



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
CLIMATE PROTECTION COMMITTEE
COMMITTEE MEMBERS

PAMELA TORLIATT – CHAIR
TOM BATES
JOHN GIOIA
YORIKO KISHIMOTO
GAYLE B. UILKEMA

ERIN GARNER – VICE CHAIR
CHRIS DALY
SCOTT HAGGERTY
JAKE MCGOLDRICK

**THURSDAY
DECEMBER 13, 2007
9:30 A.M.**

**4th FLOOR CONFERENCE ROOM
DISTRICT OFFICES**

AGENDA

1. CALL TO ORDER - ROLL CALL

2. PUBLIC COMMENT PERIOD

(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to five (5) minutes each.

3. APPROVAL OF MINUTES OF NOVEMBER 15, 2007

4. CLIMATE PROTECTION GRANT AWARDS

The Committee will consider recommending Board of Directors approval of climate protection grant awards totaling \$1.5 million.

5. AB 32: IMPLEMENTATION UPDATE

The Committee will receive an update on the implementation of AB 32.

6. COMMITTEE MEMBERS' COMMENTS

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may; ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

7. TIME AND PLACE OF NEXT MEETING – AT THE CALL OF THE CHAIR

8. ADJOURNMENT

**CONTACT CLERK OF THE BOARDS - 939 ELLIS STREET
SAN FRANCISCO, CA 94109**

**(415) 749-4965
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov**

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities (notification to the Clerk's Office should be given at least three working days prior to the date of the meeting so that arrangements can be made accordingly)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chair Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 6, 2007

Re: Climate Protection Committee Draft Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the November 15, 2007 meeting of the Climate Protection Committee.

DISCUSSION

Attached for your review and approval are the draft minutes of the November 15, 2007 meeting of the Climate Protection Committee.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

**Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 771-6000**

DRAFT MINUTES

Summary of Board of Directors
Climate Protection Committee
9:30 A.M., Thursday, November 15, 2007

1. **Call to Order - Roll Call:** Chair Pamela Torliatt called the meeting to order at 9:37 a.m.

Present: Pamela Torliatt, Chair, Tom Bates (10:37 a.m.), Chris Daly, Yoriko Kishimoto, Jake McGoldrick, Gayle B. Uilkema (9:40 a.m.).

Absent: Erin Garner, John Gioia, Scott Haggerty.

Also Present: Board Chair Mark Ross, Janet Lockhart.
2. **Public Comment Period:** There were no public comments.
3. **Approval of Minutes of September 13, 2007:** Director Kishimoto moved approval of the minutes; seconded by Director Daly; carried unanimously without objection.
4. **Status Report on AB 32 Implementation:** *The Committee received an update on implementation of AB 32.*

Jean Roggenkamp, Deputy APCO, presented the report and stated that the implementation schedule for AB 32 was an ambitious one. Ms. Roggenkamp reviewed the Air Resources Board's (ARBs) early action measures.

Director Gayle B. Uilkema arrived at 9:40 a.m.

Ms. Roggenkamp provided a brief overview of the three early action measures that were adopted in June and the six additional early action measures that were adopted in October. Ms. Roggenkamp discussed the statewide greenhouse gas emission inventory, the mandatory reporting requirements, and the Scoping Plan. The first workshop on the Scoping Plan will be held on November 30, 2007 and the deadline for its adoption is January 1, 2009. Ms. Roggenkamp highlighted the activities of the California Air Pollution Control Officers Association's (CAPCOA) Climate Protection Committee and stated that the Committee is tracking implementation of AB 32 and is developing a White Paper. The White Paper will be a resource for lead agencies for addressing greenhouse gas emissions in CEQA documents. The White Paper will be considered by the CAPCOA Board in December and released thereafter.

5. Status Report on the Establishment of an Air District Foundation: *The Committee received an update on the establishment of a Foundation.*

Jack Broadbent, Executive Officer/APCO, presented the report and stated that the foundation would be a separate mechanism where monies can be provided for purposes designated for the foundation. The foundation would be separate and apart from the Air District activities. Mr. Broadbent reported that the Air District has a company under contract that is in the process of researching companies that could donate to a foundation for the Spare the Air Program in the summer. Staff will provide a progress report at a future meeting.

Brian Bunger, Legal Counsel, stated that when funding for the Spare the Air Program was discussed with a number of people, some of whom the Air District regulates, and the consensus was that they would not be willing to put money into programs unless there is a tax break. The District has also looked into a 501(c)(3), which is an education-based foundation.

Mr. Bunger stated that the District is in the process of selecting a law firm to move forward with paperwork to establish a foundation. The firm should be hired within the next few weeks. A decision would need to be made regarding the focus of the foundation and if it would be on education, work or both, because they are two different types of foundations.

The Committee discussed the importance of determining whether there should be an educational foundation, a work foundation, or both.

6. Discussion and Consideration of Greenhouse Gas (GHG) Emission Reduction Fee Schedule: *The Committee discussed and considered options for a fee schedule applicable to permitted stationary sources of GHG emissions.*

Brian Bateman, Director of Engineering, presented the report and stated that staff would like to move forward with this fee schedule and complete the process by fiscal year 2008/2009. Mr. Bateman provided an overview of the proposal and the Air District's legal authority to assess fees. Mr. Bateman provided an overview of the activities provided by Air District staff for stationary sources, which includes compiling and maintaining the Bay Area GHG emissions inventory, completing studies, developing regulatory measures, CEQA guidelines and comments, and assisting the Air Resources Board (ARB) in AB 32 regulation development.

Options for a GHG fee schedule could be based on the capacity for a source to emit or based on actual emission levels. In summary, Mr. Bateman stated that staff will propose a new GHG fee schedule, in conjunction with other proposed fee amendments, for consideration of adoption later this fiscal year. Staff will also provide updates to the Committee as the work progresses.

One member of the public spoke on this agenda item:
John Mikwlin
CCEEB
San Francisco, CA 94105

7. **Overview of Climate Protection Curriculum Pilot Program:** *The Committee received an overview of the climate protection curriculum pilot program.*

Henry Hilken, Director of Planning, Rules & Research, introduced the item and stated that working with youth is important and that this curriculum is being brought to 4th and 5th graders.

Sigalle Michael, Environmental Planner, presented the report and stated that youth outreach is an important component of the Air District's Climate Protection Program. Ms. Michael provided an overview of the *Protect Your Climate* curriculum. The curriculum was developed by Strategic Energy Innovations in coordination with Air District staff. It is a pilot program for 2007-2008 and is being piloted in 13 classrooms in 10 public schools throughout the Bay Area. Ms. Michael reviewed the next steps, which include revising the curriculum based on teacher experience and feedback, continuing to solicit feedback from education professionals, and enhancing and expanding the program to reach more students next year.

The Committee discussed the issue of the \$400 stipend provided to the teachers.

Director Tom Bates arrived at 10:37 a.m.

Ms. Roggenkamp noted that the teachers are being paid to provide feedback on the program. Other discussion included the teacher's ability to select from 16 lesson plans and that there are eight core lessons. Ms. Michael stated that the pilot program will end in June 2008 and that after a review of the feedback and making appropriate changes to the program, the program would then be available to others.

8. **Committee Members' Comments:** Director McGoldrick reported that there is a C40 Climate Protection Conference in London on the 4th and 5th of December. It is co-sponsored by the cities of Stockholm and London.
9. **Time and Place of Next Meeting:** 9:30 a.m., Thursday, December 13, 2007.
10. **Adjournment:** The meeting was adjourned at 10:55 a.m.

Mary Romaidis
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 5, 2007

Re: Climate Protection Grant Awards Recommendations

RECOMMENDED ACTION:

Recommend Board of Directors approval of Climate Protection grant awards to applicants listed in Attachment 1, totaling \$1,500,000.

BACKGROUND

The Air District Board of Directors approved the establishment of a \$3,000,000 climate protection incentive program to fund greenhouse gas reduction activities in the Bay Area on November 1, 2006.

On July 19, 2007, staff presented to the Climate Protection Committee concepts for a grant program utilizing a portion of these funds. Based on comments received from the Climate Protection Committee, as well as several months of interviews with a wide variety of stakeholders from local governments, non-profit organizations, small business associations and youth organizations, staff developed guidelines for awarding \$1.5 million of the \$3 million climate protection incentive funds¹. The grant guidelines, goals, objectives, application procedures, eligibility requirements, and evaluation and scoring criteria (Attachment 2) were approved by the Board of Directors on September 19, 2007.

The grant application period ran from September 21, 2007 through November 9, 2007. Staff held three regional workshops in San Jose, Oakland and Santa Rosa during the first week of October 2007 and fielded numerous telephone and email inquiries during the grant application period. A total of 81 applications were received requesting \$4,759,131. Table 1 provides a summary of applications received.

¹ At its July 19th meeting the Committee designated the remaining \$1.5 million to provide seed funding for a separate non-profit foundation (\$1 million) and to fund regional climate outreach activities.

**Table 1:
Summary of Applicants**

Type of Applicant	# of Applications
Local Government / Public Agency	37
Non-profit	40
K-12 School	2
Small Business	2
Applications by County	# of Applications
Alameda	17
Marin	10
Sonoma	9
Contra Costa	7
San Mateo	7
Santa Clara	7
San Francisco	5
Napa	2
Solano	2
Applications serving multiple counties	15

Nine of these applications lacked required elements and were determined to be ineligible due to being incomplete (see Table 2 below).

DISCUSSION

The response to this grant program from across the Bay Area was significant and demonstrates a great need in the region for funding to support climate protection efforts. The level of innovation and commitment shown in the applications reflects an exciting opportunity for the Bay Area to shine as the nation’s leading region in climate protection.

A discussion of the evaluation and scoring process follows.

Evaluation Criteria

All applications were scored against the following criteria.

Potential for GHG Emission Reduction – how the proposed activity will reduce GHG emissions in the near (1-2 years) and medium (3-5 years) terms.

Connection with Grant Program’s Objectives – how well the project meets one or more of the District’s stated objectives.

Strength and Feasibility of Approach – likelihood of the strategic approach to achieve its stated goals; appropriateness of budget, deliverables and timeline.

Organizational Capacity – the applicant’s history of relevant work, identification of key staff and demonstration of fiscal soundness.

Matching Funds – not required, but points were awarded for increasing levels of demonstrated match.

Demonstration of Climate Achievement – awards went to demonstration of early action on climate protection (carbon footprint/inventory, reduction target, GHG reduction plan). Some specific grant categories also had additional criteria against which they were scored.

Engagement of Impacted Communities (for Climate Planning applications) – how well the project reaches out to and involves targeted impacted communities in their proposed planning process.

Finance Strategy (for Capacity-building applications) – demonstration that funding will be provided to sustain the energy officer position after grant funds are expended.

Cost-effectiveness (for Regionalizing Best Practices and Fostering Innovation applications) – total dollar amount requested divided by estimated emission reductions.

Evaluation Process

A total of 72 applications met all of the relevant eligibility criteria and were evaluated based on the criteria set forth in the approved Climate Protection Grant Program Guidelines (Attachment 2). Ten Air District staff members participated in teams of two to score applications from five primary categories. All of the scoring team members were provided with training on how to interpret the guidelines and score the proposals. Each team of two discussed the projects together and their rationale for assigning points per the scoring criteria. The program's lead staff person did not participate in the initial scoring but reviewed the scoring of all applications to ensure consistency in assigning points within and between all the scoring teams.

Ineligible Grant Applications

Staff reviewed the applications to determine eligibility based on compliance with criteria set forth in the grant application and guidelines. Table 2 provides a listing of grant applications that were not evaluated because they were deemed to be not eligible. In all cases, applications were deemed ineligible due to an absence of required documentation, such as a project budget, proof of 501(c)(3) tax-exempt status, proof of fiscal solvency, etc.

**Table 2:
Ineligible Applications**

Category	Sponsor	County	Request
Youth Climate Outreach	Aquarium of the Bay Fdn	Bay Area wide	\$ 25,000
Youth Climate Outreach	Env'l Ed. Center of Marin	Marin	\$ 25,000
Youth Climate Outreach	Friends of Outdoor Rec.	Alameda	\$ 25,000
Youth Climate Outreach	Wilcox High School	Santa Clara	\$ 24,000
Fostering Innovation	W. Oakland Indicators Proj.	Alameda	\$ 74,954
Best Practices	Cool the Earth	Bay Area wide	\$ 75,000
Best Practices	LITE Initiatives	Sonoma	\$ 70,000
category not specified	Computers and Education	not specified	\$ 60,000
category not specified	Green Gears	San Francisco	\$ 16,500
		Total	\$395,454

Project Scoring

Attachment 1 lists the final project scores, ranking, amount of funds requested and the amount of funding recommended by staff for the eligible projects. There are six projects for which staff is recommending partial funding due to the scopes of work and deliverables proposed. Five of these projects are within the “Climate Planning” category and include development of Climate Action Plans that are not part of the jurisdictions’ general plan process. Staff’s experience working with organizations like ICLEI indicates that \$40,000 should be sufficient to complete the projects that these applicants have proposed. Within this group, one applicant proposed using grant funds for CEQA review of their general plan update related to greenhouse gases. Staff determined that use of the grant funds for this purpose was not consistent with program goals and objectives. An additional applicant, Acterra, proposed a project with an adjustable scope and staff recommends reducing the organization’s award amount from the requested \$75,000 to \$60,000. These reductions will allow for more funding to be offered to other worthy projects without jeopardizing the integrity of these six proposed projects.

Projects Recommended for Funding

A list of all eligible applicants is included in Attachment 1. Projects recommended for funding are those whose scoring places them at or above the \$1.5 million cut-off line. The project at the cut-off line, Urban Releaf, would be partially funded at approximately \$25,000.

Projects Not Recommended for Funding

Projects whose scoring places them below the \$1.5 million cut-off line are not recommended for funding at this time (see Attachment 1).

Emission Reductions

The 27 projects recommended for funding will reduce greenhouse gas emissions in a variety of ways. Some projects, such as those funded under the Youth Climate Outreach, Regionalizing Best Practices and Fostering Innovation categories, will achieve direct emission reductions. Staff is confident that funding these projects will result in a minimum reduction of 340,000 tons of greenhouse gas emissions within 5 years. Projects funded under the Climate Planning and Capacity-building categories will reduce emissions indirectly, through the changes to energy consumption, land use, zoning, transportation planning and waste management that these projects will accommodate. Most of these projects will put in place mechanisms and policy infrastructure that will achieve significant emission reductions long into the future.

Grant Allocation Summary

Table 3 shows the funding, by category, for the 27 projects recommended for funding.

**Table 3:
Recommended Climate Protection Grant Program
Allocations by Category**

Category	Total # of Applications Rec'd	# of Projects Recommended for Funding	Total Grant Awards	% of Total Grant Funds
Climate Planning	21	11	\$549,336	37%
Fostering Innovation	26	6	\$399,868	27%
Regionalizing Best Practices	11	4	\$283,360	19%
Capacity-building	9	3	\$200,000	13%
Youth Climate Outreach	14	3	\$67,436	4%
Totals	81	27	\$1,500,000	100%

BUDGET CONSIDERATION / FINANCIAL IMPACT:

A \$3,000,000 transfer from Reserve for Radio Replacement to fund this incentive program was approved by the Board of Directors on November 1, 2006. At the December 12, 2007 Budget and Finance meeting, the Committee will consider the transfer of \$1.5 million from Reserve for Climate Protection to the FY 2007/08 budget (Program 608).

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Henry Hilken

ATTACHMENT 1

Climate Grant Program Funding Recommendations

Breakdown by Category

Youth Climate Outreach (Youth) 3
 Climate Planning (CP) 11
 Capacity-building (CB) 3
 Regionalizing Best Practices (BP) 4
 Fostering Innovation (FI) 6

Breakdown by County

Alameda 9 San Mateo 3
 Contra Costa 4 Santa Clara 4
 Marin 4 Solano 1
 Napa 0 Sonoma 3
 San Francisco 1

Category	County	Sponsor	Project Description	Amount recommended	Amt requested	GHG reductions	Meeting District's Objectives	Strength of Approach	Org'l Capacity	Matching Funds	Climate Achievement	Strength of Proposal	Impacted Communities*	Financial Strategy**	Cost Effectiveness***	Total Score	Running Total
FI	Marin	Marin County	Community Choice Aggregation (CCA)	\$ 75,000	\$ 75,000	13	12.5	18.5	9	4	10	5			10	82.0	\$ 75,000
FI	Alameda	City of Berkeley	Sustainable energy financing districts for solar	\$ 75,000	\$ 75,000	15.5	16.5	16	9.5	1.5	10	4.5			8	81.5	\$ 150,000
CP	Alameda	City of Hayward	Develop climate action plan	\$ 40,000	\$ 75,000	15	16	14.5	10	10	6	5	4.5			81.0	\$ 190,000
CP	Alameda	City of Berkeley	Community EMS to implement climate plan	\$ 40,000	\$ 75,000	17	12	15	10	6	8	5	4			77.0	\$ 230,000
BP	Sonoma	City of Sebastopol	Replicate Solar Sebastopol for all Sonoma County	\$ 73,360	\$ 73,360	12	15	19	7.5	1	8	4			10	76.5	\$ 303,360
CP	Alameda	Alameda County	Develop climate action plan	\$ 40,000	\$ 74,970	14	14	16.5	9	10	6	3.5	3			76.0	\$ 343,360
FI	Sonoma	City of Santa Rosa	Biomass from wastewater technology	\$ 75,000	\$ 75,000	12.5	15.5	16.5	9	4	8	5			5	75.5	\$ 418,360
CP	Contra Costa	City of Richmond	Integrate climate into general plan	\$ 74,987	\$ 74,987	14.5	17	17	9.5	8	0	4	5			75.0	\$ 493,347
CB	Alameda	City of Newark	Fund Climate Protection Special Assistant	\$ 50,000	\$ 50,000	17.5	11.5	13.5	8	10	4	4		6		74.5	\$ 543,347
FI	San Francisco	Sustainable Earth Initiative	Promote fleet management tools to private fleets	\$ 75,000	\$ 75,000	9	15.5	15.5	10	2	7	5			10	74.0	\$ 618,347
CP	Alameda	City of San Leandro	Develop local climate action plan	\$ 40,000	\$ 49,571	15.5	13.5	18.5	9	6	6	4.5	0.5			73.5	\$ 658,347
CP	San Mateo	Redwood City	Develop local climate action plan	\$ 55,000	\$ 55,000	13.5	11.5	18.5	8.5	10	0.5	4.5	5			72.0	\$ 713,347
CB	Sonoma	City of Rohnert Park	Municipal Efficiency Coordinator position	\$ 75,000	\$ 75,000	14.5	9	13	9.5	6	5	4		9.5		70.5	\$ 788,347
CP	Marin	City of San Rafael	Develop local climate action plan	\$ 25,000	\$ 25,000	14	13	10.5	9.5	10	4	5	4			70.0	\$ 813,347
CP	Solano	City of Vallejo	Integrate climate into general plan	\$ 75,000	\$ 75,000	18.5	12	18.5	9	6	0	4	0.5			68.5	\$ 888,347
BP	S Mateo, S Clara	Sustainable Silicon Valley	Packaging, promoting business best practices	\$ 75,000	\$ 75,000	12.5	13.5	18.5	9.5	0	0	4			10	68.0	\$ 963,347
CP	Santa Clara	City of Mountain View	Integrate climate protection into general plan	\$ 45,130	\$ 59,730	16.5	10.5	18.5	8.5	6	2	4	1.5			67.5	\$ 1,008,477
FI	Bay Area wide	Trans. & Land Use Coalition	LEED-type certification for traffic reduction	\$ 75,000	\$ 75,000	11	15.5	17.5	8.5	3	0	3.5			8	67.0	\$ 1,083,477
CB	Marin	City of Novato	County-wide energy officer circuit rider	\$ 75,000	\$ 75,000	18	13	10	7	4	4.5	3		7.5		67.0	\$ 1,158,477
BP	S Mateo, S Clara	Acterra	Neighborhood-based home greening	\$ 60,000	\$ 75,000	12	16	19	10	1	0	5			4	67.0	\$ 1,218,477
Youth	Alameda, C Cost	Earth Team	Cool Schools	\$ 25,000	\$ 25,000	20	16	15	9	4	0	3				67.0	\$ 1,243,477
CP	Alameda	Cities of Albany & Piedmont	Develop local climate action plan for 2 cities	\$ 55,000	\$ 55,000	12	12.5	15.5	8.5	4	6	4.5	3.5			66.5	\$ 1,298,477
Youth	Contra Costa	Solar Living Institute	Train students to install solar PV	\$ 25,000	\$ 25,000	9.5	18	19	10	5	0	5				66.5	\$ 1,323,477
Youth	Santa Clara	Breathe California	Trip reduction outreach in 3 schools in Milpitas	\$ 17,436	\$ 17,436	21	16	12	10	1	1	5				66.0	\$ 1,340,913
CP	Contra Costa	Contra Costa County	Develop climate action plan	\$ 59,219	\$ 59,219	12.5	12	11.5	8.5	10	4.5	5	2			66.0	\$ 1,400,132
BP	Marin	Strategic Energy Innovations	Helping local governments reduce GHGs	\$ 75,000	\$ 75,000	12	14	18	9	3	0	4			6	66.0	\$ 1,475,132

Category	County	Sponsor	Project Description	Amount recommended	Amt requested	GHG reductions	Meeting District's Objectives	Strength of Approach	Org'l Capacity	Matching Funds	Climate Achievement	Strength of Proposal	Impacted Communities*	Financial Strategy**	Cost Effectiveness***	Total Score	Running Total
FI	Alameda	Urban Releaf	Heat island mitigation, green jobs for youth	\$ 75,000	\$ 75,000	9.5	17	17.5	9.5	5	0	5			2	65.5	\$ 1,550,132
FI	Sonoma	City of Santa Rosa	Water conservation in commercial laundry facilities	\$ 43,000	\$ 43,000	10	10	14	5	5	8	4			9	65.0	\$ 1,593,132
Youth	Marin	Marin Conservation Corp	School-based "cancel-a-car"	\$ 25,000	\$ 25,000	23	11	13	10	4	0	4				65.0	\$ 1,618,132
FI	San Francisco	SF Power	Community-based carbon-trading experiment	\$ 75,000	\$ 75,000	9.5	14	16.5	8.5	3.5	2.5	4			6	64.5	\$ 1,693,132
CP	Alameda	City of Fremont	Integrate climate protection into general plan	\$ 70,962	\$ 70,962	11.5	10.5	15.5	8.5	6	2.5	4.5	4.5			63.5	\$ 1,764,094
CP	Alameda	City of Oakland	Municipal energy action plan	\$ 71,000	\$ 71,000	10	15	15.5	7	6	4	3.5	2.5			63.5	\$ 1,835,094
CP	San Mateo	City of Menlo Park	Develop local climate action plan	\$ 25,000	\$ 25,000	13	8.5	18.5	9	2	4	5	3			63.0	\$ 1,860,094
FI	Bay Area-wide	Build It Green	Tracking system for green rated homes	\$ 75,000	\$ 75,000	11	14.5	18	9.5	0.5	0	4.5			5	63.0	\$ 1,935,094
BP	Sonoma	Accountable Dev. Coalition	Promote green building ordinances	\$ 30,000	\$ 30,000	15	16	7	9	1	0	4			10	62.0	\$ 1,965,094
FI	Marin	Water Planet Alliance	Technical support for Marin CCA	\$ 74,438	\$ 74,438	7	11	14.5	9	1	4.5	4.5			10	61.5	\$ 2,039,532
FI	Sonoma	Climate Protection Campaign	Explore getting Sonoma to join Marin's CCA	\$ 75,000	\$ 75,000	11	17	17	10	1	0	5			0	61.0	\$ 2,114,532
CB	Santa Clara	Santa Clara County	Fund Utility Prog. Manager & Climate Coordinator	\$ 75,000	\$ 75,000	12.5	14	12	7.5	2	1	4		8		61.0	\$ 2,189,532
CB	Santa Clara	City of Sunnyvale	Fund Sustainability Officer	\$ 55,550	\$ 55,550	15.5	10	12	8.5	4	4.5	3		3.5		61.0	\$ 2,245,082
CP	Solano	City of Benicia	Develop local climate action plan	\$ 50,000	\$ 50,000	11.5	10	14	8	8	0	5	4.5			61.0	\$ 2,295,082
CP	San Mateo	City of San Carlos	Integrate climate into general plan	\$ 75,000	\$ 75,000	14	8	17.5	9.5	6	0	4	2			61.0	\$ 2,370,082
BP	Sonoma	Sonoma County	Packaging, training best practices for local govts	\$ 75,000	\$ 75,000	8	11	16	6	2	10	4			3	60.0	\$ 2,445,082
Youth	Alameda	Trans.and Land Use Colaition	Pollution Punchcard in schools for trip reduction	\$ 25,000	\$ 25,000	10	16	19	9	2	0	4				60.0	\$ 2,470,082
Youth	Marin	Strategic Energy Innovations	Youth-led energy audits for affordable housing	\$ 24,986	\$ 24,986	19	14	12	9	1	0	4				59.0	\$ 2,495,068
Youth	Sonoma	Sonoma Ecology Center	Training 6th graders to do home energy upgrades	\$ 25,000	\$ 25,000	8	15	17	10	3	0	5				58.0	\$ 2,520,068
CB	Alameda	City of El Cerrito	Fund Municipal Energy Office	\$ 75,000	\$ 75,000	8.5	10	13.5	7.5	4	2.5	4		7.5		57.5	\$ 2,595,068
CP	San Mateo	Town of Hillsborough	Integrate climate protection into general plan	\$ 69,620	\$ 69,620	12.5	10	12	8.5	8	0	4	2			57.0	\$ 2,664,688
CB	San Mateo	San Mateo County	Fund Municipal Energy Office	\$ 75,000	\$ 75,000	16	8.5	11.5	6	3	3	3		4.5		55.5	\$ 2,739,688
CP	San Mateo	City of San Mateo	Community Energy Ed/Outreach Officer	\$ 75,000	\$ 75,000	11.5	10.5	13	8	0	5	4.5	2.5			55.0	\$ 2,814,688
CP	Contra Costa	City of Lafayette	Integrate climate into downtown plan	\$ 75,000	\$ 75,000	11.5	9	13.5	9	2	0.5	4.5	3.5			53.5	\$ 2,889,688
FI	Bay Area wide	ICLEI	Early action handbook for GHG reduction	\$ 52,109	\$ 52,109	6	11	14	6	1	0	4			10	52.0	\$ 2,941,797
CP	Napa	Napa Co. Transport. Authority	"Circuit rider" for Napa cities to do climate plans	\$ 75,000	\$ 75,000	9.5	9	14	8	4	1	4.5	2			52.0	\$ 3,016,797
FI	Alameda	Eco-city Builders	Innovative sustainable development in Oakland	\$ 75,000	\$ 75,000	6.5	15	14	10	2	0	4			0	51.5	\$ 3,091,797
FI	Marin	Strategic Energy Innovations	Solar for public facilities, schools, non-profits	\$ 70,000	\$ 70,000	7	15	14.5	9.5	1	0	4			0	51.0	\$ 3,161,797
CB	S Mateo, S Clara	Joint Venture Silicon Valley	Circuit rider energy officer	\$ 75,000	\$ 75,000	16.5	8	10	6.5	2	0	3		5		51.0	\$ 3,236,797
BP	Napa	Gasser Foundation	Helping non-profits measure/reduce GHGs	\$ 65,600	\$ 65,600	8	10.5	14.5	9	1.5	0	3			4	50.5	\$ 3,302,397
FI	Alameda	KyotoUSA	Community off-set fund	\$ 74,908	\$ 74,908	5	15.5	14.5	8	1.5	0	3.5			2	50.0	\$ 3,377,305
FI	San Francisco	Literacy for Env'l Justice	Construction of off-grid outdoor education center	\$ 73,785	\$ 73,785	6	16	13	8	3	0	3			0	49.0	\$ 3,451,090

Category	County	Sponsor	Project Description	Amount recommended	Amt requested	GHG reductions	Meeting District's Objectives	Strength of Approach	Org'l Capacity	Matching Funds	Climate Achievement	Strength of Proposal	Impacted Communities*	Financial Strategy**	Cost Effectiveness***	Total Score	Running Total
FI	not yet known	Greenbelt Alliance	Decision-support tool on climate impacts of dev.	\$ 75,000	\$ 75,000	6	14	14	9	2	0	4			0	49.0	\$ 3,526,090
FI	San Francisco	City of San Francisco	Library-based community outreach	\$ 75,000	\$ 75,000	6.5	14	14	6	4	0	4			0	48.5	\$ 3,601,090
CP	Santa Clara	City of Campbell	Integrate climate into general plan	\$ 75,000	\$ 75,000	7.5	10	15	8.5	0	0	4.5	3			48.5	\$ 3,676,090
Youth	Contra Costa	Ma'at Youth Academy	Anti-idling youth outreach	\$ 13,000	\$ 13,000	6	17	9	10	0	0	4				46.0	\$ 3,689,090
FI	S Mateo, S Clara	Joint Venture Silicon Valley	Innovative fundraising for small projects	\$ 30,000	\$ 30,000	9	11.5	12.5	7.5	0	0	4			0	44.5	\$ 3,719,090
BP	San Mateo	Sustainable San Mateo	Promote numerous GHG best practices to cities	\$ 75,000	\$ 75,000	8	8	11	9	2	0	4.5			0	42.5	\$ 3,794,090
FI	Bay Area wide	Breath California	Replicate Berkeley's solar financing initiative	\$ 75,000	\$ 75,000	6	11.5	11.5	7	1	0	4			0	41.0	\$ 3,869,090
FI	not yet known	Livability Project	Sustainability mapping process	\$ 73,200	\$ 73,200	4.5	12	12.5	7.5	0.5	0.5	2.5			1	41.0	\$ 3,942,290
FI	Alameda	Hayward Area Planning Assn	Measuring GHG benefits of sustainable dev.	\$ 50,000	\$ 50,000	5	13	11	6.5	2	0	3.5			0	41.0	\$ 3,992,290
Youth	Contra Costa	Alhambra High School	Solar demonstration project	\$ 22,496	\$ 22,496	8	7	16	7	0	0	2				40.0	\$ 4,014,786
FI	Bay area wide	Bay Area Alliance for SD	Support MTC's transport, pricing innovations	\$ 75,000	\$ 75,000	5	14	9	4.5	2	1	4			0	39.5	\$ 4,089,786
Youth	Marin	Novato Public Access TV	Youth-targeted web episodes	\$ 24,900	\$ 24,900	4	8	12	9	2	0	3				38.0	\$ 4,114,686
BP	Contra Costa	Generation Green	Set up Climate Protection Campaign in CC County	\$ 29,850	\$ 29,850	4.5	4	10.5	8	4	0	3			0	34.0	\$ 4,144,536
CB	Santa Clara	City of Campbell	Fund Municipal Energy Office	\$ 75,000	\$ 75,000	2.5	7	4.5	6.5	2	0	1		2		25.5	\$ 4,219,536

* This criteria applies only to Climate Planning applications

** This criteria applies only to Capacity-building applications

*** This criteria applies only to Regionalizing Best Practices and Fostering Innovation categories

ATTACHMENT 2

Bay Area Air Quality Management District Climate Protection Grant Program GUIDELINES

SECTION I GENERAL INFORMATION

Background

The Bay Area Air Quality Management District (District) is committed to achieving clean air to protect the public's health and the environment. The District adopts and enforces regulations and implements programs to achieve healthy air quality.

In June of 2005, the District established a Climate Protection Program to reduce pollutants that contribute to global climate change and affect air quality in the Bay Area. Temperature increases due to global warming may impact the region's air quality. Many of the actions that can be taken to reduce the greenhouse gas emissions that contribute to global warming also reduce harmful local air pollutants. The District seeks to support and complement current climate protection programs in the region, stimulate additional emission reduction efforts through public education, outreach, and technical assistance to local governments and other interested parties, and promote collaboration among stakeholders.

Also in June of 2005, Governor Schwarzenegger signed Executive Order # S-3-05, establishing greenhouse gas reduction targets for the State:

- By 2010, Reduce to 2000 Emission Levels
- By 2020, Reduce to 1990 Emission Levels
- By 2050, Reduce to 80 percent Below 1990 Levels

The Governor formed the multi-departmental Climate Action Team to implement global warming emission reduction programs and report on the progress made toward meeting the statewide greenhouse gas targets that were established in the executive order. In September of 2006, the State Legislature passed the California Global Warming Solutions Act of 2006 (AB 32), codifying the Governor's goal by requiring that the State's global warming emissions be reduced to 1990 levels by 2020. This law represents the first mandatory reduction target for greenhouse gas emissions in the nation.

State strategies to address these new greenhouse gas emission reduction targets, including the *2006 Climate Action Team Report to the Governor and Legislature*, and the state Air Resources Board's *Proposed Early Actions to Mitigate Climate Change in California*, recommend many actions to be taken to begin reducing greenhouse gas emissions. These efforts, however, do not fully address actions that are best initiated at the local level, such as land use and transportation planning, and public outreach and education.

Achieving greenhouse gas emission reductions on the scale called for by the State of California will require significant action on the parts of governments, businesses, institutions and communities throughout the Bay Area. In order to achieve this, a major refocusing of resources and support for climate activities must occur. Existing grant programs will not be enough to facilitate the scale of activity required. On November 10, 2006, the District led a Summit of 500 Bay Area business, community, and government leaders to seek and implement local solutions to climate change. At the Summit, the District announced its plans to create a new grant program to support climate protection activities in the Bay Area.

In developing this new grant program, the District conferred with numerous stakeholders, funders and public agencies in the Bay Area. These guidelines reflect the outcomes of those communications as well as the strategic objectives of the District.

Geographic region

Grants will be made to eligible applicants that provide services within the District's 9-county jurisdiction. This encompasses all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo and Santa Clara counties, and the southern parts of Solano and Sonoma counties.

Grant range

A total of \$1.5 million is available for climate protection grants. Grants will range from \$10,000 - \$75,000, depending on program area.

Duration

Grant periods may range from 12-24 months, depending on program area.

Who Can Apply

Eligible applicants include public agencies, non-profit 501c3 organizations, K-12 schools and small businesses¹ located in the 9-county jurisdiction of the District. Eligible grant recipients must be responsible for the implementation of the project and have the authority and capability to complete the project.

Available Funds

The District is focusing its climate protection grant funding on areas where there is a demonstrated need for resources, where there is a synergy with the District's own mission and approach, and where resources can be utilized to achieve long-term impact on reducing greenhouse gas emissions. The District's Climate Protection Grant Program will fund activities in the areas of outreach, city and county planning, and strategies that have a regional impact in reducing greenhouse gas emissions.

¹ In order to be eligible for grants, business applicants must fall within the size limits defined by the Small Business Administration see http://www.sba.gov/idc/groups/public/documents/sba_homepage/serv_sstd_tablepdf.pdf.

Program Area	Amount Available
<i>Outreach</i>	
Youth Climate Grants	grant range: \$10,000 - \$25,000
<i>Climate Planning</i>	
Climate Protection Planning Grants	grant range: \$25,000 - \$75,000
Capacity-building Grants	grant range: \$50,000 - \$75,000
<i>Regional Strategies</i>	
Regionalizing Best Practices Grants	grant range: \$25,000 - \$75,000
Fostering Innovation Grants	grant range: \$25,000 - \$75,000

Ineligible activities

The Grant Program will not fund:

- cost of preparing or submitting grant application
- deficit budgets
- lobbying
- endowment campaigns
- fundraising activities
- grants/scholarships to individuals
- primary academic research
- marketing of products or technologies
- R&D for new technologies or products

District funds may only be used for project costs that are incurred after the date that the funding agreement is fully executed.

Important dates

September 21, 2007	Release of solicitation
October 2007	Public workshops
November 9, 2007	All proposals are due
December 2007	Proposed grant awards reviewed by Air District Board of Directors (tentative)
December 2007	Awards are announced
January / February 2008	Prepare and execute funding award agreements

Contact Information

Grant applicants are encouraged to discuss their grant applications with District staff prior to submittal. The primary District contact person for the Climate Protection Grant Program is:

Abby Young
Principal Environmental Planner
ayoung@baaqmd.gov
415-749-4754

SECTION II GOAL AND OBJECTIVES

The over-arching goal of the Bay Area Climate Protection Grant Program is to ***achieve meaningful reductions in greenhouse gas emissions through implementation of long-term solutions throughout the region.***

The District will achieve this goal by funding activities that support the following objectives. These objectives represent cross-cutting principles that apply to all grant program areas.

Objective 1: Expand tested approaches to achieve regional reductions in greenhouse gas emissions

There are many “best practices” for reducing greenhouse gas emissions. The District seeks to identify those best practices with the biggest potential for reducing emissions and that are ripe for widespread replication, and facilitate implementation of those practices across the region.

Objective 2: Implement innovative new approaches with regional potential

There are a lot of great ideas that may never come to fruition simply because there are no resources to “think them out”. Grant funds may be used for scoping and incubating innovative new projects or policy approaches, followed by a regional implementation phase.

Objective 3: Institutionalize long-term climate protection through the planning process

The District encourages local planning processes to integrate greenhouse gas reduction in the best manner to ensure long-term reductions. This may be through the land use planning process, the environmental review process, or through integration into development guidelines.

Objective 4: Achieve market transformation favoring “climate friendly” goods and services

Large-scale demand changes can drive the market for environmentally responsible goods and services. Grant funds may be used to facilitate widespread regional implementation of model practices that promote “climate friendly” goods and services.

Objective 5: Implement activities that achieve other co-benefits and reduce criteria air pollutants and toxic air contaminants

Many, but not all, actions that reduce greenhouse gas emissions also reduce criteria air pollutants (ozone, carbon monoxide, particulate matter, sulfur dioxide, lead, and nitrogen oxide) and toxic air contaminants². Other economic and quality of life co-benefits from reducing greenhouse gas emissions can include job creation, financial savings, reductions in energy and fuel use, improvements to community livability, reduced traffic congestion, etc. The District seeks to fund projects that demonstrate benefits in addition to greenhouse gas reduction.

² For a list of toxic air contaminants, see http://www.oehha.ca.gov/air/toxic_contaminants/pdf_zip/Appendix%20A.pdf

Objective 6: Engage impacted communities³ in projects and planning processes

High levels of harmful emissions – toxic air contaminants, particulate matter and emissions that lead to smog formation – often occur near communities where, due to age (youth or seniors), high rates of asthma or other medical conditions, lack of medical services, and other socio-economic factors, residents may be particularly sensitive to the effects of these emissions. These “impacted communities” are often also those most at risk from the perils of climate change (extreme weather impacts, increased health risks, etc.), while at the same time potentially benefiting from the promise of climate protection solutions (financial savings, job creation, improved air quality, etc.). The District seeks to fund projects that engage impacted communities in the planning process, and by ensuring their ability to enjoy the many co-benefits of climate protection activities.

All proposals will be evaluated in part according to how well they address one or more of these objectives.

SECTION III APPLICATION PROCEDURES

Application Process

Applications are due no later than 5:00pm on Friday, November 9, 2007. Applications submitted after 5:00pm on Friday, November 9, 2007, or incomplete applications, will not be accepted.

Electronic Submittal Process

In support of its internal policy of being a carbon neutral agency, the District is conducting a paperless application process for this grant program. All proposals must be submitted electronically to climategrants@baaqmd.gov. Failure to do so may result in your application not being reviewed. Faxed, mailed or couriered proposals will not be accepted. ***If you have not received a confirmation of receipt from the District within 3 days of the application deadline, please contact Abby Young at 415-749-4754.*** Applicants that foresee a problem meeting this requirement should contact Abby Young.

Formatting

Proposals must be single-spaced, with a minimum of 1 inch margins and 12 point font. The District’s Climate Protection Grant Cover Sheet (Appendix A) will serve as the proposal’s cover sheet / title page. Proposals should have the name of the applying organization and page number on each page. Proposals must be submitted as either PDF or Word documents.

³ See http://www.baaqmd.gov/pln/grants_and_incentives/carl_moyer/PM_Exposure_Map.pdf for a map of areas within the Bay Area region that are considered “impacted communities” by the District.

Application Requirements

Any items submitted other than those specified in these application requirements will not be reviewed.

Cover page

Use the District's Climate Protection Grant Program Cover Page located in Appendix A as the first page of your application packet. The cover page must be signed by a person with authority to legally bind your organization (in electronic applications, a typed in name is legally equivalent to a signature⁴).

Proposal Narrative – Maximum 8 pages

Requirements vary by grant program area – see Section IV below. Please use required elements as headings in your narrative to facilitate evaluation of your proposal.

Organizational Capacity – Maximum 3 pages

Provide a brief description of the applying organization and its demonstrated ability to achieve success with the proposed activity. Include a bio (1 paragraph) for each key staffperson.

Project Budget – Maximum 2 pages

Provide a full budget for the proposed activity, broken out by year (if applicable). Identify budget line items funded by the District's Climate Protection Grant Program. List all other funders, their total contribution (including in-kind), and indicate whether or not that contribution has been secured (in-hand), committed, requested or not yet requested. *In evaluation scoring, in-kind resources will count 50% as much as cash contributions.*

Include, at a minimum, the following line items:

- Salary – list project team members, hours for each and hourly rates for each
- Fringe/benefits – list fringe rate
- Consultants/sub-contractors – list estimated hours and rates
- Meetings (convening of) – any public meetings, workshops, trainings, etc. required as part of your project (NOT internal project team meetings)
- Materials design & production (including web)
- Indirect expenses / overhead – list your indirect/overhead rate

In addition, provide a brief budget narrative of 1-2 sentences on each line item to add clarity and specificity.

Required Attachments

For local governments and public agencies:

- list of 3 most recent grantors with contact information
- letters of commitment from any significant project partners itemizing what they are providing (technical support, matching funds, etc.)
- authorizing letter of commitment approving the submittal of the proposal and identifying the individual authorized to submit and carry out the proposal.

⁴ See the Electronic Signatures in Global and National Commerce Act, <http://www.ftc.gov/os/2001/06/esign7.htm>

For non-profit organizations:

- list of Board of Directors with affiliations
- 501c3 IRS designation letter
- 2006 audit
- organizational budgets for 2007 (or FY 07/08) and 2008 (or FY 08/09)
- letters of commitment from any significant project partners itemizing what they are providing (technical support, matching funds, etc.)
- authorizing letter of commitment approving the submittal of the proposal and identifying the individual authorized to submit and carry out the proposal.

For K-12 schools:

- list of 3 most recent grantors with contact information
- letters of commitment from any significant partners itemizing what they are providing (technical support, matching funds, etc.)
- authorizing letter of commitment approving the submittal of the proposal and identifying the individual authorized to submit and carry out the proposal.

For small businesses:

- proof of fiscal solvency (balance sheet, etc.)
- letters of commitment from any significant project partners itemizing what they are providing (technical support, matching funds, etc.)
- authorizing letter of commitment approving the submittal of the proposal and identifying the individual authorized to submit and carry out the proposal.

Demonstration of Climate Achievement

Applicants demonstrating achievement in climate protection by completing a greenhouse gas emissions inventory, adopting a greenhouse gas emission reduction target, or developing a greenhouse gas reduction strategy, will receive points in the evaluation criteria. *Documentation of climate achievement (e.g. copy of or web link to inventory/plan/target) must be included in application as an attachment.*

Evaluation Criteria and Scoring

Specific evaluation criteria and their relative weights in scoring applications are listed in each of the grant program areas in Section IV below.

SECTION IV GRANT PROGRAM AREAS

The District is offering grants in three program areas: Outreach, Climate Planning, and Regional Strategies. Under each program area, specific proposal requirements and evaluation criteria (scoring) are listed, as well as examples of potentially fundable projects. The sample projects listed are given to provide general guidance, and are neither intended to limit the range of projects submitted for funding nor to assure funding for any particular project.

1) Outreach

Through its outreach grants, the District seeks to promote personal behavior alternatives to carbon-intense consumption and lifestyle patterns, and empower youth to play a significant role in developing the region's climate solutions.

⇒ *Youth Climate Grants*

Grant range: \$10,000 – 25,000

Duration: 12 months

Eligible applicants: youth/community organizations, K-12 schools

The young people of today will be the decision-makers of tomorrow. The District seeks to empower young people to begin developing solutions to climate change. Grants will support activities that have a strong impact beyond the borders of an individual school (i.e. to homes, other campuses, the community at large).

Eligible projects could include (but are not limited to):

- campus-based education and greenhouse gas reduction activities;
- school-to-home education that encourages actions at home or in the community;
- reduction in school-related vehicle travel (field trips, sports “away games”, etc.);
- projects that get kids to walk, ride bikes/scooters/skateboards, take transit or carpool to school instead of driving or being driven;
- innovative peer-to-peer education approaches (multi-media, arts, web-based, etc.);
- school-to-school best practice exchanges and presentations.

The District discourages proposals for curriculum development (which the District is addressing outside of this grant program).

Proposal Narrative Requirements for Outreach Grants

Proposal narratives must not exceed 8 pages. Proposals should be concise, and adequately and clearly address the following elements. Proposal narratives must include ALL of the following:

- Description of the project – Provide a concise description of what you will undertake and the amount requested.
- Need(s) being addressed – Succinctly explain the need for the proposed activity and why funding from the District is critical in meeting that need.
- Goals and objectives of the proposed activity – List all goals and objectives for the proposed activity. Goals are broad aspirations, such as “increasing energy efficiency in low income households,” whereas objectives are means to achieving a goal, such as “improving weatherization in homes,” which helps achieve the goal of increasing energy efficiency.
- Strategic approach – The strategic approach describes how objectives (improving weatherization in homes) will be achieved (through neighborhood workshops, etc.). Include a detailed description of what you will do, how you will do it, any partners you will collaborate with, and why this particular approach is proposed. Make sure your strategic approach relates to the goals and objectives you have listed.

- Connection with District's goal and objectives – State specifically how your project and approach will support the District's goal and objectives; be clear as to which objective(s) your project will support.
- Potential for GHG reduction – Provide a qualitative discussion of how your proposed activity will ultimately result in the reduction of greenhouse gas emissions. What are the nature of the emission reductions: upstream/downstream, direct/indirect, short-term/long-term? Support your assertions with realistic estimates of the impact your project will have, in terms such as the size of your target audience, number of people reached (directly and indirectly), events held, etc. Explain how you arrived at your estimations. Use the emissions quantification guidelines in Appendix B to make your estimations.
- Achievement of co-benefits – Discuss benefits above and beyond reduction of greenhouse gas emissions that will accrue as a result of your proposed activity, focusing on reduction in criteria air pollutants and toxic air contaminants (improving air quality), reduction in energy and fuel (gasoline, diesel) use, and benefits to impacted communities. Use quantitative descriptions of co-benefits as much as possible, clearly explaining the assumptions and methodologies you used for making your estimations.
- Measuring success – Clearly state the metrics by which you will evaluate success – how will you know that you have achieved your goals and objectives? You may use both qualitative and quantitative metrics.
- Timeline / Deliverables – Create an easy-to-read table listing major deliverables and estimated months in which each deliverable will be completed.

Evaluation Criteria and Scoring for Outreach grants

Potential for GHG reduction	25
Connection with Grant Program's objectives	20
Strength and feasibility of strategic approach	20
Organizational capacity (including fiscal soundness)	10
Matching funds	10
Demonstration of climate achievement	10
<u>Strength of proposal (adheres to instructions, well-written)</u>	<u>5</u>
Total possible points	100

2) Climate Planning

Local governments directly control or strongly influence many of the activities that produce greenhouse gas emissions in communities. They do this through their authority over land use, zoning, permitting, building codes, development standards, design guidelines and waste management, and through their influence over energy use, transportation choices and economic development. The District views the local planning process as a central mechanism to reduce energy use and greenhouse gas emissions. The District will offer two types of climate planning grants.

⇒ *Climate Protection Planning Grants*
Grant range: \$25,000 – 75,000
Duration: 1-2 years
Eligible applicants: local governments

These grants may be used for integrating climate protection into local general plans by developing goals, policies, implementation measures and evaluation metrics. Grants may also be used for developing stand-alone climate protection plans. Applicants are encouraged to reach out to impacted communities and actively engage them in the planning process.

Eligible projects could include (but are not limited to):

- expansion of technical capacity (by fully funding existing part-time staff, adding temporary staff, or hiring consultants) to integrate climate planning into general plan processes;
- developing and implementing public input process for integrating climate protection planning into existing planning processes or for a stand-alone climate action plan;
- active engagement of impacted communities in the climate planning process.

The District discourages proposals to assist with planning processes that do not specifically address climate protection, or that only address climate change preparation/adaptation and not the reduction of greenhouse gas emissions.

⇒ *Capacity-building Grants*
Grant range: \$50,000 - 75,000
Duration: 12-18 months
Eligible applicants: local governments

History has demonstrated that local governments most successful at climate protection are those that have energy officers dedicated to monitoring energy use and coordinating the implementation of the local government's adopted climate protection program. Through the Capacity-building grants, seed funding is available for local governments to establish internal staffing positions to manage and coordinate energy and climate protection programs. In almost all cases, municipal energy officers pay for their own positions through energy savings and grant writing (i.e., securing new funds). The purpose of these grants is to build the capacity within local governments to sustain a full-time position responsible for reducing the local government's energy use and coordinate climate protection activities.

Examples of the type of work energy officers might do:

- perform audits of municipal buildings and facilities to identify potential energy savings;
- conduct surveys of employee behavior to identify potential energy savings;
- review energy bills to check for accuracy/find over-payments;
- serve as point of contact for new energy information, opportunities;
- develop energy plan for municipality;
- identify sources of new (grant) funding or assistance and apply for it.

The District will provide funding for this position for a period of 12-18 months, after which the position must be self-sustaining. Applicants must demonstrate clearly in their

proposals a financing strategy for supporting the position for a minimum of two years after the period of seed funding ends.

Proposal Narrative Requirements for Climate Planning Grants

Proposal narratives must not exceed 8 pages. Proposals should be concise, and adequately and clearly address the following elements. Proposal narratives must include ALL of the following:

- Description of the project – Provide a concise description of what you will undertake and the amount requested.
- Need(s) being addressed – Succinctly explain the need for the proposed activity, including any mandates from your local government, and why funding from the District is critical in meeting that need.
- Strategic approach – Include a detailed description of what you will do, how you will do it, any partners you will collaborate with, and why this particular approach is proposed.
- Connection with District's goal and objectives – State specifically how your project and approach will support the District's goal and objectives; be clear as to which objectives your project will support.

- Potential for GHG reduction –

FOR CLIMATE PROTECTION PLANNING GRANTS: Describe how climate protection planning principles would be integrated into the planning documents (including which elements), or how stand-alone climate action plans would be implemented to reduce greenhouse gas emissions. Discuss the degree of influence your proposed planning activity has over emission-producing activities in your community (e.g. will targets and implementation actions be mandatory versus voluntary). Use the emissions quantification guidelines in Appendix B to make your estimations.

FOR CAPACITY-BUILDING GRANTS: Discuss the potential opportunities that exist within your local government to reduce energy use and therefore greenhouse gas emissions. Use the emissions quantification guidelines in Appendix B to make your estimations.

- Achievement of co-benefits – Discuss benefits above and beyond reduction of greenhouse gas emissions that will accrue as a result of your proposed activity, focusing on reduction in criteria air pollutants and toxic air contaminants (improving air quality), reduction in energy and fuel (gasoline, diesel) use, and benefits to impacted communities. Use quantitative descriptions of co-benefits as much as possible, clearly explaining the assumptions and methodologies you used for making your estimations.

FOR CLIMATE PROTECTION PLANNING GRANTS: Specifically include discussion of how stakeholders from impacted communities will be included in your planning process.

- Measuring success – Clearly state the metrics by which you will evaluate success – how will you know that you have achieved your goals and objectives? You may use both qualitative and quantitative metrics.
- Timeline / Deliverables – Create an easy-to-read table listing major deliverables and estimated months in which each deliverable will be completed.

FOR CAPACITY-BUILDING GRANTS: Include a strategy for how you will sustain this position for a minimum of two years after grant funds are expended – this strategy could include creating a new budget item, funding the position out of energy savings (need to explain assumptions on how much energy savings can be expected) or new grants (include what types of grants, size, etc.). Extra points will be granted in the evaluation process for strategies that demonstrate funding for the position for up to five years after grant funding is expended.

Evaluation Criteria and Scoring for Climate Planning grants

	Climate Protection Planning Grants	Capacity-building Grants
Potential for GHG reduction	20	20
Connection with Grant Program’s objectives	20	20
Strength and feasibility of strategic approach	20	20
Organizational capacity (including fiscal soundness)	10	10
Matching funds	10	10
Demonstration of climate achievement	10	5
Finance strategy for sustaining position	0	10
Engagement of impacted communities	5	0
Strength of proposal (adheres to instructions, well-written)	5	5
Total possible points	100	100

3) Regional Strategy Grants

Grant range: \$25,000 – 75,000

Duration: 1-2 years

Eligible applicants: public agencies, community organizations, small businesses, K-12 schools

Grants will be awarded to projects with the greatest regional application and long-term reduction of greenhouse gas emissions. The District will maximize the impact of its grant funding by focusing on projects that scale up implementation of proven best practices region-wide, or that foster the development and implementation of ground-breaking approaches to reduction greenhouse gas emissions.

“Regionalizing” Best Practices

There are many “best practices” for reducing greenhouse gas emissions. The District seeks to identify those best practices with the biggest potential for reducing emissions that are ripe for widespread replication, and facilitate broader implementation of those practices across the region.

For example, a simple roof-lightening project (e.g. painting a city hall’s roof white) would probably not be a competitive proposal. However, if that project included a change in municipal building code requiring roof lightening for all new construction and major retrofits, that would be considered as having a long-term impact (through codification). If it further included a component for creating boiler plate code language, how-to documents, group training and individual follow-up for other local governments with specific targets for replication, then there is a potential regional application.

Eligible projects could include (but are not limited to):

- developing permitting incentives or new standards for green building into user-friendly implementation packages with targets/commitments to get an additional X# of local governments to adopt the practices;
- developing energy efficient procurement policies for carbon-intense products (e.g. cement) and services (e.g. construction) with targets/commitments to get an additional X# of local governments to adopt the policies;
- developing implementation strategies for cost-effective private sector approaches to bundle energy efficiency and/or renewable energy investments with targets/commitments to get an additional X# of businesses to adopt the practices.

The District encourages proposals that include targets/commitments for replicating best practices.

Proposals should focus most of the grant funds on the replication piece of this approach (i.e. details on how replication will be ensured – through workshops, training programs, enlisting commitments, etc.) in order to maximize the impact of any given best practice. These are most likely one-year grants.

Fostering Innovation

There are a lot of great ideas that may never come to fruition simply because there are no resources to “think them out”. Meeting California’s aggressive targets for reducing greenhouse gas emissions will require the development and implementation of new approaches and new ways of conducting business, by all sectors of the community. Grant funds may be used for scoping and incubating innovative new projects or policy approaches, followed by a regional implementation phase.

Eligible projects could include (but are not limited to):

- development of a lifecycle cost analysis method for policy-making: research and development of the mathematical approach, development of any kind of tool, beta testing with a target group, pilot phase and then widespread training and implementation regionally;
- development of a carbon tax or other revenue shift: research and recommendations, developing the tax and seeing it through to implementation, training for other entities to implement a similar tax/revenue shift;

- changing of “price signals” to influence transportation behavior, such as implementation of congestion pricing (e.g. New York City’s proposed \$8 fee for driving in Manhattan during peak commute hours);
- creation of a small business purchasing collective for energy efficient lighting/equipment/solar/clean vehicles/etc.

The District discourages proposals in this category that do not propose an activity that is innovative and new.

These would most likely be two-year grants, with the first year being devoted to scoping and incubating (pilot testing), and the second year devoted to spreading success across the region.

Proposal Requirements for Regional Strategy Grants

Proposal narratives must not exceed 8 pages. Proposals should be concise, and adequately and clearly address the following elements. Proposal narratives must include ALL of the following:

- Description of the project – Provide a concise description of what you will undertake and the amount requested.
- Need(s) being addressed – Succinctly explain the need for the proposed activity and why funding from the District is critical in meeting that need.
- Goals and objectives of the proposed activity – List all goals and objectives for the proposed activity. Goals are broad aspirations, such as “reducing emissions from cement production”, whereas objectives are means to achieving a goal, such as creating a market for “climate friendly cement”.
- Strategic approach – The strategic approach describes how objectives (creating a market) will be achieved (through development of boilerplate purchasing guidelines and bid specifications, support materials, training programs, etc.). Include a detailed description of what you will do, how you will do it, any partners you will collaborate with, and why this particular approach is proposed. Make sure your strategic approach relates to the goals and objectives you have listed.
- Connection with District’s goal and objectives – State specifically how your project and approach will support the District’s goal and objectives; be clear as to which objectives your project will support.
- Reduction of GHG emissions – Estimate the annual amount of greenhouse gas emissions expected to be reduced by your project. If appropriate, state these reductions as short-term (e.g. pilot phase) and long-term (e.g. regional ramp-up). Use the emissions quantification guidelines in Appendix B to make your estimations.
- Achievement of co-benefits – Discuss benefits above and beyond reduction of greenhouse gas emissions that will accrue as a result of your proposed activity, focusing on reduction in criteria air pollutants and toxic air contaminants (improving air quality), reduction in energy and fuel (gasoline, diesel) use, and benefits to impacted communities. Use quantitative descriptions of co-benefits as much as

possible, clearly explaining the assumptions and methodologies you used for making your estimations.

- Measuring success – Clearly state the metrics by which you will evaluate success – how will you know that you have achieved your goals and objectives? You may use both qualitative and quantitative metrics.
- Timeline / Deliverables – Create an easy-to-read table listing major deliverables and estimated months in which each deliverable will be completed.

Evaluation Criteria and Scoring for GHG Reduction Project grants

Potential for GHG reduction	20
Connection with Grant Program’s objectives	20
Strength and feasibility of strategic approach	20
Cost-effectiveness of emission reductions	10
Organizational capacity (including fiscal soundness)	10
Demonstration of climate achievement	10
Matching funds	5
<u>Strength of proposal (adheres to instructions, well-written)</u>	<u>5</u>
Total possible points	100

SECTION V AFTER RECEIVING A GRANT

Award Process

Notification of awards will be made by December 31, 2007. Applicants will be notified electronically after projects are preliminarily approved for funding by the District Board of Directors. However, final approval for funding occurs only when a signed funding agreement has been executed by both the project sponsor and the District. District staff will prepare funding agreements that set forth the terms, conditions, and monitoring and reporting requirements of each Climate Protection Grant. **Via funding agreements, project sponsors are legally bound to meet certain requirements**, including notifying the District of any change in operation, making periodic reports, and providing certificates of insurance. If a project sponsor does not comply with all the terms and conditions of a funding agreement, it may have to repay a portion or all of the funds granted, and the sponsor may be barred from future District grants. In the event that the District awards an amount that differs from the amount requested, District staff will work with the awardee to align deliverables, outcomes and timelines appropriately. Upon execution of the grant contract, the awardee can commence work on its funded activities.

Payment of Grant Funds

The payment schedule will be established in the funding agreement for each project. No funds will be released until the funding agreement has been signed by the project sponsor and the District (i.e. fully executed). In general, payment will be made on a reimbursement basis, after project costs are incurred and documented. The final payment will be made upon adequate completion of all deliverables and submittal of a complete final report (including narrative and financial reporting).

Reporting

Grantees are required to report on the progress of their grant activities every six months. Interim reports (for the first six-month period) include narrative descriptions of progress and financial accounting of the grant program to date. Annual reports include narrative descriptions of the second half of the year's activities and final fiscal accounting for the whole year. For one-year grants, the annual report is considered the final report. Interim reports are used by the District to identify potential problems with grant implementation, in order to intervene with grantees and modify approaches to ensure successful outcomes. Final reports are used to analyze the impact of the District's investments and assist in shaping future grant programs. All reports will be used to share information and promote successes among grantees and with the greater Bay Area community.

Report formats and requirements will be provided to grantees with their award materials.

Meetings/conferring

The District will convene an annual meeting of all its grantees in order to share program information and results, and to foster the creation of partnerships and important collaborations among diverse stakeholders throughout the Bay Area. Attendance at the annual meeting is strongly encouraged, but not required.

In addition, District staff will make every attempt to meet individually with all grantees midway through their project implementation. District staff will meet with grantees onsite, to gain as much knowledge as possible about the grantee organization and the project.

**APPENDIX A
CLIMATE PROTECTION GRANT COVER SHEET**

I. Applicant

Name of Organization: _____

Type of Organization: Public agency Small business K-12 school
 501c3 non-profit Sponsored project of another 501c3 non-profit

Mailing Address: _____

Website: _____

Primary Contact Person: _____ Title: _____

Phone #: () _____ Fax #: () _____ E-mail: _____

Executive Director: _____

Phone #: () _____ Fax #: () _____ E-mail: _____

<p>Fiscal Sponsor (if applicable)*: _____</p> <p>Mailing Address: _____</p> <p>Primary Contact Person: _____ Title: _____</p> <p>Phone #: () _____ Fax #: () _____ E-mail: _____</p> <p><i>* A fiscal sponsor is a non-profit or public agency that permits an organization that does not have a tax-exempt status to operate under its auspices. If you have a fiscal sponsor, please complete this box AND attach your fiscal sponsor's IRS tax-exempt letter.</i></p>

II. Project

Project Title: _____

Program Area / Grant Type (e.g. Outreach / Youth Climate Grants):

Total Project Cost: \$ _____ District Funding Request: \$ _____

Individual authorized to enter into a formal agreement with the Air District:

I, _____, authorize the submittal of this grant application and certify that all information is correct and accurately reflects the project scope, costs, timeline, and availability of funds.

Signature: _____ Title: _____

APPENDIX B GUIDELINES FOR ESTIMATING GREENHOUSE GAS REDUCTIONS

Basic Calculations

To determine the amount of greenhouse gas emissions reduced from reductions in various types of energy use, or in switches to “clean” energy sources (solar, wind, etc.), use the following equations:

Electricity: (# of kilowatt hours saved) X 0.000365 = tons of GHG emissions reduced

Natural gas: (# of therms saved) X 0.005277 = tons of GHG emissions reduced

Gasoline: (# gallons of gas saved) X 0.00855 = tons of GHG emissions reduced

Diesel: (# gallons of diesel saved) X 0.01 = tons of GHG emissions reduced

Other energy/fuel sources – contact the Air District for specific guidelines not provided here (Abby Young, ayoung@baaqmd.gov).

For waste reduction projects, identify the type(s) of waste reduced, and the amount reduced for each type: aluminum, glass, plastic, yardwaste, foodwaste, newspaper, office paper, cardboard. If you do not know or can't estimate waste reduction by waste type, indicate the type as “mixed waste”.

Guidelines for Each Program Area

I. Outreach Grants

- Define the target audience – who is your target audience, what is the size of your target audience?

“One hundred households in the Banana Belt neighborhood will be targeted for home weatherization outreach.”

- Estimate the saturation you will achieve into your target audience, describe any assumptions you used.

“The project goal is to reach 50% of these households through door-to-door weatherization audits.”

- Connect the saturation into your target audience with its impact on energy use (electricity, natural gas, gasoline, diesel, other), describe any assumptions you used.

“It is estimated that, as a result of these audits, households will increase energy efficiency and reduce electricity use by 10% and reduce natural gas use by 5%.”

Provide a basis for the estimation – cite a report or similar project, or indicate if it is an educated guess based on experience.

II. Planning Grants

Climate Protection Planning Grants

Describe the breadth of the planning process that will be impacted by the proposed project – for example, which general plan elements will be affected, what sectors/activities will be covered by a greenhouse gas inventory and plan, etc. Also describe the level of authority that your proposed planning project has over emission-producing activities – will targets be mandatory or voluntary?

Provide 3-5 specific examples of how your planning project might impact greenhouse emissions.

Capacity-building Grants

List 3-5 specific known opportunities to save energy that might be facilitated by an energy staff person, and that may help fund the position after the District's seed funding ends. Opportunities may include new municipal construction that is planned, remodels/retrofits that are scheduled for implementation, traffic lights that need upgrading to LEDs, etc.

III. Regional Strategies Grants

In order to estimate emission reductions from your project, you will need to know the amount of energy (electricity, natural gas, gasoline, diesel, etc.) that will be reduced by your proposed activity. If you are planning a policy change, then estimate the emission reductions that policy change will achieve in the near-term (1-2 years) and the long-term (3-5+ years) by following the Basic Calculations above.

Differentiate between greenhouse gas emission achieved in the near-term (pilot phase) versus medium-term (regional implementation phase).

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 6, 2007

Re: AB 32 Implementation

RECOMMENDED ACTION:

None. For information only.

BACKGROUND

On September 27, 2006, Governor Schwarzenegger signed AB 32, the Global Warming Solutions Act. The Act caps California's greenhouse gas emissions at 1990 levels, and requires the state to meet this emission level by 2020. AB 32, designates the California Air Resources Board (ARB) as the lead agency for implementation. Specifically, ARB must:

- Adopt mandatory reporting rules for significant sources of greenhouse gases by January 1, 2008;
- Define the 1990 emissions baseline by January 1, 2008;
- Adopt a scoping plan by January 1, 2009 indicating how emission reductions will be achieved from significant greenhouse gas sources via regulations, market mechanisms and other actions; and
- Adopt a list of discrete, early action measures by July 1, 2007 that can be implemented before January 1, 2010.

DISCUSSION

Staff will present an update on implementation of AB 32, focusing on developments since the last committee meeting, including adoption of mandatory reporting regulations, establishment of the 1990 emissions inventory baseline, and the initiation of the scoping plan process. Staff will discuss the Air District's contribution to these distinct processes.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ana Sandoval
Reviewed by: Henry Hilken