citywide Traffic Improvement account to pay for continued maintenance items such as newly damaged signs and inspections. Transferring to the Wayfinding account makes for reconciliation and accounting of expenditures.

Community Engagement: There was no public input component to the maintenance portion of Wayfinding.

Alignment with City Council's Vision and Priority Areas: Approval of this agenda item will improve the City's commitment to create "a connected community" and foster "economic sustainability" by directing patrons to the major economic hubs. These signs are both pedestrian and vehicular oriented.

Budgetary Impact: Funds recommended to be transferred were previously approved during the capital improvement program process.

Recommendation: Staff recommends transfer of the funds.

Alternatives: City Council can recommend different amounts of funding from different accounts be transferred. City Council can choose not to transfer funds at all.

Attachment: N/A

RESOLUTION.
Transfer of Funds for Wayfinding Maintenance.
\$10,000.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the following is hereby transferred in the following manner:

Transfer From

\$ 10,000 Fund: 426 Funded Program: SS-010 G/L Account: 561425

Transfer To

\$ 10,000 Fund: 425 WBS: P-00130 G/L Account: 498010

\$ 10,000 Fund: 425 WBS: P-00130 G/L Account: 599999

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	March 3, 2014
Action Required:	None
Presenter:	Rosa Atkins, Superintendent, Charlottesville City Schools
Staff Contacts:	Rosa Atkins, Superintendent, Charlottesville City Schools Ed Gillespie, Finance Director, Charlottesville City Schools
Title:	Presentation – School Board Adopted FY 2015 Budget

Background:

After months of deliberations, meetings with City Council, City staff, teachers, school staff and parents, the Charlottesville School Board will adopt their final F.Y. 2015 Budget on February 27th. At the first meeting in March of each year, the same night the City's proposed budget is presented, the City Schools present their adopted budget to City Council and the public.

Discussion:

The School Board's budget is still being finalized and final figures will not be available until February 27th. The City's F.Y. 2015 Proposed Budget does include a local contribution to the City Schools in the amount of \$45,567,826. The City Schools budget is included as part of the City budget.

Community Engagement:

Besides the series of meetings already held by the School Board to develop their budget in the past month, there are several opportunities for the community to provide input into the budget. In addition, a few minutes are reserved at the end of each Budget Worksession for public comment and input:

Council Budget Worksession	March 6, 2014 – 5:00PM City Space Meeting Room
Council Budget Worksession	March 13, 2014 – 5:00PM City Space Meeting Room
First Public Hearing on Proposed Tax Levy and Budget	March 17, 2014 – 7:00PM Council Chambers
Community Budget Forum	March 19, 2014 – 7:00PM City Space Meeting Room
Council Budget Worksession	March 27, 2014 – 5:00PM City Space Meeting Room

Second Public Hearing and First Budget Reading	April 7, 2014 – 7:00PM Council Chambers
Council Budget Worksession	April 10, 2014 – 5:00PM City Space Meeting Room
Second Reading and Budget Adoption	April 11, 2014 – 1:00PM City Hall - Second Floor Conference Room

Alignment with City Council’s Vision and Priority Areas:

The Charlottesville City Schools budget aligns with Council’s vision for Charlottesville to be a Center for Lifelong Learning and their priority to provide a comprehensive support network for children.

Budgetary Impact:

The presentation alone has no budgetary impact.

Recommendation:

N/A

Alternatives:

N/A

Attachments:

The schools budget materials are posted at <http://ccs.k12.va.us/departments/budget/index.html>.

**CITY OF CHARLOTTESVILLE, VIRGINIA.
CITY COUNCIL AGENDA.**



Agenda Date:	March 3, 2014
Action Required:	None
Presenter:	Maurice Jones, City Manager
Staff Contacts:	Leslie Beauregard, Director, Budget and Performance Management Ryan Davidson, Budget and Management Analyst
Title:	Presentation – City Manager’s Proposed F.Y. 2015 Budget

Background:

At the first meeting in March of each year, the City Manager formally presents the proposed budget to City Council and the public. This is followed by a series of public hearings, worksessions, a community budget forum and a final vote on the budget no later than April 15th. This item begins the F.Y. 2015 budget discussions and deliberations.

Discussion:

The total General Fund Budget is proposed to be **\$150,611,460**, a **1.65%** increase over F.Y. 2014. The proposed budget also includes a \$16.51 million Capital Improvement Program budget.

Community Engagement:

There are several opportunities for the community to provide input into the budget. In addition, a few minutes are reserved at the end of each Budget Worksession for public comment:

Council Budget Worksession	March 6, 2014 – 5:00PM City Space Meeting Room
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Alignment with City Council’s Vision and Priority Areas:

The proposed budget aligns with Council’s Vision and Priority areas, detailed in the budget document.

Budgetary Impact:

The presentation alone has no budgetary impact.

Recommendation:

N/A

Alternatives:

N/A

Attachments:

The City’s proposed budget document and materials for the budget worksessions are posted at www.charlottesville.org/budget.

City of Charlottesville MEMO



"A World Class City"
www.charlottesville.org

TO: City Council
FROM: James E. Tolbert, AICP, Director
DATE: February 24, 2014
SUBJECT: **UVA Housing Study Presentation**

The University of Virginia conducted a Housing Study during 2013. Representation from the University will be present to present the power point to the Council at the March 3rd meeting.

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**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	March 3, 2014
Action Required:	None
Presenter:	Susan Elliott, Climate Protection Program Coordinator
Staff Contacts:	Susan Elliott, Climate Protection Program Coordinator Kristel Riddervold, Environmental Sustainability Manager
Title:	Anticipated Process to Prepare Application for the Georgetown University Energy Prize Competition (GUEP)

Background:

In December, 2013, staff submitted a letter of intent to participate in the Georgetown University Energy Prize (GUEP) signed by the City Manager and, in January 2014, Council passed a resolution supporting the City's entry to the competition. The GUEP is a nationwide competition for small and medium-sized localities designed to spur action on energy efficiency and renewable energy at a local level and requires a coordinated, cooperative effort between the municipality, local electricity and gas providers, and the community. As such, staff has prepared this memo to present the expected activities that will be pursued over the coming months in pursuit of a compelling and competitive application. Specific participation rules, standard forms, and resources are available at a dedicated competition website (www.guep.org).

There are multiple stages of the competition where localities are reviewed by the Prize Judges to be deemed eligible to continue to the next stage. The following is based on a Feb 19, 2014 update:

- Stage 0 – Letter of Intent - completed.
- Stage 1 – Application – opens April 2014
- Stage 2 – Energy Efficiency Program Plans –due Nov 2014
- Stage 3 – Competition – January 2015 – December 2016
- Stage 4 – Final reporting by competition finalists – due June 2017

The information required for Stages 1 and 2 will include descriptions of existing community energy-savings initiatives, identification and brief biographies of key community members involved in the GUEP effort, letters of commitment from the local utilities, letters of commitment and support from community organizations and members, the proposed energy savings strategy that would be deployed during the competition, and a description of how the grand prize, if awarded, would be used.

The City has made commitments to reducing its community-wide greenhouse gas emissions, associated with energy use, and has referenced energy efficiency and renewable energy in multiple forms. As presented in the 2012 Charlottesville Emissions Report Update however, community-wide

emissions and associated energy use increased between 2000 and 2011 and the residential sector showed the largest increases with 15% more emissions and 13.5% greater energy use (www.charlottesville.org/emissions),.

In efforts to address continuing increases in energy use, an approach recommended by the US Department of Energy and implemented in a variety of localities across the country is to create a community energy strategic plan (CESP). A CESP includes all sectors of energy use within a community, documents existing efforts, and lists future efforts with prioritization based on each community's goals, resources, and the potential feasibility. CESP's are intended to be living documents, updated periodically and informed by developments in technology, funding opportunities, the community, and the surrounding regulatory framework. The activities required to create a CESP would serve both the GUEP and the City's Climate Protection Program (CPP), and Charlottesville has a strong basis to begin this process drawing on products from the CPP and the Local Climate Action Planning Process (LCAPP, www.charlottesville.org/lcapp).

Discussion:

Preparation of the GUEP application and plan materials will require input, feedback, and involvement of the community. As such, staff wishes to ensure that there is an adequate awareness and understanding of the process this competition solicits.

Charlottesville is well positioned to be competitive within the GUEP with commitments of support from the two local utility providers, Dominion Virginia Power and Charlottesville Gas. Additionally, the City has support from the Local Energy Alliance Program (LEAP), a relationship that offers unique advantages to our area, builds on an ongoing relationship, and offers a nimble, effective, innovative, and replicable model to other localities.

Involvement of the community and City staff/departments is anticipated to be an organic and iterative process. Previous efforts, such as the LCAPP and existing efforts in the community, provide a strong framework with which to begin, leaving space and opportunity for members and organizations within the community to supplement, inform, and fill-in ideas and approaches. Staff's preliminary plan is to reach out to specific groups either identified by the GUEP, such as local schools and public housing, or with which a relationship already exists, provide an introduction to the GUEP and CESP process and invite their input and participation in identifying strategies and CESP goals. For some groups, this may take the form of a larger open meeting and presentation. For others, it may take the form of focus group work sessions with a few key individuals identified by that group. As documents and input have taken more shape and we are nearing the time to submit our community plan, staff anticipates the opportunity for broader input from the community through an event such as an open house.

Staff foresees that an approach, such as described above, will produce the documentation that will be required by the GUEP application process, demonstrate a cooperative and collaborative approach within our community, and create a compelling plan with a short-term two-year implementation strategy that will be competitive.

While the GUEP focuses on the residential and municipal sector, staff anticipates and welcomes that this process will produce comments and input that address other sectors within our community and additional efforts that are long-term in nature. These pieces, while they may not be as highly prioritized during the GUEP competition years, will serve to help move Charlottesville towards its community-wide emissions and energy-savings reduction goals and have the potential to begin

deeper conversations in our community about how we use and source energy.

Community Engagement:

As referenced in the discussion section above, community engagement will include an introduction to the CESP and GUEP to community groups, invite and host focus group work sessions with members of the community, and offer a couple open house workshops. The community will continue to be engaged during the GUEP to implement the CESP through strategies identified and developed during the upcoming process.

Alignment with City Council's Vision and Priority Areas:

The CEP is an implementation document aligned with the 2013 Comprehensive Plan Chapter 7, Goal 5 and 6. As such, it is anticipated to be reviewed and updated periodically as strategies are completed, technology and opportunities develop, and priorities and other tools are developed. It is aligned with City Council's "*A Green City*" Vision.

Budgetary Impact:

All activities will be pursued using existing program funds.

Recommendation:

This memo is informative in nature and does not require action from Council.

Alternatives:

Suggestions and comments from Council are welcome.

Attachments:

None

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