

# Memorandum

**REPORT TO:** City Commission

**FROM:** Natalie Meyer, Sustainability Program Manager  
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**SUBJECT:** Resolution 5248, Adopting the 2020 Bozeman Climate Plan

**MEETING DATE:** December 22, 2020

**AGENDA ITEM TYPE:** Resolution

**RECOMMENDATION:** Approve Resolution 5248 Adopting the 2020 Bozeman Climate Plan

**STRATEGIC PLAN:** 6.3 Climate Action: Reduce community and municipal Greenhouse Gas (GHG) emissions, increase the supply of clean and renewable energy; foster related businesses.

**BACKGROUND:**

Action item 6.3.a of the City's [Strategic Plan](#) states a need to "Update the Climate Action Plan....to reduce community and municipal Greenhouse Gas (GHG) emissions, increase the supply of clean and renewable energy; foster related businesses". The 2020 Bozeman Climate Plan accomplishes this by serving as a comprehensive strategy for addressing climate change in Bozeman.

The 2020 Bozeman Climate Plan builds upon previous work to identify targeted policies, programs, and projects that will both mitigate the community's contribution to climate change and build resilience against the unavoidable impacts. Extensive effort has been made to align goals and objectives with other City initiatives such as the recently adopted [Growth Policy](#), furthering the City's commitment to taking a cross-functional inter-departmental approach to tackling the community's most pressing needs.

Format

Traditional emissions mitigation planning has been combined with community resiliency in the 2020 Bozeman Climate Plan. Bringing resiliency into the climate planning effort provides for the ability to prepare and plan for, respond to, recover from, and more successfully adapt to adverse events. The Plan emphasizes the need to incorporate resiliency considerations into the decision making process through well-planned infrastructure, supportive social networks, and balanced economic prosperity.

Cross-cutting themes such as equity, human health and well-being, and city assets help ensure that we do not unintentionally amplify concerns related to health, affordability, and other issues that impact our most vulnerable citizens.

The 2020 Bozeman Climate Plan includes the most current science and modeling techniques available. Quantitative analysis for all solutions help gauge mitigation efforts towards their respective contributions to the overall carbon footprint, allowing for a more measured approach to achieving targets.

Many recommendations will require significant commitment from the City, its partners, local businesses, and residents. Relationships among a wide variety of stakeholders are critical to achieving shared goals at a scale that will benefit the entire community (and beyond). The intent of the Plan is to usher in a new era of community collaboration and innovation not only to address carbon emissions, but also to recover and rebound together towards a stronger community fabric.

### Process

The Bozeman [Climate Team](#), along with staff from several divisions of the City, and professional consultant services from the Brendle Group, worked together to develop a robust dialogue needed to span the vast spectrum of topics related to climate change. Highly qualified community members from private business, governments, utilities, educational institutions, non-profits, and social services were chosen to represent a wide range of interests with a strong representation from students and young professionals to ensure participation by the next generation that will be most affected by climate change.

Citizen input is critical as the impacts of climate change will affect every member of the community. Extensive [public involvement](#) has occurred throughout the development of the Plan (see Attachment A for a complete list). A wide range of both in-person and virtual events, in addition to community surveys and public meetings provided meaningful opportunities for citizens to weigh in. Significant revisions to the Plan have been made in response to [public comment](#), resulting in a strategy that represents the interests of the community.

The City Commission held Work Sessions on [September 22, 2020](#) and [November 17, 2020](#) to receive an overview of the draft plan and provide valuable input needed to ensure effective citizen engagement.

### Revisions

Many improvements have been included in the final version of the 2020 Bozeman Climate Plan (see Attachment B for a “[track changes](#)” version of the Plan showing all edits). All [major revisions](#) that were proposed during

the Commission Work Session on November 17, 2020 have been completed with the exception of the following:

- Carbon pricing was not included in the scope of the clean energy feasibility study, at this time, to provide a better focus on the distinction between community renewable energy legislation versus community choice aggregation.
- A City-operated Renewable Energy Credit (REC) was not included due to significant operations overhead compared to anticipated return on investment.

Emphasis has been given to strengthen language associated with partnerships, figures have been updated with current data, and formatting changes have been made throughout the document to improve readability. Over forty [minor revisions](#) have been made to address modifications with broad consensus within a number of solutions, in addition to procedural recommendations made by staff to operationalize the Plan (pg. 160).

Major revisions to the Plan include steps needed to reinforce the community's desire for NorthWestern Energy to track absolute emissions along with a more aggressive approach to additional renewable resources, updating and clarifying details related to the proposed Green Tariff solution, further defining utility-scale pathways to achieving 100% net clean electricity, amplifying the need for sustainable bike and pedestrian funding, and highlighting the role of local food in building community resiliency.

A more detailed description of major revisions to the Plan can be found below (including page references):

Commission Recommendations: (provided during the November 17, 2020 Work Session)

- A specific action has been added to 1.A.6 to work with area financial institutions to develop a low-interest loan program to facilitate financing of energy-reducing renovations as well as installation of solar and other energy-generation systems (pg. 44).
- An incentive program has been added to 1.B.5 to encourage all commercial and residential buildings to be designed and constructed to minimize energy and water use, in addition to maximizing solar energy system electricity production to achieve Net Zero Energy-Ready (NZE) and Electric Vehicle-Ready goals (pg. 52).
- A recognition program has been added to 1.B.5 to bestow a specific designation on buildings that meet net-zero or other objective standards of energy performance (pg. 52).
- A new Solution has been added to Focus Area #2 (2.D.4) to encourage a philosophical shift for our utility provider to work with partner communities to encourage NorthWestern Energy's Board of Directors and Shareholders to adopt a corporate philosophy that recognizes an urgent need to shift to renewable energy sources in order to

safeguard the long-term health and wellbeing of their customers (pg. 69).

- A specific action has been added to 2.D.3 to support state and federal market-based carbon legislation that embody the principles of effectiveness and equity in addressing greenhouse gas reduction (pg. 67).
- A specific action has been added to 5.M.1 to implement a recycling trial program to encourage the expansion of the City's curbside recycling program (pg. 128).

#### Utility Emissions:

- Text has been modified within Solution D to read “ *Strongly encourage NorthWestern Energy to meet Bozeman’s goal of 100% net clean electricity by 2030*” (previously written as: “ *Support NorthWestern Energy to meet and surpass their 2045 goal to reduce the carbon intensity of their generation by 71% to 0.14 MT CO<sub>2</sub> per MWh*”). This revision further acknowledges that the utility's current goal will not advance quickly enough to achieve the City's short term goals and may not be sufficient to achieve carbon neutrality (pg. 59).
- Modeling forecasts include an additional sensitivity analysis that assumes no new renewable energy supply. This analysis identifies the net impact if NorthWestern Energy does not lower its carbon intensity and emissions beyond current levels (page 61).
- Carbon-free benchmarks have been recommended for NorthWestern Energy's supply mix that coincide with the Climate Plan goal years (pg. 62).
- Specific performance measures have been added to monitor NorthWestern Energy's progression towards new renewable energy generation in addition to tracking total annual utility scale emissions (pg. 66).
- Clarity has been given to greenhouse gas emissions inventories that will serve as an overarching metric of progress towards goals (page 13). Greenhouse gas emissions inventories will be updated every two years (pg. 160).
- Modeling details and assumptions have been updated reflect an increased projected adoption rate for rooftop solar, in addition to MSU's electricity forecasts based on current information (Appendix A).
- Additional language has been included to grow interlocal partnerships with Montana cities to urge greater transparency from NorthWestern Energy to establish an absolute emissions reduction goal (pg. 66).

#### New Renewable Energy Generation:

- Renewable Energy Certificates (REC's) and Green Tariffs have been differentiated to provide further clarification with regard to the advantages and disadvantages of each program (pg. 72).
- The title of Solution E has been modified to read “ *Develop and*

*Promote Utility Green Power Programs” (previously written as: “Increase Community Participation in Utility Green Power Programs”)* (pg. 70).

- Examples of leading utility Green Tariff programs and key features have been added (pg. 72).
- Updates have been made to reflect recent progress in developing a partnership with NorthWestern Energy and other Montana cities to develop a Green Tariff, including next steps and anticipated timelines (pg. 72).
- References to a power purchase agreement for municipal operations has been removed (pg. 72).

#### Clean Electricity

- The title of Action 2.D.1 has been modified to read “ *Complete a 100% Net Clean Energy Community Renewable Energy Feasibility Study*” (previously written as: “*Evaluate the Economic Feasibility and Policy Options Available to Achieve 100% Net Clean Energy*”) (pg. 65).
- Key features have been added to further describe a community-wide renewable energy program modeled after Utah’s Community Renewable Energy Act (HB411), including examples of successful Community Choice Aggregation programs (pg. 65).
- The priority level for Action 2.D.1 has been changed to Level 2 based on the opportunity to first pursue a Green Tariff (pg. 65).

#### Bike & Pedestrian Funding:

- Additional language has been included to recognize that the Transportation Master Plan references greenhouse gas emissions and health benefits to communicate the value of active transportation, including a recommendation that future transportation plans incorporate targets for total and per capita Vehicle Miles Traveled and greenhouse gas emission reductions (pg. 103).
- The title of Action 4.J.2 has been modified to read “ *Pursue Innovative Funding for Pedestrian and Bicycle Connections and Network*” (previously written as: “*Expand Pedestrian and Bicycle Connections and Network*”) (pg. 104).
- Assurance has been added to ensure that the Unified Development Ordinance is amended to require sidewalk construction as a basic component of subdivisions and should be installed with the streets and utilities before individual lots are developed (pg. 104).
- The option to require large employers and institutions to fund performance-based Transportation Demand Management programs for employees has been added (pg. 107).

#### Local Food:

- Coordination and collaboration with the larger “foodshed” has been added, including additional partnerships supported by the Local Food

Council (pg. 138).

- Middle-income individuals and families have been added to the scope of the food system assessment to more accurately reflect poor access to local food as they are challenged by the higher prices and are not likely to access emergency food security programs (pg. 139).
- Language in 6.N.3 regarding urban agriculture has been revised as follows: *“review existing land uses and the Community Plan, research effective metrics to evaluate urban agriculture, and consider targets to ensure that food production remains feasible within and near Bozeman”* (previously written as: *“research existing land uses and consider setting a target for a percentage of land in Bozeman to remain in agricultural production”*) (pg. 140).
- Language has been added to 6.N.4 as follows: *“The City-County Food Council may identify opportunities to advocate for agricultural subsidies for producers contributing to community food security. This supports the local producers to sell locally, makes food affordable for low and middle-income individuals, and supports the local economy”* (pg. 141).
- Incorporation of good food procurement policies for city events and purchasing has been added (pg. 133).

### Implementation

The 2020 Bozeman Climate Plan will require input from all Departments of the City. An internal **steering committee** will be established to help outline next steps and identify opportunities for operationalizing the Plan. A **charter** will be developed within six months of plan adoption to serve as an implementation plan establishing specific actions, including partners, priorities, timelines, and resources needed over the next 1-2 year period. The charter will be updated regularly to communicate progress moving forward, including the development of a **dashboard** to further educate and engage citizens in real-time, similar to the [Community Housing Hub](#).

**Greenhouse gas emissions inventories** will be performed every two years to accurately track community emissions as it relates to stated goals, while **performance measures** described within each Solution provide a more detailed view of outcomes associated with each Focus Area.

The **implementation playbook** (pg. 161-164) will be updated annually to reflect emerging or changing priorities, modifications in timelines and sequencing, updates to partners or resources, and removal of completed activities.

**UNRESOLVED ISSUES:** None.

**ALTERNATIVES:** As identified by the City Commission.

**FISCAL EFFECTS:**

The 2020 Bozeman Climate Plan is a policy document that represents 16 broad solutions and 65 actions identifying the most feasible steps for the city to pursue in order to reach our greenhouse gas emissions goals. The plan was structured with an equity lens which resulted in prioritization of the most cost-effective, equitable solutions with a strong focus on community affordability. Several actions specifically call for an economic analysis, including the 100% net clean energy feasibility study (pg. 65) and building electrification (pg. 56).

The City of Bozeman understands Montana's limitations on property taxes. The building related solutions in the plan call upon innovative financing to enable public and private investments. For city-owned buildings, fleet vehicles, and on-site renewable energy generation, lifecycle assessments and return on investment will continue to be carefully evaluated to ensure the City is a responsible steward of financial resources, including monetizing the potential risk and financial burden resulting from climate change. Wherever feasible, a triple bottom line analysis of activities, including environmental, social, and economic benefits will be included to support future policy decisions.

Attachments:

[Resolution 5248 Adopting the 2020 Bozeman Climate Plan](#)  
[2020 Bozeman Climate Plan](#)

[Attachment A: Public Engagement Plan](#)

[Attachment B: Track Changes Version](#)

Report compiled on: December 14, 2020