

CITY COUNCIL AGENDA TOPIC

Ordinance amending Ordinance No. 6764, adopting the 2023-2024 Biennium Budget, as previously amended, to increase appropriations to the General Fund by \$756,400 to allow the City of Bellevue to pay expenses incurred by the Eastside Climate Partnership cities (Bellevue, Issaquah, Kirkland, Mercer Island, and Redmond) for the Energy Smart Eastside Heat Pump Program and other shared initiatives.

Emil King AICP, Planning Director, 452-7223

Jennifer Ewing, Environmental Stewardship Program Manager, 452-6129

Sarah Phillips, Energy Smart Eastside Program Manager, 452-5362

Community Development

EXECUTIVE SUMMARY**ACTION**

This Ordinance increases the appropriation in the General Fund by \$756,400 for the 2023-2024 budget. This will allow the City of Bellevue to pay expenses incurred by Eastside Climate Partnership cities (Bellevue, Issaquah, Kirkland, Mercer Island, and Redmond) for the Energy Smart Eastside Heat Pump Program and other shared initiatives.

RECOMMENDATION

Move to adopt Ordinance No. 6773.

BACKGROUND/ANALYSIS

The Cities of Bellevue, Redmond, Issaquah, Mercer Island, and Kirkland signed the Eastside Climate Partnership Interlocal Agreement (ECP ILA, Attachment A) in 2023 to allow for enhanced collaboration and joint procurement to support the five cities' climate and sustainability programs. The Energy Smart Eastside Heat Pump Program (which provides financial incentives to qualifying homeowners to help cover costs associated with heat pump installations) and the periodic greenhouse gas emissions (GHG) inventories are joint initiatives of the Eastside Climate Partnership, which operate under the governance of the ECP ILA, and are administered by the City of Bellevue.

The initiatives are funded, in part, by municipal funds from the partnership cities. Grant funds associated with Energy Smart Eastside are not included in this appropriation request and are managed separately.

As part of its administrative role, the City of Bellevue has staff committed to operating these initiatives and holds contracts with vendors providing related services. A financial mechanism, in the form of a restricted General Fund account, is required to allow the City of Bellevue to pay expenses related to administration of these programs, and to invoice Eastside Climate Partnership cities for their share of the expenses in line with their committed budgets. This includes expenses incurred by vendors as well as by City of Bellevue program administration.

The specific budget amounts committed by the partner cities are as follows and are for 2024 only. Only actual expenses will be submitted for reimbursement.

Source of Budget	Energy Smart Eastside	GHG Inventory	Sub-Total by City
City of Issaquah	\$243,600.00	\$15,000.00	\$258,600.00
City of Kirkland	\$196,800.00	\$0.00	\$196,800.00
City of Mercer Island	\$0.00	\$15,000.00	\$15,000.00
City of Redmond	\$266,000.00	\$20,000.00	\$286,000.00
Sub Total by Initiative	\$706,400.00	\$50,000.00	\$756,400.00

The City of Bellevue is contributing previously appropriated 2023-2024 budget to the above initiatives through separate Environmental Stewardship Initiative (ESI) capital improvement program and operating budgets, as follows:

Source of Budget	Energy Smart Eastside	GHG Inventory	Sub-Total by Budget
General Fund	\$60,000.00		\$60,000.00
CIP (CD-46)	\$416,865.00	\$25,000.00	\$441,865.00
Sub Total by Initiative	\$476,865.00	\$25,000.00	\$501,865.00

POLICY & FISCAL IMPACTS

Policy Impact

This Ordinance supports the following actions in the Sustainable Bellevue Plan: Environmental Stewardship Plan:

- **M.C.1.1: Implementation - monitor and report.** Report on progress towards Environmental Stewardship goals.
- **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.1.4: Green affordable housing.** Evaluate opportunities to support green affordable housing and identify strategies to encourage additional levels of green building beyond the Evergreen green building standard, for city-funded projects.
- **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 Ordinance will amend the 2023-2024 budget to increase appropriations to the General Fund by \$756,400 in 2024, which will allow the City of Bellevue to pay expenses incurred by the Eastside Climate Partnership cities for the Energy Smart Eastside Heat Pump Program and the periodic greenhouse gas emissions inventory initiatives. The actual expended amount will be reimbursed by the partner cities as outlined in the table above.

OPTIONS

1. Adopt the Ordinance amending Ordinance No. 6764, adopting the 2023-2024 Biennium Budget, as previously amended, to increase appropriations to the General Fund by \$756,400 to allow the City of Bellevue to pay expenses incurred by the Eastside Climate Partnership cities (Bellevue, Issaquah, Kirkland, Mercer Island, and Redmond) for the Energy Smart Eastside Heat Pump Program and other shared initiatives.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

- A. Eastside Climate Partnership Interlocal Agreement
Proposed Ordinance No. 6773

AVAILABLE IN COUNCIL LIBRARY

Sustainable Bellevue Plan Implementation – September 2023 Status