

**DOCKETED**

<b>Docket Number:</b>	19-ERDD-01
<b>Project Title:</b>	Research Idea Exchange
<b>TN #:</b>	226337
<b>Document Title:</b>	Clean Coalition Comments and Questions on Zero-emissions Mixed-Use Development
<b>Description:</b>	N/A
<b>Filer:</b>	System
<b>Organization:</b>	Clean Coalition
<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	1/17/2019 3:28:25 PM
<b>Docketed Date:</b>	1/17/2019

*Comment Received From: Clean Coalition*  
*Submitted On: 1/17/2019*  
*Docket Number: 19-ERDD-01*

**and Questions on Zero-emissions Mixed-Use Development**

*Additional submitted attachment is included below.*

## Energy - Docket Optical System

---

**From:** Wendy Boyle <wendy@clean-coalition.org>  
**Sent:** Thursday, January 17, 2019 3:00 PM  
**To:** Energy - Docket Optical System  
**Cc:** Frank Wasko  
**Subject:** Clean Coalition Questions & Comments for Docket #19-ERDD-01: Zero-emissions Mixed-Use Development (upcoming GFO)

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good afternoon California Energy Commission,

The Clean Coalition participated in the Next EPIC Challenge Workshop for Docket #19-ERDD-01; i.e. Zero-emissions Mixed-Use Development (upcoming GFO).

Again, we would like to thank the Energy Commission for your continued efforts in regards to driving energy efficiency, grid resilience, and the proliferation of renewable energy within California.

During the workshop, we submitted a few questions and comments. However, we would like to resubmit those questions that the CEC was unable to address during the meeting. Additionally, we have a few follow-on questions seeking clarification as well as comments for your consideration when developing the solicitation for this funding opportunity.

### **Questions seeking clarification:**

- 1) Does the CEC care if the units are individually owned (with HOA fee) vs. rented? Or is it indifferent?
- 2) Has the CEC defined the allowed eligible costs for this solicitation (EC grant funds, Match); i.e. equipment, Materials & Miscellaneous, M&V, engineering design, soft costs (i.e. labor, admin, project management)?
- 3) Due to the high cost to get the design plans signed by the required engineers (i.e. electrical, civil, etc.), do proposals for Phase I at the completion of the project performance period need to be shovel-ready or can it still be in the conceptual design? Additionally, do proposals for Phase II need to be shovel-ready projects at the application submission stage? Or can Phase II project be shovel-ready shortly after the award? (again, due to the high cost of getting design plans signed off)
- 4) Please provide CEC's definition for "affordable housing," best practices for designing multi-family housing with over 50% of units designated for affordable housing, and the metrics by which CEC will evaluate this requirement, both during the proposal phase and post-award. What paperwork (if any) is required?

### **Comments/suggestions for the CEC to consider during the development of the solicitation:**

- 1) In the wake of California's wildfires, microgrids, and Community Microgrids are now being considered as part of a renewable energy deployment project, and as an emerging technology that will help bring resilience to the community and to the electric grid during a natural disaster. Although, the CEC noted during the workshop that it is not requiring microgrids for this solicitation, we encourage the CEC to consider microgrids and Community Microgrids as emerging technologies for this solicitation.

2) The anticipated grant awards per each application is as follows:

- Phase I – design & planning phase: provides an \$18M funding opportunity for two Groups; Northern CA and Southern CA: anticipated \$1.5M per each award (6 awards in Northern, CA; 6 awards in Southern, CA)
- Phase II – buildout: provides an \$30M funding opportunity for each Group; \$7.5M per each award (2 awards in Northern, CA; 2 awards in Southern, CA)

Based on our expertise with CEC grant awards of this type, projects of this type will require a very talented, multi-disciplinary team of planners, architects, engineers, and builders. Thus, the available Energy Commission grant funds seem very light in our opinion.

For example: a total of a \$7.5M award for a 130-unit project is on the light side. That amount award would probably represent around 10% of the overall budget at best. Additionally, the other issue we see is that this award amount would only cover 50% affordable housing costs alone. It therefore represents a very minimal incentive for a design and build team to agree to be a key partner to the project. In other words, the losses from having to build 50% affordable housing will likely exceed the \$7.5M dollars. We understand that the CEC may require Match funds to be contributed. However, our suggestion to help the applicant build a robust/talented project team would be to either raise the incentive for all 4 final Phase I projects. Or to have only two Phase I finalists and one Phase II finalist, thereby doubling the award to each for each Phase.

3) Another possible solution to the minimal funding available under this solicitation is for the CEC to consider allowing an option to have one building in a multi-building development be designated as affordable housing which would meet the GFO's 50% affordable housing criteria. Additionally, since the CEC is requiring 50% of the total project units to be allocated as affordable housing, if the project is "phased" in such a manner that this single building allocated for affordable housing is the 1st (sub) project within a larger community of projects (which become a microgrid), then the additional phases could develop with the normal affordability requirement of the jurisdiction that it is located in.

4) We encourage the CEC to offer bonus points to projects that go above and beyond the requirements outlined in the workshop such as: enabling resilience, incorporating more energy efficiency than the current California building code Title 24, integrating innovative thermal systems (e.g. heat pumps with heat transfer), integrating water conservation and water efficiency, reducing embodied emissions of building materials and systems.

5) The entitlements/ environmental review process can be time-consuming, and it's possible for delays to occur during Phase II. We encourage the CEC to increase the build-out time window.

6) We encourage the CEC to define "zero-emissions" as having no onsite emissions or fossil fuel use (e.g. all-electric, no combustion, no fuel cells).

Thank you for your consideration. We look forward to receiving your responses, and the solicitation release for this new EPIC Challenge funding opportunity.

Best Regards,  
Wendy L. Boyle  
Grants & Contracts Manager  
m: 408.316.5595  
[wendy@clean-coalition.org](mailto:wendy@clean-coalition.org)  
[www.clean-coalition.org](http://www.clean-coalition.org)