

**CITY COUNCIL AGENDA TOPIC**

Resolution authorizing execution of amendment to increase the three-year contract value of the Energy Smart Eastside Boost Program Administration Contract #81186 with Hopelink from \$262,727 to \$440,648.

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**EXECUTIVE SUMMARY****ACTION**

The City of Bellevue contracts with Hopelink to provide administration of the Energy Smart Eastside Boost program (see executed contract in Council Library). Adoption of Resolution authorizing execution of amendment to Contract #81186 with Hopelink would increase the contract's value by \$177,921 which would double the capacity of heat pump projects that Hopelink can administer during the one-year contract term, expiring on December 31, 2024 with an option to renew for two one-year terms. Funding for this contract is sourced from grants and participant city budgets as described below. No new funding is being requested to support this initiative.

**RECOMMENDATION**

Move to adopt Resolution No. 10415

**BACKGROUND/ANALYSIS**

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

The Boost program, which is administered by Hopelink, 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. This arrangement follows a similar process utilized by the City of Bellevue's Human Services Department in previous agreements with Hopelink. 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 will be eligible to apply to receive a heat pump in their home.

This contract is a one-year term, expiring December 31, 2024, with an option to renew for two one-year terms. The budget for program administration over the three-year term is not to exceed \$440,648, and

is expected to yield capacity to manage 500-600 heat pump installations across the member cities, with the following benefits:

- **Climate Mitigation:** This initiative is expected to avert 25-33 metric tons of CO<sub>2</sub> over the lifetime of each heat pump installed.
- **Climate Adaptation:** Participants receive the benefits of whole home cooling, as well as air filtration which is an important health benefit during wildfire smoke events. Eighty percent of the participants are expected to be seniors, who are among the most vulnerable to the climate change impacts of heat and poor air quality.

The amendment to increase the contract value by \$177,921 will be paid out of a combination of grants as outlined in Table 1. This includes: \$128,600 from the Washington University Community Energy Efficiency Program (WSU CEEP) grant accepted by Council on December 4, 2023; \$551,000 from the Department of Commerce Clean Energy Fund Building Electrification Program grant accepted by Council on February 12, 2024; \$1,861,000 from the Department of Commerce Home Energy Appliance Rebate grant accepted by Council on June 18, 2024; and the Puget Sound Energy Building Decarbonization grant also accepted by Council on June 18, 2024.

**Table 1: Energy Smart Eastside Boost Program Funding 2024-2025**

Allocation Per City	WSU CEEP Grant	Commerce Clean Energy Grant	Commerce HEAR Grant	Puget Sound Energy Grant	2024-25 Budget Per City for Boost
City of Bellevue	\$93,300	\$210,000	\$577,000	\$323,000	\$1,203,300
City of Issaquah		\$33,500	\$149,000	\$93,500	\$317,500
City of Kirkland	\$21,300	\$140,000	\$372,000	\$195,500	\$848,300
City of Redmond		\$140,000	\$298,000	\$187,000	\$723,000
City of Mercer Island	\$14,000	\$27,500	\$93,000	\$51,000	\$209,500
City of Renton			\$372,000		
<b>Sub Total by Funding Source</b>	<b>\$128,600</b>	<b>\$551,000</b>	<b><u>\$1,861,000</u></b>	<b><u>\$850,000</u></b>	<b><u>\$3,390,600</u></b>

This is the first amendment to this contract as shown in the table below.

**Table 2: Energy Smart Eastside Boost Program Administration Contract with Hopelink**

Original Contract Value	Contract Execution Date	Previous Amendments
\$262,727	1/26/2024	None

## POLICY & FISCAL IMPACTS

### Policy Impact

The Ordinance 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 agreement with Hopelink is funded through the WSU CEEP grant, the Department of Commerce Clean Energy Fund Building Electrification Program grant, the Department of Commerce Home Energy Appliance Rebate grant and the Puget Sound Energy Building Decarbonization grant. No additional City dollars are needed to support this agreement.

### **OPTIONS**

1. Adopt Resolution authorizing execution of amendment to increase the three-year contract value of the Energy Smart Eastside Boost Program Administration Contract #81186 with Hopelink from \$262,727 to \$440,648.
2. Do not adopt the Resolution and provide alternate direction to staff.

### **ATTACHMENTS**

Proposed Resolution No. 10415

### **AVAILABLE IN COUNCIL LIBRARY**

Energy Smart Eastside Boost Program Administration Contract #81186  
Proposed Amendment to Contract #81186  
Bellevue Executed Sub-Agreement with King County – CEEP Grant  
Department of Commerce Clean Energy Fund Contract  
Department of Commerce Home Energy Appliance Rebate Contract  
Eastside Climate Partnership Interlocal Agreement  
Puget Sound Energy Building Decarbonization Contract  
Sustainable Bellevue Plan