

CITY COUNCIL AGENDA TOPIC

Resolution authorizing execution of amendment to increase contract value of the Energy Smart Eastside Boost Heat Pump Reimbursement Contract # 2450078 with Hopelink from \$1,700,000 to \$4,410,090 and extend the end date of the contract from February 1, 2025 to December 31, 2025.

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EXECUTIVE SUMMARY**ACTION**

Pursuant to the Energy Smart Eastside Boost Heat Pump Reimbursement Contract #2450078, the City of Bellevue contracts with Hopelink to fund 100 percent of the cost of purchase and installation of heat pumps for low-income households accepted into the Energy Smart Eastside Boost program. Adoption of the Resolution authorizing execution of an amendment to Contract #2450078 would increase funding for heat pump installations by \$2,710,090 to a total not to exceed \$4,410,090 and would extend the end date of the contract from February 1, 2025 to December 31, 2025. Funding for this increase is sourced from grants awarded to Energy Smart Eastside and accepted by Council in 2024. No new funding is being requested to support this initiative.

RECOMMENDATION

Move to adopt Resolution No. 10420

BACKGROUND/ANALYSIS

Energy Smart Eastside is a heat pump incentive program funded as a joint initiative of the Eastside Climate Partnership (comprised of the Cities of Bellevue, Issaquah, Kirkland, Mercer Island, Redmond and Sammamish), and managed by the City of Bellevue.

The Energy Smart Eastside Boost program, which is administered by Hopelink under a separate contract, provides 100 percent cost coverage of heat pump installations for qualified households with a total income at or below 80 percent of area median income (AMI).

Hopelink provides income verification services, case management, and pays contractors upon completion of heat pump installations. The program also leverages Hopelink's Energy Assistance program and expertise in providing support for the Eastside's most vulnerable residents who struggle to pay their energy bills. Through this partnership, Hopelink's existing Energy Assistance clients are eligible to apply to receive a heat pump in their home.

This amendment increases the Hopelink contract amount for 2024-2025 by \$2,710,090, which is funded by the following grant agreements (see Council Library).

Table 1: Energy Smart Eastside Funding Sources

Grant	Amount	Ordinance	Council Approval
Puget Sound Energy Building Decarbonization Program	\$850,000	6792	6/18/2024
Department of Commerce Home Energy Appliance Rebate Program	\$1,860,090	6791	6/18/2024

The contract end date is also being extended from 2/1/2025 to 12/31/2025 to reflect the performance period for the associated grants.

POLICY & FISCAL IMPACTS

Policy Impact

The Resolution supports the following actions in the Sustainable Bellevue Plan.

- C.1.4: **Climate equity.** Prioritize climate mitigation and adaptation investments in historically underserved and underrepresented communities.
- C.1.7: **Climate outreach and education.** Develop a climate outreach and education campaign or program to support ongoing community engagement.
- E.2.2: **Home energy retrofit program.** Develop a home energy retrofit program to support retrofits and incentivize energy efficiency.
- E.2.3: **Equitable access to energy programs.** Improve access to energy efficiency programs for low-income and historically underserved and underrepresented populations.

Fiscal Impact

This amendment is funded through grant agreements with Puget Sound Energy and the Washington State Department of Commerce and has no fiscal impact on the City's budget.

OPTIONS

1. Adopt Resolution authorizing execution of amendment to increase contract value of the Energy Smart Eastside Boost Heat Pump Reimbursement Contract # 2450078 with Hopelink from \$1,700,000 to \$4,410,090 and extend the end date of the contract from February 1, 2025 to December 31, 2025.
2. Do not authorize the Resolution and provide alternate direction to staff.

ATTACHMENTS

Proposed Resolution No. 10420

AVAILABLE IN COUNCIL LIBRARY

Hopelink Contract 2450078

Proposed Amendment to Hopelink Contract 2450078

Eastside Climate Partnership Interlocal Agreement
Puget Sound Energy Building Decarbonization Program Agreement
Washington State Department of Commerce Home Electric Appliance Rebate Program Agreement