

Municipal Energy Financing Program Implementation

Santa Barbara County Board of Supervisors January 12, 2010



Background

- On Dec 1, 2009 the Board directed staff to implement a municipal energy financing program
- Financing will lower the upfront cost of:
 - Energy efficiency retrofits
 - Renewable energy installations
 - Water conservation improvements
- Paid off on property tax bill; up to a twenty-year term
- Assessment "runs with the property"



Legislative Implementation Steps

- Jan 12, 2010: Notice to water and electric utility providers, consideration of draft Resolutions
- Jan March 2010: Cities formally approve participation in County's program; initiate agreements with cities
- March 16, 2010: Board considers final Resolution of Intention
- April 13, 2010: Board considers adoption of the Resolution confirming the Program Report, Bond Resolution, and Agreements with Cities



Summary of Draft Resolution of Intention

- Findings of Public Benefit: Promote economic stability, address climate change, save energy and water
- Program Parameters: Identification of boundaries and general financing strategy, required consultations with A/C and others
- Program Report: Direction to finalize Program Report, similar to Admin Guidelines provided on Dec 1, 2009
- Board Consideration of Final Program
 Report: Proposed for April 13, 2010

Jan 6, 2010 DRAFT provided by Jones Hall

RESOLUTION NO.

RESOLUTION DECLARING INTENTION TO FINANCE INSTALLATION OF DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, AND ENERGY EFFICIENCY MAD WATER FEFICIENCY IMPROVEMENTS

WHEREAS, the County of Santa Barbara (the "County") is authorized under Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California ("Chapter 29") to enter into contractual assessments to finance the installation of distributed generation renewable energy sources, and energy efficiency and water efficiency improvements that are permanently fixed to real property ("Authorized Improvements"); and

WHEREAS, the Board of Supervisors wishes to declare its intention to establish a contractual assessment program (the "Program"), pursuant to which the County would enter into contractual assessments to finance the installation of Authorized Improvements in the County,

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Santa Barbara as follows:

Section 1. Findings. The County hereby finds and declares the following

- (a) The above recitals are true and correct.
- (b) A public purpose will be served by establishing a contractual assessment program, pursuant to which the County will finance the installation of Authorized Improvements to residential, commercial, industrial, or other real property in the County.
- (c) The upfront cost of making residential, commercial, industrial, or other real property more energy and water efficient, along with the fact that most commercial loans for that purpose are due on the sale of the property, prevents many property owners from installing Authorized Improvements.
- (d) Energy conservation efforts, including the promotion of energy-related Authorized Improvements to residential, commercial, industrial, or other real property, will support efforts to foster communitywide sustainability and lowered greenhouse gas emissions by promoting economic stability and environmental stewardship through participation in the green economy.
- (e) Energy conservation efforts, including the promotion of energy-related Authorized Improvements to residential, commercial, industrial, or other real property, are necessary to address the issue of global climate change and the reduction of greenhouse gas emissions in the County.
- (f) Water conservation efforts, including the promotion of water-related Authorized Improvements to residential, commercial, industrial, or other real property, are necessary to address the issue of chronic water shortages in California.

Section 2. Determination of Public Interest. The Board of Supervisors hereby determines that (a) It would be convenient, advantageous, and in the public interest to designate an area, which shall encompass the territory described in Section 4 below, within which the County and property owners within the County may enter into contractual assessments to

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Summary of Draft City Resolution

 Formally Approve Participation in the County's Program

- Findings of Public Benefit:
 Promote economic stability,
 address climate change, save
 energy and water
- Cooperation Agreement:
 Cities will be provided with a form agreement, Board will approve in April 2010





Recommendations

- Direct Staff to provided the Board of Supervisors' written notice of a proposed contractual assessment program (Attachment 1) to all water and electric providers within the boundaries of the County of Santa Barbara (County); and,
- Direct staff to provide the proposed County of Santa Barbara Resolution Declaring Intention (Resolution of Intention) to Finance Installation of Distributed General Renewable Energy Sources, Energy Efficiency and Water Efficiency Improvements to cities within the County (Attachment 2); and,
- Direct staff to provide the cities with a draft resolution approving participation in the County's program (Attachment 3); and,
- Set a hearing for March 16, 2010 to consider adoption of the proposed County of Santa Barbara Resolution of Intention, following action by each participating city.

