







-  Creating jobs
-  Saving energy
-  Improving properties
-  Lowering utility bills

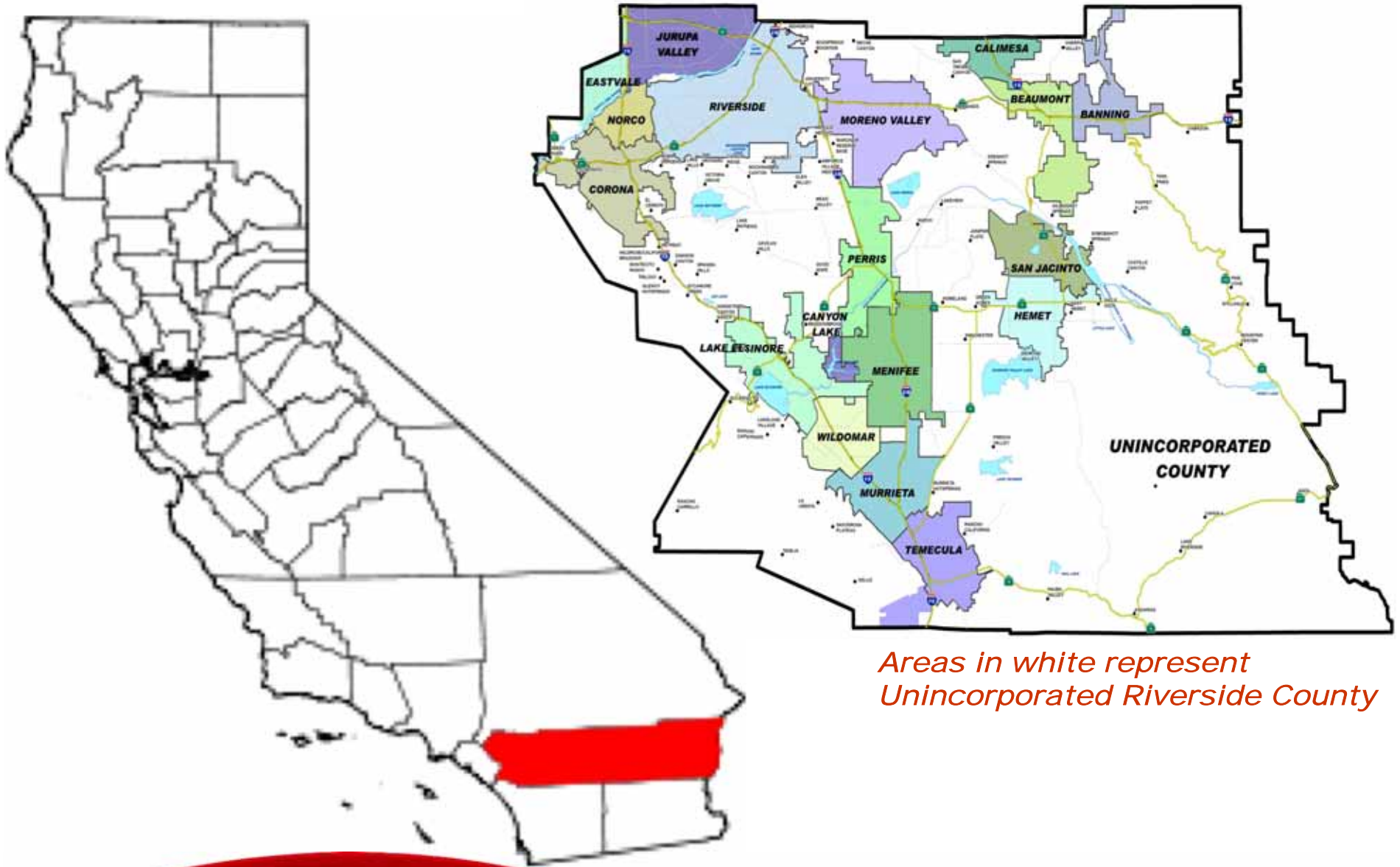


What is the Western Riverside Council of Governments?



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*Areas in white represent
Unincorporated Riverside County*

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Western Riverside County Growth Projections

	<u>2010</u>	<u>2025</u>	<u>2035</u>
Population	1.67 million	2.17 million	2.46 million
Housing	572,000	755,536	865,277
Employment	489,745	703,372	967,163

Riverside county is the 5th most populated California county, and the 15th largest in the United States.



A bit of background...

- ✓ Western Riverside County will continue to be among the nation's fastest-growing areas
- ✓ Providing sufficient energy supplies will be critical for the region's economic expansion and prosperity
- ✓ Relying solely on new generation and transmission facilities is risky
- ✓ Utility bills will continue to rise
- ✓ Energy and water conservation regulations are largely limited to new properties ... NEWER PROPERTIES ARE PRETTY ENERGY EFFICIENT
- ✓ Nearly 200,000 properties in Western Riverside County constructed prior to 2000... OLDER PROPERTIES ARE PRETTY ENERGY INEFFICIENT
- ✓ One of the best ways to guarantee energy supply is to conserve what we already have
- ✓ Retrofitting the subregion's older, energy inefficient properties is a good strategy
- ✓ *The big question: How can this be accomplished?*



Enabling legislation

- ✓ Authorized by state law (AB 811 and AB 474)
- ✓ Allows jurisdictions to offer financing to property owners for the purchase and installation of energy efficiency and water conservation improvements.
- ✓ Financing to property owners would be repaid over time through voluntary annual assessments on the property tax bill



Benefits to property owners

- ✓ Provides access to financing that might not be available through traditional means such as equity loans, etc.
- ✓ Provides “no-money” down approach to financing improvements
- ✓ Provides savings on utility bills
- ✓ Increases property values
- ✓ Repayment stays with property



Benefits to Western Riverside County

- ✓ Creates / maintains thousands of construction-related jobs
- ✓ Reduces / delays the need for costly construction of energy generation / transmission facilities
- ✓ Positions the subregion as a leader in improving air quality and reducing greenhouse gas emissions
- ✓ Increases property values, improves tax roll revenues to jurisdictions



Who are our partners (How did we do it)?

- ✓ WRCOG – Program administer
- ✓ Public Financial Management, Inc. – Financial Advisor
- ✓ Best Best & Krieger – Bond Counsel
- ✓ David Taussig & Associates – Assessment Administrator
- ✓ U.S. Bank - Trustee
- ✓ Westhoff, Cone & Holmstedt – Placement Agent
- ✓ Renovate America – Residential Funding Partner
- ✓ Samas Capital – Small to medium Commercial Funding Partner
- ✓ Structured Finance – Large Solar Commercial Funding Partner



How does it work?

- ✓ It's a voluntary program
- ✓ Primarily web-based: Property owners apply for Program coverage and select improvements desired
- ✓ If approved WRCOG and property owner enter into contract in which WRCOG will pay all up-front costs and place assessment lien on property.
- ✓ WRCOG executes bond documents to pay contractors



Who qualifies to participate?

- ✓ Property owners may be individuals, associations, business entities, cooperatives
- ✓ Bottom line: Any qualifying owner paying property taxes
 - have clear title to property
 - be current on property taxes
 - be current on mortgage payments
 - have some equity in the property



Goal: Implement a regional program under WRCOG

- ✓ Economies of scale (1 program vs. 18 individual programs)
- ✓ Consistent regional messaging and marketing
- ✓ Consistent program design and implementation
- ✓ Ability to leverage and coordinate funding sources



Examples of eligible improvements

- ✓ Heating and air conditioning
- ✓ Cool roofs
- ✓ Natural gas storage water heater
- ✓ Tankless water heater
- ✓ Windows and glass doors
- ✓ Outside irrigation
- ✓ Insulation
- ✓ Window filming
- ✓ Home sealing
- ✓ Lighting control systems
- ✓ Solar thermal systems (hot water)
- ✓ Solar thermal systems for pool heating
- ✓ Photovoltaic systems
- ✓ Low flush toilets



What are the average loan amounts?

- ✓ \$18,385 for residential properties
- ✓ \$160,000 for non-residential properties

What are the loan terms?

- ✓ 5, 10, 15 and 20 years based on type and cost of improvements

What is the interest rate?

- ✓ 5.85 to 8.25 % (depending on term)



What happens when the owner sells the property?

- ✓ Assessment obligation may remain an obligation of the property upon sale depending on lender
- ✓ DISCLOSURE, DISCLOSUE, DISCLOSURE

IN ADDITION, ON AUGUST 31, 2010, FANNINE MAE AND FREDDIE MAC STATED THAT THEY WOULD NOT PURCHASE HOME LONS WITH ASSESSMENTS SUCH AS THOSE OFFED BY WRCOG, THIS MAY MEAN THAT PROPERTY OWNERS WHO SELL OR REFINANCE THEIR PROPERITES MAY BE REQUIRED TO PREPAY SUCH ASSESSMENTS AT THE TIME THEY CLOSE THEIR SALE OR REFINANCING.

- ✓ Results
 - ✓ 34 Refinanced and/or sold
 - ✓ 4 Repaid



Contractors are key...

Over 550 participating in the Program!



- ✓ Must have an active California State License Board (CSLB) license
- ✓ Must meet CSLB's bond and workers' compensation insurance requirements
- ✓ Must provide evidence of jurisdictional business license
- ✓ Register on the website
- ✓ Sign Terms & Condition

A screenshot of the 'hero' website's 'Find Contractors' page. The page has a red header with the 'hero' logo and navigation links like 'HERO Financing', 'Eligible Products', 'Find Contractors', 'News and Events', and 'FAQ'. Below the header, there's a 'Find Contractors' section with a search bar and filters. The search results show two contractor profiles: 'Verengo Solar' and 'WC Heating & Air Conditioning Inc'. Each profile includes the company name, CSLB number, classification, address, and a brief description of their services.

Find Contractors

All contractors listed below have attended a WRCOG HERO Program orientation and have agreed to comply with WRCOG HERO Program procedures and policies. You may use a contractor not included on this list, as long as they have registered with the WRCOG HERO Program.

WRCOG and Renovate America, Inc. do not endorse the contractors listed below, any other person involved with the installation of products, or the design of the products, or warrant the economic value, energy savings, safety, durability or reliability of the Eligible Products.

Are you a Contractor? [Register Here!](#)

186 Contractors Page 1 2 3 4 ... 38

Find a Contractor Near You

[UPDATE RESULTS](#)

SEARCH BY ZIP:

SEARCH BY CITY:

SEARCH BY NAME:

SEARCH BY CSLB No.:

TOP CLASSIFICATIONS

- Select All
- A General Engineering Contractor
- B General Building Contractor
- C10 Warm-Air Heating, Ventilating and Air-Conditioning

Verengo Solar (951) 791-6261
CSLB #935263
2809 S. Western Ave., Suite 204
Tamarac, CA 92666
Complete Description: VERENGO SOLAR is changing the way America thinks about solar! As the #1 residential solar integrator in California, Verengo offers comprehensive financial options and superior customer service, and consistently earns an A+ with the Better Business Bureau. Verengo has reduced carbon emissions through its solar power systems, accomplishing the equivalent of planting 140,000 acres of trees, taking more than 79,000 tons off the road and saving homeowners \$150 million in energy costs over the lifetime of Verengo's installed systems to date. For more information on Verengo Solar, please visit www.verengosolar.com.

WC Heating & Air Conditioning Inc (951) 609-6700
CSLB #779604
4107 Dale Street
Meritt, CA 92062

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Contractor orientation training

Upon completion of training, contractors receive:

- ✓ HERO™ Financing Guide for Contractors
- ✓ Contractor Talking Points
- ✓ HERO™ Financing Application
- ✓ HERO™ Funding Request
- ✓ HERO™ Contractor Participation Terms and Conditions

Contractors are authorized to use HERO logo

LANIER
SOLAR



Program goals

Job Creation: Approx. 4,000 new jobs
209 jobs created/retained (est. to date)

Energy Savings: Approx. 15 million kWh
1.5 million kWh (est. to date)

Total # of Retrofits: 13,500 residential
700 commercial

1,427 residential (to date)
0 commercial (Launched December 2012)



How's it going?

Residential

Approved Apps:	6,000 +
Approved Financing:	\$108,000,000+
Completed Projects:	1,427
Completed Project Dollars:	\$25,000,000 +

**Launched
December 2011**

Commercial

Approved Apps:	4
Approved Financing:	\$ 600,000
Completed Projects:	0
Completed Project Dollars:	0

**Launched
December 2012**



Why the Program works

- ✓ Large pool of candidates
- ✓ Large selection of improvements to choose from
- ✓ Up-front funding removes investment impediment for property owners
- ✓ Key: Repayment tied to property tax over a period of years
- ✓ Key: Utility bill savings will likely offset repayment costs
- ✓ List of eligible improvements is extensive



Website (www.BeaRiversideHero.com)



[Chat Now](#) [Contractor Login](#)

[HERO Financing™](#) | [Eligible Products](#) | [Find Contractors](#) | [News and Events](#) | [FAQ](#)



Eric and Amy Fose, Moreno Valley Homeowners, with California Showcase Construction.

"Were it not for the Western Riverside Council of Governments' HERO program, which finances energy-efficiency improvements through property taxes, Fose said replacing 10 windows would not have penciled out."

—Press Enterprise

Low Cost Financing is Now Available to Homeowners in Western Riverside County

- No FICO Score Required
- Low, Fixed Payments
- Over 150,000 Eligible Products
- Make Payments with Your Property Taxes
- Balance Transfers to New Property Owner Upon Sale*
- Property Tax Payments are Tax Deductible**

[Learn More](#)

Find Out if You're Eligible!



If you have a HERO Code, enter it above

Find a Contractor



For your HERO Project

What are the next steps?

WRCOG is offering the Program to jurisdictions statewide



BeaRiversideHero.com



Questions?

Contact Information:

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