

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer

Office of the
CITY CLERK

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KONRAD CARTER
Acting Chief, Council and Public Services
Division

www.cityclerk.lacity.org

February 23, 2010

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council file No. 09-2979, at its meeting held February 5, 2010.


City Clerk
kw

Mayor's Time Stamp
OFFICE OF THE MAYOR
RECEIVED
2010 FEB 11 PM 3:12
CITY OF LOS ANGELES

City Clerk's Time Stamp
CITY CLERK'S OFFICE
2010 FEB 11 PM 3:04
CITY CLERK
BY _____ DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 09-2979

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE FEBRUARY 5, 2010

RE: APPLYING AND ACCEPTING A LOAN FROM THE CALIFORNIA ENERGY COMMISSION

FEB 22 2010

LAST DAY FOR MAYOR TO ACT _____
(10 Day Charter requirement as per Charter Section 341)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED
✓

*DISAPPROVED

*Transmit objections in writing
pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL FEB 18 2010

[Signature]
MAYOR

RECEIVED
CITY CLERK'S OFFICE
2010 FEB 18 PM 2:59
BY _____
CITY CLERK
DEPUTY

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TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your **INFORMATION TECHNOLOGY AND GOVERNMENT AFFAIRS COMMITTEE**

reports as follows:

INFORMATION TECHNOLOGY AND GOVERNMENT AFFAIRS COMMITTEE REPORT and RESOLUTION relative to applying and accepting a loan from the California Energy Commission.

Recommendations for Council action, as initiated by Motion (Perry – Smith), SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager of the Department of General Services, or designee, to apply for, and accept a loan up to \$3,000,000, from the California Energy Commission's energy efficiency loan program on behalf of the City to implement energy efficiency retrofits at City facilities, and ADOPT the accompanying RESOLUTION as required by the application process.
2. REQUEST the City Attorney to prepare and present a draft ordinance within 30 days that revises the Energy and Conservation Loan Program Fund Ordinance (Ordinance No. 174068) to allow for the City to receive loan monies from other governmental agencies in addition to the Los Angeles Department of Water and Power.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

At its meeting held on January 19, 2010, the Information Technology and Government Affairs Committee considered a Motion (Perry – Smith) relative to the Department of General Services (GSD) applying and accepting a loan from the California Energy Commission and revising the Energy and Conservation Loan Program Fund Ordinance. During the discussion of this matter, representatives from the GSD submitted amendments to the Motion recommendations and responded to related questions from Committee members. GSD reports that it is currently completing energy lighting retrofits to 497 City facilities to achieve energy savings and reduce the City's energy bills. Additionally, GSD is performing water retrofits at City facilities to reduce water usage. Currently, GSD borrows funds from the Department of Water & Power (DWP) Energy Efficiency Loan Program to cover the costs of these energy conservation programs. The Energy Conservation Loan Program Fund was established for the purpose of receiving DWP loans to fund the cost of purchasing and installing energy efficiency measures in City buildings and facilities. The savings realized from the conversion to energy and water-saving units pays for the principal and interest of the loans.

According to GSD, the State of California's Energy Commission also provides loans to public entities for such purposes at a much lower rate than the DWP. Loans can be used to purchase and install commercially-available energy and water efficiency equipment with proven energy and/or capacity savings. GSD requests authorization to apply for these loans in order to realize additional cost savings for the City of Los Angeles. Additionally, the Energy and Conservation Loan Program Fund

Ordinance needs to be revised to allow for the City to receive loans from other governmental agencies besides the DWP.

After an opportunity for public comment, the Committee recommended to approve the amended recommendations submitted by GSD in Committee. This matter is now forwarded to Council for its consideration.

Respectfully submitted,

INFORMATION TECHNOLOGY AND GOVERNMENT AFFAIRS COMMITTEE

Tony Cardenas

<u>MEMBER</u>	<u>VOTE</u>
CARDENAS:	YES
PERRY:	YES
ZINE:	YES

ep
09-2979_rpt_itga_1-25-10

Not Official Until Council Acts

ADOPTED
FEB 05 2010
LOS ANGELES CITY COUNCIL

MAYOR WITH FILE

MOTION

The Department of General Services (GSD) is currently completing energy lighting retrofits to 497 City facilities to achieve energy savings and reduce the City's energy bills. Additionally, GSD is performing water retrofits at City facilities to reduce water usage.

Currently, GSD borrows funds from the Department of Water & Power (DWP) Energy Efficiency Loan Program (EELP) to cover the costs of these energy conservation programs. The Energy Conservation Loan Program Fund was established for the purpose of receiving DWP loans to fund the cost of purchasing and installing energy efficiency measures in City buildings and facilities (CF 01-0223). The savings realized from the conversion to energy and water-saving units pays for the principal and interest of the loans.

The State of California's Energy Commission also provides loans to public entities for such purposes at a much lower rate than the DWP. Loans can be used to purchase and install commercially-available energy and water efficiency equipment with proven energy and/or capacity savings. GSD requests authorization to apply for these loans in order to realize additional cost savings for the City of Los Angeles.

Additionally, the Energy and Conservation Loan Program Fund Ordinance needs to be revised to allow for the City to receive loans from other governmental agencies besides the DWP.

I THEREFORE MOVE that the City Council authorize the General Manager of the Department of General Services, or his/her designee, to apply for, including the submittal of the attached Resolution as required by the application process, and accept a loan up to \$3,000,000 from the California Energy Commission's energy efficiency loan program on behalf of the City to implement energy efficiency retrofits at City facilities;

I FURTHER MOVE that the City Council request the City Attorney to prepare a draft ordinance within 30 days that revises the Energy and Conservation Loan Program Fund Ordinance (Ordinance No. 174068) to allow for the City to receive loan monies from other governmental agencies in addition to the Department of Water and Power.

PRESENTED BY:

JAN PERRY
Councilmember, 9th District

Date: 1-19-10

Submitted in ITGA Committee

Council File No: 09-2979

Item No.: 3

Deputy: E. Pulst

SECONDED BY:

RESOLUTION

Resolution of the City of Los Angeles

WHEREAS, the California Energy Commission provides loans to schools, hospitals, local governments, special districts and public care institutions to finance energy efficiency improvements;

NOW THEREFORE, BE IT RESOLVED, that the City of Los Angeles authorizes the Department of General Services to apply for an energy efficiency loan from the California Energy Commission to implement energy efficiency measures.

BE IT ALSO RESOLVED, that in compliance with the California Environmental Quality Act (CEQA) the City of Los Angeles finds that the activity funded by the loan is a project exempt under City CEQA Guidelines Article III, Sec. 1 and State CEQA guidelines Section 15303 et seq. because the project involves retrofitting and replacing inefficient systems to efficient systems.

BE IT ALSO RESOLVED, that if recommended for funding by the California Energy Commission, the City of Los Angeles authorizes the Department of General Services to accept a loan up to \$3,000,000.

BE IT ALSO RESOLVED, that the amount of the loan will be paid in full, plus interest, under the terms and conditions of the Loan Agreement, Promissory Note and Tax Certificate of the California Energy Commission.

BE IT FURTHER RESOLVED, that the General Manager, or his/her designee, is hereby authorized and empowered to execute in the name of the Department of General Services all necessary documents to implement and carry out the purpose of this resolution, and to undertake all actions necessary to undertake and complete the energy efficiency projects.

Passed, Approved and Adopted this 5TH day of FEBRUARY, 2010.

I CERTIFY THAT THE FOREGOING
RESOLUTION WAS ADOPTED BY THE
COUNCIL OF THE CITY OF LOS ANGELES
AT ITS MEETING OF FEB 03 2010
BY A MAJORITY OF ALL ITS MEMBERS.



JUNE LAGMAY
CITY CLERK

BY Veronica Walms
DEPUTY