



TO: HONORABLE CITY COUNCIL

ATTN: CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: CITY MANAGER

DATE: DECEMBER 3, 2007 CMR: 435:07

SUBJECT: RECOMMENDATION TO ACCEPT 2005 GREENHOUSE GAS EMISSIONS INVENTORY AND CLIMATE PROTECTION PLAN WITH RELATED GOALS FOR CARBON EMISSIONS REDUCTIONS; AND TO AUTHORIZE \$100,000 TO REFINE COST-BENEFIT ANALYSIS OF PROPOSED REDUCTIONS AND FACILITATE COMMUNITY PARTICIPATION PLAN

RECOMMENDATION

Staff recommends that Council:

- 1) Accept the 2005 emissions inventory as presented in the CPP;
- 2) Adopt the goals recommended for City and Community carbon emissions reductions;
- 3) Approve an expenditure of \$100,000 to: a) refine and complete the cost benefit analysis of short-, medium- and long-term actions and prioritize those that will provide maximum emissions reduction potential at a minimal cost and report back to Council by June 2008, and b) begin the public engagement process to gain public acceptance of and participation in implementing the Climate Protection Plan;
- 4) Direct City staff to begin implementing short-term actions that have budgeted resources, or are cost neutral within the fiscal year, in order to assist the City to reach its 5% reduction goal, and to report to Council in July 2008 on which actions are being implemented and the projected reductions in greenhouse gases;
- 5) Direct the City Manager to submit to Council the list of short-term actions to pursue as part of the 2008-09 budget and report on the short-term actions being carried out which have already been budgeted as part of recommendation 4 (above).

DISCUSSION

Attached to this report is the City's first Climate Protection Plan (CPP). The CPP recommends a series of reductions of greenhouse gas (GHG) emission levels for both the City government and the greater Palo Alto community. The recommendations call for 5% reduction (3,266 metric tons

of CO₂) in greenhouse gas emissions from City operations within 18 months, a 5% reduction (39,702 metric tons of CO₂) in emissions from both the City and the Community by 2012, and a 15% reduction (119,107 metric tons of CO₂) in City and community-generated emissions by 2020. This 2020 goal is in line with the target mandated by the State of California's AB32 legislation. The CPP also carries out initial cost benefit and budget impact analyses of many of the actions considered. The CPP includes a far-reaching emissions inventory, to present an accurate and complete picture of the community's 2005 emissions levels, within the limitations of the measurement tools currently available. The inventory includes emissions by individuals who live, work, visit or transit the City limits, suggesting that on a per capita basis, Palo Altoans emit roughly 14 metric tons of CO₂ per year. The inventory shows that the greatest sources of emissions are: 1) transportation, 2) energy use, and 3) emissions associated with landfill waste and with the disposal of recyclable materials, such as aluminum cans and plastic bags, into the waste stream.

The CPP identifies a number of actions that may be undertaken by the City immediately, some of which have already been assessed for their cost and emissions-reducing potential. Criteria for slating these actions as achievable in the short-term included: low or cost-neutral project cost; the project is already in progress; or the project may be achievable within one year. These actions include increasing the purchase of recycled office items, lowering the carbon intensity of the electric supply, and augmenting the "green" building codes for City facilities, and commercial and residential buildings. Staff recommends that additional cost benefit analyses of these actions be completed and that, if warranted, funding be included in the 2008-2009 Budget.

The CPP identifies a second group of actions that require additional cost benefit analysis and which should be implemented within the next two to four years. These actions require greater investment levels for the City or the community, are more difficult, or take longer to implement. The CPP recommends exploring the feasibility and cost/benefits of these or other actions that will help the City meet its medium-term goal of 5% GHG reduction goal for the City and the community. The actions to be researched include more aggressive optimization of the City vehicle fleet, working with the School District to reduce emissions from the school commute, implementing sustainable purchasing procedures, reducing paper consumption by the City, and achieving a 68% diversion rate for the waste program.

A third group of actions would significantly reduce Palo Alto's total emission levels, but require a greater commitment from the City and community, as well as additional study because of higher costs. These actions include, for example, the full implementation of the Zero Waste Plan with 90% diversion rates, the introduction of incentives to reduce City employee parking and increase use of public transit and carpooling, and a greater commitment by the community for public transit-friendly housing development. Again, as with the medium term recommendations, staff recommends more thorough cost-benefit analysis prior to consideration for incorporation in the 2008-2009 or subsequent budgets.

In order to implement this all three groups of actions, the CPP recommends that an education and motivation program be established for the City and the community along with a new community engagement process to implement actions aimed at reducing carbon emissions and achieving the recommended reductions.

RESOURCE IMPACT

The CPP details the resource impacts of recommendations wherever possible. The \$100,000 requested and any financial impacts of implementing some of the short term actions are discussed in the report. Commitment to the long term reduction goals outlined in this report will have major resource impacts in the long term. The level of resource commitments required will need to be determined as the cost benefit analyses are completed and the plan is implemented.

POLICY IMPLICATIONS

The Climate Protection Plan is a tool for Council’s use in making policy decisions regarding the allocation of resources.

ENVIRONMENTAL REVIEW

This report does not require California Environmental Quality Act (CEQA) review.

PREPARED BY: KARL VAN ORSDOL
 Energy Risk Manager/Sustainability Team

 WENDY HEDIGER
 Solid Waste Coordinator/ Sustainability Team

 NANCY NAGEL
 Senior Financial Analyst/Sustainability Team Leader

 JULIE WEISS
 Sustainability Team

DEPARTMENTAL HEAD APPROVAL: _____
 EMILY HARRISON
 Assistant City Manager