December 20, 2022

Dear Village of Oak Park Trustees:

On behalf of the Oak Park Climate Action Network (OPCAN), we urge you to take up key recommendations to move the Village's Climate Ready Plan forward – actions that we believe will ensure we achieve the goals set forth in that document. As in our prior letter from October 12, we outline the most crucial emissions-reducing actions to take now, indicating additional sources of funding to complement and reinforce the 2023 Sustainability Fund Capital Outlay Summary recently presented to you by Village staff.

It will be necessary to apply for state and federal resources to implement the Plan, and time is of the essence as funding is available right now. In particular, Illinois CEJA funds and the \$5 million ARPA allocation for Oak Park can accelerate Climate Ready implementation. The federal infrastructure bill and the Inflation Reduction Act present additional sources of funding.

We respectfully request that the Village apply the entire \$5 million of ARPA allocation for programs and actions that help meet the emission reduction targets in the Climate Ready Plan. An ordinance that directs Village staff to use ARPA funds for the Plan is needed at this time.

Key early steps are crucial for successful climate action. These include: (1) adding grant writing capacity for Climate Ready initiatives in particular, to seek and acquire new targeted state and federal resources; (2) increasing resources allocated to key partially funded sustainability programs; (3) establishing a pool of matching funds for federal grant opportunities; and (4) seeking and allocating resources to unfunded, high-priority initiatives in the Climate Ready Plan. These latter initiatives are essential to meet our emissions reduction targets. We provide further detail on recommended programs and resource needs below.

I. Adding Grant Writing Capacity

The Village should engage additional grant writing services for the many new climate-related state and federal funding opportunities available. Such a position or consultant could track and apply for private, state, and federal funding beyond ARPA, ensuring sufficient resources for effective and equitable climate commitments approved by the Board. We make the additional recommendation that such a grant writer could help manage grant administration and reporting, supporting the Village's Sustainability Coordinator.

This is essential if we are to carry out the Climate Ready Plan on schedule and meet our targets. We ask Trustees to direct Village staff to establish a position or contract immediately, before Oak Park misses key opportunities. (Many deadlines are coming up in Q1-Q3 of 2023.)

II. Increasing Resources to Three Partially Funded Programs

A. Energy Resiliency Housing Retrofit Pilot Program: A Technical Assistance Center (BD06) With more than one-third of total Oak Park emissions in the greenhouse gas inventory coming from residences, achieving substantial residential emissions reductions is essential. Today homeowners and real estate owners do not know where to turn to learn about, how to prioritize, contract for, and finance the implementation of energy retrofits. We agree that Oak Park residents and businesses urgently need a "one-stop shop" for information on insulation and other energy efficiency measures, gas-free appliances, and conversion to electrical HVAC and water heating, as well as financing options. A technical assistance center and outreach campaign will encourage more residents to retrofit their homes and transition to renewable energy and electrification, as has been done in other cities to support their climate action strategies. One innovative element such a center could provide is a revolving loan fund with a loan loss reserve fund. We recommend that financing options be handled by this center through grants or low-interest loans to residents undertaking emissions-reductions measures, including electrification. By backing such loans with a loan loss reserve fund, the Village's Climate Ready Plan can meet its equity goals by providing credit enhancements for residents with lower credit scores.

To speed electrification across the Village, we agree that this center should provide assistance to all residents but especially to those who are within the affinity groups that were part of the Climate Ready planning process. Given the scope of the center, the technical assistance needed, and the number of homes and units to be retrofitted, it is clear that the proposed capital outlay for the center and for retrofit financing needs to be at least doubled in the second year of implementation and in subsequent years. This could be one of the programs funded by federal money and which the grant writer could seek. We ask that the Trustees direct the staff to move forward on this idea immediately.

B. Community Building Electrification Program

We agree that climate plan item (BD07), "neighborhood electrification pilots" and institutional pilots, should be part of the early phases of Oak Park Climate Ready. A pilot program to completely electrify some existing gas-powered buildings will demonstrate the possibilities of unlocking significant emissions reductions from residential, commercial and public buildings. The Village should identify buildings, including municipal buildings, where electrification makes the most financial sense, and include some of those in the pilot program. (These pilots could be administered through the technical assistance center outlined above). Based on our research and review, we recommend the Village identify businesses that can carry out this kind of pilot program. One option might be BlocPower, which has carried out this kind of pilot before. Given the number of buildings that will likely be involved in the pilot and the estimates HVAC experts have provided, we do not believe the proposed amount is sufficient and recommend substantially increasing program funding. This is another program that could be supported by federal funds. We ask that the Trustees direct the staff to move forward on these pilots in 2023.

C. Building Benchmarking Program

Benchmarking will be critical to demonstrating transparently how much large buildings contribute to climate change-causing emissions and how that contribution can be effectively cut. A scorecard targets the worst emitters and rewards the best actors. We are pleased to see that benchmarking is in the capital outlay summary, but the amount of money (\$25,000) is way too small. Having studied the emissions-reduction work of other cities, we recommend that \$100,000-\$125,000 per year is a more appropriate level of funding. After the Village collects benchmarking data, the Village should establish a building rating system, as Chicago has done, and explore a building performance standard for large buildings. The standard would require building owners to meet performance targets by actively improving the energy performance of their building over time.

III. Establishing a Pool of Matching Funds for Federal Grant Opportunities

Most federal grant opportunities require at least a 20% match to secure funds, so we recommend that the Village set aside at least \$500,000 in this pool as a source of matching funds for federal grants.

IV. <u>Seeking and Allocating Resources to Unfunded High-Priority Initiatives in the Climate</u> <u>Ready Plan</u>

A. Electric Vehicle Charging Infrastructure

The Oak Park Climate Ready Plan includes action (TSO2) "Pursue incentives to increase access to electric vehicle (EV) charging stations and parking, with an emphasis on access for residents who do not own a garage. Include language in all projects with Village involvement or funds addressing parking and new development." We urge the Village to do more than pursue incentives: specifically, the Village should provide funding to increase access to EV charging stations and create a plan to expand charging in the community. This is one area in which the federal IRA invests significantly over the next five years. The grant writing capacity recommended above could immediately focus on this opportunity. We ask that the Trustees direct the staff to begin asking for these funds as soon as the grant writer is hired or a consultant is identified.

We strongly recommend that this program be added because transportation comprises more than 27% of Oak Park's GHG emissions. Oak Park's climate plan estimates the emissions reduction achievable by electrifying locally owned vehicles at 77,283 metric tons of CO2 equivalent (MTCO2e) by 2030. This estimate assumes that Oak Park follows the federal EV transition goal of 50% by 2030. To meet this goal, however, the Village will need to begin expanding its EV charging infrastructure immediately. We urge Oak Park to follow other cities by implementing a pilot program to install streetlight EV charging stations on streets with multi-family buildings within the next one or two years.

B. Transition Fleets to Zero Carbon Vehicles

This is another high-priority initiative (DP01) which would address transportation emissions. The Plan suggests that the Village pursue federal and state funding, financing, and technical assistance to support this transition. **We agree with the recommendation that the Village earmark a percentage of its revenue for socially and environmentally responsible zero-carbon transportation options.** In an earlier budget draft, Village staff recommended \$175,000 over 5 years for this purpose. At this time, we suggest a <u>minimum</u> of \$175,000 be allocated for this action.

C. Education and Outreach

The Plan includes several actions (BD03, BD04 and RE4) that have to do with outreach to residents and education about initiatives related to emissions reduction. From our research on other cities, we suggest that at least \$300,000 be set aside each year for this purpose, from the Sustainability Fund, the Village operating budget or federal funds.

D. Utility-scale Solar Infrastructure

The Plan (RE01) suggests that exploring utility-scale infrastructure for supplying energy to the Village could be a key factor in reducing emissions. We recommend the Village explore the option of entering into an Indirect Power Purchase Agreement with a renewable energy developer. We are aware of federal funding opportunities for this purpose, which a developer would be eligible to apply for. We recommend exploratory conversations with potential developers be taken right away.

E. Transitioning natural gas units in buildings to electric units

After an electrification pilot, the Village should explore a broader electrification initiative, which could be folded into the retrofit initiative outlined in the Energy Resiliency Housing Retrofit Pilot Program above. It will require creating financing options such as low- or no-interest loans as well as the technical assistance center outlined above (EN03). Such a program could focus on buildings where electrification makes financial sense and causes substantial savings. While the economics of electrification may be different in Oak Park than in some other cities, one relevant model may be Ithaca, New York, which is partnering with BlocPower to provide no-interest loans to electrify all of its residential buildings within a few years. We recommend that federal funding be sought for this purpose.

F. Conducting a feasibility analysis of establishing an Oak Park Green Bank, Residential PACE program, or other local financing program

Since this initiative (BD01) is considered a low cost action, we are assuming this could be accomplished by the Trustees passing an ordinance to direct Village staff to explore the feasibility of establishing a Green Bank. We therefore recommend that the Trustees pass an ordinance that directs staff to explore the idea of a Green Bank.

G. Composting

First, since organic waste emits methane from landfills, if we want to meet 2030 emissions reduction goals, the Village should immediately conduct a feasibility study to evaluate modifying CompostAble to an opt-out program and expanding composting services to all residential buildings, including large multi-family properties. We recommend the Village also phase in an ordinance to require all restaurants and retail establishments to separate compostable waste, followed by a phase in ordinance to require all residents to do the same. Composting services could be charged on a sliding scale based on family income.

H. Urban Forestry Plan

A lower cost but high-priority initiative we recommend is (EP03) to establish and implement an urban forestry plan for the Village based on tree health and maturity, carbon sequestration and storage analysis, urban heat islands analysis, and existing distribution of tree cover. This plan should equitably distribute tree cover, increase tree cover along major thoroughfares and any areas with below average coverage, increase overall tree canopy and carbon storage, ensure sufficient species diversity to be resilient to invasive pests and climate change, plant larger maturing trees appropriate to the site, and promote sustainable maintenance in Oak Park and neighboring jurisdictions. Although actual planting and nurturing of recommended trees in this Plan will require additional funding, there are urban forestry provisions in the IRA that may be able to be tapped so the Village does not have to provide its own resources. The urban forestry plan itself could be funded through the Morton Arboretum Community Trees Initiative and should be able to be completed for \$50,000-\$75,000.

I. Establishing climate and pest-resilient forests on campus grounds

A related initiative that will also help to sequester carbon (TC01) is to identify opportunities for creating climate and pest-resilient forests in the Village. We recommend the Trustees direct Village staff to implement this identification immediately so that a federal grant can be applied for by the Village to plant and nurture these mini forests.

While there are many other important recommendations in the Climate Ready Plan, we have recommended those we think will have the greatest impact on emissions in the short term. We strongly urge the Village to establish metrics for each initiative and that progress on these initiatives be reviewed quarterly by the Village Board.

We ask that the Village Board be willing to make amendments to the 2023 budget that reflect the priorities of the Climate Ready Plan.

We welcome an opportunity to meet with Village Trustees and staff to discuss these recommendations, and hope that as many Village departments as appropriate be asked to join since climate resilience and mitigation cut across all departments.

Thank you for your consideration.

Sincerely, Oak Park Climate Action Network