



Office of the City Manager

CONSENT CALENDAR  
February 27, 2024

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Jordan Klein, Director, Planning and Development Department

Subject: Contract No. 32300057 Amendment: Association for Energy Affordability for Pilot Climate Equity Fund

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or designee to amend Contract No. 32300057 with Association for Energy Affordability for the Pilot Climate Equity Fund, increasing the amount by \$43,556, to a new total contract amount not to exceed \$126,890, and extend the contract through May 30, 2025.

FISCAL IMPACTS OF RECOMMENDATION

There are no net fiscal impacts of this recommendation. This proposed amendment would increase the contract authority for the Association for Energy Affordability by \$43,556, which would be offset by funds not be fully expended under another contract (Contract No. 32300089 with BlocPower) within the Pilot Climate Equity Fund. Funding for the Pilot Climate Equity Fund was allocated in FY 2022 from budget code 017-53-583-611-0000-000-441-612990.

CURRENT SITUATION AND ITS EFFECTS

This proposed contract amendment increases the contract authority and extends the scope and associated funding and timeline of the existing Association for Energy Affordability (AEA) contract. This will allow AEA to upgrade one additional multifamily building with electrification and energy efficiency measures such as heat pump water and space heaters, weather sealing, and insulation. Under this amendment, AEA will continue working with deed-restricted affordable housing and/or multifamily buildings with income-qualified residents for building electrification upgrades, and work to leverage additional funding and rebates to bring down the overall cost of the upgrade.

Under Resolution No. 70,316-N.S., AEA received \$83,334 through the Pilot Climate Equity Fund. Two other contractors, BlocPower, which focuses on single-family electrification upgrades and financing, and Northern California Land Trust, which has its own portfolio of affordable housing, received similar amounts within the Program Area #1- Resilient Home Retrofits program. BlocPower is unable to expend all the funds in its contract. This amendment would reallocate BlocPower's unused funds, \$43,556, to

AEA. This would ensure that the funds will help additional income-qualified residents receive the benefits of building electrification.

Amending this contract supports the Strategic Plan Priority of advancing our goal to be a global leader in addressing climate change, advancing environmental justice, and protecting the environment.

### BACKGROUND

On July 27, 2021, the City Council approved the “Resolution Establishing a Pilot Climate Equity Action Fund,” and on June 29, 2021, the City Council approved a budget item for FY21-22 of \$600,000 for climate equity programs to promote building and transportation electrification for low-income residents. On May 26, 2021, the Berkeley Energy Commission unanimously approved a recommendation to create a Pilot Climate Equity Fund. On April 26, 2022, City Council approved the contracts for Pilot Climate Equity Fund, including a resolution to execute a contract with the Association for Energy Affordability in a not-to-exceed amount of \$83,334, to provide building decarbonization and resilience benefits that enhance resilience, support occupants, and reduce greenhouse gas emissions for low-income residents.

AEA has been working with the Office of Energy and Sustainable Development’s Pilot Climate Equity Fund to complete whole-building energy efficiency and electrification retrofits in income-qualified multifamily buildings. AEA was selected for its expertise in the multifamily building sector and its ability to leverage additional funds, address priorities and needs identified by local low-income community members, and integrate electrification and energy efficiency measures with other income-qualified housing improvement programs.

### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

This amendment extends electrification benefits to low-income community members, many of whom are hit first and worst by climate change and its impacts. Specifically, it advances the City’s climate and resilience goals by reducing greenhouse gas emission and improving indoor air quality in homes by helping residents to transition away from fossil fuel-powered home appliances.

### RATIONALE FOR RECOMMENDATION

The additional funding and extension of the current contract to May 30, 2025, will ensure that more residents receive the benefits of building electrification upgrades. The proposed contract amendment directly responds to the goals set forth in the Council-adopted Existing Buildings Electrification Strategy while supporting Berkeley to become a fossil fuel-free community.

Contract No. 32300057 Amendment: Association for  
Energy Affordability for Pilot Climate Equity Fund

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ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

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Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 32300057 AMENDMENT: ASSOCIATION FOR ENERGY  
AFFORDABILITY FOR PILOT CLIMATE EQUITY FUND

WHEREAS, on November 30, 2021, Berkeley City Council adopted the Berkeley Existing Buildings Electrification Strategy to prioritize equitable building electrification for income-qualified residents; and

WHEREAS, the City of Berkeley has determined that supporting building electrification programs and providing climate and resilience benefits to low-income Berkeley residents is a priority; and

WHEREAS, the City of Berkeley released a Request for Proposals on December 3, 2021 (Specification No. 22-11488-C), and a selection committee reviewed the proposals and determined that Association for Energy Affordability, BlocPower, and Northern California Land Trust were the best qualified contractors to provide the services needed for Program Area 1 – Resilient Home Retrofits for a cumulative amount not-to-exceed \$250,000; and

WHEREAS, on April 26, 2022, by Resolution No. 70,316-N.S., City Council authorized Contract No. 32300057 with Association for Energy Affordability to provide building electrification upgrades for income-qualified multifamily residents through the Pilot Climate Equity Fund in an amount not to exceed \$83,334 for the period of September 1, 2022 to May 31, 2024; and

WHEREAS, the additional funding and extension of the current contracts to May 30, 2025, will enable Association for Energy Affordability to support additional income-qualified Berkeley residents on building electrification; and

WHEREAS, funds are available in the FY24 budget as part of the existing allocated Pilot Climate Equity Fund, budget code 017-53-583-611-0000-000-441-612990.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 32300057 with Association for Energy Affordability for the Pilot Climate Equity Fund, increasing the amount by \$43,556, to a new total contract amount not to exceed \$126,890, and extend the contract through May 30, 2025.