

CITY COUNCIL AGENDA TOPIC

Resolution authorizing the execution of a one-year Professional Services Agreement with Hopelink to provide reimbursement services related to heat pumps installed under the Energy Smart Eastside Boost Program in an amount not to exceed \$1,700,000.00, including all applicable taxes.

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

Community Development Department

EXECUTIVE SUMMARY**ACTION**

This Resolution approves an additional contract with Hopelink which funds 100 percent of the costs for installation of heat pumps for Energy Smart Eastside Boost participants (Attachment A).

RECOMMENDATION

Move to adopt Resolution No. 10354.

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, and Redmond), and managed by the City of Bellevue.

The 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. 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.

The budget for 2024 installations is not to exceed \$1,700,000, and is expected to fund 65-85 heat pump installations across the member cities, with the following benefits:

- **Climate Mitigation:** This initiative is expected to avert 2,700-3,500 metric tons of CO₂ over the lifetime of the heat pumps 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 \$1,700,000 amount is sourced from a combination of grants and municipal budget allocations as outlined in Table 1. This includes: \$282,000 from the Washington University Community Energy Efficiency Program (WSU CEEP) grant accepted by Council on December 4, 2023; \$760,000 from the Department of Commerce Clean Energy Fund Building Electrification Program grant also on the consent agenda for tonight; and funding outlined below from the Bellevue 2023-2024 Capital Improvement Program budget and funding from each respective partner city's 2023-2024 budget.

Table 1: Energy Smart Eastside Funding Sources

Allocation Per City	City Budget	WSU CEEP Grant	Commerce Clean Energy Grant	2024 Budget Per City for Boost
<i>City of Bellevue</i>	\$320,000	\$118,000	\$240,000	\$658,000
<i>City of Kirkland</i>	\$108,000	\$73,000	\$140,000	\$321,000
<i>City of Mercer Island</i>	--	--	\$120,000	\$120,000
<i>City of Issaquah</i>	\$93,000	\$31,000	\$120,000	\$244,000
<i>City of Redmond</i>	\$137,000	\$60,000	\$140,000	\$337,000
Sub Total by Funding Source	\$658,000	\$282,000	\$760,000	<u>\$1,700,000</u>

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 agreement with Hopelink is funded through a combination of City of Bellevue 2023-2024 Capital Improvement Program funds, Eastside Climate Partnership city funds, WSU CEEP grant, and the Department of Commerce Clean Energy Fund Building Electrification Program grant, which is also on tonight's consent agenda. Sufficient funding for the City of Bellevue's portion of this work has already been authorized and no additional funding is being requested to support this contract.

OPTIONS

1. Adopt the Resolution authorizing the execution of a one-year Professional Services Agreement with Hopelink to provide reimbursement services related to heat pumps installed under the Energy Smart Eastside Boost Program in an amount not to exceed \$1,700,000.00, including all applicable taxes.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

A. Hopelink Contract-2024 Boost Funding
Proposed Resolution No. 10354

AVAILABLE IN COUNCIL LIBRARY

Eastside Climate Partnership Interlocal Agreement
Bellevue Executed Sub-Agreement with King County – CEEP Grant
Department of Commerce Clean Energy Fund Contract
Hopelink Professional Services Contract for Boost Administration
Sustainable Bellevue Plan