



## REPORT TO THE CITY COUNCIL

**DATE:** MAY 13, 2015

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** GREG RAMIREZ, CITY MANAGER 

**BY:** LOUIS CELAYA, DEPUTY CITY MANAGER 

**SUBJECT:** ADOPTION OF RESOLUTION NO 15-1782 CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE INCORPORATED AREA OF THE CITY IN THE LOS ANGELES COUNTY ENERGY PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES AND ENERGY AND WATER EFFICIENCY IMPROVEMENTS, APPROVING THE REPORT SETTING FORTH THE PARAMETERS OF THE REFERENCED PROGRAM AND CERTAIN MATTERS IN CONNECTION THEREWITH

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On April 6, 2010, the County of Los Angeles Board of Supervisors adopted a Resolution of Intention to implement the Los Angeles County Energy Program (LACEP) to provide financing to qualified property owners within the County of Los Angeles (County) for the installation of distributed generation renewable energy projects and energy and water efficiency improvements to their respective properties. The adoption of the resolution established the LACEP within the boundaries of the County and authorize the County to create a program of bond financing for loans made in connection with LACEP.

The LACEP was created to help property owners make capital investments in distributed generation renewable energy sources and energy efficiency and water efficiency improvements that will provide long-term efficiencies and reduced energy bills. The program provides a financing mechanism for these improvements through an assessment contract between the County and the property owner, where the County will disburse a specified amount of funding in the form of a loan to the property owner. The property owner will repay this loan through contractual assessments to be included on the annual property tax bill. If the owner sells the property prior to full repayment of the loan, the obligation remains a lien on the property and transfers to the new property owner.

The County finances the program by issuing bonds payable from contractual assessment revenues. Participation in the program is "completely voluntary", and property taxes for non-participating property owners will not be affected by the County's implementation of LACEP. In addition, the improvements will not generally be subject to reappraisal by the County Assessor unless they are included as part of a major

remodeling or renovation that results in a structure substantially equivalent to new construction.

Participation in the County LACEP requires approval from a municipal agency's governing body through the adoption of a resolution acknowledging participation and declaring that properties in the City's incorporated area will be benefited by participation in LACEP. It does not bind property owners to enter into this voluntary program. Cities may also elect to withdraw from participation in LACEP by adopting a resolution terminating their involvement. If a participating city elects to withdraw from LACEP, no future assessment financing will be made in that city, but assessment obligations made previous to the city's termination will remain in effect. To date, eighty (80) of the eighty-eight (88) incorporated cities in the County have adopted resolutions, and there have been no withdrawals from the program. The County currently utilized two administrators for this program, CaliforniaFIRST and HERO, to administer the LA County LACEP. The County's intention and decision to have available these two County residential Property Assessed Clean Energy (PACE) Financing Program providers creates competition in the market and that could result in benefits to home owners such as lower rates, better terms, lower fees and better customer service. Home owners will be able to select an administrator that best meets their needs.

Participation in the County's LACEP will see minimal impact to staff resources as the County provides all resources to residents interested in the program through its program administrators. City staff's role would simply be dissemination of program and contact information to interested residents in various forms (i.e., information on the City website, AHTV Channel, etc).

The LACEP is another program available to County of Los Angeles residents who are looking for financing options for installation of distributed generation renewable energy projects and energy and water efficiency improvements to their respective properties.

## **RECOMMENDATION**

Staff recommends the City Council adopt Resolution No. 15-1782 Consenting to Inclusion of Properties within the Incorporated Area of the City in The Los Angeles County Energy Program to Finance Distributed Generation Renewable Energy Sources and Energy and Water Efficiency Improvements, Approving the Report Setting Forth the Parameters of the Referenced Program and Certain Matters in Connection therewith.

Attachment: Resolution No. 15-1782  
Exhibit A (Report) Available Online:

<http://www.ci.agoura-hills.ca.us/government/city-council/view-webstreamed-city-council-meetings>

**RESOLUTION NO. 15-1782**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE INCORPORATED AREA OF THE CITY IN THE LOS ANGELES COUNTY ENERGY PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES AND ENERGY AND WATER EFFICIENCY IMPROVEMENTS, APPROVING THE REPORT SETTING FORTH THE PARAMETERS OF THE REFERENCED PROGRAM AND CERTAIN MATTERS IN CONNECTION THEREWITH**

**THE CITY COUNCIL OF THE CITY OF AGOURA HILLS HEREBY FINDS, RESOLVES, AND ORDERS AS FOLLOWS:**

**WHEREAS**, Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the "Act") authorizes cities and counties to assist free and willing property owners in financing the installation of distributed generation renewable energy sources and energy and water efficiency improvements (the "Improvements") that are permanently fixed to residential, commercial, industrial or other real property through a contractual assessment program; and

**WHEREAS**, the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles, a political subdivision of the State of California (the "County"), has established a contractual assessment program named the Los Angeles County Energy Program ("LACEP") pursuant to the Act; and

**WHEREAS**, the parameters of LACEP are set forth in the Report attached hereto as Exhibit A (the "Report") and such Report has been prepared by the Director of the Internal Services Department of the County, as Program Administrator (the "Program Administrator"), pursuant to Section 5898.22 of the Act and approved by the Board of Supervisors; and

**WHEREAS**, the Act authorizes the County to enter into contractual assessments with property owners located within incorporated cities only subsequent to the approval of the legislative body of the related city to participate in LACEP; and

**WHEREAS**, the City of Agoura Hills desires to participate with the County in LACEP, under terms and conditions agreed to by City of Agoura Hills and the County, and provide for participation in LACEP by property owners located within City limits; and

**WHEREAS**, this Council of the City (this "City Council") has reviewed the Report;

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the Council of the City of Agoura Hills as follows:

Section 1. The recitals set forth hereinabove are true and correct in all respects.

Section 2. This City Council finds and declares that properties in the City's incorporated area will be benefited by participation in LACEP.

Section 3. This City Council ratifies the resolution adopted by the Board of Supervisors on April 6, 2010, declaring the Board of Supervisors' intention to order the implementation of a contractual assessment program to finance Improvements pursuant to the Act.

Section 4. This City Council hereby approves the Report substantially in the form attached hereto as Exhibit A and finds and determines that changes to the parameters of LACEP that are not material in nature do not require the approval of this Council.

Section 5. This City Council hereby approves the inclusion in LACEP of all of the properties in the incorporated area within the City, as same may be amended through annexation from time to time, the acquisition, construction and installation within City limits of the Improvements set forth in the Report upon the request and agreement of the affected property owner, and the assumption of jurisdiction thereover by the County for the aforesaid purposes. The adoption of this Resolution by this City Council constitutes the approval by the City to participate in the LACEP. This City Council further authorizes the County to set the terms of and implement LACEP and to take each and every action necessary or desirable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance of bonds secured by such contractual assessments.

Section 6. The City Clerk is directed to file a certified copy of this Resolution with the Los Angeles County Office of Sustainability, located at 1100 North Eastern Avenue, Los Angeles, California 90063.

Section 7. City staff is authorized and directed to coordinate with the County, including the Program Administrator and County staff, to facilitate operation of LACEP. City staff is also authorized and directed to do all acts and things which may be required by this Resolution, or which may be necessary or desirable in carrying out LACEP as described in the Report, as may be amended from time to time, and approved by this Resolution, and all matters incidental thereto.

**PASSED, APPROVED, and ADOPTED** this 13<sup>th</sup> day of May, 2015, by the following vote to wit:

AYES:           ( )  
NOES:           ( )  
ABSENT:       ( )  
ABSTAIN:       ( )

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Illece Buckley Weber, Mayor

ATTEST:

Kimberly M. Rodrigues, City Clerk

**EXHIBIT A**

**REPORT (Available On Line):**

**<http://www.ci.agoura-hills.ca.us/government/city-council/view-webstreamed-city-council-meetings>**

*Los Angeles County*  
*Energy Program*  
**(LACEP)**



**PROGRAM REPORT**