

HOUSING COMMITTEE REPORT and RESOLUTIONS relative to increasing the pool of PACE administrators to provide financing options for PACE-eligible improvements; and, an agreement with the program administrator Ygrene Energy Fund CA, LLC.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ADOPT the accompanying RESOLUTION of the City of Los Angeles Consenting to the Inclusion of Properties within the Jurisdiction of the City of Los Angeles in the California Home Finance Authority (CHFA) PACE Program; Authorizing the Authority to Levy Assessments, Impose Contractual Assessment Liens and Finance Eligible Improvements on Those Properties; Approving Membership in the CHFA; Authorizing the Mayor to Execute the Indemnification and Insurance Agreement.
2. ADOPT the accompanying RESOLUTION of the City of Los Angeles Consenting to the Inclusion of Properties within the Jurisdiction of the City of Los Angeles in the CHFA Community Facilities District No. 2014-1.
3. ADOPT the accompanying RESOLUTION of the City of Los Angeles Consenting to the Inclusion of Properties within the Territory of the City in the California Municipal Finance Authority (CMFA) to Accept Applications from Property Owners, Conduct Contractual Assessment Proceedings and Levy Contractual Assessments within the Territory of the City; and Authorizing Related Actions.
4. EXECUTE the Associate Membership Agreement with the CHFA.
5. EXECUTE the Indemnification and Insurance Agreement by and Between the City of Los Angeles and Ygrene Energy Fund CA, LLC.
6. AUTHORIZE the City Administrative Officer (CAO) to make technical adjustments as necessary to implement the intent of this action.

Fiscal Impact Statement: The CAO reports that this action will not impact the General Fund. The financing costs for seismic retrofits contemplated by this program will be borne by the property owners and not the City.

Community Impact Statement: None submitted.

SUMMARY

In a report to the Mayor and Council dated September 4, 2015, the CAO states that the City has previously taken action to opt-in to PACE programs offered by California Statewide Communities Development Authority and California Enterprise Development Authority. By adopting the accompanying resolutions and approving the documents attached to the CAO report, the City will opt-in to the PACE programs offered by CHFA and CMFA. Including the County program, this will increase the pool of PACE administrators available to City property owners to a total of six administrators: AllianceNRG, CaliforniaFirst, Figtree, Ygrene, E3, and HERO.

The CAO recommends the adoption of the resolutions and approval of the actions necessary to join CHFA and opt in to the PACE programs offered by CHFA and CMFA for the purpose of providing financing options for PACE-eligible improvements, including seismic retrofits. The CAO also recommends that the City execute the member agreement with CHFA and the Indemnification Agreement proposed by Ygrene.

At its meeting held September 16, 2015, the Housing Committee discussed this matter with a representative of the CAO. The CAO representative reviewed the recommendations in the CAO report. The PACE program can be used by property-owners to finance mandated improvements such as seismic upgrades of apartment buildings. The CAO report adds two administrators to the pool of PACE finance providers. It was further stated that no credit checks are required for PACE financing. Loans are attached to the property as liens.

During the public comment period, a representative of Ygrene Energy expressed support for the CAO report recommendations. It was stated that Ygrene is the leading provider of PACE financing. Ygrene is ready to provide financing to area apartment owners and is prepared to increase local staff to meet that demand.

The Housing Committee recommended that Council approve the CAO's recommendations relative to increasing the pool of PACE administrators to provide financing options for PACE-eligible improvements; and, the agreement with program administrator Ygrene Energy Fund CA.

Respectfully Submitted,

HOUSING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO: <i>S Cedillo</i>	YES
FUENTES:	YES
HUIZAR:	YES
PRICE:	YES
HARRIS-DAWSON:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-