

OFFICE OF SUSTAINABILITY FISCAL YEAR 2022 BUDGET TESTIMONY

INTRODUCTION

President Clarke and Members of City Council, I am Christine Knapp, Director of the Office of Sustainability. I am pleased to provide testimony on the Office of Sustainability's Fiscal Year 2022 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The Office of Sustainability (OOS) works with partners around the city to improve quality of life in all Philadelphia neighborhoods, reduce the city's carbon emissions, and prepare Philadelphia for a hotter and wetter future.

Plans for Fiscal Year 2022: In FY22, the Office of Sustainability will continue our work towards meeting Mayor Kenney's newly updated goal of achieving carbon neutrality by 2050 and moving to 100% clean energy while also addressing climate change as a racial equity issue. Our priorities include implementing the Building Energy Performance program to ensure that large buildings reduce energy use, completing the PGW business diversification study and partnering with PGW on piloting one diversification strategy, supporting the implementation of a municipal clean fleet plan, holding workshops for the Climate Collaborative of Greater Philadelphia, exploring policy solutions to address residential energy burden, and implementing zero waste programs such as the plastic bag ban and food waste prevention and composting programs. To track the impact of these programs we will update and publicly report the citywide greenhouse gas inventory.

OOS will begin to implement a governance structure for citywide climate resilience, led by the new Chief Resiliency Officer. This work includes establishing a Resiliency Cabinet to coordinate on resiliency efforts across sectors, launching a Climate Change Research Agenda in partnership with Drexel University, the Delaware Valley Regional Planning Commission and others, and collaborating with the Office of Emergency Management to ensure the updated Hazard Mitigation Plan accounts for climate risk. OOS will also continue to pilot and scale place-based climate resilience strategies, such as implementing the Beat the Heat Hunting Park plan.

OOS will strengthen its focus on racial equity by implementing the Office's racial equity action plan, including updating hiring and onboarding policies, adapting the organizational chart to create transparency and growth opportunities, and provide ongoing training and professional development to staff. OOS will also launch the City's first Environmental Justice Advisory Commission by recruiting and onboarding members and managing meetings, and will continue the Food Policy Advisory Council's (FPAC) strategic planning process focused on uprooting racism and centering equity, and continuing to support community efforts that address sustainability and racial equity. Beyond the strategic planning process, OOS will support the work of FPAC by facilitating discussions across city agencies to better coordinate food policy priorities, and will support the implementation of FPAC priorities, such as the urban agriculture planning process.

The Energy Office will continue to implement projects to meet the goals of the Municipal Energy Master Plan. The Office will continue to help the 70-megawatt Adams Solar project get through construction phase and manage the City's participation in energy load management programs, like demand response,

where the City is asked to reduce its energy consumption when demand is at its highest and is compensated for doing so.

Ensuring that the City of Philadelphia purchases energy at an affordable rate is another goal of the Energy Office, which purchases the City's electricity, natural gas, and vehicle fuel. The Office will continue to monitor this supply and work to minimize price volatility. Through the Greenworks Sustainability Fund, the Energy Office will continue to make funding available to departments to support energy efficiency and sustainability projects that increase the resiliency of City-owned facilities.

Among priorities in FY22, the Energy Office will support the LED Streetlighting project, ultimately selecting a vendor to carry out the project. And we will work with the Department of Public Property to determine a path for approximately 25 City-owned buildings to come into compliance with the Building Energy Performance program. The office will continue to measure and verify the City's first guaranteed energy savings project at the City's four largest downtown office buildings, as well at the recently completed Philadelphia Museum of Art project and will continue to maintain the City's utility bill management database, where energy use data is collected and shared with City departments to improve understanding of the opportunities and benefits of energy efficiency.

BUDGET SUMMARY & OTHER BUDGET DRIVERS

Please refer to attached FY22 Budget Hearing Summary Charts in section 1: Staff Demographics Summary, section 2: Employment Levels, section 3: Financial Summary by Class, section 6: Participation Rate and Goal.

PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2022 General Fund budget totals \$1,371,987, an increase of \$92,768 from FY21 estimated obligation levels. This increase is primarily due to funding to support City compliance with the Building Energy Performance policy by investing in building tune-ups which will improve operational efficiency and reduce energy costs and the transfer of the Zero Waste and Litter Cabinet staff.

The proposed budget includes:

- \$722,621 in Class 100, an increase of \$72,768 over FY21. This funding will support the transfer of the Zero Waste and Litter Cabinet staff.
- \$423,366 in Class 200, an increase of \$50,000 over FY21. This funding will support contracts to implement tune-ups on City-owned buildings to improve operational efficiency and save on energy costs
- \$1,000 in Class 300/400, level with FY21. This funding will support purchases of materials and supplies for the office.
- \$175,000 in Class 800, level with FY21. This funding will support Greenworks Sustainability Fund project investments in City-owned buildings to reduce energy use or support other sustainability outcomes.

STAFFING LEVELS




The department is requesting 12 budgeted positions for FY22, an increase of 1 position FY21.

The increase is attributed to the transfer of the Zero Waste and Litter Cabinet from the Streets Department, as well as, a departmental re-organization over originally proposed FY21 staffing levels.

NEW HIRES

Please refer to attached FY22 Budget Hearing Summary Charts in section 8: New Hires Information.

PERFORMANCE, CHALLENGES, AND INITIATIVES**Greenworks**




Measure	 FY20 ACTUAL	 FY21 TARGET	 FY22 TARGET
Social media followers (through Facebook, Twitter and Instagram)	14,227	16,000	17,500
People reached ¹	7,271	8,000	8,500
Percentage of total buildings in compliance with energy and benchmarking law	77%	88%	88%
Number of people who engaged with Food Policy Advisory Council (FPAC) during the reporting period	2,730	3,000	3,250

¹ Engagement occurs through events, public speaking, webinars, and other community engagement strategies.

Program FY22 Strategic Goals

- Reduce the city's carbon footprint in part by completing the Bloomberg American Cities Climate Challenge workplan including managing the first compliance period for the Building Energy Performance program, completing the PGW business diversification study, completing the municipal clean fleet plan, providing additional technical workshops for the Climate Collaborative, finishing community conversations on energy burden with residents, and supporting public transit projects such as bus-only lane design, and by incorporating Zero Waste programs into the climate plans.
- Protect the city and its residents, particularly BIPOC and low-income residents, from the hotter and wetter climate and improve residents' ability to withstand the shocks of disruptive events, and create an enabling environment to support resilience-building across City assets and operations, including providing technical support to implement identified strategies and managing a resilience cabinet to capitalize on opportunities to maximize benefits from limited government funds.
- Advance OOS's commitment to racial equity by implementing OOS's racial equity action plan and supporting the establishment of the City's Environmental Justice Commission and using new methods to gather input from residents on the office's priorities.
- Establish food policy as a strategic initiative of the Administration to better coordinate work among City agencies on food access, hunger, procurement, urban agriculture, waste and other food issues, and complete Food Policy Advisory Council (FPAC) strategic planning process.

Energy Office

Measure	 FY20 ACTUAL	 FY21 TARGET	 FY22 TARGET
City of Philadelphia facility energy consumption, including General, Aviation and Water Funds (Million British Thermal Units)	3.82	3.82	3.79
City of Philadelphia facility energy cost including General, Aviation and Water Funds (\$ Million)	\$59.81	\$60.48	\$59.22
Percentage of General Fund square footage participating in energy management practices supported by Municipal Energy Master Plan	55.0%	58%	58%
Percentage of identified City departments engaged in energy management practices supported by Municipal Energy Master Plan	43.0%	50%	54%

Program FY22 Strategic Goals

- Lead the request for proposal (RFP) process to select a vendor to convert the City's 100,000 streetlights to LEDs, in partnership with the Streets Department, the Office of Innovation and Technology, and the Philadelphia Energy Authority.
- Work with the Department of Public Property, the Philadelphia Water Department, and the Philadelphia International Airport to bring 25 percent of required City buildings into compliance with the Building Energy Performance program.
- Expand and enhance the use of Building Automation Systems and the Building Monitoring Program in City buildings.

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable): N/A

Office of Sustainability

CONTRACTING EXPERIENCE

Please refer to attached FY22 Budget Hearing Summary Charts in section 4: Contracts Summary.

EMPLOYEE DATA

Please refer to attached FY22 Budget Hearing Summary Charts in section 7: Staff Demographics.

LANGUAGE ACCESS

- 1. Provide the name of your language access coordinator, the date of your last department training, and a link to the posting of your language access plan.**

Christine Knapp serves as the language access coordinator for the Office of Sustainability. The date of our last departmental training was in 2019. The Office of Sustainability's language access plan can be found at <https://www.phila.gov/documents/language-access-plans/>.

- 2. Breakdown new hires and existing staff by race and language. Breakdown how many front-line personnel are trained to provide language access services.**

Please refer to FY22 Budget Hearing Summary Charts section 8: New Hire Information/Language Access. All OOS staff are familiar with how to access interpretation and translation services as part of their onboarding.

- 3. How many requests for language access services did your department receive in the past year? How many language access services were delivered by staff? Breakdown language access services provided, by language, including but not limited to the language line, translation of public notices and documents, website language services, and advertisement/publication services.**

- We received no requests
- We've translated the following Office of Sustainability documents:
 - Greenworks Review 2020- Spanish
 - Climate Action Playbook- Spanish
 - Plastic Bag Ban signage- Spanish, French, Russian, Simplified Chinese, Vietnamese, Khmer, Korean

- 4. Explain what your department has done to improve language access services over the past year.**

We have begun to better plan for translation when producing report by adding in extra time and budget for translation services. For example, we issued a Spanish-language version of 2020 Greenworks Review and the Climate Action Playbook.

CLIMATE CHANGE

1. How has climate change affected your department's provision of services?

The Office of Sustainability serves as the City's lead on address climate change, working with City departments on projects and programs to both mitigate the causes of climate change and to support ways the City can adapt or become more resilient to the warmer and wetter climate. Due to the critical nature of this work and the increasing demand for both an urgent reduction in emissions and in ensuring our communities can thrive in the future, we anticipate we may need to procure more consulting services. We have also incorporated the City's climate goals into energy use and procurement, working to reduce energy consumption in City buildings and moving towards 100% clean electricity.

2. How might worsening climate change increase costs and demands for your department?

As noted above, we expect there may be an increase in demand on our office staff in supporting city departments in address the climate challenge. We also work to educate the public about climate change and anticipate being asked to work with additional external stakeholders on both climate mitigation and adaptation.

3. How does your department intend to mitigate and adapt to climate change?

The Office of Sustainability plans to lead much of the City's climate action efforts, as outlined in the Philadelphia Climate Action Playbook. This includes leading projects and programs that cut greenhouse gas emissions from our three major sources of carbon emissions- buildings, transportation, and waste- to deliver on Mayor Kenney's goal of achieving carbon neutrality by 2050. We will also lead the City's Resiliency Cabinet ensure that climate adaptation is integrated into all City operations and to work with external stakeholders on efforts to support climate resiliency.

1. Staff Demographics Summary

Staff Demographics Summary (as of December 2020)				
	Total	Minority	White	Female
Number of Full-Time Staff	8	2	6	6
Number of Exempt Staff	8	2	6	6
Number of Executive Staff (deputy level and above)	3	1	2	2
Average Salary, Full-Time Staff	\$77,979	\$75,775	\$78,714	\$73,139
Average Salary, Exempt Staff	\$77,979	\$75,775	\$78,714	\$73,139
Average Salary, Executive Staff	\$104,577	\$107,000	\$104,291	\$104,291
Median Salary, Full-Time Staff	\$78,000	\$75,775	\$78,000	\$71,500
Median Salary, Exempt Staff	\$78,000	\$75,775	\$78,000	\$71,500
Median Salary, Executive Staff	\$107,000	\$107,000	\$104,291	\$104,291

2. Employment Levels

Employment Levels (as of December 2020)		
	Budgeted	Filled
Number of Full-Time Positions	12	8
Number of Part-Time Positions	0	0
Number of Exempt Positions	12	8
Number of Executive Positions (deputy level and above)	1	3
Average Salary of All Full-Time Positions	\$77,979	\$77,979
Median Salary of All Full-Time Positions	\$78,000	\$78,000

FY22 Budget Hearing Summary Charts - Office of Sustainability

3. Financial Summary by Class

Some departments may also want to provide financial summary tables for other funds, such as the Grants Fund. Departments should delete any budget lines that have \$0 in every year (i.e. if a department has no Class 500 appropriations, actuals, or proposed appropriations, the Class 500 row should be deleted).

General Fund Financial Summary by Class						
	FY20 Original Appropriations	FY20 Actual Obligations	FY21 Original Appropriations	FY21 Estimated Obligations	FY22 Proposed Appropriations	Difference: FY22-FY21
Class 100 - Employee Compensation	\$551,910	\$566,858	\$603,814	\$679,853	\$722,621	\$42,768
Class 200 - Purchase of Services	\$393,508	\$391,710	\$423,366	\$423,366	\$473,366	\$50,000
Class 300/400 - Materials, Supplies & Equipment	\$17,840	\$16,945	\$1,000	\$1,000	\$1,000	\$0
Class 800 - Payment to Other Funds	\$250,000	\$250,000	\$175,000	\$175,000	\$175,000	\$0
	\$1,213,258	\$1,225,513	\$1,203,180	\$1,279,219	\$1,371,987	\$92,768

4. Contracts Summary

This table focuses on large professional services contracts with for-profit vendors.

"Large" is defined as meaning that an RFP was required.

Departments should focus on contracts that have been conformed to date.

Any departments that have large contracts with non-profit providers are encouraged to provide board makeup information in the optional "Non-Profit Vendor Demographics" table below.

M/W/DSBE Participation on Large Professional Services Contracts

Top Five Largest Contracts, FY21

Vendor Name	Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % Participation - All DSBEs	Total \$ Value Participation - All DSBEs	Local Business (principal place of business located within City limits) [yes / no]	Waiver for Living Wage Compliance ? [yes / no]
SSM Group	Energy Consultant	\$500,000	6/10/2019	9/1/2019	MBE: 25% - 30%	13%	\$65,000	31%	\$155,000	No	No
					WBE: 25% - 30%	18%	\$90,000				
					DSBE:	0%	\$0				
EnergyCAP	Maintenance and Hosting	\$270,000	5/29/2018	7/1/2018	MBE:	0%	\$0	0%	\$0	No	NO
					WBE:	0%	\$0				
					DSBE:	0%	\$0				
WFGD	Graphic Design Services	\$102,000	N/A	10/1/2018	MBE:	0%	\$0	100%	\$102,000	Yes	No
					WBE:	100%	\$102,000				
					DSBE:	0%	\$0				
Michael Freeman	Renewable Energy	\$72,000	N/A	1/25/2018	MBE:	0%	\$0	0%	\$0	No	No
					WBE:	0%	\$0				
					DSBE:	0%	\$0				
Lion Advisors	Climate Adaptation	\$67,900	N/A	7/1/2019	MBE:	0%	\$0	100%	\$67,900	No	No
					WBE:	100%	\$67,900				
					DSBE:	0%	\$0				

Non-Profit Vendor Demographics: N/A

5. Performance Measures Table

Please refer to the FY22 Budget Testimony narrative for Performance Measure data.

6. Participation Rate and Goal

The Contract Participation Goal table is for **all** contracts (Public Works, SS&E, and Professional Services, combined).

Contracts Summary (Professional Services only)

	FY18	FY19	FY20	FY21*	FY22*	FY21 YTD (Q1 & Q2)*
Total amount of contracts	\$147,000	\$425,875	\$407,950	TBD	TBD	TBD
Total amount to M/W/DSBE	\$15,000	\$34,000	\$99,000	TBD	TBD	TBD
Participation Rate	10%	8%	24%	TBD	TBD	TBD

*OOS is not able to make these projections at this time.

Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)

	FY20	FY21	FY22
M/W/DSBE Contract Participation Goal	20%	20%	20%

FY22 Budget Hearing Summary Charts - Office of Sustainability

7. Staff Demographics

Biracial employees should be included under "Other."

Staff Demographics (as of December 2020)					
Full-Time Staff			Executive Staff		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	1	0	<i>Total</i>	1	0
<i>% of Total</i>	13%	0%	<i>% of Total</i>	33%	0%
<i>Average Salary</i>	\$107,000	N/A	<i>Average Salary</i>	\$107,000	N/A
<i>Median Salary</i>	\$107,000	N/A	<i>Median Salary</i>	\$107,000	N/A
	White	White		White	White
<i>Total</i>	1	5	<i>Total</i>	0	2
<i>% of Total</i>	13%	63%	<i>% of Total</i>	0%	67%
<i>Average Salary</i>	\$78,000	\$78,856	<i>Average Salary</i>	N/A	\$104,291
<i>Median Salary</i>	\$78,000	\$78,000	<i>Median Salary</i>	N/A	\$104,291
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	0	1	<i>Total</i>	0	0
<i>% of Total</i>	0%	13%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	\$44,550	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	\$44,550	<i>Median Salary</i>	N/A	N/A
	Asian	Asian		Asian	Asian
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	N/A	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	N/A	<i>Median Salary</i>	N/A	N/A
	Other	Other		Other	Other
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	N/A	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	N/A	<i>Median Salary</i>	N/A	N/A
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	0	1	<i>Total</i>	0	0
<i>% of Total</i>	0%	13%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	\$44,550	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	\$44,550	<i>Median Salary</i>	N/A	N/A
	Male	Female		Male	Female
<i>Total</i>	2	6	<i>Total</i>	1	2
<i>% of Total</i>	25%	75%	<i>% of Total</i>	33%	67%
<i>Average Salary</i>	\$92,500	\$73,139	<i>Average Salary</i>	\$107,000	\$104,291
<i>Median Salary</i>	\$92,500	\$71,500	<i>Median Salary</i>	\$107,000	\$104,291

Detail for non-binary employees, if applicable: N/A

8. New Hire Information/Language Access

Date range is 7/1/20 to December 2020 increment run. Detail for any hires since then can be added in the text box below the table.

New Hires (from 7/1/2020 to December 2020)	
	Total Number of New Hires
Black or African American	1
Asian	
Hispanic or Latino	
White	
Other	
Total	1

Detail for new hires since December 2020, if applicable: N/A

All Staff	
	Spanish
Black or African American	
Asian	
Hispanic or Latino	1
White	
Other	
Total	1

Frontline Staff: N/A