



emPowerSBC

*Lending partnership agreement and
grant modification*

Board of Supervisors
August 9, 2011



Purpose

- Next steps in implementation of emPowerSBC program
- Consideration to:
 - Approve the financial lending agreement
 - Approve grant modification
 - Adopt privacy policy
 - Determine CEQA exemption



Context

- County recipient of Department of Energy grant
- Goals of the grant:
 - Create & retain jobs
 - Spur economic growth & long-term investment & build a strong economy
 - Make buildings more energy efficient and a better place to live & work



Financing Update

- Model uses \$1 million of federal grant funds for a loan loss reserve (LLR)
 - Provides loan default coverage
 - Leverages private capital 20:1
 - Offer attractive rates & terms to consumers for loans for energy efficiency projects and retrofits
- RFP process was completed & CoastHills Federal Credit Union selected
 - Agreement with Ventura County Credit Union to cover all residents of the County



LLR Agreement & Program Summary

- Eligible Participants
 - Owners of single-family homes throughout County
 - Meet basic loan underwriting criteria
- Eligible projects
 - Energy Upgrade CA energy efficiency and water conservation projects
 - Homeowners may opt to add solar projects



LLR Agreement & Program Summary

- Opportunity for Loans to Applicants
 - Underwriting for A+ to D Credit Scores
- Interest Rates
 - Starting at 5.90%
- Loan Amounts
 - Range from \$1,000 to \$25,000
- Loan Repayment Terms/Tenure
 - Up to 5 years, Up to 15 years
- Loan Loss Reserve Default Coverage
 - 90% of the loss, up to 5% of the outstanding portfolio



Other Program Components

- **Workforce Development**
 - Contractor recruitment for participation
 - Three Energy Upgrade CA/emPowerSBC Participation Workshops
 - Participation workshop in Ventura on August 25
 - Other building performance trainings to Santa Barbara County
 - Efforts to partner with WIB, Energy Upgrade CA, educators and industry groups to bring in more trainings, assistance and incentives for contractors
- **Marketing**
 - With Board approval of agreement, begin deployment of phased marketing strategy to align with launch of financing program with CoastHills



Recommendations

- Approve items A-D of the Board report

