

## Carbon Reduction Work Group Agenda

**Meeting Date:** 04/05/2023

**Start:**

**Time:** 6-8:00pm

**Attending:**

**Location:** West Conference Room at The Centre of Elgin near the Ballroom

**Adjourn:**

**1) (5 min.) Approval of Minutes**

- 3/01/2023 Carbon Reduct.
- Zero Waste (to be submitted)
- Building Efficiency (to be submitted)

2) Carbon Reduction Programs, Incentives, and Strategic Planning. Rate the listed items and choose one from subcategories of TransMo, Renew, Zero, and Building Eff.

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### 2) (15 min.) Trans./Mobility Discussion Items:

- Trans. Mobility: List priorities for Active Mobility plan: use to set RFP Plan consultant criteria.
- (5 min) Rebate Ideas:
  1. Electric Bike Rebate (proposed pilot at \$3,000 for first year - 20 at \$150 rebates)  
Note: roll-out will fit nicely with our completed active mobility plan. (\$150 is about 20% of an electric bike \$700 price point)
- (10 min.) Initiative Ideas:
  1. Business Bike to Work Incentive Program. City of Elgin sponsored matching program for a stipend incentive per mile biked by their employees. Example Bike-To-Work program: pays business employees a stipend of \$0.75/ per mile biked, assists with bike routes, and assists with bicycle use. Program would incentivize active mobility, exercise health, result in cleaner air, lowering our transportation carbon footprint with less green house gas emissions, and promotes community resiliency.
  2. Business Car Share Incentive Program.
- (10 min.)Trans/Mobility RLF Ideas
  1. EV Vehicle Equitable Justice RLF: fund at \$100,000 for ten-year payback term (total capital investment \$1,000,000) Note: fund at 75% of the vehicle cost with payback at ten years with no interest charged.
  2. Commercial Fleets RLF: fund at \$250,000 for a 5-year payback term (total capital investment \$1,000,000) Note: fund at 50% of vehicle cost, limit to two vehicles per fleet per fiscal year. Interest charged to cover administration costs.

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### 3) Renewable Discussion Items:

- (10 min.) Renewable Energy RLF Ideas:
  1. PV Solar Equitable Justice Residential RLF: fund at \$100,000 for ten-year payback term (total capital investment \$1,000,000) Note: fund at 75% of the project cost with payback at ten years with no interest charged.
  2. Geothermal (geo-exchange) Commercial and Residential RLF: fund at \$250,000 for fifteen-year payback term (total capital investment \$3,750,00) Note: Fund at 50% of project cost, equitable justice funding at 75% of project cost with no interest charged (example: 5-ton system - \$6,000/ton cost = \$30,000 at 75% with \$7,500 upfront investment with \$22,500 financed with a 15-year term \$125/month payment). Interest charged with 50% commercial and residential projects to cover administration costs.
- (15 min.) Fossil Fuel Free Initiative Ideas:
  1. Electric Residential Water Heater Rebate for Major Renovations (proposed pilot program at \$6,000 for first year - 40 at \$150 rebate) Double funding for annual rebates 80 at \$12,000. 50-gallon electric water heater price point at \$600.
  2. Electric Residential Heat Pump Rebate for Major Renovations (proposed pilot program at \$25,000 for first year - 25 at \$1,000 rebate). Double funding for annual rebates 50 at \$50,000. Electric 5-ton heat pump price point at \$5,000.
  3. Commercial All-Electric Unit Heater Rebate (proposed pilot program at \$17,500 for first year - 50 at \$350 rebate). Double funding for annual rebates 100 at \$35,000. Electric (70,000 BTU) unit heater price point at \$3,000.
  4. Electric Appliance Rebate (undecided).
- (10 min.) Strategic Planning Funding:
  1. Petition to Intervene process in ComEd's rate increase
  2. For strategic use of geothermal heating and cooling districts. (\$150,000 RFP) Fund with TIFF district.

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### 4) Zero Waste Discussion Items:

- (30 min.) Discuss talking points and City council comments on the Single-Use bag Fee Ordinance
- (5 min.) Waste Hauler contract: seek 30% plastic recycling with dual stream model, identify partners and players, look at State of IL legislation. Wait for Rep. Moeller to resched.
- (5 min.) Legislative ban of the inclusion of micro plastics in personal hygiene products.

### 5) Building Efficiency Discussion Items:

- (5 min.) Discuss Rope House criteria factors for choosing best candidate fro energy efficiency and use of net zero renewable systems.

### 6) Other Business

- (10 min.) Climate Action Plan (Review MMC Energy, Transportation, Sust. Comm, and Waste, metric sheets)

**Next Meeting: 05/03/2023**

# **Zero Waste: Single-use Bag Fee Ordinance Proposal - Talking Points & City Council Position Points of Discussion:**

**Why the 5/5 cents split?:** The 5 cents to the retailer is to help support their costs for operation, training, and implementation. According to the retailers they pay for the film bag by the pound, but estimate a 1-cent cost per film bag, that would result in a profit margin over and above their store profit margin of 3-3.5 %. The 5 cent to the City will cover the cost burden by municipal staff for enforcement and administration of the fee, possibly resulting in additional staff personnel. Help balance an unintended consequence of retailers using more bags to increase profits.

**Presumed loss of sales from the ordinance adoption and lack of engagement with businesses:** No way to know for certain (only conjecture at this point) without a survey or poll of area residents. I would suggest conducting survey campaign of shopper at each store location and sample 100 shopper's for opinions on the proposed single-use bag fee ordinance. Additionally, poll other communities with similar single-use bag fee ordinances.

**Is the municipal 5 cent fee a tax?:** The money collected by Elgin is an investment in Elgin's sustainable future. Below are some ideas for funding that future :

- **Renewables Revolving Loan Funds (RLF):**
  - PV Solar Equitable Justice Residential RLF: fund at \$100,000 for ten-year payback term (total capital investment \$1,000,000) Note: fund at 75% of the project cost with payback at ten years with no interest charged.
  - Geothermal (geo-exchange) Commercial and Residential RLF: fund at \$250,000 for fifteen-year payback term (total capital investment \$3,750,00) Note: Fund at 50% of project cost, equitable justice funding at 75% of project cost with no interest charged. Interest charged with 50% commercial and residential projects to cover administration costs.
  
- **Transportation Revolving Loan Funds;**
  - EV Vehicle Equitable Justice RLF: fund at \$100,000 for ten-year payback term (total capital investment \$1,000,000) Note: fund at 75% of the vehicle cost with payback at ten years with no interest charged.
  - Commercial Fleets RLF: fund at \$250,000 for a 5-year payback term (total capital investment \$1,000,000) Note: fund at 50% of vehicle cost, limit to two vehicles per fleet per fiscal year. Interest charged to cover administration costs.
  
- **Rebates Programs:**
  - Electric Garden Equipment (pilot funding at \$3,000 for first year - 60, \$50 rebates; increase to \$10,000 annually or 200, \$50 rebates) note: very popular program. Works well with earth month. (\$50 is about 20% of an electric cordless lawn mower \$250 price point)
  - EV Charging Rebate (pilot funding at \$7,000 for first year - 10 at \$700 rebates: increase to \$14,000 annually or 20, \$700 rebates) note: may want to review funding with recharging infrastructure improvements.

- Electric Bike Rebate (proposed pilot at \$3,000 for first year - 20 at \$150 rebates) Note: roll-out will fit nicely with our completed active mobility plan. (\$150 is about 20% of an electric bike \$700 price point)
  - Fossil Fuel Free Appliance & Equipment Rebate Programs:
    - Electric Residential Water Heater Rebate for Major Renovations (proposed pilot program at \$6,000 for first year - 40 at \$150 rebate) Double funding for annual rebates 80 at \$12,000. 50-gallon electric water heater price point at \$600.
    - Electric Residential Heat Pump Rebate for Major Renovations (proposed pilot program at \$25,000 for first year - 25 at \$1,000 rebate). Double funding for annual rebates 50 at \$50,000. Electric 5-ton heat pump price point at \$5,000.
    - Commercial All-Electric Unit Heater Rebate (proposed pilot program at 17,500 for first year - 50 at \$350 rebate). Double funding for annual rebates 100 at \$35,000. Electric (70,000 BTU) unit heater price point at \$3,000.
    - Electric Appliance Rebate (undecided).
- **Transportation and Active Mobility Incentive Programs:**
  - Business Bike to Work Incentive Program. City of Elgin sponsored matching program for a stipend incentive per mile biked by their employees. Example Bike-To-Work program: pays business employees a stipend of \$0.75/ per mile biked, assists with bike routes, and assists with bicycle use. Program would incentivize active mobility, exercise health, result in cleaner air, lowering our transportation carbon footprint with less green house gas emissions, and promotes community resiliency.
  - Business Car Share Incentive Program.
- **Infrastructure Resilience:**
  - Buried Electrical Lines & Modernize for Smart Grid: Munis Bond Issue for \$810,000,000; based on \$20,000/Elgin housing units 40,500 (2020 census). Will add resilience to the City's electrical grid with underground protection; will increase community health with underground protection against electromagnetic exposure; will allow for parkway tree planting shade and evaporative cooling adding resilience against urban temperature gain; will beautify our local environment, improve native species survival and resilience, increase property values, increase the City's economic viability, will lower future climate change environmental stresses, encourage better mental and physical health, and provide a natural source of carbon capture; and will allow for complete streets aiding in protected bike lanes, add pedestrian walkability and safety, allow for an increase in public transportation use and sheltering, lower prohibitive costs to move overhead utility lines for traffic calming implementation.
- **Strategic Planning Funding:**
  - For strategic urban island tree planting. (\$60,000 RFP) Implementation \$750,000 over a ten-year period.
  - For strategic use of geothermal heating and cooling districts. (\$150,000 RFP) Fund with TIFF district.
  - For pollinator/native plant greenways. (\$30,000 RFP) Implementation \$200,000 over a five year period.

**Change is uncomfortable and are worried about its effects on residents:** This is a small change and hopefully an acceptable change in the way our resident's shop for their products. With each purchase, they can answer the question of whether their use of a single-use plastic bag is wasteful, what value the bag has, or if they want to avoid the fee and purchase reusable bags or continue purchase single-use bags. Other municipalities with this fee model have seen a 75-80% decrease in single-use bags in the first few year of the ordinance.

**Why not institute a Plastic Bag Ban:** Complete bans are authoritarian and can be perceived as punitive. By using the fee model, the shopper is given freedom of choice on whether or not they want to pay for a bag previously provided as a convenience at the retailers' cost.

**Not ready for change or the timing of a fee is poor:** After the pandemic, brick and mortar retailers are still adjusting to online ordering, curbside pickup, and delivery services verses in-store shoppers. Some of this pandemic services have been relegated for their business models, while others remain. Economic recovery of the retail sector will be limited due to the shifting shopping habits of our society. Change is inevitable and business models are always changing to need and demands.

Ultimately, the job of government is to decide what is the greater good for their community! By adopting this proposed single-use bag fee ordinance you as our leaders will be weighing whether or not our community's health and well being will be served, whether our shared local environment will benefit, whether the economics of our area will be enhanced, and lastly, whether or not the frontline retail establishments will benefit, be harmed irrevocably, or both? As a body of this community, we the Elgin Sustainability Commission feel strongly that adopting of this single-use bag fee ordinance will have clear health benefits, by discouraging the use of plastic film, reducing exposure to plastics, reducing plastic and paper from our waste stream, hinder bag pollution from our local environment, and economically will enhance the viability of our local retailers with an additional revenue stream not previously realized. We believe this adopted ordinance will have a short term burden on the frontline businesses of 5,000 sf and above, and would be in favor of a scaled split of 2/8 cents in favor of the retailer to recover initial cost burdens for operational, training, and accounting during the first fiscal quarter of the ordinance's implementation and would be in favor of a grace period of three months before penalties would enforced by the City of Elgin.

# Single-use Bag Fee Points of Discussion

- Research shows that using a fee produced greater reduction in single-use bag use than an outright ban.
- The fee is a 'market based' alternative as it provides people a) a choice and (b) an emergency solution.
- The intent of the fee is to eliminate single-use plastics, not to be a revenue stream.
- No exemptions to be provided as the intent is to eliminate the use of single-use items, starting with single use bags as phase one.
- As equity is a concern, the fee should be mandated to be used to provide reusable, plant-fiber bags to WIC and SNAP recipients who submit a request, as some may already have them.
- Truly biodegradable/bio-assemble plastic bags would also be covered by the ordinance as its intent is to end the use of all single-use products.
- Change ordinance to exclude stores from the fee that do not provide free single-use bags, such as Aldi.