

**MEMORANDUM OF UNDERSTANDING BETWEEN
YGRENE ENERGY FUND CALIFORNIA LLC AND
SOUTH BAY CITIES COUNCIL OF GOVERNMENTS
REGARDING PARTICIPATION IN THE
YGRENE PACE PROGRAM**

This Memorandum of Understanding Regarding Participation in the Ygrene PACE Program ("MOU") is made and entered into as of this 1st day of July, 2020 ("Effective Date") by and between the South Bay Cities Council of Governments, a California joint powers authority ("SBCCOG"), and Ygrene Energy Fund California LLC ("Ygrene"). SBCCOG and Ygrene are sometimes referred to as "Party" and collectively as "Parties."

RECITALS

WHEREAS, Ygrene is the program administrator for a property assessed clean energy ("PACE") financing program in California; and

WHEREAS, the Ygrene PACE program is sponsored by Golden State Finance Authority ("GSFA"), a California joint exercise of powers authority the members of which include numerous counties and cities within the State of California; and

WHEREAS, Ygrene allows the financing of certain renewable energy, energy efficiency, water efficiency, seismic, and other authorized improvements that are permanently affixed to real property; and

WHEREAS, Ygrene is being made available to every city and county in California to encourage installation of distributed generation renewable energy sources and energy efficiency, water efficiency, seismic, and other authorized improvements for residential and commercial property owners; and

WHEREAS, SBCCOG desires to inform its member agencies about Ygrene and serve as a point of contact for the Program in the sub-region, and Ygrene desires to receive SBCCOG's assistance in providing information about Ygrene to SBCCOG's member agencies and in serving as a point of ongoing contact for the Program in the future; and

WHEREAS, the purpose of this MOU is to set forth the mutual understandings, terms, and conditions related to partnering with Ygrene.

NOW, THEREFORE, in consideration of the foregoing recitals, the Parties hereby agree, as follows:

TERMS

1. Ygrene.

1.1 Ygrene shall pay fees to SBCCOG fees equal to 0.05% of the aggregate principal amount of the projects financed by Ygrene to fund the installation of renewable energy, energy efficiency, water efficiency, seismic, and other authorized improvements and for which financing contracts are entered into after the Effective Date by owners of properties located within the jurisdiction of SBCCOG's member agencies except for projects financed within the City of Los Angeles and the County of Los Angeles ("Fees").

1.2 Ygrene shall make the payments provided for herein to SBCCOG on a quarterly basis.

2. SBCCOG.

2.1 SBCCOG will, at SBCCOG's first regular meeting held after the Effective Date, begin providing information to and facilitating meetings with its member agencies regarding Ygrene, which includes doing each of the following:

- (a) SBCCOG will inform each eligible city and county member agency, unless the Parties agree otherwise, about the procedures for participating in Ygrene, adopting resolutions authorizing GSFA to offer Ygrene, and becoming an Associate Member of GSFA, in substantially the same form as the template resolutions attached hereto as Exhibit "A".
- (b) SBCCOG will inform each of its member agencies of the benefits available from participating in Ygrene, including but not limited to informing each member that (i) Ygrene is an economic development program available at no cost to participating cities and counties; (ii) Ygrene finances improvements that, for example, decrease energy or water consumption or create clean renewable energy; and (iii) Ygrene helps create local jobs, stimulate the local economy, save property owners money, and lower greenhouse gas emissions.
- (c) SBCCOG will inform each of its member agencies of the Fees and the resulting increased cost of issuance within SBCCOG's jurisdiction.

2.2 SBCCOG will serve as the main point of contact within SBCCOG's jurisdiction and, as such, will coordinate with its member agencies on behalf of Ygrene and GSFA to facilitate the efficient adoption of Ygrene. SBCCOG will cooperate fully with Ygrene and take such additional actions or sign such additional documents as may be necessary, appropriate or convenient to achieve the purposes of this MOU including, but not limited to, assisting with introductions to SBCCOG's member agencies.

2.3 SBCCOG will obtain and provide copies of each member agency's Resolutions Authorizing Participation in Ygrene's PACE program.

2.4 SBCCOG will arrange for presentations regarding Ygrene at committee meetings.

2.5 SBCCOG will regularly provide information about Ygrene in its newsletters, which will include, but not be limited to, providing a description of and contact information for Ygrene, and any additional reference sources that are necessary to provide readers with information for participating in Ygrene's PACE program.

- 2.6 SBCCOG will place a regular reminder of Ygrene in its correspondence and provide a conspicuous and recognizable link to the Ygrene website on the main page of the SBCCOG's website, if any.
3. Term. The term of this agreement shall begin on the Effective Date and terminate on the fifth (5th) anniversary thereafter unless extended by mutual agreement of the Parties.
4. Governing Law and Venue. This MOU shall be governed by and construed in accordance with the laws of the State of California. Venue shall be the Superior Court in Sonoma County.
5. Attorneys Fees. If either of the Parties commences an action against the other party arising out of or in connection with this MOU, each party shall be responsible for its individual attorney fees and costs.
6. Amendment. This MOU may be amended in writing by mutual agreement of the Parties.
7. Entire Agreement. This MOU contains the entire agreement of the Parties relating to the subject matter hereof and supersedes all prior negotiations, agreements, or understandings.
8. Invalidity; Severability. If any portion of this MOU is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
9. Counterparts. This MOU may be signed in counterparts, each of which shall constitute an original.
10. Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated into this MOU as though fully set forth herein.
11. No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.
12. Notices. All payments, notices hereunder and communications regarding interpretation of the terms of this MOU or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed, as follows:

If to SBCCOG:

South Bay Cities Council of Governments
Attention: Jacki Bacharach, Executive Director
2355 Crenshaw Blvd., Suite 125
Torrance, CA 90501

Telephone: (310) 371-7222

If to Ygrene:

Ygrene Energy Fund California LLC
Attention: General Counsel
2100 S. McDowell Boulevard
Petaluma, CA 94954

Telephone: (877) 819-4736

13. Waiver. No waiver of any breach of a provision in this MOU shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

IN WITNESS WHEREOF, the Parties have caused this MOU to be effective as of the day first above written.

YGRENE ENERGY FUND CALIFORNIA LLC

By: _____

Name: _____

Date: _____

SOUTH BAY CITIES COUNCIL OF GOVERNMENTS

By: _____

Name: _____

Date: _____