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To: Ava Community Energy Board Members

Cc: Ava Community Energy Board Alternates and Community Advisory Committee

Subject: Consent Item C-2023-126 - Community Innovation Grant

December 20, 2023

Dear Ava Community Energy Board Members,

East Bay Clean Power Alliance (EBCPA) is grateful that Ava's Board of Directors called for reinstating the Community Innovation Grant program in 2023, after not making them available since 2019. However, EBCPA is very disappointed in the first and only grant being considered for this program having been granted to a business without a fair application process. We urge the Board to pull Item C-2023-126, from the first Consent Calendar and oppose using Local Development-Community Innovation Grant Funds for a for-profit marketing purpose.

The application requirements for this grant were very different from earlier and more accessible Community Innovation Grants, and designed for community based organizations (CBOs). Earlier grants required an application, not a cumbersome Request For Proposals (RFP). The scope of projects was very limited to Staff's interest in induction cooking compared to past grants being open to "community innovation" and required ability to reach all of Ava's territory which is a challenge for small CBOs. It was announced in the RFP that the grant of \$100,000 would be made over 3 years, totaling \$300,000.

History and Process for Community Innovation Grants

All of those aspects of the application made it difficult for most community-based organizations to apply. This is in contrast to the prior Community Innovation Grant programs. In 2019 \$240,000 in Community Innovation Grant funds were given out to 6 different community-based organizations at \$40,000 per CBO. For this reason, we have been advocating for inclusion of smaller-more accessible grants at \$50,000 each with a multi-year commitment to ensure success in the proposed project or program. There is also a violation of a transparent process of making this granting as there was a subcommittee made up of Community Advisory Committee and Board representatives who field the applications and make the recommendations to the full Board on which organizations are recipients of the Community Innovation Grants. This process was not instituted in granting this round of funds.

Local Development Business Plan Funds Are Investments in Community Benefits & Should Start with our Most Vulnerable Communities within Ava Territory

In contrast, the sole chosen recipient for this years' grant, is Channing St Copper Company, a private, for-profit company that sells \$6,000 induction ranges. A far cry from a community-based organization, and clearly not one that serves low income communities of color. To give \$300,00 to a private company that clearly has a financial interest in increasing the induction range

market for their own product, seems to be a misuse of Local Development funds, and not a way to benefit communities that are the most under-resourced.

Marketing Efforts Should Be Funded with the Marketing Budget

Furthermore, it is inappropriate for the Local Development Business Plan funds to be used for marketing purposes that serve communities with existing capital. The point of the Local Development Business plan is to provide community benefits that start with the most vulnerable communities within Ava Community Energy territory. It would be more appropriate to use marketing funds to fund marketing efforts.

The Agenda Item Indicate a Significant Amount of Funds in a Shorter Time Frame

The description of the item (C-2023-126) describes the purpose of the grant as accelerating clean energy investments that enhance workforce development, promote stronger local economic activity and increase community resilience." It also offers \$300,000 over 2 years. We understood that the Board approved the possibility of \$300,000 over 3 years.

We urge the Board to ask for details about these lofty goals as we do not understand how an induction range company is going to achieve them. We also urge the Board to call for the next round of Community Innovation Grants to be oriented for community-based organizations. Now is the time to release the millions of funds that the Local Development team has yet to release.

Sincerely,

Perturber

Jessica Guadalupe Tovar, Coordinator of East Bay Clean Power Alliance