



San Gabriel Valley Council of Governments

3452 East Foothill Blvd. Suite 910, Pasadena, California 91107 Phone: (626) 564-9702 FAX: (626) 564-1116 E-Mail SGV@sgvcog.org

DATE: February 18, 2010
TO: Governing Board Delegates and Alternates
FROM: Nicholas T. Conway, Executive Director
RE: AB 811 (Levine)

Recommended Action:

Adopt a resolution of support for the County of Los Angeles' State Energy Program (SEP) grant application to provide funding for the County-wide AB 811 program and, if awarded, authorize the County to accept funds and to enter into all necessary contracts and agreements, and amendments to implement the program.

Background:

AB 811 (Levine), which was signed into law in 2008, authorizes all cities and counties in California to designate areas within which willing property owners could enter into contractual assessments to finance the installation of distributed renewable generation, as well as energy efficiency improvements, that are permanently fixed to the property owner's residential, commercial, industrial, or other real property. These financing arrangements would allow property owners to finance renewable generation (including solar) and energy efficiency improvements through low-interest loans that would be repaid as an item on the property owner's property tax bill.

The County of Los Angeles is intending to utilize a significant portion of the \$15.4 million in American Recovery and Reinvestment Act of 2009 (ARRA) funds that it will be receiving under the Energy Efficiency and Conservation Block Grant (EECBG) program to implement an AB 811 program throughout the County unincorporated areas and has extended the opportunity to all cities to participate in an umbrella program. As there are significant costs set-up costs associated with starting such a program, several cities have determined that it would be infeasible for them to independently implement an AB 811 program and have therefore expressed interest in joining in the County's efforts. As this is a large and complex program, the County is contemplating decentralizing certain marketing, outreach and administration aspects of this program by working with the COGs. Over the next twelve months the County will be working with the COGs and the cities to develop the parameters of the program and address operational and logistical issues and concerns.

State Energy Program

The California Energy Commission (CEC) has been tasked with administering funds for the State Energy Program (SEP) under the American Recovery and Reinvestment Act (ARRA) of 2009. The DOE has allocated the Energy Commission \$226 million in ARRA funding for the

SEP. State law authorizes the Energy Commission to use these SEP funds for energy efficiency, energy conservation, renewable energy, and other energy-related projects and activities authorized by ARRA.

This year, the County submitted an application requesting \$26.4 million of this funding to use for the County-wide AB 811 program. In October, the SGVCOG took a position of support for the County's application and submitted a letter of support. Since that time, the CEC has contacted the County and clarified that rather than letters of support, resolutions were needed that specifically indicated that agencies and jurisdictions authorized the County to accept the funds if awarded and to negotiate contracts to implement this program. While this is a technicality, the County is at risk of not being awarded the funding unless it is able to submit these resolutions in a timely fashion. A sample resolution is attached. The County is negotiating with the State to determine whether it is sufficient to have the COGs submit these resolutions or if each individual city must submit a resolution. In the event that individual resolutions are needed, COG staff will contact city staff.

RESOLUTION 10-02

A RESOLUTION OF THE GOVERNING BOARD OF THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS ("SGVCOG"), AUTHORIZING THE COUNTY OF LOS ANGELES TO APPLY FOR FUNDING ON BEHALF OF THE SGVCOG

RESOLUTION

WHEREAS, the San Gabriel Valley Council of Governments (SGVCOG) recognizes that it is in the interest of the regional, state, and national economy to stimulate the economy; create and retain jobs; reduce fossil fuel emissions; and reduce total energy usage and improve energy efficiency within our jurisdiction; and

WHEREAS, Energy Efficiency and Conservation Block Grant (EECBG) funds are available through the California Energy Commission's EECBG Program for grants to eligible local governments for cost-effective energy efficiency projects; and

WHEREAS, the EECBG Program allows for public agencies or non-profit entities to apply for EECBG funds on behalf of eligible local governments; and

WHEREAS, the SGVCOG is eligible for EECBG funding under the California Energy Commission's EECBG Program; and

WHEREAS, the SGVCOG is proposing to collaborate with the County of Los Angeles to implement the Los Angeles County Clean Energy Program energy efficiency project/s described in Exhibit A for the purpose of qualifying for EECBG funds from the California Energy Commission; and

WHEREAS, the County of Los Angeles has considered the application of the California Environmental Quality Act (CEQA) to the approval of the establishment of the Los Angeles County Clean Energy Program; and

WHEREAS, in compliance with CEQA, the project meets the criteria set forth in Section 15308 of the State CEQA Guidelines and Class 8 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, in that it is an action taken by a regulatory agency, as authorized by state law, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

NOW, THEREFORE, BE IT RESOLVED, the project is within a class of projects that has been determined not to have a significant effect on the environment. In addition, there are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption inapplicable based on the project records. The Los Angeles County Internal Services Department will file a Notice of Exemption with the County Clerk in accordance with Section 15062 of the State CEQA Guidelines.

Be it also resolved, if recommended for funding by the California Energy Commission, the SGVCOG authorizes the County of Los Angeles to accept a grant award on its behalf and to enter into all necessary contracts and agreements, and amendments thereto, on its behalf to implement and carry out the Los Angeles County Clean Energy Program.

The foregoing resolution was passed by the **San Gabriel Valley Council of Governments** this 18th day of February, 2010

APPROVED AND ADOPTED by the San Gabriel Valley Council of Governments this 18th day of February, 2010.

SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS

By: _____
Thomas P. King, President