

## Sustaining Your Sustainability Programs



Finding the funds to support worthwhile programs presents a challenge in the best of times. This challenge is compounded when local budgets are stretched as tightly as they are today. Nevertheless, many local agencies continue to support activities and programs to make their communities more sustainable, believing that investing in sustainability leads to healthier communities and improved economic vitality while saving money, conserving natural resources and protecting the environment.

Sustainability encompasses multiple issues and topics, such as energy efficiency and alternative energy, green fleets, land use planning and community design, recycling, water conservation and climate action planning. Local agencies integrate sustainability into their policies, programs and activities in different ways, using a combination of grants, rebates and loans, enterprise funds and General Funds to support their efforts.

In many cases, a traditional activity may incorporate a sustainability component without the need for additional funds. In other cases, such as energy efficiency retrofits for agency facilities, the project saves money and benefits from rebates, thus paying for itself over time. And some projects may require special funding.

### Supporting Energy Efficiency

Investing in energy efficiency retrofits saves electricity and natural gas, money and natural resources and reduces greenhouse gas (GHG) emissions. The money saved from energy efficiency investments can be used to pay for future energy projects, support agency energy staff, or contribute to the General Fund. Financial assistance for energy efficiency projects may come from energy rebates and incentives from utilities, grants and loans from state agencies, or through working with energy services companies.

Palm Springs upgraded the lighting in its Police Department, reducing the city's annual electricity use by 131,192 kilowatt-hours and saving an estimated \$17,054 annually. The city received a financial incentive of \$18,878 from Southern California Edison to help reduce the project's cost.

Some agencies use part of their energy efficiency savings for future energy efficiency retrofits, with the remainder going to the agency's General Fund. El Cerrito uses a revolving loan fund to pay for projects that improve the resource efficiency of city operations.

## Supporting Sustainable Community Design

Many agencies have found that making their communities more sustainable can promote economic vitality and provide a competitive economic advantage. Speaking about his city's efforts in this area, Santa Clarita City Manager Ken Pulskamp says, "We've taken the approach that a healthy economy and a healthy environment are not mutually exclusive. We are in the process of adopting a General Plan that promotes reducing the number of vehicle miles traveled, encourages public transportation and improves the number of jobs per household so that people do not have to commute. We've really focused a lot on trying to reduce our greenhouse gas emissions."

Planning for sustainable communities and economic vitality does not need to cost more. Cities can incorporate sustainability principles when they update or revise their General Plan. Zoning ordinances for infill developments or new subdivisions can encourage or require energy efficiency and green building features; promote walking, biking and transit; and reduce water use. Many developers want to include such features in projects as a marketing tool.

A prime example is a new mixed-use project with a hotel, restaurant and workforce housing in the City of Taft, projected to break ground in January 2012. At build-out, the 1.15 million square foot Sunset Rail project will have a vibrant mix of land uses that the city expects will revitalize the existing downtown and create more than \$2 million per year in new revenue streams. Each building will showcase at least one sustainability feature. Consistent with the city's General Plan, the buildings will meet LEED Silver or equivalent green building standards.

State funding can help plan for sustainability. The state's Strategic Growth Council administers a Sustainable Communities Planning Grant program funded through Proposition 84 bond funds. The first round was approved in December 2010, with additional rounds anticipated in 2011 and 2012. Grants approved so far include support for a variety of local planning projects, such as:

- Developing a form-based zoning code for commercial corridors in Richmond;
- Creating a solar power pilot project on excess freeway right of way in Morgan Hill; and
- Developing a specific plan to revitalize Victorville's civic center.

## Supporting Climate Action Planning

While virtually all sustainability activities help reduce GHG emissions, some specialized activities focus only on climate action planning. GHG inventories identify the amount of GHGs produced by agency facilities and activities. Climate action plans provide a road map to help identify policies and programs designed to reduce GHG emissions, factoring in cost effectiveness and feasibility. While consultants offer services to help local

agencies prepare GHG inventories or climate action plans, many free or low-cost GHG inventory or climate action plan services are available.

Having no budget to hire a consultant, the City of Redlands' climate action task force and staff prepared the city's sustainability action plan using the Institute for Local Government (ILG) Climate Action and Sustainability Best Practices Framework as a guide. Council Member Jon Harrison says that doing so "gave us a great framework and access to resources that we could rely upon to research different topics and use in combination with information that was specific about our city."

Local agencies can take advantage of free workshops and web-based tools to help them conduct GHG inventories and prepare climate action plans. These services are part of the Statewide Energy Efficiency Collaborative (SEEC), an alliance to help cities and counties reduce GHG emissions and save energy. SEEC is a collaboration between three nonprofit organizations, including ILG, and California's four investor-owned utilities (Pacific Gas and Electric Company, San Diego Gas & Electric, Southern California Edison and Southern California Gas Company).

Some utilities offer support to prepare GHG inventories through pilot projects authorized by the Public Utilities Commission, and some air districts fund climate action planning. For example, the Bay Area Air Quality Management District funded GHG inventories and climate action plans for cities and counties within its area. The Yolo-Solano Air Quality Management District provides funds to support the Yolo County Climate Compact, which brings together the county, four cities and the University of California, Davis, to share information about sustainability and climate action.

## Supporting Alternative Energy

Capturing methane from landfills and wastewater plants to generate electricity or installing solar photovoltaic panels on agency buildings are examples of traditional and new alternative energy technologies. Both help reduce energy costs and save money.

Some local agencies finance the solar photovoltaic systems themselves, while others use power purchase agreements with outside companies to finance the infrastructure. The key distinction is the relative amount of savings that the local agency realizes. While self-financing results in more immediate savings, working through a third party provides opportunities when the local agency cannot afford to finance the project.

Since 2004, the City of Santa Rosa has invested \$1.7 million to install nine solar photovoltaic arrays at agency facilities including the wastewater treatment plant, a fueling station, pump stations and the city's golf course. By offsetting electricity purchases, these solar systems will pay for themselves in about 16 years and save the city more than \$1 million over the following nine years. Collectively the arrays provide approximately 419 kilowatts of power at peak production, generate about 636,513 kilowatt-hours of electricity annually, and reduce GHG emissions by 318 metric tons annually.

## Conclusion

In these difficult financial times, strategic use of limited resources can promote sustainability, save taxpayers' money and help create vibrant, healthy local economies.

### Funding Wizard Now Available

California local agencies can use a prototype web-based tool to help identify funds for sustainability and environmental projects. The Funding Wizard ([www.coolcalifornia.org/funding-wizard-home](http://www.coolcalifornia.org/funding-wizard-home)) searches for state and federal funds, rebates and other financial incentives to assist with reducing GHG emissions and support planning and development of sustainable communities. Categories include energy efficiency, green transportation, renewable energy, water conservation, recycling and waste prevention, green building and projects that contribute to improved air quality. Users select "local governments" as an eligible applicant, choose from a list of categories, and enter key terms or pick from a range of funding levels or application deadlines. Funding opportunities can also be sorted based on requirements for cost sharing and the specific agency or type of government jurisdiction offering the financial assistance.

## **Sustaining Your Sustainability Programs: Additional Resources**

For easy access to these additional resources, view the online version of this whitepaper at [www.ca-ilg.org/SustainingSustainability](http://www.ca-ilg.org/SustainingSustainability) to download a PDF.

### **General Sustainability**

- [ILG's Financing Sustainability Resource Center](#)
- [CoolCalifornia Funding Wizard](#)
- [Sustainable Communities Learning Network](#)

### **Energy Efficiency**

- [Working with Utilities to Finance Energy Efficiency Improvements](#)
- [Overview of Utility and State Energy Efficiency Support and Financing Programs](#)
- [Sustainability Funding Resources](#)
- [SEEC Financing Webinar Resources](#)

### **Climate Action Planning**

- [ILG's Climate Action and Sustainability Best Practices](#)
- [Statewide Energy Efficiency Collaborative](#)
- <http://www.ca-ilg.org/SEEC>
  - [SEEC Tools and Guidance \(greenhouse gas inventories, climate action plans, etc.\)](#)
  - [SEEC Workshops and Webinars](#)

### **Alternative Energy + Fuel Efficient Fleets**

- [ILG's Renewable Energy and Low Carbon Fuels Resources](#)
- [Purchasing Fuel Efficient and Alternative Fuel Vehicles through the California Department of General Services](#)

### **ILG's Sustainable Communities Program**

- [Climate Change](#)
- [Beacon Award: Local Leadership toward Solving Climate Change](#)
- [Healthy Neighborhoods](#)
- [Land Use and Environment](#)

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This whitepaper is a service of the Institute for Local Government (ILG) whose mission is to promote good government at the local level with practical, impartial, and easy-to-use resources for California communities. ILG is the nonprofit 501(c)(3) research and education affiliate of the League of California Cities and the California State Association of Counties. For more information and to access the Institute's resources on sustainable communities, go to [www.ca-ilg.org/sustainability](http://www.ca-ilg.org/sustainability).

The Institute welcomes feedback on this resource:

- *Email:* [info@ca-ilg.org](mailto:info@ca-ilg.org) Subject: *Sustaining Your Sustainability Programs*
- *Fax:* 916.444.7535
- *Mail:* 1400 K Street, Suite 205 ▪ Sacramento, CA ▪ 95814