




MEMORANDUM

TO: Mayor and Council Members

FROM: Lucia Athens, Chief Sustainability Officer 

THROUGH: Jason Alexander, Chief of Staff

DATE: July 26, 2022

SUBJECT: **Highlighting Investments Related to Greenhouse Gas Reductions (Fiscal Year 2022 Alter Budget Rider 3)**

This memo serves as a response to Fiscal Year 2022 Alter Budget Rider 3, which provided direction to the City Manager to highlight investments related to supporting the City's greenhouse gas reduction efforts to achieve net-zero goals in future budget documents. The enclosed Net-Zero by 2040 Summary was included in the City Manager's Fiscal Year 2023 proposed budget released on July 15, 2022.

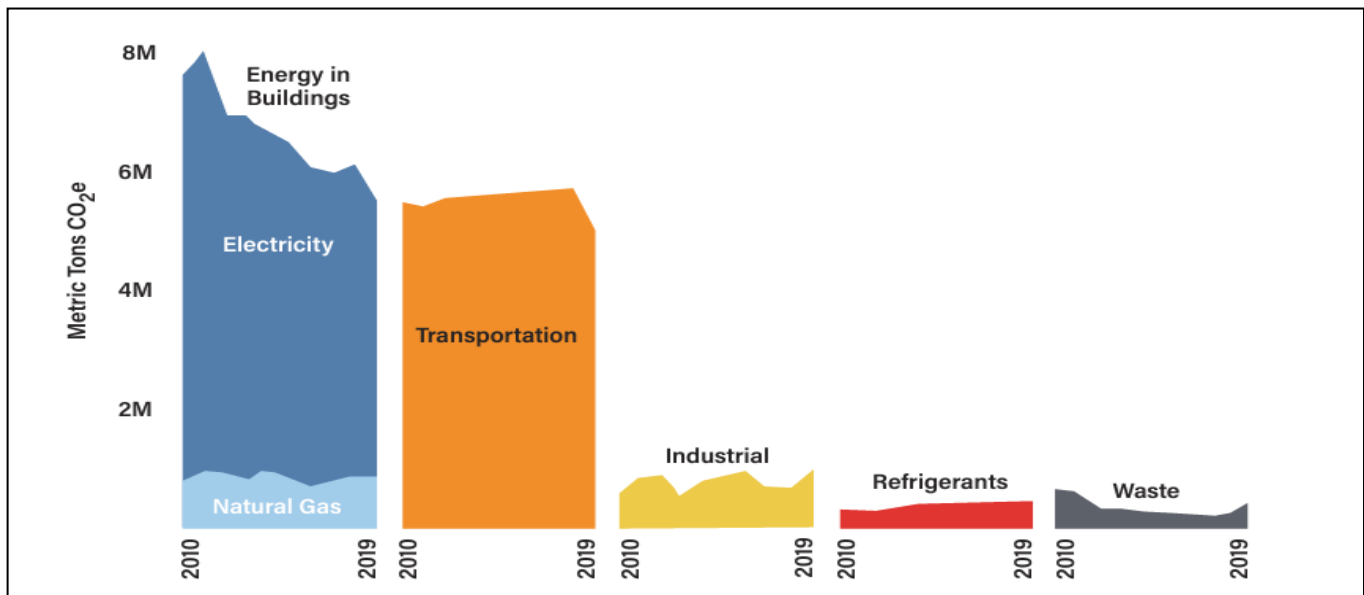
cc: Spencer Cronk, City Manager
Anne Morgan, Acting City Manager

enc.



The City of Austin is committed to equitably reaching net-zero community-wide greenhouse gas emissions by 2040, utilizing a steep decline path, followed by negative emissions. In Austin, our emissions come primarily from five areas: Electricity, Transportation, Industrial, Refrigerants, and Waste.

On-road transportation and electricity used in buildings are our largest sources of emissions. But in the last eight years, building emissions have fallen nearly 20% despite the same growth in Austin's population. This reduction is mostly due to investment in renewable energy generation through our community-owned electric utility, Austin Energy. Since energy use in our city is becoming cleaner, the transportation sector is quickly becoming our number one source of emissions.



Climate change affects everyone, but the impacts are not felt equally among all communities. Low-income communities and communities of color are disproportionately burdened. To help address these disparities, the City of Austin co-created the Austin Climate Equity Plan alongside community members through the lens of racial equity.



The Austin Climate Equity Plan includes overarching strategies and sets goals across five focus areas: Sustainable Buildings, Transportation and Land Use, Transportation Electrification, Food and Product Consumption, and Natural Systems.

The City of Austin's approach to climate change is rooted in our Strategic Anchors: Equity, Affordability, Innovation, Sustainability and Resiliency, Proactive Prevention, and Community Trust and Relationships. The following summaries highlight activities from the FY 2022-23 Budget that will contribute to achieving the goals and recommendations outlined in the Climate Equity Plan.

Overarching Strategies

While creating the Climate Equity Plan, a few issues arose that didn't fit in one category but were essential to the plan's success. Climate change and equity are massive challenges, and to meaningfully reduce emissions while creating benefits for those who need it most, we need to think creatively. The following overarching strategies touch all areas of the plan.

- Green Jobs and Entrepreneurship: create green jobs and entrepreneurship opportunities that expand economic opportunity and inclusion and build agency and decision-making power in low-income communities and communities of color.
- Prioritize Local Community Initiatives prioritize and support existing community-led organizations, businesses, and programs while working to build a green and just economy and culture.
- Regional Collaboration foster regional collaboration by creating a Texas Climate Collaborative, which will link neighboring counties and peer cities from across the state to share best practices and climate strategies.
- Local Carbon Reduction Projects, Carbon Dioxide Removal, and Carbon Offsets establish clear support and prioritization for local greenhouse gas reduction and carbon removal projects, carbon dioxide removal, and carbon offsets when necessary.



The FY 2022-23 budget includes the following items that directly address the overarching strategies set in the Austin Climate Equity Plan.

- \$40,000 within the Office of Sustainability to support the Community Climate Ambassadors Program, a paid opportunity for community members to engage systematically excluded communities around climate action.

- \$30,000 for the Austin Youth Climate Equity Council, a partnership between the Office of Sustainability, Austin ISD, and nonprofit EcoRise to introduce high school-age students to climate planning.
- \$122,000 for the Austin Airport Green Team, which is intended to guide environmental stewardship through community engagement. Included in this amount is funding for a new Community Engagement Consultant to lead efforts to educate the community on the sustainability of Airport operations.

Sustainable Buildings

Buildings in Austin are responsible for about 50% of emissions in Austin. We can make strides in reducing our building-related emissions by decarbonizing buildings, addressing refrigerant use and leakage, and more sustainably managing construction materials. Improving our buildings isn't just about reducing emissions it's also important to address indoor air quality and the energy cost related to our homes and commercial spaces. The following highlights activities included in the FY 2022-23 budget that will contribute towards this focus area.

- \$61,000 to support Austin Energy's Project Zero, which aims to reduce the lifecycle emissions from new construction — from materials extraction to construction to reuse.
- \$594,000 in FY 2022-23 grant funding within Austin Energy to provide energy efficiency and demand response incentives to multi-family communities.
- \$12.2 million is included in Austin Water's operating budget for the Customer Assistance Program (CAP), which includes funding for the recently established Water and Wastewater Multi-family discount.
- \$2.7 million in planned capital spending to replace aging infrastructure at the Walnut Creek Wastewater Treatment Plant, which could save approximately 1.9 million kilowatt hours per year. The total project cost is estimated to be \$30.7 million.
- \$250,000 for the Aviation Department's Green Building Program aimed at achieving green building rating goals.
- \$10,000 within the Aviation Department's operating budget to capture, properly manage, and destroy refrigerants in airport facilities slated for upcoming demolition.
- \$350,000 for Austin Water's Plumbing Program to expand home water line repair funding for low-income customers.



Transportation and Land Use

Where our residents live, work, and play and how they move around our city greatly impacts our community-wide emissions. Coordinated transportation and land use strategies combined with intentional anti-displacement efforts can improve access to greener forms of transportation, create more affordable housing,

and reduce greenhouse gas emissions while supporting diverse communities. Our vision is to cultivate a person-centered mobility network that meets the needs of low-income communities and communities of color of all ages and abilities. The following highlights activities included in the FY 2022-23 budget that will contribute towards this focus area.

- \$2.3 million in the Corridor Program Office FY 2022-23 operating budget to develop, design, and construct improvements along key Austin corridors that enhance mobility, safety, and connectivity.
- \$180,000 is included for the Austin Transportation Department's Transit Enhancement Team to improve physical access to transit station areas through mobility hubs, including hiring people in historically underrepresented communities, artists, and creators to design and implement beautification projects.
- \$800,000 is included for the Austin Transportation Department's All Ages and Abilities Network program, which will prioritize systemically excluded areas for new bicycle infrastructure, support locally initiated community events that are car-free, and expand "Slow Streets" programs through enhanced community engagement.



- \$3.5 million FY 2022-23 operating budget of the Project Connect Office to represent the City's role and responsibilities in implementing the Project Connect transit expansion program, which responds to our rapid growth by shifting transportation from single-occupancy vehicles to more sustainable modes like walking, bicycling, and transit. The Project Connect Office is funded through an interlocal with the Austin Transit Partnership.
- \$120.4 million in planned capital spending within the Public Works Department's capital program to expand the Urban Trails network, increasing the number of off-street, pedestrian, and bike pathways throughout the city.

- \$2.0 million within the Austin Transportation Department's operating budget to contract with Movability to expand commute resources and educational programming regionally.
- \$72.5 million in planned capital spending to implement the Sidewalk Master Plan, including building and rehabilitating our city's sidewalks.
- \$522,500 to continue a partnership with CapMetro to offer free transit passes to City employees and additional passes to community members for various programs such as Bike to Work Day.
- \$57.9 million for the Housing and Planning Department's housing development assistance programs, aimed at creating or preserving deeply affordable housing, with a goal of a minimum of 75% within ½ mile of Imagine Austin Activity Centers and Corridors.

Transportation Electrification

In Austin, our transportation system will soon become the largest emitter of greenhouse gases and is already the primary source of local air pollution. The vast majority of these transportation-related emissions are caused by private cars and trucks. To meet our emissions reduction targets, more people will need to use sustainable forms of transportation, including private vehicles powered by renewable energy. Electric

vehicles (EVs) are becoming more affordable, have a longer range, and more charging options are available. The following highlights activities included in the FY 2022-23 Budget that will contribute towards this focus area.



- \$1.7 million included in the Fleet Mobility Services budget to increase the City's battery-electric vehicles fleet for a total of 388 vehicles.
- \$700,000 is included in Austin Energy's FY 2022-23 operating budget to promote electric vehicle charging infrastructure and e-bike purchases for residential and commercial customers through incentives.
- \$100,000 is included in Austin Energy's operating budget for the EVs are for EVeryone program, which conducts electric vehicle outreach, engagement, and infrastructure pilots with a focus on low-income communities.

- \$55,000 for Austin Energy's Community EV Buyer's Guide, which provides the community with real-time information about available electric vehicles through an online guide, informational kiosks, and auto dealership engagement.
- \$800,000 to support Austin Energy's growing 1,300+ "PlugIn EVerywhere" electric vehicle charging network.
- \$60,000 for the Aviation Department to hire a consultant to help the airport plan for the transition to electric vehicles, including identifying the necessary infrastructure improvements.



Food and Product Consumption

To fully account for the emissions of the food and products we consume, we need to consider the raw material extraction, consumption, and eventual disposal or reuse of a product—regardless of where those activities occur. Many of the products we consume locally have a global emissions impact. A more efficient, circular process can be created for consuming goods and foods that improve quality of life and restore human and planetary health. The following highlights activities included in the FY 2022-23 budget that will contribute towards this focus area.

- \$35.0 million for Austin Resource Recovery's waste diversion services, which pursue waste reduction through customer outreach, curbside collection of organic materials, and drop-off recycling services.
- One new position to support the Circular City program, which looks at the City's internal operations to identify ways to maximize sharing and reuse and identify circular markets.

- \$25,000 for the Barbara Jordan Terminal Waste Diversion Program, which supports concessionaires at the airport with buckets, containers, refrigerators, and labor from Texas Disposal Systems to manage compost operations.
- One new position within the Office of Sustainability to support the implementation of food system-related strategies in the Climate Equity Plan, focusing on food waste reduction, institutional food purchasing, and pro-climate, pro-health diets.



Natural Systems

Natural systems are all around us. They are the plants, soils, hydrology, geology, weather patterns, and animals that are interlinked to ensure the overall health of our ecosystem. Natural systems also perform the important job of removing carbon from the atmosphere, known as carbon sequestration. They offer a multitude of health and quality of life benefits for our residents. Protecting and preserving our natural systems is an investment in our community's health, livelihood, and culture. The following highlights activities included in the FY 2022-23 Budget that will contribute towards this focus area.



- \$1.0 million FY 2022-23 operating budget of the Urban Forestry Division within the Development Services Department (DSD) to continue collecting and monitoring tree canopy cover data.
- \$350,000 for the DSD NeighborWoods program to support community tree-planting efforts.
- \$3.1 million for Watershed Protection Department's Green Infrastructure Management Program, which partners with neighborhood groups and organizations to implement wildflower meadows, restoration areas, community gardens, orchards, low-impact trails, and more on City-owned land.
- \$719,000 for the Watershed Protection Department's Grow Zone Program, which identifies creekside areas in parks and on other City land impacted by mowing, excessive foot traffic, and urbanization.
- \$140,000 in planned capital spending for stormwater improvements at the Asian American Resource Center to improve water quality and foster ecosystem health in Little Walnut Creek through constructing a wetland, rain gardens, and stream restoration.