



STATE OF CALIFORNIA

LOAN REQUEST FORM (LRF)

CEC-271 (Revised 11/2019)

CALIFORNIA ENERGY COMMISSION

A) New Agreement # 004-22-ECI (to be completed by CGL office)

B) Division	Agreement Manager:	MS-	Phone
530 Renewable Energy	Sean Lockwood	45	916-891-9074

C) Recipient's Legal Name	Federal ID Number
City of Santa Cruz	94-6000427

D) Title of Project
Solar PV installations at 3 city sites and LED lighting upgrade at one site

E) Term and Amount

Start Date	End Date	Amount
10/13/2022	4/30/2024	\$2,424,224

F) Business Meeting Information☐ ARFVTP agreements \$75K and under delegated to Executive DirectorProposed Business Meeting Date: 10/12/2022 ☐ Consent ☒ Discussion

Business Meeting Presenter: Sean Lockwood

Time needed: 5 minutes

Please select one list serve. Financing (Energy Efficiency Financing)

Agenda Item Subject and Description:

City of Santa Cruz. Proposed resolution approving Agreement 004-22-ECI with the City of Santa Cruz (City) for a \$2,424,224 loan at one percent simple interest to install three solar photovoltaic (PV) arrays totaling 449.3 kilowatts (kW) at three city sites and upgrade existing lighting to high efficiency LED lighting at one city site, and to adopt staff's determination that this action is exempt from CEQA. Upon project completion, it is estimated to reduce about 721,424 kW-hour of grid electricity consumption in the first year of solar production, saving approximately \$144,236 in utility costs per year. The loan repayment term is approximately 17 years, which is within ECAA program requirements.

G) California Environmental Quality Act (CEQA) Compliance

1. Is Agreement considered a "Project" under CEQA?

☒ Yes (skip to question 2) ☐ No (complete the following (PRC 21065 and 14 CCR 15378)):

Explain why Agreement is not considered a "Project":

Agreement will not cause direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because .

2. If Agreement is considered a "Project" under CEQA:

a) ☒ Agreement **IS** exempt.☒ Statutory Exemption. List PRC and/or CCR section number: Pub. Resources Code § 21080.35



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☒ Categorical Exemption. List CCR section number: Cal. Code Regs., tit. 14, §§ 15301, 15304

☐ Common Sense Exemption. 14 CCR 15061 (b) (3)

Explain reason why Agreement is exempt under the above section:

This project involves the installation of two carport solar PV arrays, one rooftop solar array, and lighting upgrades at City-owned sites. Specifically, the project will install a 109.4-kW rooftop solar PV array at the City's Civic Auditorium, a 218.9-kW carport solar PV array at the Front Street garage, and a 121-kW carport solar PV array and exterior lighting upgrades at Harvey West Park.

The Civic Auditorium rooftop solar PV array and associated equipment, such as electrical conduits and controls, will be located on the same parcel as the solar PV array, will not occupy more than 500 square feet of ground surface at the site, and the location of the associated equipment will not contain plants protected by the Native Plant Protection Act. The associated equipment will not require any of the permits listed in Public Resources Code section 21080.35 (d).

The Front Street garage carport solar PV array will be installed over a parking lot that has existed and been used for parking for over two years and will not require the removal of any trees that are required to be planted, maintained or protected pursuant to local, state or federal requirements or any native trees over 25 years old. The carport solar PV system's associated equipment, such as electrical conduits and controls, will be located on the same parcels as the solar PV arrays, will not occupy more than 500 square feet of ground surface at the sites, and the locations of the associated equipment will not contain plants protected by the Native Plant Protection Act. The carport solar PV systems' associated equipment will not require any of the permits listed in Public Resources Code section 21080.35 (d).

The Harvey West Park carport solar PV array will be installed over a parking lot that has not existed or been used for parking for over two years. The installation will not require the removal of any trees and will require some trenching in order to run wires from the array to the meter. Existing lighting at the park, which consists most of halide lamps and fixtures, will be upgraded to energy-efficient LED lamps and fixtures.

The installation of the Civic Auditorium and Front Street garage solar PV systems are therefore statutorily exempt from CEQA under Public Resources Code section 21080.35 as installations of solar energy systems on rooftops and over an existing parking lot. The project as a whole is categorically exempt from environmental review pursuant to CEQA Guidelines section 15301 as minor alterations to existing facilities that involve no expansion of an existing or former use at the sites and categorically exempt pursuant to CEQA Guidelines section 15304 as minor alterations to land. The project will not impact an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies; does not involve any cumulative impacts of successive projects of the same type in the same place that might be considered significant; does not involve unusual circumstances that might have a significant effect on the environment; will not result in damage to scenic



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resources within a highway officially designated as a state scenic highway; the project site is not included on any list compiled pursuant to Government Code section 65962.5; and the project will not cause a substantial adverse change in the significance of a historical resource. Therefore, none of the exceptions to categorical exemptions listed in CEQA Guidelines section 15300.2 apply to this project and this project will not have a significant effect on the environment.

b) ☐ Agreement **IS NOT** exempt. (consult with the legal office to determine next steps)

Check all that apply

- ☐ Initial Study
- ☐ Negative Declaration
- ☐ Mitigated Negative Declaration
- ☐ Environmental Impact Report
- ☐ Statement of Overriding Considerations

H) List all subcontractors (major and minor) and equipment vendors: (attach additional sheets as necessary)

Legal Company Name:	Budget
	\$ 0.00
	\$ 0.00
	\$ 0.00

I) List all key partners: (attach additional sheets as necessary)

Legal Company Name:

J) Budget Information



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Funding Source	Funding Year of Appropriation	Budget List Number	Amount
ECAA		401.007	\$2,424,224
Funding Source			\$
Funding Source			\$
Funding Source			\$
Funding Source			\$

R&D Program Area: Select Program Area

TOTAL: \$ 2,424,224

Explanation for "Other" selection

Reimbursement Contract #:

Federal Agreement #:

K) Recipient's Contact Information**1. Recipient's Administrator/Officer**

Name: Matt Huffaker

Address: 809 Center Street

City, State, Zip: Santa Cruz, CA
95060

Phone: (831) 420-5010

E-Mail:

mhuffaker@cityofsantacruz.com

2. Recipient's Project Manager

Name: Manuel Aguirre

Address: 1651 Response Road,
Suite 300City, State, Zip: Sacramento, CA
95815

Phone: (916) 642-6470

E-Mail:

manuel.aguirre@sitelogiq.com

L) Miscellaneous Agreement Information☒ Annual Energy Savings \$144,236☐ Number of Repay Periods Leave blank if repay is based on energy savings**M) Selection Process Used**☐ Competitive Solicitation Solicitation #:☒ First Come First Served Solicitation. Solicitation#: PON-17-401**N) The following items should be attached to this LRF**

- | | |
|--|--|
| 1. Loan Application | <input checked="" type="checkbox"/> Attached |
| 2. Budget Detail | <input checked="" type="checkbox"/> Attached |
| 3. CEC 105, Questionnaire for Identifying Conflicts | <input checked="" type="checkbox"/> Attached |
| 4. Recipient Resolution <input type="checkbox"/> N/A | <input checked="" type="checkbox"/> Attached |
| 5. CEQA Documentation <input type="checkbox"/> N/A | <input checked="" type="checkbox"/> Attached |

Agreement Manager_____
Date_____
Office Manager_____
Date



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CALIFORNIA ENERGY COMMISSION

Deputy Director

Date

**EXHIBIT A
ATTACHMENT 1
BUDGET DETAIL/PROJECT COST AND SAVINGS**

This loan is made to the City of Santa Cruz (Borrower) for an energy savings project. The project consists of the energy generation and efficiency measures listed in Table 1 below to be installed at three sites at the City of Santa Cruz.

The table below summarizes the estimated project cost(s), saving(s), and simple payback(s) for the project.

TABLE 1: Summary of Project Cost and Savings:

Energy Efficiency Measures	Estimated Total Project Cost	Energy Commission Loan	Estimated Annual Energy Cost Savings	Simple Payback* (Years)
Civic Auditorium: Install 109.4-kW Rooftop Solar PV Array	\$690,897	\$690,897	\$40,641	17.0
Front Street Garage: Install 218.9 -kW Carport Solar PV Array	\$863,345	\$863,345	\$50,785	17.0
Harvey West Park: Install 121-kW Carport Solar PV Array	\$661,572	\$661,572	\$38,916	17.0
Harvey West Park: LED Lighting Retrofit	\$208,410	\$208,410	\$13,894	15.0
TOTALS:	\$2,424,224	\$2,424,224	\$144,236	16.8

*The simple payback is based on the loan amount.

The Borrower shall implement each measure listed in Table 1.

If the Borrower does not complete one or more of the measures or deviates from the quantities and specifications listed in Table 1, the California Energy Commission (CEC) project manager will calculate the maximum loan amount supported by the project. The loan amount will be determined by the lesser of: 1) multiplying the annual energy cost savings by 17; 2) total project costs; or 3) approved loan amount.

The Borrower shall notify the CEC project manager in writing if the Borrower expects any information in Table 1 to change. CEC staff will advise the Borrower of the procedure to approve any changes. Written documentation is required for any changes to the information included in this attachment.

If the Borrower has received disbursements exceeding the maximum loan amount supported by the project, the Borrower shall refund the difference to the CEC within 30 days of notification.

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION: City of Santa Cruz

RESOLVED, that the State Energy Resources Conservation and Development Commission (CEC) adopts the staff CEQA findings contained in the Agreement or Amendment Request Form (as applicable); and

RESOLVED, that the CEC approves Agreement 004-22-ECI with the City of Santa Cruz (City) for a \$2,424,224 loan at one percent simple interest to install three solar photovoltaic (PV) arrays totaling 449.3 kilowatts (kW) at three city sites and upgrade existing lighting to high efficiency LED lighting at one city site. Upon project completion, it is estimated to reduce about 721,424 kW-hour of grid electricity consumption in the first year of solar production, saving approximately \$144,236 in utility costs per year. The loan repayment term is approximately 17 years, which is within ECAA program requirements; and

FURTHER BE IT RESOLVED, that the Executive Director or their designee shall execute the same on behalf of the CEC.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on October 12, 2022.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Liza Lopez
Secretariat