



Kriss Worthington

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INFORMATION CALENDAR

March 11, 2014

To: Honorable Mayor and Members of the City Council
 From: Kriss Worthington, District 7, Berkeley City Council
 Subject: Governor Jerry Brown Presents the HERO Program with the Governor's Environmental and Economic Leadership Award ("GEELA")

INTRODUCTION

The HERO Program was recently awarded the Governor's Environmental and Economic Leadership Award for their work to make California more energy efficient.

The 2013 Governor's Environmental and Economic Leadership Awards stated that, "The Western Riverside Council of Governments, in just 16 months, has implemented the largest Property Assessed Clean Energy Program in the nation. The initiative, known as the Home Energy Renovation Opportunity (HERO) Program, provides financing through local governments to residential and business property owners for the installation of energy efficient, renewable energy and water conservation improvements on existing properties. The high up-front costs of retrofits that were once a barrier for homeowners are eliminated because financing for the upgrades are repaid through the monthly property tax bill. More than 4,000 property owners in Western Riverside, representing over \$200 million in financing, have been approved, adding local jobs, reducing energy use and curbing the impacts of climate change through greenhouse gas reductions."

Jeff Stone, who is the WRCOG Executive Committee Chair, said, "The HERO Program is a great example of how a public/private sector partnership can work to improve properties, create jobs, save energy, lower utility costs and reduce greenhouse gases. It's a 'win' for the economy and for the environment."

CURRENT SITUATION AND EFFECTS

On September 10, 2013, the Council referred to the City Manager to review the HERO program and potential agreements for commercial properties.

The City can increase the effectiveness of the Climate Action Plan by continuing to promote sound environmental policy such as solar and energy retrofit in commercial areas. Since 2000, the City has reduced community-wide emissions by 8%. Our City goal is to have an additional 15% reduction by 2020. In order to achieve this goal, the

City should proceed to develop and implement programs to reduce our carbon emissions.

Currently, there are at least 24 cities that have followed through with the HERO program and 69 cities that have implemented the PACE program. These programs provide alternative benefits to each city as a whole because local businesses can participate in clean energy retrofits, and residents have more options to affordable clean energy.

BACKGROUND

HERO is a Property Assessed Clean Energy (PACE) program. PACE programs provide financing for solar installations and energy and water upgrades and enable the homeowner to repay the cost of the financing on their property tax bill. PACE financing is an innovative and effective tool for lowering the upfront cost of energy upgrades and amortizing the cost over time. It is an important tool that can assist communities to achieve their energy and climate action goals.

The California Environmental Protection Agency Press Release December 10, 2013:

<http://www.calepa.ca.gov/PressRoom/Releases/2013/GEELAAward.pdf>

2013 Governor's Environmental and Economic Leadership Awards Program:

<http://www.calepa.ca.gov/Awards/GEELA/>

FISCAL IMPACTS

None.

CONTACT PERSON

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