



CITY OF LONG BEACH

R-16

OFFICE OF THE CITY MANAGER

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-6711 FAX (562) 570-7650

October 24, 2017

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to take all actions necessary to create and administer a pilot program of workshops to promote Energy Efficient Mortgages among home buyers in Long Beach during calendar year 2018;

Increase appropriations in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO) by \$40,000, offset by funds available; and,

Increase appropriations in the Development Services Fund (EF 337) in the Development Services Department (DV) by \$40,000, offset by a transfer of funds from the Long Beach Gas and Oil Department (GO). (Citywide)

DISCUSSION

At its May 9, 2017 meeting, the City Council requested that the City Manager return with a report on how to promote and encourage the use of Energy Efficient Mortgages (EEM) and other home energy efficiency financing options. A status update was provided on July 27, 2017, and this letter proposes a pilot Residential Greenhouse Gas (GHG) Reduction Program to launch in 2018.

The City will partner with Long Beach-based, non-profit Green Education, Inc., to provide five workshops for home buyers in 2018. Marcia Tolentino, the lead on this program for Green Education, has extensive experience educating realtors about energy efficiency and has completed multiple transactions using energy efficient mortgages. The workshops will be held in various locations around the City, ensuring accessibility to all neighborhoods. The workshops are intended to educate home buyers about the benefits of an energy efficient home, how to use EEMs, and other financing, rebate, and incentive opportunities. City staff will be responsible for monitoring and evaluating the pilot program. Workshop participants will complete surveys at each workshop and staff will follow up with them within one month to evaluate workshop effectiveness and track resulting emissions reductions.

The City will promote workshops through traditional and digital media, and Green Education will conduct in-person outreach at major employers in Long Beach. Southern California Edison will provide energy efficiency-themed giveaways for workshop participants to incentivize workshop attendance. Staff will also work with Green Education to acquire larger prize giveaways, such as free home energy assessments.

HONORABLE MAYOR AND CITY COUNCIL

October 24, 2017

Page 2 of 2

The budget for this pilot program is supported by funds available from the Long Beach Gas and Oil Department's auction proceeds related to the sale of greenhouse gas allowances under the State's Cap-and-Trade Program. Revenues received from the Cap-and-Trade Program must be invested in projects that benefit the ratepayers, reducing greenhouse gas emissions, and improving the environment.

This matter was reviewed by Deputy City Attorney Linda T. Vu on October 5, 2017 and by Budget Management Officer Rhutu Amin Gharib on October 10, 2017.

SUSTAINABILITY

Long Beach has an aging housing stock with more than 80 percent of owner-occupied units built before 1970. Home energy efficiency improvements can create a 25 percent reduction in energy usage and make homes more comfortable for their residents. Buildings account for 39 percent of emissions in the United States; therefore, EEMs will be an important tool to meet state GHG reduction goals, as well as goals to be set in Long Beach's Climate Action and Adaptation Plan.

FISCAL IMPACT

The budget for this pilot program is \$40,000, and would be funded through the Gas and Oil Department's Cap-and-Trade auction proceeds. An appropriation increase in the amount of \$40,000 is requested in the Development Services Fund (EF 337) in the Development Services Department (DV) to implement the program, which will be offset by a transfer of funds from the Long Beach Gas and Oil Department (GO). An appropriation increase in the amount of \$40,000 is requested in the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO) to facilitate the transfer of Cap-and-Trade auction proceeds to support this pilot program. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


PATRICK H. WEST
CITY MANAGER