

**TOWN OF
APPLE VALLEY, CALIFORNIA**

AGENDA MATTER

Subject Item:

AUTHORIZATION TO PERMIT GREENER DAWN, INC., TO SUBMIT A COLLABORATIVE ENERGY EFFICIENCY GRANT APPLICATION ON BEHALF OF APPLE VALLEY TO THE CALIFORNIA ENERGY COMMISSION

Summary Statement:

Greener Dawn, Inc., is an Energy Efficiency consulting firm that provides a number of services to include energy audits, retrofit planning, project management and program development as it relates to creating innovative energy efficiency projects. The California Energy Commission released a Request for Proposals, making an estimated \$95 million available for the California Comprehensive Residential Building Retrofit Program. Each proposal shall request not more than \$20 million and no less than \$2 million.

Greener Dawn, Inc., is collaborating with multiple jurisdictions to include the County of San Bernardino as well as jurisdictions such as Ontario, Victorville and Apple Valley to apply for approximately \$8 million dollars to be used to implement home energy retrofit programs. The grant application will cover three major components: energy audits, energy efficiency training and actual construction/retrofit.

At this time, the California Energy Commission requires an adopted resolution from all potential participating jurisdictions authorizing Greener Dawn, Inc., to submit the application on their behalf. It should be noted that there is no guarantee of an award of funds in this highly competitive process. If Greener Dawn, Inc., is successful in obtaining funding, the Town is not bound or required to participate at that time. Rather, a future item will be placed on the Council Agenda to review the specifics of the program. At a future date, the Town of Apple Valley Redevelopment Agency Board may review a request for some leveraged funding from its 20% set-aside funds.

The program can potentially benefit many lower income homeowners by providing a source of funds for both energy audits and energy efficient improvements, which may result in substantial energy savings while also providing job training and job creation opportunities in this field.

For your information, a copy of the resolution as well as letters of support for Greener Dawn, Inc., by the U.S. Department of Housing and Urban Development (HUD) and Southern California Edison (SCE) are attached as Exhibit 1 and Exhibit 2, respectively.

Recommended Action:

That the Town Council Adopt Resolution 20010-xx authorizing Greener Dawn, Inc., to submit a collaborative application on its behalf to the California Energy Commission

Proposed by: Assistant Town Manager, Econ. & Comm. Dev **Item Number** _____

T.M. Approval: _____ **Budgeted Item** Yes No N/A

EXHIBIT 1

RESOLUTION NO. 2010-03

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY AUTHORIZING GREENER DAWN, INC., TO SUBMIT A COLLABORATIVE APPLICATION ON ITS BEHALF TO THE CALIFORNIA ENERGY COMMISSION

WHEREAS, the Town of Apple Valley 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, State Energy Program (SEP) funds are available through the California Energy Commission's SEP Program for grants to eligible local governments for cost-effective energy efficiency projects; and

WHEREAS, the SEP Program allows for public agencies, private energy and building contracting experts or non-profit entities to apply for SEP funds on behalf of eligible local governments; and

WHEREAS, the Town of Apple Valley is eligible for SEP funding under the California Energy Commission's SEP; and

WHEREAS, the Town of Apple Valley is proposing to collaborate with Greener Dawn, Inc. to implement the energy efficiency project/s described in Exhibit A for the purpose of qualifying for SEP funds from the California Energy Commission; and

WHEREAS, the Town of Apple Valley has considered the application of the California Environmental Quality Act (CEQA) to the approval of the energy efficiency project/s described in Exhibit A; and

NOW, THEREFORE, BE IT RESOLVED, that in compliance with the CEQA, the Town of Apple Valley finds that the approval of the energy efficiency project/s described in Exhibit A is not a "project" under CEQA, as CEQA does not apply when only ministerial approval is necessary.

Be it also resolved, that the Town of Apple Valley authorizes Greener Dawn, Inc. to submit a collaborative application on its behalf to the California Energy Commission for up to \$8 Million in SEP funds for the energy efficiency project/s described in Exhibit A.

Be it also resolved, if recommended for funding by the California Energy Commission, the Town of Apple Valley authorizes 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 project/s described in Exhibit A.

The foregoing resolution was passed, approved and adopted by the Town of Apple Valley this _____ day of _____, _____.

MAYOR

ATTEST:

TOWN CLERK

EXHIBIT A

Proposed Project

The Energy Advantage Program (EAP) is designed to support cities in creating a foundation for green jobs through a home energy retrofit industry. The program embeds HERS II ratings and the Tier 3, whole-house energy efficiency approach into existing HUD programs. Activities to be leveraged and transformed may include: rehabilitation grants, rehabilitation loans, acquisition rehabilitation, exterior beautification, and health & safety projects. The EAP will be comprised of three major components:

Energy Audits

Energy Audits will provide a home energy rating and roadmap prior to the development of the scope-of-work for any rehab project. This process will enable the scope-of-work to incorporate energy-efficiency measures outlined in the roadmap to reduce monthly energy bills, improve home comfort, reduce the environmental impacts and increase the property's value.

Energy Efficiency Training

A regional program will provide energy efficiency training for Town staff, building inspectors and local contractors involved with Town rehab projects. This will include trainings and certification in both HERS auditing and Building Performance contracting. The program will align with the Energy Commissions' Third Tier – HERS II Rater based approach with Raters and Building Performance Institute building performance contractors trained to accomplish deeper, comprehensive retrofits (high savings per home).

Funds for Energy Work

Leverage funds will augment any rehab budget providing dollars for advanced energy efficiency solutions and technologies. Home energy projects where historically there had been cost challenges will now be realized.

The Energy Advantage Rehab Program will have a significant impact on the local economy and the housing stock for participating cities. The benefits for cities include green job creation, a lower carbon footprint, increased home values, regional leadership and grateful citizens.

Local Government Jurisdictions

Participation may include: Apple Valley, Ontario, Chino, Redlands, Hesperia, Victorville and the County of San Bernardino. (Additional local government jurisdiction participation may be considered)

Amount of their respective Grant award contributions

To be determined.

Lead Collaborative Entity

Greener Dawn Residential is an Energy Efficiency consultation firm. Our services include: energy audits, retrofit planning and energy efficiency "roadmap" development. Additionally, we provide professional consulting services including project management and program development to assist communities, investors and municipalities to navigate today's landscape of incentive programs, home energy ratings, emerging technologies, performance contractors, financing mechanisms and funding opportunities to create innovative energy efficiency solutions.

EXHIBIT 2



U.S. Department of Housing and Urban Development

San Francisco Regional Office - Region IX

600 Harrison Street

San Francisco, California 94107-1387

www.hud.gov
espanol.hud.gov

November 19, 2009

California Energy Commission
1516 Ninth Street, MS-18
Sacramento, California 95814

Re: Support for Greener Dawn Proposal of the Comprehensive Residential Building Retrofit Program, CEC's RFP #400-09-403

The U.S. Department of Housing and Urban Development (HUD) supports the innovative residential energy retrofit program proposal submitted by Greener Dawn in response to the Commission's *Comprehensive Building Retrofit Program Request for Proposals*.

The Energy Advantage proposal would establish a comprehensive framework for undertaking residential energy audits on a regional scale, creating a sustainable energy workforce of certified auditors and installers, and facilitating residential energy retrofits by leveraging SEP program funds with a variety of federal and state housing programs which may include HUD's Neighborhood Stabilization, Health Homes, Public Housing Capital Grant, and Community Development Block Grant, and HOME Investment Partnership programs.

The proposal aligns with federal policies and priorities, particularly the federal *Recovery Through Retrofit* initiative which calls for joint federal action to provide better effective place-based financing mechanisms and the expand the workforce of qualified and certified of building performance contractors and energy raters and inspectors. The development of a highly skilled workforce in the Inland Empire will directly support HUD's implementation of enhanced energy financing products for single and multifamily.

HUD looks forward to working with Green Dawn, and the members of the public private partnership implementing the Energy Advantage program in the Inland Empire, to support the delivery of this important program by providing outreach and technical support to affordable housing providers supported by HUD's programs, coordinating housing rehabilitation activities with place-based energy retrofit programs, and working with local agencies to leverage HUD funded housing programs with the resources available through the Energy Advantage Program.

Sincerely,


Wayne Waite
Regional Energy Representative
U.S. Department of Housing and Urban Development – Pacific Hawaii Region



December 18, 2009

California Energy Commission
1516 Ninth Street, MS-18
Sacramento, CA 95814

Re: Greener Dawn, Inc.'s "Energy Advantage Program" (EAP) Proposal for the
California Comprehensive Residential Building Retrofit Program, CEC's
RFP #400-09-09-403

Southern California Edison Company (SCE) commends the distinct program vision and framework in the program proposal submitted by Greener Dawn, Inc. in response to the Energy Commission's *California Comprehensive Residential Building Retrofit Program*.

SCE likes the concept of partnering with programs such as EAP to develop a set of home energy audit and retrofit processes and protocols for coordination between Housing and Urban Development (HUD) programs and other local energy programs. SCE also envisions working together with others to establish a foundation to train and qualify auditors and contractors with project experience, and lay the groundwork for transforming the home retrofit industry in California. This aligns with federal policies and priorities, particularly the federal *Recovery Through Retrofit* initiative.

Section 5.1.2 of the CPUC Decision approving 2010 – 2012 Energy Efficiency Portfolios and Budgets requests that the utilities develop a Prescriptive Whole House Retrofit Program (PWHRP) that maximizes coordination between the CEC, local governments, third-party programs and the appropriate trade associations. Programs such as EAP should compliment utility retrofit efforts by implementing solutions beyond the scope currently funding by CPUC programs.

SCE sees value in coordinating with such program efforts to incentivize measures funded through its residential energy efficiency offerings; to coordinate on program outreach and local program delivery; and offer related workforce development training and seminars through the Customer Technology Application Center (CTAC). SCE's participation in any specific program will be contingent upon SCE entering into signed agreements with specific terms and conditions.

Sincerely,

A handwritten signature in cursive script that reads "Richard Genece".

Richard Genece
Residential Portfolio Manager – Energy Efficiency
Southern California Edison