



City of Culver City

Mike Balkman Council
Chambers
9770 Culver Blvd.
Culver City, CA 90232

Staff Report

File #: 16-429, **Version:** 1

Item #: C-3.

CC - (1) Approval of an Agreement with Community Partners to Create and Implement a Citywide Sustainable Business Certification Program; and (2) Approval of a Related Budget Amendment (Requires a Four-Fifths Vote).

Meeting Date: January 23, 2017

Contact Person/Dept: Joe Susca/Public Works-Administration
Phone Number: 310-253-5636

Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☒ No ☐

Public Hearing: ☐ **Action Item:** ☐ **Attachments:** ☒

Commission Action Required: Yes ☐ No ☒

Public Notification: (E-Mail) Meetings and Agendas - City Council (01/18/17); Community Partners and Sustainable Works (01/04/17); (E-Mail) the Downtown Business Association (01/18/17); (E-Mail) the Culver City Chamber of Commerce (01/18/17); (E-Mail) The Following E-Mail Distribution List Subscribers: Sustainability Subcommittee of the City Council, Sustainability / Environmental Issues, Public Notifications (01/18/17).

Department Approval: Charles D. Herbertson, Public Works Director/City Engineer (01/12/17)

RECOMMENDATION

Staff recommends the City Council (1) approve an agreement with Community Partners to create and implement a citywide Sustainable Business Certification Program in the amount of \$90,000 for the first year with an option to extend for a second year for an additional \$60,000; and (2) approve a budget amendment in the amount of \$90,000.

A budget amendment requires a 4/5 affirmative vote.

BACKGROUND

On July 11, 2016, the City Council authorized the release of a Request for Proposals (RFP) to hire a firm to create and implement a citywide Sustainable Business Certification Program (Certification Program) for one-year (with an option to extend for one additional year) that included the following scope of work:

1. Develop and implement a Certification Program that includes all of the following components:
 - a) Adherence to the guidelines and principles established by California's Green Business Network along with the following items for a business to qualify for certification:
 - (i) Procurement: Buying practices that include following an Environmentally Preferable Purchasing (EPP) practice which is the procurement of goods and services that have a reduced impact on human health and the environment as compared to other goods and services serving the same purpose.
 - (ii) Food Waste Handling: If the business has a food service component that they divert the material from the landfill via City programs established for composting/anaerobic digestion as well as donating viable excess food to local food banks.
 - (iii) Economic Sustainability: The payment of living wages to their employees and providing them paid time off for sick leave and vacations.
 - (iv) Transportation: The presence of on-site bicycle racks and if applicable, a company vehicle fleet that is powered by a means other than gasoline or diesel fuel.
 - (v) Utility Efficiency: Implementation of electricity and natural gas conservation measures through active participation in Southern California Edison and if applicable, Southern California Gas programs designed to reduce use of the utility.
 - (vi) Stormwater Runoff: Providing stormwater runoff education to all employees and actively participating in programs that minimize the generation of on-site stormwater pollution.
 - (vii) Water Conservation: Installation of potable water conserving devices, fixtures and equipment.
 - b) Creation of a checklist that will be used to perform a sustainability pre-assessment of business operations.
 - c) Development of an action plan that is based on the sustainability pre-assessment results for the business to implement as a condition to receiving their certification.
 - d) On-site verification that the action plan was implemented prior to awarding certification.
2. Create a template to continue the Certification Program in future years comprised of items 1 a-d above and recommends the frequency in which a certified business should undergo another assessment as a condition to maintaining their certification.
3. Determine which business sectors the firm will target to participate in the Certification Program.
4. Estimate the number of targeted businesses the firm anticipates will complete a sustainability pre-assessment and of those, how many will go on to become certified over the first and second year.
5. Develop and implement a marketing strategy in conjunction with the Culver City Chamber of Commerce and City staff that reaches out to targeted local businesses, utilities, and professional associations to promote and highlight the merits of participating in the Certification Program.
6. Provide a range of cost the firm will charge each business to participate in the Certification Program.
7. Recommend incentives (if any) to encourage businesses to participate in the Certification Program such as subsidies, rebates and other recognition for the City to consider (such as an awards event that may be integrated into other programs that acknowledge environmental achievements).
8. Create a "Culver City Certified Sustainable Business" seal in a digital format that certified businesses may use in printed materials and to post on their websites.
9. Provide the content for development of a webpage on the City's website to introduce the

Certificated Business Program, to list the City's certified businesses and to acknowledge their sustainability efforts.

10. Prepare a press release announcing the launch of the Certification Program.
11. Once finalized, enroll the Certification Program into the California Green Business Network database.
12. Develop a proclamation for presentation at a City Council meeting that recognizes the achievements attained by a certified business that the City may use to publicly recognize a business that has become certified.
13. Prepare and submit quarterly activity reports of Certification Program participation that includes the number of sustainability pre-assessments completed, are under way, and the names of businesses that have become certified.

DISCUSSION

On July 21, 2016, staff released the RFP to several qualified firms in addition to posting it on the City's bidding webpage and publishing a notice in the August 4, 2016 edition of the Culver City News.

On September 1, 2016, one proposal was received by Community Partners in partnership with Sustainable Works (See Attachment No. 1). Community Partners is a non-profit organization who owns Sustainable Works and their mission is to turn ideas into action that advance the public good. Community Partners' role will be to oversee Sustainable Works' creation and implementation of the Certification Program and to provide them technical assistance, and financial and administrative oversight. As a subsidiary of Community Partners, Sustainable Works is a non-profit environmental education organization that is located on the campus of Santa Monica City College. Sustainable Works was established in 1998 with the primary purpose to educate and activate community members to make purchasing choices that reduce their ecological footprint on the earth.

Sustainable Works' proposal includes completion of the entire scope of work contained in the RFP. Following are highlights of their proposal:

- Development of a marketing and outreach strategy targeting the office, retail and restaurant sectors comprised of press releases, flyers, a City webpage, use of the City's e-mail distribution lists, and cold calls to businesses. This strategy would be refined in conjunction with City staff, the Downtown Business Association and the Chamber of Commerce.
- Conducting an initial kick-off meeting to present the Certification Program to businesses.
- A minimum of 50 businesses will be contacted and approximately 15 of them will undergo pre-assessments at no charge to the businesses. Of those, Sustainable Works anticipates that 10 will go on to become certified over the first year. Sustainable Works anticipates that if extended, the same will occur the following year of the program.
- The proposal includes pre-assessments for the first 15 businesses. Each additional business will be charged a fee of \$225 to \$450 to participate in the Certification Program (the range of cost is based on their number of employees).
- Assistance with production of an annual awards event in conjunction with the Downtown Business Association and/or the Chamber of Commerce to recognize those businesses that have become certified. The assistance includes solicitation of sponsorships, vendor coordination, invitation and award design, agenda creation and identifying a venue. The cost

to book the venue, provide refreshments and entertainment are not included in the proposal.

Sustainable Works recommends businesses undergo assessment every three years to maintain their certification.

Sustainable Works' clients include the cities of Los Angeles, West Hollywood and Santa Monica. Sustainable Works has written sustainability guidelines and currently conducts community workshops on sustainability, maintains active partnerships with local utilities, and has created and implemented the City of Santa Monica's Green Business Certification Program since 2005. To date, 262 Santa Monica-based businesses have completed a 12-month Business Greening Program administered by Sustainable Works and of those, 52 have become certified.

If Sustainable Works creates and implements a successful Certification Program over the first year, staff will extend their agreement for one additional year administratively.

The Culver City Chamber of Commerce notes that absent assistance from the City, private organizations outside of California such as Green America <<http://greenbusinessnetwork.org/join>>, the Green Restaurant Association <<http://www.dinegreen.com/green-my-restaurant>>, Green Seal <<http://www.greenseal.org/GreenBusiness.aspx>> and the Green Business Bureau <<http://www.gbb.org/>> offer sustainable practice assistance and certification to businesses. In California however, AB 913 - *The California Green Business Program* (2011) recognized the existing network of green business programs operated by local governments and established a framework for businesses to become certified. Overseen by the California Department of Toxic Substances Control, the AB 913 framework requires each local government to establish a Certification Program to assist businesses within their jurisdiction as a condition to becoming certified. Since AB 913 became law, nearly 3,500 businesses have become certified in California and through implementation of the Certification Program, the City will join the California Green Business Network.

FISCAL ANALYSIS

Due to the uncertainty of the cost, the Certification Program was not included in the City's Fiscal Year 2016/17 budget. A budget amendment from General Fund Reserves amounting to \$90,000 for the first year of the Certification Program is required however, staff will include \$60,000 in the City's Fiscal Year 2017/18 budget in anticipation of the program's continuance.

ATTACHMENTS

1. September 1, 2016 Community Partners/Sustainable Works Proposal

RECOMMENDED MOTIONS

That the City Council:

1. (A Four-Fifths Affirmative Vote Required) Approve a budget amendment in the amount of

\$90,000 to appropriate funds for the Sustainable Business Certification Program from General Fund Reserves; and,

2. Approve a one-year agreement with Community Partners in an amount not-to-exceed \$90,000 to create and implement a citywide Sustainable Business Certification Program; and,
3. If the first year of the Sustainable Business Certification Program is successful, authorize the Public Works Director/City Engineer to extend the Community Partners agreement for one additional year in an amount not to exceed \$60,000; and,
4. Authorize the City Attorney to review/prepare the necessary documents; and,
5. Authorize the City Manager to execute such documents on behalf of the City.