



# City of Gainesville

Office of the City Manager

## City Manager Memorandum No. 240004

To: The Honorable Mayor and Commission

From: Cynthia W. Curry, City Manager

Date: January 12, 2024

Re: **Solar for All**

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Staff has prepared the attached memorandum to provide background regarding the Solar for All grant agenda item that is planned for discussion at the upcoming Joint Alachua County/City of Gainesville Special Meeting on January 22, 2024.

Please contact my office with any questions or if you would like to schedule a follow-up meeting to discuss in detail.

Attachments:

1. Memorandum Re: Solar for All/Solar Leasing – January 12, 2024
2. Letter of Support – City of Gainesville August 22, 2023
3. Empower Team Background



cc: Andrew Persons, Chief Operating Officer  
Cintya Ramos, Executive Chief of Staff  
Dan Zhu, Chief Climate Officer  
Daniel Blumberg, Community Reinvestment Area Project Manager II



# CITY OF GAINESVILLE

*Department of Sustainable  
Development*

## Memo

To: Cynthia Curry, City Manager  
Via: Andrew Persons, Chief Operating Officer   
From: Dan Zhu, Chief Climate Officer   
Date: Jan 12, 2024  
Re: Solar for All/Solar Leasing

In October 2023, Alachua County/EMPOWER submitted a \$35 million 'Solar for All' grant application to the EPA. The proposal outlined a solar leasing program that would install solar panels on municipal and educational buildings through a lease agreement. Revenue generated from the lease would be allocated to a fund managed by Alachua County, and used for solar and energy efficiency improvements in the Springhill/Sugarhill, Duval, and SWAG neighborhoods. This 30-year lease arrangement would avoid the upfront cost of solar panel installation, which would be covered by the grant; the energy produced by each building's solar panels would contribute financially to Alachua County's solar program for 30 years, and would also result in a 10% decrease in utility cost for each building. Despite the proposal being unsuccessful in the EPA's grant competition process, **Alachua County/EMPOWER plans to utilize the same solar leasing structure to apply for other grants.** The memo details the timeline of the grant application, along with concerns and opportunities for the City's involvement in this solar leasing proposal moving forward.

### Timeline

- **June 29, 2023:** Daniel Blumberg, Sean McLendon, CWC and EMPOWER had first meeting about this grant. Daniel also advised the team if a letter of support was needed from the City it needed to be brought to City Commission.
- **July 14, 2023:** Sean McLendon queried the EMPOWER team by email asking if the team wished to apply for the Solar for All grant
- **July 17-18, 2023:** Sean McLendon emailed City and GRU asking for partnership and guidance for this grant
- **July 21, 2023:** Sean McLendon, Andrew Persons, Thomas Harrington, Dan Zhu, Marianne Schmink (CWC) had an initial discussion about this opportunity and agreed to pursue it together.
- **July 28, 2023:** Dan followed up with Eric Walters at this week's IRP meeting. Eric stated GRU cannot lead the project and was unsure of their level of involvement considering their current situation.
- **July 31, 2023:** Sean indicated in an email that he would start drafting a joint letter of support for the city and county manager to sign.
- **July 31, 2023:** Dan spoke with Daniel about this opportunity to seek a possible leading department for this grant, potentially EMPOWER, GCRA or DSD.
- **August 3, 2023:** the EMPOWER team met and discussed the Solar for All Grant

- **August 4, 2023:** Sean stated,
  - "...Given the type and scale of award we are going for, it is probably best to just list one applicant name. For this interim step, I'm going to put Alachua County as the applicant. So you know, we will be going after Award Option #1 to be applied in the Gainesville metropolitan area (roughly, our GCRA agreement borders) with an estimated funding request of \$25 million serving up to 10,000 households. When we draft the application, your help will be needed! Please stay tuned. And the application will be explicit in naming our team members and all the expertise they bring to the proposal."
- **August 10, 2023:** Dan followed up with Andrew at the Thomas Center. Andrew agreed with the County taking the lead as the funds have to be spent in the Gainesville MSA, so the City will still benefit.
- **August 10, 2023:** GRU expresses a neutral attitude towards the grant. Eric Walters is reviewing the Letter of Intent.
- **August 10, 2023:** County submitted Notice of Intent to apply for Solar for All Grant.
- **August 11, 2023:** EMPOWER team Solar subcommittee met to discuss the Solar for All grant
- **August 14, 2023:** Letter of intent due, submitted by Sean.
- **August 17, 2023:** EMPOWER meeting, Barry Jacobson, GRU board chair at that time, proposed 3 options moving forward.
- **August 21, 2023:** Betsy Riley asked in an email if "City has any buildings with roof decks that could work, and we're planning to reach out to UF and Santa Fe as well to discuss roof decks they might be willing to form a lease partnership with."
- **August 23, 2023:** Dan updated Andrew, and Andrew suggested to tell Betsy to check with Public Works.
- **September 7, 2023:** City Commission approved the letter of support (agenda item 2023-846):
- **September 18, 2023:** At CCAC meeting, Dan hand-delivered the signed letter of support to Betsy Riley.
- **September 19, 2023:** Brian Singleton, Betsy Riley, Dan Blumberg, Gary Cothren, and Dan Zhu met at PW. Discussed the grant and expressed questions on potential utility savings, O&M costs, buying the panels, and suggested checking PW's website for the list of buildings and to come back for further discussion since each building's condition varies.
- **October 2, 2023:** Joint Water and Climate Policy Board letter of support approved
- **October 4, 2023:** Dan asked Betsy in an email:
  - "Could you please furnish a detailed list outlining the City's commitments regarding the leasing component of the program?  
Are there any projected lease pricing estimates available?  
Regarding the determination of the 10% savings, is it based on the most recent annual utility cost or an average utility cost over a certain period of time, including the pre-pandemic period?"
  - Andrew also commented: "I've still got some reservations with aspects of the approach/plan, chiefly the implied expectation that we will participate in the lease agreements if we receive the award, which I'm not sure the City Commission is really aware of based on the generic letter of support. That said, I think we'll just wait and see at this point. I'll share the County response with the CM. Once we get the final application, we can figure out how to share with the Commission so they're aware of what is being submitted. It still feels half-baked on budget impacts, but it's a lot of money so I get the allure."

- **October 9, 2023:** Betsy Riley emailed concerning a required MOA for the Solar for All grant. Dan Zhu replied asking for Andrew to be in the loop and Andrew then replied:
  - “Betsy, based on this information, I don’t think this is a staff decision. We would need to take this agreement to the City Commission for approval. The city’s letter of support isn’t enough for execution of the MOA at a staff level and our Commission doesn’t meet again until 10/19. Understand this complicates the application but I’m not sure there’s a pathway here for us without Commission approval of the MOA.”
- **October 10, 2023:** Betsy Riley emailed asking for a Coalition Memorandum of Agreement to be accepted:
  - “I’d be really sad to see the City go after all the time staff has put into the effort. I’m wondering if we might be able to find a path forward here? I’ve attached the MOA—it’s very short and based off the City’s letter of support. I’m happy to workshop the language into something that is acceptable. The only thing that MUST be in the MOA is that we are applying as a coalition (the EPA doesn’t want us claiming the City is involved when it is not). If there’s concern around this point, I can see if I can find the original motion (maybe Daniel can help?) authorizing the City to have representatives within the EMPOWER coalition. I have a signed letter from the Joint Board of Water and Climate Policy stating that they have a representative in the coalition, but maybe the EMPOWER team representatives can point us to the original instructions.

The application is due this week, so there won’t be time to put this before the Commission an additional time.”

- **October 12, 2023:** Grant application submitted by Sean.
- **Nov 10, 2023:** Betsy informed Dan the County didn’t receive the grant.
- **January 5, 2024:** At the SFC Sustainability Committee meeting, Betsy asked SFC for a letter of support for continuing to apply for the Solar for All grant.
- **January 10, 2024:** Betsy clarified in an email that the County “is not pursuing anything more with the Solar for All grant process, but we are using the same project idea to apply for other grants. Right now we’re focusing on the EPA’s Community Change grant program as a potential home for the project.”

## Issues of Concern

- Dan’s questions to Betsy from above
- The leasing aspect needs to be clarified and produced in writing so that the city is aware of our commitment. For example:
  - Under the Solar for All leasing premise, the 10% cost savings from solar installations would need to be formalized through interlocal agreements with the host entity (County, etc.) if installed on City Buildings
  - Could the equipment be purchased outright by the City if it desired, and that was a component that could also be built into the agreement(s)
- As this will impact GRU’s revenue, they may need to be brought on board. What happens if they don’t support it, particularly since Barry, a major GRU proponent, is no long on the GRU board.
- The 30 year duration is a long commitment and a lot could change in that period. What if the building needs to be demolished?
- 10% seems a bit low in terms of benefit for the city. Maybe this should be higher to help enable more support from stakeholders.

## Future Opportunities

- Working with the existing EMPOWER team allows continued community collaboration without having to start a new entity from scratch
- Work being performed will assist in reaching City's Net Zero 2045 goal
- Potential for reducing City's energy burden
- Assisting in alleviating energy-burdened minority/disadvantaged communities



# City of Gainesville

Harvey L. Ward, Jr., Mayor

August 22, 2023

U.S Environmental Protection Agency  
Office of the Greenhouse Gas Reduction Fund  
1200 Pennsylvania Avenue, N.W. Washington, D.C. 20460

RE: Solar for All, Letter of Support, Funding Opportunity Number EPA-R-HQ-SFA-23-01  
Dear Review Panel:

I am writing this letter on behalf of the City of Gainesville to affirm our support and commitment for the Alachua County application to the U.S. Environmental Protection Agency (EPA) Greenhouse Gas Reduction Fund.

Alachua County requests a \$25 million award amount serving up to 10,000 households. The award will be applied to the Gainesville Metropolitan Area that includes the incorporated municipal and surrounding unincorporated County lands. The county and city have a long track record of developing programs to assist low-income residents, including energy efficiency improvements, affordable housing, among others. The project will further build on this track record by making solar accessible to low-income and disadvantaged communities residents. The project will help low income residents realize cost savings as solar becomes more cost effective to own and operate, and will help the City in achieving its goal of net zero greenhouse gas emissions by 2045.

Please feel free to contact me with any questions regarding the City's commitment and involvement with the Alachua County application for the Solar for All program.

Sincerely,

Harvey Ward, Jr  
Mayor

## EMPOWER Team Background

### Provided by Daniel Blumberg

On/about November/Dec 2021, the entities including the City, County, School Board, Alachua County Habitat for Humanity and others applied for the Federal Department of Energy technical assistance grant Local Energy Action Program (LEAP) run by the National Renewable Energy Laboratories (NREL). The multi-stakeholder team name is the EMPOWER team. The EMPOWER team is one of 24 that were awarded the grant on March 29, 2022. The grant ran through December 2023, and has been extended through March 2024. The team is applying for a follow-up grant through the DOE for a second round of assistance. The team has made great strides in working to alleviate energy-burdened neighborhoods within Gainesville (Duval & Springhill). The team has also been applying for other grants and has secured a \$10,000 grant with a follow-on grant recipients to be notified this Friday \$75,000 and a third round of \$750,000 being applied for. The team has applied for the Solar for All grant (did not win that one).

It has also put together other subcommittees including a green jobs pipeline with the goal of working with Santa Fe College to develop and implement green job educations for local residents to secure well paying green jobs within the City.

This is a screenshot from January 8, 2024's Green job pipeline meeting:

#### **NKwanda: New internship program for former Environmental Ambassadors**

##### **Updates:**

- **Update on Jobs for the Future (JFF) Quality Green Jobs Regional Challenge grant:**
  - The application for the next round of competitive funding for \$75,000 was submitted November 22. We will hear by January 12 2024 if we are one of the 10 selected from the 20 applicants.
  - Lisa Sauberon: purchase of school materials
  - NKwanda, Marianne and Roberta: community outreach events. The first meeting is scheduled for the Clarence R Kelly Center in Greater Duval on February 19. Tom Mason and Courtney Scott will speak about green jobs training.
- **Draft report on activities this year:** Tom: final paragraph? Next steps?
- **National Renewable Energy Laboratory (NREL) technical assistance updates:** We are talking with NREL sub-contractors Kearns & West about assistance with developing community engagement plans and tools for communicating with community members (branding; newsletter; fact sheets; etc.).
- **Communities LEAP Cohort 2:** Submitted by County in December, awaiting results in March (technical assistance)
- **Community Change Grant:** Target submission date March (\$10-20 million). Santa Fe College is participating in this grant effort.

What the City currently contributes is staff time to attend EMPOWER team meetings typically once a month and Green job pipeline meetings also typically once a month. Daniel Blumberg has been attending the majority of the meetings (Zoom meetings) and community engagements (evenings). Dan

Zhu has also been working with the team as the City's Chief Climate officer and attending meetings as she has been available. I have also attended after-hours community engagement events as an EMPOWER team member representing the city.

Concerning the City's involvement in the Solar For All Grant that the EMPOWER team applied for but was unsuccessful in winning.

### Next Steps for the EMPOWER Team

- Continuing the Green jobs pipeline
- Continuing to apply for grants
  - Including using the lessons learned and information from the Solar for All grant when applying for additional grants to benefit the community
  - This includes ensuring that grant funds when able to can generate additional funding to continue investments in the community
- Letter confirming continued collaboration with the City is expected to go to City Commission February 1.

# EMPOWER Project's SOLAR FOR ALL APPLICATION

## What is Solar for All?

The U.S. Environmental Protection Agency has made available \$7 billion nationwide for solar energy projects that benefit marginalized and underserved residential communities. Grant recipients commit to reducing the energy bills of participating residences by 20%. Alachua County is the only municipality in Florida applying for the grant.

## What is our plan for Alachua County?

We are applying for a \$25 million grant. We are proposing a solar lease program, which would place solar panels on municipal and educational buildings through a lease agreement. The funding raised by the lease will be placed in a fund managed by Alachua County, and disbursed for solar and energy efficiency improvements in the Springhill/Sugarhill, Duval, and SWAG neighborhoods.

## Why solar leasing?

**Solar leasing is a win-win for the EMPOWER Project and our leasing partners. Local communities get to**

**stretch these funds for more than 30 years, and to customize improvements to fit their needs. Our leasing partners are able to access clean, renewable solar power and see the immediate budget impacts of utility bill decreases, without the upfront cost of paying for solar panels. The Empower Project projects a minimum 10% decrease in a building's utility costs as soon as the panels come online, with no need for our partners to buy, install, or repair the panels themselves.**

## What are next steps?

\$25 million can lease a lot of solar panels! Alachua County and the City of Gainesville are putting together an inventory of what rooftop and ground-mount locations could be potential leasing sites. We're looking for partners to expand out list of sites to accommodate the amount of solar we could purchase with these funds.

## Who can help?

A single lease can last the lifetime of the solar panels and the roof, which is about 30 years. That's a long time for a leasing agreement like this. We're looking for established, stable partners. Our current focus is on municipalities and educational institutions, but are open to other partners who meet these requirements.

## Who are we?

The EMPOWER Project is a coalition of Alachua County municipalities, nonprofits, businesses, and community groups. The team includes:

- Alachua County Board of County Commissioners
- City of Gainesville-Gainesville Regional Utilities
- City of Gainesville's Community Reinvestment Area and Economic Development & Innovation Departments
- Community Weatherization Coalition/Rebuilding Together North Central Florida (CWC/RTNCF)
- Duval, Springhill, and Sugarhill neighborhoods
- NAACP Environmental and Climate Justice Committee (NAACP ECJC)
- Solar Impact
- The Southwest Advocacy Group

## Green Jobs Partners

- Alachua County Public Schools
- CareerSource
- Sante Fe College