Urban Sustainability Directors Network Innovation Fund
2018 Annual Report

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Network Context. The Urban Sustainability Directors Network (USDN) is a peer-to-peer network of local government professionals from cities and counties across the United States and Canada dedicated to creating a healthier environment, economic prosperity, and increased social equity. USDN enables sustainability directors and staff to share ideas and approaches that enhance the advancement of urban sustainability across North America. USDN's vision is realizing a sustainable, low-carbon future by developing, adopting, and sharing practices that create equitable and prosperous communities and a healthy environment. To achieve this vision, USDN offers an ecosystem of member services. One of these member amenities is competitive grant funding to members for peer-learning and collaboration around developing innovations. This report details the USDN Innovation Fund (IF)'s 2018 performance.

USDN Innovation Fund Overview. The Innovation Fund is designed to assist USDN members and their partners in collaborating to identify and develop high-impact solutions that advance urban sustainability. Funding opportunities are offered annually. They are designed to buy down risk so that USDN members can collaborate around developing and refining innovative ways to solve problems and leverage field-advancing opportunities in equitable and climate resilient ways. These innovations typically introduce new policies, practices, tools, programs, or organizational models for widespread sharing and adoption.

Since 2009, The Innovation Fund has granted $4,954,109. These funds have impacted how cities operate in 156-member communities. In 2018, the USDN IF was supported by the Barr Foundation, the JPB Foundation, the Kresge Foundation, the McKnight Foundation, and the Summit Foundation.

Steering Committee. USDN members who serve on the IF Steering Committee (SC) volunteered many hours in 2018 to provide fund guidance and to insure the IF is investing in innovations that have the potential to widely impact how cities operate. IF SC members developed the fund's 2019 strategy to align with new USDN priority areas, provided input on 2 RFP designs, and selected award recipients. They also accepted completed grant products, and assessed the outputs, impacts, and successes of past awards. 2018 members include:

Bill Eger; Alexandria, VA	Maribeth DeLorenzo; Washington, D.C. (co-chair)
Brenda Nations; Iowa City, IA	Mark Brostrom; Edmonton, AB, Canada
Daniel Hamilton; Oakland, CA	Matt Naud; Ann Arbor, MI
Erin Gill; Knoxville, TN	Oliver Sellers-Garcia; Somerville, MA
Glen Hadwen; Ft. Lauderdale, FL (co-chair)	Shannon Parry; Santa Monica, CA
Jennifer Green; Burlington, VT	Wayne Feiden; Northampton, MA

Goals and Accomplishments. In support of the fund's purpose to Identify, develop, and refine innovations, the USDN IF SC executed actions in support of 4 primary and equally prioritized goals:

- Advance innovations through the first portion of the pathway

- Broaden collaborative participation around new innovation development
- Improve idea sourcing from members around new innovations
- Promote product leverage and use to refine innovations

Process and outreach highlights from 2018 actions that advanced these goals include:

- The full IF portfolio was assessed to identify quantifiable impacts created by project work
- A curated proposal matchmaker was maintained to connect members and ideas across USDN
- Clarification was added to fund guidance documents to add transparency to the award process
- 4 RFP informational calls were hosted to promote collaboration and proposal development
- 4 USDN Peer Learning Groups received RFP Q&A sessions with fund management
- 13 grantee-debrief calls were hosted to capture lessons learned and improve fund practices
- 47 instances of technical assistance (TA) were offered via the following mechanisms:
    - 20 letters of interest and proposals received written and verbal feedback, to help develop the innovation's context, hypothesis, and specific theory of change;
    - 3 mini-grants were awarded to support partnership and proposal development; and
    - 24 USDN members received one-on-one support for proposal development.
- The IF SC targeted outreach to specific USDN member groups – such as new members, Peer Learning Groups, members who haven't yet led or participated in a grant, and partner networks, to encourage proposal development and existing product uptake. Each committee member called, emailed, or met with a segment of these members during 2018 RFP cycles:
    - USDN IF SC members reached out to 55 USDN veteran or new members who had either never applied to the IF, applied to the IF and not received an award, or were new members to USDN from cities that have previously received IF awards.
    - Of these 55 contacts, 13 members, or 23%, are now participants in an awarded project.

Strategy highlights from 2018 actions that advanced these goals include:

- 2 RFPs and scoring criteria were designed to consider the multiplier effect by showing the innovation in the context of any previous work or advancement and encouraging collaborations that break sector and departmental silos.
    - The Silo-Breaking experimental RFP's scoring criteria focused on promoting cross-departmental and cross-sector collaboration
    - The General RFP score criteria facilitated proposal alignment with USDN High Impact Practices, Climate Resilience, and Equity initiatives

2018 Awards. In 2018, the USDN IF invested $577,996 to support 91 core and associate USDN communities. Of the 13 funded projects:

- $175,000 supported 4 spring silo-breaking awards, shown in Table 1. These projects focus on building energy benchmarking, thermal decarbonization, and influencing utility decision making.

Table 1. USDN IF 2018 Spring Silo-Breaking Awards.

Grant Name	$	Lead	Grant Purpose

Leveraging Benchmarking for Savings	$70,000	Chicago, IL	To determine if energy benchmarking information would help overcome barriers, develop a standard data sharing agreement, and test a data sharing framework between cities and utilities.
Coalition to Influence PJM	$5,000	Philadelphia, PA	A mini-grant to support additional proposal development of a spring proposal for resubmission in the General RFP round.
Regional Fugitive Methane Accounting	$50,000	New York City, NY	To design a methodology for determining regional natural gas leakage factors that cities and states can apply to their GHG emissions inventories and health studies to more accurately reflect the impacts of natural gas consumption on climate change and local air quality.
Building Electrification Primer	$50,000	Burlington, VT	To build on initial thermal decarbonization efforts by providing a roadmap for developing and deepening partnerships between cities and utilities.

- $387,996 supported 6 general awards, shown in Table 2. These projects will advance the equitable development and refinement of innovations in climate resilience, public health and sustainability, climate adaptation planning, and utility-level engagement on renewable energy.

Table 2. USDN IF 2018 General Awards.

Grant Name	$	Lead	Grant Purpose
Communicating Real-time on Wildfire Smoke	$70,000	Alameda County, CA	To provide jurisdictions with the tools necessary to more quickly and effectively communicate about wildfire smoke events, thereby increasing community resilience and mitigating health outcomes.
Community Choice Energy Aggregation PLUS	$45,000	Northampton, MA	To create a clear overview of how CCE PLUS can work in Massachusetts and other states, building on lessons from existing CCEs and the most aggressive models in California and elsewhere.
Cooling Towers: A Nexus of Public Health, Sustainability, and Equity	$79,706	Vancouver, BC	To standardize creation of electronic cooling tower registration systems by defining key metrics for tracking sustainability, public health and equity outcomes, and by creating a Functional Requirements document.
Coalition to Influence PJM Decision-Making	$70,500	Philadelphia, PA	To bring together several leading cities in a collaboration to better understand the levers of influence within PJM, begin the process of influencing decision-making, and develop a sustainable and replicable process to ensure this work continues beyond the grant period.
CAP Financing and Funding	$90,000	Oakland, CA	To provide for the development of comprehensive financing and funding analysis for six USDN member cities, as well as the creation of a guide to assist other cities in performing this work in CAPs.
Transforming Climate Planning and Practice	$32,790	Fort Collins, CO	To spur the next evolution of local government climate planning and action by developing systems thinking around mitigation, resilience, and equity.

- $15,000 supported 3 Technical Assistance (TA) mini-grants, shown in Table 3. TA Mini-grants are awarded to on-board partners during the proposal development stage, and to foster strong project design. Two proposals were ultimately funded by the IF Steering Committee.

Table 3. USDN IF 2018 Technical Assistance Awards.

Grant Name	$	Lead	Grant Purpose
Edina: Technical Assistance for EV Infrastructure Planning Collaborative	$5,000	Edina, MN	Proposal Development
Fort Collins: Technical Assistance for Action at the Mitigation-Resilience-Equity Nexus	$5,000	Fort Collins, CO	Proposal Development

Santa Fe: Technical Assistance for Water and Electricity Extreme Resiliency	$5,000	Santa Fe, NM	Proposal Development

2018 Grants Completed. In 2018, nine Innovation Fund projects came to fruition, shown in Table 4. When projects close, they provide USDN members with new tools, scans, and good practices. As grant projects are completed, they are posted here.

Table 4. USDN IF Projects that completed in 2018.

Innovation Category	Grants Completed in 2018
Energy	• Methane Math - How Cities Can Rethink Emissions from Natural Gas • Renewable Heating & Cooling: Thermal Decarbonization of Residential Buildings
Climate Change Resilience	• USDN Great Lakes Climate Action Network (GLCAN) Vulnerability Assessment Template and Scenario Development • Design and Resiliency Teams (DARTs) Phase 2 - Dubuque, Fraser, Southern Nevada, and Vinalhaven
Community Engagement	• Responsible Events - A Framework for Achievement • Marketing for Action Guidebook
Consumption	• EcoCity Footprint Tool
Transportation	• Pathways to EV: Preparing for the Proliferation of Electric Vehicles in the Midwest
Social Equity	• Ensuring Equity in Energy Transformation and Innovation

2019 Forecast. Table 5 shows progress in 2018 towards performance goals, as well as 2019 targets.

Table 5. USDN Innovation Fund Performance Metrics for 2018 and 2019 Targets.

Performance Goal	Metric Target Statement	2018 Target % of Portfolio	2018 Actual % of Portfolio	2019 Target % of Portfolio*
1. Innovation Idea Development	A. % of IF grants that support brand new concept development**	**50%**	**46%**	**50%**
	B. % of USDN User Groups that have an associated USDN grant	**69%**	**80%**	**82%**
2. Innovation Advancement	A. % of IF grants that support prototyping and refinement of an innovation**	**50%**	**54%**	**50%**
	B. % of IF grants that exhibit cross sector and departmental field and champion building partnerships	**83%**	**83%**	**85%**
3. Collaborative Member Participation	A. % of USDN member communities that have led or participated in a collaborative grant	**71%**	**75%**	**77%**
	B. % of new USDN member communities that have led or participated in a collaborative grant	**10%**	26%	**28%**
4. Product Use and Leverage	A. % of IF grants that result in product use [1]	**50%**	**56%**	**58%**
	B. % of IF grants that leverage products though proposal development, during product development, or through follow-on work[2]	**57%**	**59%**	**61%**

*Targets are based on a 2% increase per grant round.

**The IF is targeting equal representation within its portfolio of new concept development (1A) and innovation refinement (2A). Both metric targets 1A and 2A are fixed at 50%, to show this goal of equal representation within in the fund portfolio.

[1] Product use is defined by the number of grantees that report policy adoption or operational changes in their communities.
[2] Follow-on work can be supported by the IF or by other funding sources, and can occur during or post-grant term.