

TO: Thomas Frutchey, City Manager

FROM: Warren Frace, Community Development Director

SUBJECT: **California HERO Program - Amendment to a Certain Joint Powers Agreement  
Voluntary financing opportunity for renewable energy improvements**

DATE: April 5, 2016

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**NEEDS:** For City Council to consider adopting Resolution No. 16-xxx, consenting to the Inclusion of Properties within the City's Jurisdiction in the California HERO Program to Finance Distributed Generation Renewable Energy Sources, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure and Approving an Amendment to a Certain Joint Powers Agreement.

**FACTS:**

1. Assembly Bill (AB) 811 was signed into law on July 21, 2008, and AB 474, effective January 1, 2010, amended Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California ("Chapter 29") and authorizes a legislative body to designate an area within which authorized public officials and free and willing property owners may enter into voluntary contractual assessments to finance the installation of distributed generation renewable energy sources, energy efficiency, and/or water conservation improvements that are permanently fixed to real property, as specified.
2. Since 2011, the HERO Program has helped more than 50,000 property owners make more than \$1.02 billion in improvements to their homes which reduce energy and water consumption, saving homeowners over \$1.9 billion in estimated future utility costs and more than 1.9 billion gallons of water. Adopted in 360 California communities, more than 8,600 local jobs have been created as a result of HERO.
3. The California HERO Program was developed as a turnkey program to save other California jurisdictions time and resources in developing a standalone program. Jurisdictions only need to adopt the form of resolution accompanying this staff report and approve an amendment to the joint exercise of powers agreement related to the California HERO Program attached to such resolution to begin the process.

**ANALYSIS &  
CONCLUSION:** The California HERO Program is being offered to allow property owners in participating cities and counties to finance renewable energy, energy water

efficiency improvements and electric vehicle charging infrastructure on their property. If a property owner chooses to participate, the improvements to be installed on such owner's property will be financed by the issuance of bonds by a joint power authority, Western Riverside Council of Governments ("WRCOG"), secured by a voluntary contractual assessment levied on such owner's property. Participation in the program is 100% voluntary. Property owners who wish to participate in the program agree to repay the money through the voluntary contractual assessment collected together with their property taxes.

The benefits to the property owner include:

- Eligibility: In today's economic environment, alternatives for property owners to finance renewable energy/energy efficiency/water efficiency improvements or electric vehicle charging infrastructure may not be available. As such many property owners do not have options available to them to lower their utility bills.
- Savings: Energy prices continue to rise and selecting in energy efficient, water efficient and renewable energy models lower utility bills.
- 100% voluntary. Property owners can choose to participate in the program at their discretion.
- Payment obligation stays with the property. Under Chapter 29, a voluntary contractual assessment stays with the property upon transfer of ownership. Even if there were private enterprise alternatives, most private loans are due on sale of the benefited property, which makes it difficult for property owners to match the life of the repayment obligation with the useful life of the financed improvements. Certain mortgage providers will, however, require the assessment be paid off at the time the property is refinanced or sold.
- Prepayment option. The property owner can choose to pay off the assessments at any time, without incurring prepayment penalties.

The benefits to the City include:

- As in conventional assessment financing, the City is not obligated to repay the bonds or to pay the assessments levied on the participating properties.
- All California HERO Program and assessment administration, bond issuance and bond administration functions are handled by California

HERO. Little, if any, City staff time is needed to participate in the California HERO Program.

- The City can provide access for its residents to the California HERO Program without the higher staff costs that an independent program established by the City would require.
- Consistent with the City's Climate Action Plan goals.

The proposed resolution enables the California HERO Program to be available to owners of property within our City to finance renewable energy, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure. The resolution approves an Amendment to the WRCOG Joint Powers Agreement to add the City as an Associate Member in order that the California HERO Program may be offered to the owners of property located within the City who wish to participate in the California HERO Program.

**POLICY**

**REFERENCE:** November 19, 2013 Paso Robles Climate Action Plan, 2003 General Plan Conservation Element

**FISCAL**

**IMPACT:** There is no negative fiscal impact to the City's general fund incurred by consenting to the inclusion of properties within the City limits in the California HERO Program. All California HERO Program administrative costs are covered through an initial administrative fee included in the property owner's voluntary contractual assessment and an annual administrative fee which is also collected on the property owner's tax bill.

- OPTIONS:**
- a. Adopt Resolution No. 16-xx consenting to the Inclusion of Properties within the City's Jurisdiction in the California HERO Program to Finance Distributed Generation Renewable Energy Sources, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure and Approving an Amendment to a Certain Joint Powers Agreement
  - b. Amend the above option.
  - c. Refer the item back to staff for additional analysis.
  - d. Take no action.

- Attachments:**
1. Resolution No. 16-XX
  2. HERO informational Package

# Attachment 1

## RESOLUTION NO. 16-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES CALIFORNIA, CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HERO PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING THE AMENDMENT TO A CERTAIN JOINT POWERS AGREEMENT RELATED THERETO

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WHEREAS, the Western Riverside Council of Governments ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

WHEREAS, Authority has established the California HERO Program to provide for the financing of renewable energy distributed generation sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, City of Paso Robles (the "City") is committed to development of renewable energy sources and energy efficiency improvements, reduction of greenhouse gases, protection of our environment, and reversal of climate change; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the California HERO Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and independence, and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Improvements; and

WHEREAS, Authority has established the California HERO Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and

entered into April 1, 1991, as amended to date, and the Amendment to Joint Powers Agreement Adding the City of Paso Robles as an Associate Member of the Western Riverside Council of Governments to Permit the Provision of Property Assessed Clean Energy (PACE) Program Services within the City (the "JPA Amendment"), by and between Authority and the City, a copy of which is attached as Exhibit "A" hereto, to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the California HERO Program to finance the installation of the Improvements.

SECTION 2. This City Council consents to inclusion in the California HERO Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof consistent with Exhibit A of this resolution.

SECTION 3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the California HERO Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.

SECTION 4. This City Council hereby approves the JPA Amendment and authorizes the execution thereof by appropriate City officials.

SECTION 5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the California HERO Program within the City, and report back periodically to this City Council on the success of such program.

SECTION 6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 19th day of April 2016 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Steven W. Martin, Mayor

ATTEST:

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Kristen L. Buxkemper, Deputy City Clerk

## EXHIBIT A

**AMENDMENT TO THE JOINT POWERS AGREEMENT  
ADDING CITY OF PASO ROBLES AS  
AN ASSOCIATE MEMBER OF THE  
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS  
TO PERMIT THE PROVISION OF PROPERTY ASSESSED CLEAN  
ENERGY (PACE) PROGRAM SERVICES WITHIN SUCH CITY**

This Amendment to the Joint Powers Agreement (“JPA Amendment”) is made and entered into on the 19th day of April, 2016, by City of Paso Robles (“City”) and the Western Riverside Council of Governments (“Authority”) (collectively the “Parties”).

### RECITALS

WHEREAS, Authority is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the “Joint Exercise of Powers Act”) and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the “Authority JPA”); and

WHEREAS, as of October 1, 2012, Authority had 18 member entities (the “Regular Members”).

WHEREAS, Chapter 29 of the Improvement Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”) authorizes cities, counties, and cities and counties to establish voluntary contractual assessment programs, commonly referred to as a Property Assessed Clean Energy (“PACE”) program, to fund certain renewable energy sources, energy and water efficiency improvements, and electric vehicle charging infrastructure (the “Improvements”) that are permanently fixed to residential, commercial, industrial, agricultural or other real property; and

WHEREAS, Authority has established a PACE program designated as the “California HERO Program” pursuant to Chapter 29 which authorizes the implementation of such PACE financing program for cities and counties throughout the state; and

WHEREAS, City desires to allow owners of property within its jurisdiction to participate in the California HERO Program and to allow Authority under Chapter 29, as it is now enacted or may be amended hereafter, to finance Improvements to be installed on such properties; and

WHEREAS, this JPA Amendment will permit City to become an Associate Member of Authority and to participate in California HERO Program for the purpose of facilitating the implementation of such program within the jurisdiction of City; and

WHEREAS, pursuant to the Joint Exercise of Powers Act, the Parties are approving this JPA Agreement to allow for the provision of PACE services through the

California HERO Program, including the operation of such PACE financing program, within the incorporated territory of City; and

WHEREAS, the JPA Amendment sets forth the rights, obligations and duties of City and Authority with respect to the implementation of the California HERO Program within the incorporated territory of City.

#### **MUTUAL UNDERSTANDINGS**

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

#### **JPA Amendment.**

The Authority JPA. City agrees to the terms and conditions of the Authority JPA, attached.

Associate Membership. By adoption of this JPA Amendment, City shall become an Associate Member of Authority on the terms and conditions set forth herein and the Authority JPA and consistent with the requirements of the Joint Exercise of Powers Act. The rights and obligations of City as an Associate Member are limited solely to those terms and conditions expressly set forth in this JPA Amendment for the purposes of implementing the California HERO Program within the incorporated territory of City. Except as expressly provided for by the this JPA Amendment, City shall not have any rights otherwise granted to Authority's Regular Members by the Authority JPA, including but not limited to the right to vote on matters before the Executive Committee or the General Assembly, the right to amend or vote on amendments to the Authority JPA, and the right to sit on committees or boards established under the Authority JPA or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee. City shall not be considered a member for purposes of Section 9.1 of the Authority JPA.

Rights of Authority. This JPA Amendment shall not be interpreted as limiting or restricting the rights of Authority under the Authority JPA. Nothing in this JPA Amendment is intended to alter or modify Authority Transportation Uniform Mitigation Fee (TUMF) Program, the PACE Program administered by Authority within the jurisdictions of its Regular Members, or any other programs administered now or in the future by Authority, all as currently structured or subsequently amended.



## **Implementation of California HERO Program within City Jurisdiction.**

Boundaries of the California HERO Program within City Jurisdiction. The boundaries within which contractual assessments may be entered into under the California HERO Program (the "Program Boundaries") shall include the entire incorporated territory of City.

Determination of Eligible Improvements. Authority shall determine the types of distributed generation renewable energy sources, energy efficiency or water conservation improvements, electric vehicle charging infrastructure or such other improvements as may be authorized pursuant to Chapter 29 (the "Eligible Improvements") that will be eligible to be financed under the California HERO Program.

Implementation of California HERO Program Within the Program Boundaries. Authority will undertake such proceedings pursuant to Chapter 29 as shall be legally necessary to enable Authority to make contractual financing of Eligible Improvements available to eligible property owners within the Program Boundaries.

Financing the Installation of Eligible Improvements. Authority shall implement its plan for the financing of the purchase and installation of the Eligible Improvements under the California HERO Program within the Program Boundaries.

Ongoing Administration. Authority shall be responsible for the ongoing administration of the California HERO Program, including but not limited to producing education plans to raise public awareness of the California HERO Program, soliciting, reviewing and approving applications from residential and commercial property owners participating in the California HERO Program, establishing contracts for residential, commercial and other property owners participating in such program, levying and collecting assessments due under the California HERO Program, taking any required remedial action in the case of delinquencies in such assessment payments, adopting and implementing any rules or regulations for the California HERO Program, and providing reports as required by Chapter 29.

City will not be responsible for the conduct of any proceedings required to be taken under Chapter 29; the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

Phased Implementation. The Parties recognize and agree that implementation of the California HERO Program as a whole can and may be phased as additional other cities and counties execute similar agreements. City entering into this JPA Amendment will obtain the benefits of and incur the obligations imposed by this JPA Amendment in its jurisdictional area, irrespective of whether cities or counties enter into similar agreements.

## **Miscellaneous Provisions.**

Withdrawal. Authority may withdraw from this JPA Amendment upon six (6) months written notice to the other party; provided, however, there is no outstanding indebtedness of Authority within City. The provisions of Section 6.2 of the Authority JPA shall not apply to City under this JPA Amendment. Notwithstanding the foregoing, City may withdraw, either temporarily or permanently, from its participation in the California HERO Program or either the residential or commercial component of the California HERO Program upon thirty (30) written notice to WRCOG without liability to the Authority or any affiliated entity. City withdrawal from such participation shall not affect the validity of any voluntary assessment contracts (a) entered prior to the date of such withdrawal or (b) entered into after the date of such withdrawal so long as the applications for such voluntary assessment contracts were submitted to and approved by WRCOG prior to the date of City's notice of withdrawal.

Mutual Indemnification and Liability. Authority and City shall mutually defend, indemnify and hold the other party and its directors, officials, officers, employees and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries of any kind, in law or equity, to property or persons, including wrongful death, to the extent arising out of the willful misconduct or negligent acts, errors or omissions of the indemnifying party or its directors, officials, officers, employees and agents in connection with the California HERO Program administered under this JPA Amendment, including without limitation the payment of expert witness fees and attorneys fees and other related costs and expenses, but excluding payment of consequential damages. Without limiting the foregoing, Section 5.2 of the Authority JPA shall not apply to this JPA Amendment. In no event shall any of Authority's Regular Members or their officials, officers or employees be held directly liable for any damages or liability resulting out of this JPA Amendment.

Environmental Review. Authority shall be the lead agency under the California Environmental Quality Act for any environmental review that may be required in implementing or administering the California HERO Program under this JPA Amendment.

Cooperative Effort. City shall cooperate with Authority by providing information and other assistance in order for Authority to meet its obligations hereunder. City recognizes that one of its responsibilities related to the California HERO Program will include any permitting or inspection requirements as established by City.

Notice. Any and all communications and/or notices in connection with this JPA Amendment shall be either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:

Authority:

Western Riverside Council of Governments  
4080 Lemon Street, 3rd Floor. MS1032  
Riverside, CA 92501-3609  
Att: Executive Director

City:

Paso Robles  
1000 Spring Street  
Paso Robles, California 93446  
Att: City Manager

Entire Agreement. This JPA Amendment, together with the Authority JPA, constitutes the entire agreement among the Parties pertaining to the subject matter hereof. This JPA Amendment supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise of agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

Successors and Assigns. This JPA Amendment and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns. A Party may only assign or transfer its rights and obligations under this JPA Amendment with prior written approval of the other Party, which approval shall not be unreasonably withheld.

Attorney's Fees. If any action at law or equity, including any action for declaratory relief is brought to enforce or interpret the provisions of this Agreement, each Party to the litigation shall bear its own attorney's fees and costs.

Governing Law. This JPA Amendment shall be governed by and construed in accordance with the laws of the State of California, as applicable.

No Third Party Beneficiaries. This JPA Amendment shall not create any right or interest in the public, or any member thereof, as a third party beneficiary hereof, nor shall it authorize anyone not a Party to this JPA Amendment to maintain a suit for personal injuries or property damages under the provisions of this JPA Amendment. The duties, obligations, and responsibilities of the Parties to this JPA Amendment with respect to third party beneficiaries shall remain as imposed under existing state and federal law.

Severability. In the event one or more of the provisions contained in this JPA Amendment is held invalid, illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed severed from this JPA Amendment and

the remaining parts of this JPA Amendment shall remain in full force and effect as though such invalid, illegal, or unenforceable portion had never been a part of this JPA Amendment.

Headings. The paragraph headings used in this JPA Amendment are for the convenience of the Parties and are not intended to be used as an aid to interpretation.

Amendment. This JPA Amendment may be modified or amended by the Parties at any time. Such modifications or amendments must be mutually agreed upon and executed in writing by both Parties. Verbal modifications or amendments to this JPA Amendment shall be of no effect.

Effective Date. This JPA Amendment shall become effective upon the execution thereof by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this JPA Amendment to be executed and attested by their officers thereunto duly authorized as of the date first above written.

**[SIGNATURES ON FOLLOWING PAGES]**

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

CITY OF Paso Robles

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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# Attachment 2



Your energy efficient future, today.

# Why HERO?

Through a unique public-private partnership, the HERO Program enables homeowners to afford energy and water-efficient upgrades that benefit their homes and communities.



## Community Impact

Home efficiency upgrades do more than save energy and water. In addition to helping communities reach their regulatory goals, HERO also helps them create new jobs, increase property values, and protect consumers.

HERO provides:

### Economic Stimulus:

- Lower Utility Bills
- New Job Creation
- Increased Property Values

### Consumer Protection:

- Fair Market Pricing
- Payment Upon Job Completion
- Dispute Resolution

### Environmental Benefits:

- Reduced CO<sub>2</sub> Emissions
- Decreased Energy Consumption
- Water Savings

# HERO Advantage

When you have HERO in your community you're protecting property owners before, during and upon completion of every project. Contractors must be in good standing with the State Licensing Board and are only paid after the job is completed to the property owner's satisfaction.

## HERO Features:

- 100% Financing
- Approvals Based on Home Equity
- Low Fixed Interest Rates
- 5, 10, 15 or 20 Year Payment Terms
- Consumer Protections

## HERO Products:

Over one million models of energy and water saving products qualify, including:

- Solar
- HVAC
- Roofing
- Windows and Doors
- Artificial Turf
- Pool Pumps
- Insulation
- Drought Tolerant Landscaping

Consumer Protection		Before HERO	After HERO
Training	Eligibility Requirements Proposal Automation Estimating Calculators Application Verification	✘	✔
Compliance	Marketing Product Eligibility Fair Pricing CSLB Confirmation Permit Verification	✘	✔
Protection	Pay Upon Completion ID Verification Terms Confirmation In Good Standing Dispute Resolution	✘	✔



# PACE Track Record

HERO is the largest and most successful residential PACE based financing program in the nation, and the only program of its kind to complete three rounds of securitization. All funding, support services and technology are provided at no cost to the municipality.

## Our Proven Model Provides:

- Ongoing Lending Capital
- Dependable Support Services
- Comprehensive Technology Infrastructure
- Unrivaled Consumer Protections



# Integrated Technology

HERO is a turn-key solution which provides municipalities, homeowners, contractors and real estate professionals with an extensive software platform designed to deliver accurate and timely information, while streamlining every step of the process.

## Software Platform:

- HERO Gov (Mobile Application)
- HERO Pro (Contractor Portal)
- HERO Map
- HERO Dashboard (Reports)
- HERO Website with customized landing pages for every HERO community



# HERO Gov

With the HERO Gov mobile app, HERO provides municipalities with direct insight into Program performance and transparency on all local activity.



## Real-time Tracking:

- Economic Impact
- Local Job Creation
- Project Types
- Amounts Financed
- CO2 Reduction
- Water Savings
- Community Rankings

# HERO Pro

An integrated, secure platform designed to make the estimating, approval, documentation and funding process as easy as possible for property owners and contractors.

## Features:

- Interactive Sales Tools
- Estimating Calculators
- Energy Savings Calculators
- Financing Document Generation
- Electronic Signature Capabilities
- Information and Updates
- Web-Based Training Curriculum
- Webpage at [herofinancing.com/companyname](http://herofinancing.com/companyname)
- Pro Pitch  
(industry-specific proposal tools)



# Community Support

We provide dedicated support to property owners, contractors, real estate professionals, and municipalities through every step of the process.

## Municipal Support

Dedicated Community Development Managers are assigned to every municipality to provide program education, continued support, and to respond to constituent inquiries.

## Contractor Training

Our representatives in the field provide training and ongoing assistance on Program implementation.

## Dispute Resolution

Every property owner complaint receives a full investigation. When necessary, our investigators will intervene to resolve any disputes.

## HERO Property Advisors: 855-CAL-HERO

A dedicated division of specialists are available to assist real estate professionals and homeowners during the selling or refinancing process and answer any questions that may arise.

## HERO Hotline: 855-HERO-411

Our full service call center is available to property owners and contractors from project start to completion.

Mon-Thurs	8am – 10pm
Friday	8am – 9pm
Saturday	10am – 8pm
Sunday	10am – 6pm



# Contractor Training & Registration

HERO provides a comprehensive training and registration program, designed to familiarize contractors with the financing terms and the property owner approval process.

## Training Covers:

- Sales
- Software
- Product Eligibility
- Document Processing
- Completion Certification
- Payment Options
- Co-Marketing Program
- Brand Usage Guidelines



HERO Registered  
Contractor Certificate

# Consumer Protection Policy

HERO has developed the #1 Consumer Protection Policy in the home energy improvement financing sector.

## Contractor ID Verification

Every contractor must be in good standing with the Program, and have active license status with the CSLB.

## Pricing Controls

We conduct a Reasonable Cost Test on all major product types and projects to ensure property owners get a fair price.

## Permit Verification

We require verification that the necessary permits for qualifying products (including HVAC, solar PV, roofing, and many other products) have been issued.

## Payment Protection

No payments are made to the contractor until the property owner signs a completion certificate to verify the project has been completed to their satisfaction.



# Awards & Recognition

HERO delivers real impact and has been recognized by industry leaders for excellence and innovation.



## Environmental & Economic Partnership | Governor of California

Awarded California's highest honor by Governor Brown for exceptional leadership in environmental preservation and economic stimulus.



## Best Residential Partnership | U.S. Green Building Council

Recognized as a Top 10 Green Building Policy in California, serving as a national model for financing energy efficiency and water conservation retrofits.



**Business Achievement Award**  
Climate Change  
Business Journal

**President's Award  
for Excellence**  
Southern CA Association  
of Governments

**Norton Younglove Award**  
Western Riverside Council  
of Governments

**2014 Clean Air Award**  
South Coast Air Quality  
Management District

**Best of the Best**  
Urban Land Institute



# Frequently Asked Questions

## What is the HERO Program, and how does it work?

The Home Energy Renovation Opportunity (HERO) Program enables residential property owners to install energy and water efficient improvements and renewable energy systems by having a special assessment put on their property tax bill. Payments are made through their local county and repaid with their property taxes over time.

## What types of home improvements are eligible?

Over one million products are eligible for HERO. Typical projects include: solar photovoltaic (PV) systems; energy efficient space heating, ventilation and air conditioning (HVAC); cool roof systems; energy efficient windows, skylights, and doors; solar thermal water heating; water heating; air sealing and weatherization; insulation; indoor energy efficient light fixtures; and water efficiency measures.

## What are the costs and benefits of offering HERO in my community?

There are no costs to offering the HERO Program and it does not require any dedicated staff resources to develop or implement the Program. Additionally, HERO will benefit your community by reducing energy consumption, stimulating local business, creating sustainable jobs, and lowering greenhouse gas emissions.

## Who makes up the HERO team?

The HERO team is made up of a network of partners who specialize in administering residential PACE programs. Each team member is uniquely qualified for their specific role and is an industry expert within their field.

**RENOVATEAMERICA**



**DAVID TAUSSIG  
& ASSOCIATES**

**WCH**

Renovate America  
Residential Funding Partner

Best Best & Kreiger LLP  
Bond Council

Public Financial Management  
Financial Advisor

David Taussig & Associates  
Assessment Administration

Westhoff, Cone & Holmstedt  
Placement Agent

# HERO Communities

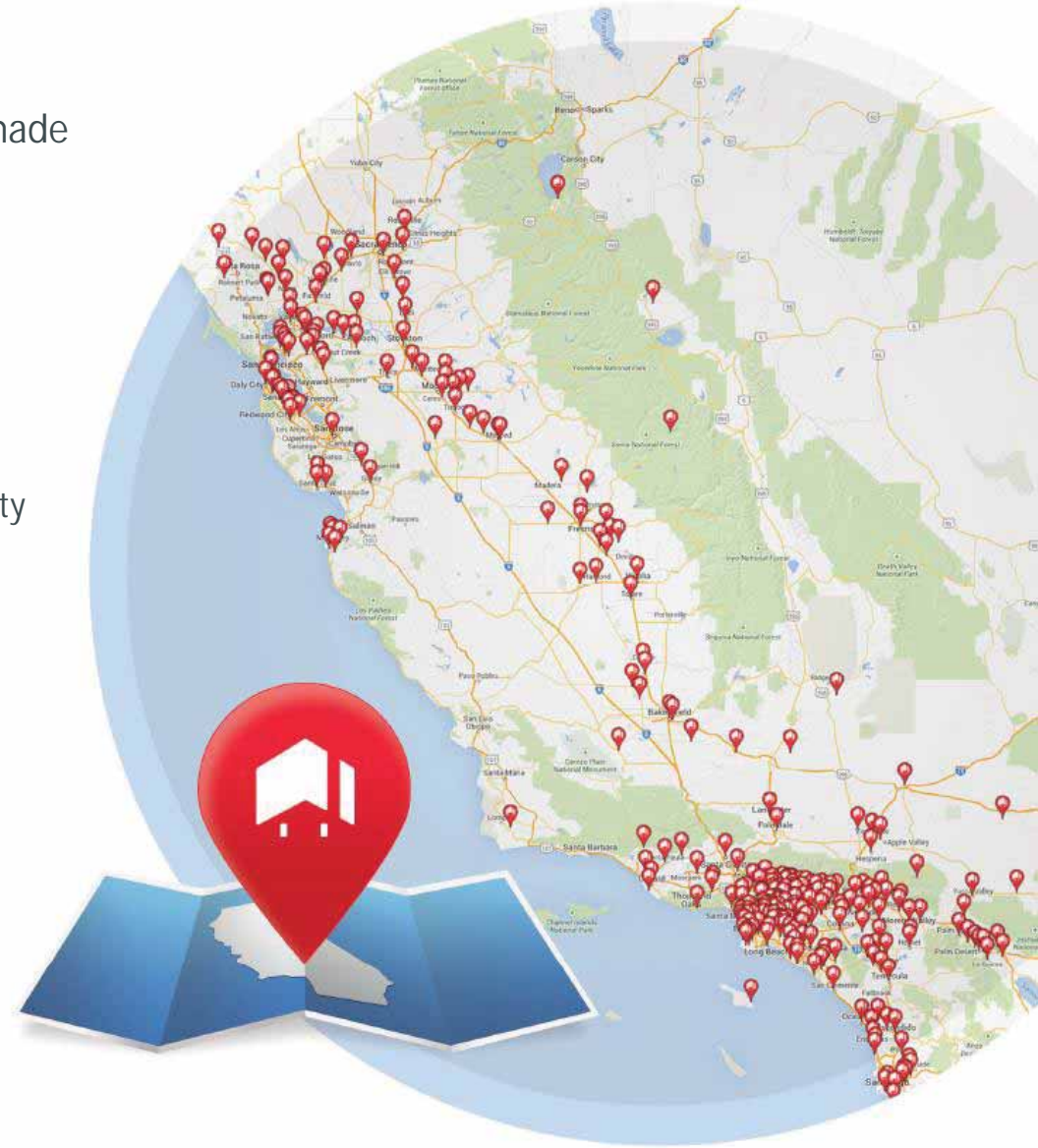
300+ cities and counties throughout California that have made energy- and water-efficient improvements accessible to homeowners through the HERO program.

## Counties that are Home to HERO Communities\*:

Alameda County  
 Contra Costa County  
 Del Norte County  
 El Dorado County  
 Fresno County  
 Humboldt County  
 Imperial County  
 Kern County  
 Kings County  
 Los Angeles County  
 Madera County

Merced County  
 Mono County  
 Monterey County  
 Napa County  
 Orange County  
 Riverside County  
 Sacramento County  
 San Bernardino County  
 San Diego County  
 San Francisco County  
 San Joaquin County

San Mateo County  
 Santa Barbara County  
 Santa Clara County  
 Santa Cruz County  
 Solano County  
 Sonoma County  
 Stanislaus County  
 Tulare County  
 Ventura County  
 Yolo County



\*As of June 2015

# Get HERO

It's easy to bring HERO to your community. Get started by contacting us today at 855-HERO-4111.



**Community Adopts HERO**



**Judicial Validation is Passed**



**Staff Are Trained**



**Contractors are Trained & Registered**



**HERO Launches in Your Community**

“ Why HERO? It's made our community better by lowering unemployment, increasing environmental efforts, and boosting our economy!

– MAYOR RUSTY BAILEY  
RIVERSIDE, CA

“ As HERO helps our residents lower their utility bills, San José furthers its sustainability goals by reducing energy and water use. Our economy and job market benefits from home improvement-related activity making it a win-win for all aspects of San José.

– KERRIE ROMANOW, DIRECTOR OF ENVIRONMENTAL SERVICES, SAN JOSE, CA