



CITY COUNCIL AGENDA REPORT

Meeting Date: February 5, 2026
From: Christina Fernandez, Assistant City Manager
Subject: Renewable Energy Contribution

Recommendation

Staff recommends that the City Council provide feedback on potential renewable energy projects that could be used with the \$300,000 contribution that the developer of the Shore at Sierra Point project will be making to the City.

Background

In 2008, the City entered into a Development Agreement with Healthpeak, the developer of The Shore at Sierra Point project (800 to 1800 Sierra Point Parkway) (Attachment 1). Section 3.3 (f)(1) of the development agreement states that the developer shall make the following cash contribution for a renewable energy project:

- (1) "A cash contribution in the amount of \$300,000 (the Energy Contribution) shall be made to City to fund off-site renewable energy project(s) within Brisbane, as determined by City. The Energy Contribution shall be paid within thirty (30) days of City's written notice to Developer that City has obtained the necessary approvals (including approvals from any other governmental entity having jurisdictional authority over the off-site renewable energy project), which notice shall include a statement of the projected costs of such project and the requested contribution amount (which amount shall not exceed the projected costs of City's project)."

Healthpeak is seeking to close out the development project and last fall staff informed Healthpeak that the City did not have a renewable energy project ready to implement, to satisfy the Energy Contribution condition. In order to meet the intent of the condition and allow the development project to receive final approval from the City, Healthpeak agreed to provide to the City the \$300,000 in advance of the City having a "shovel-ready" project.

Discussion

Currently, staff do not have a specific project ready for implementation and are seeking guidance from the Council on the types of renewable energy projects it believes would have the most benefit to the City. Possible projects include solar battery energy storage system (ESS),

Distributed Energy Resources (DER), additional electric vehicle charging infrastructure, and LED lighting upgrades. After receiving feedback from the Council, staff recommends presenting this feedback to the appropriate committee depending on the type of projects selected. This committee could then explore potential projects further and staff would return the item to Council with recommendations.

Fiscal Impact

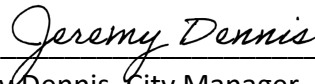
There is no fiscal impact in receiving Council feedback on potential renewable energy projects.

Attachments

1. Section 3.3 (f)(1) of Development Agreement 2008-097434



Christina Fernandez, Assistant City Manager



Jeremy Dennis, City Manager

(f) **Renewable Energy Projects.** In addition to the public improvements described in Exhibit C, Developer shall make the following cash contributions for renewable energy projects:

- (1) A cash contribution in the amount of \$300,000 (the "Energy Contribution") shall be made to City to fund off-site renewable energy project(s) within Brisbane, as determined by City. The Energy Contribution shall be paid within thirty (30) days of City's written notice to Developer that City has obtained the necessary approvals (including approvals from any other governmental entity having jurisdictional authority over the off-site renewable energy project), which notice shall include a statement of the projected costs of such project and the requested contribution amount (which amount shall not exceed the projected costs of City's project). In no event shall Developer be required to make the Energy Contribution until all discretionary approvals required for the Project have been granted and all appeal or challenge periods for such approvals have expired.
- (2) In addition to the Energy Contribution required under Subsection (f)(i) above, Developer shall expend \$1,500,000 (the "Additional Energy Contribution") for implementation (inclusive of design and outside management costs) of an on-site renewable energy program, as approved by City; provided, however, City may elect to reallocate up to \$500,000 of the Additional Energy Contribution toward the cost of off-site renewable energy projects being constructed by City. Such election shall be made within thirty (30) days after City receives written notice from Developer that Developer intends within the next ninety (90) days to apply for a building permit for the garage structure, which notice shall include a budget for the City's intended off-site renewable energy project(s) showing total project costs to be at least the amount of the Energy Contribution plus the reallocated amount. Any portion of the Additional Energy Contribution which is not reallocated by City shall be utilized by Developer for its on-site renewable energy program.
- (3) The on-site renewable energy program may include wind and/or solar elements. The intent of this program is to provide on-site generation at the maximum possible level of efficiency and feasibility, and therefore the mix between wind and solar shall be at the discretion of the Developer, subject to the provision that the full Additional Energy Contribution be made. In order to assess the feasibility of wind energy, a portion of the Additional Energy Contribution shall be used to fund a site wind energy study, which shall be performed under the City's direction, to the City's specifications. The City shall initiate this study as soon as practicable upon execution of this Agreement. The study shall be completed within 18 month following execution of this Agreement.
- (4) Upon completion by City of any off-site renewable energy project funded in whole or in part by Developer's Energy Contribution, or upon completion by Developer of any on-site renewable energy program funded in whole or in part with the Additional Energy Contribution, each party shall furnish to the other a written report describing in reasonable detail the nature of the