



## CITY COUNCIL STAFF REPORT

DATE: November 19, 2014 CONSENT CALENDAR

SUBJECT: ADOPT RESOLUTION \_\_\_\_\_ CONSENTING TO THE INCLUSION OF PROPERTIES WITHIN THE CITY OF PALM SPRINGS' 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 RELATED THERETO.

FROM: David H. Ready, Executive Director

BY: Michele C. Mician, Manager, Office of Sustainability

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### SUMMARY

The HERO Property Assessed Clean Energy (PACE) Program was implemented in Western Riverside County, in 2011 and is requesting to include the City of Palm Springs in the list of cities eligible to participate in the program. The City of Palm Springs must adopt the form of resolution accompanying this staff report and approve an amendment to the joint exercise of powers agreement to adopt the California HERO Program.

### RECOMMENDATION:

Adopt the attached Resolution approving an Amendment to the WRCOG Joint Powers Agreement to add the City of Palm Springs as an Associate Member in order to authorize the City's participation in the California HERO Program.

### BACKGROUND:

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. The financing for these improvements has come to be known as PACE.

The City of Palm Springs currently has two PACE programs including the Coachella Valley Association of Government (CVAG) endorsed valley-wide program, Ygrene, and the City of Palm Springs adopted Figtree program. The addition of the HERO program does not conflict with or alter the operations of the two existing programs. An addition of this third program will

add another option for residents and businesses to encourage the adoption of energy efficiency, renewable energy and water efficiency measures on homes and businesses.

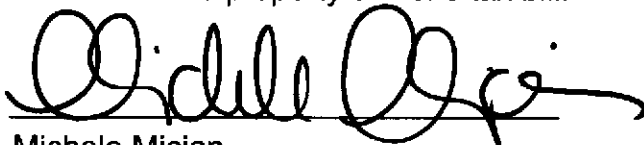
ANALYSIS:

The California HERO Program is being offered to allow property owners in participating cities and counties to finance renewable energy, energy and water efficiency improvements, and electric vehicle charging infrastructure on their property. If a property owner chooses to participate, the installed improvements will be financed by the issuance of bonds by a joint powers authority, Western Riverside Council of Governments ("WRCOG"). The bonds are secured by a voluntary contractual assessment levied on such owner's property, with no recourse to the local government or other participating jurisdictions. Participation in the program is 100% voluntary. Property owners who wish to participate in the program agree to repay the amount borrowed through the voluntary contractual assessment collected together with their property taxes. This financing is available for eligible improvements on both residential and non-residential properties.

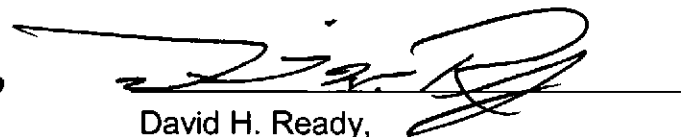
The proposed resolution enables the California HERO Program to be available to owners of property within the City of Palm Springs to finance renewable energy, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure. The resolution approves an Amendment to the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

FISCAL AND STAFF IMPACTS:

There will be no negative fiscal impact to the City's general fund by consenting to the inclusion of properties within the City of Palm Springs' limits in the California HERO Program. HERO Program administrative costs are covered through an 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.



Michele Mician,  
Sustainability Manager



David H. Ready,  
City Manager

Attachments:

1. Resolution, 2. HERO Program presentation packet

# The HERO Program



Economic Stimulus | Energy Efficiency | Water Conservation

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## HERO Program History

- Renovate America was Founded in 2008
- WRCOG HERO Program Launched September, 2011
- Statewide HERO Program Launched February, 2013
- 202 Communities have passed resolutions to date
- 159 Communities are active and funding projects
- 43 More Communities will launch in 1<sup>st</sup> ¼ of 2015

## Energy Efficiency Background

### Why hasn't Energy Efficiency taken off across the US?

High Cost + Program Complexity = Low Participation

#### High Cost

- Energy efficient products cost more
- Credit scores affect eligibility
- Credit scores affect rates
- Terms are not favorable
- Affordability has been a barrier

#### Complexity of Programs

- Restrictions on Funds
- Loading Order Requirements
- Audit requirements
- Limited Funds
- Money Runs Out

## Over 900,000 Products are Eligible for HERO



### SOLAR PANELS

- ✓ Air Sealing and Weatherization
- ✓ Cool Roof System
- ✓ Custom Products
- ✓ Energy Audits
- ✓ Indoor Water Efficiency
- ✓ Insulation
- ✓ Lighting Measures
- ✓ Outdoor Water Efficiency
- ✓ Pool Equipment



### Windows

- ✓ Small Wind Turbines
- ✓ Solar Photovoltaic (PV)
- ✓ Solar Thermal
- ✓ Geothermal Heat Pump
- ✓ HVAC
- ✓ Air Sources Heat Pump
- ✓ Attic Fan
- ✓ Boiler
- ✓ Central Air Conditioning
- ✓ Duct Sealing



### Roofing



### HVAC

- ✓ Evaporative Cooler
- ✓ Furnace
- ✓ Other Ventilating Fans
- ✓ Programmable Thermostats
- ✓ Radiant Heating and Cooling
- ✓ Whole House Fan

## Drought Relief



HERO Enables Property Owners to upgrade their homes for maximum water conservation. Over 10,000 water saving products are eligible:

- Hot Water Delivery
- Toilet and Waste Water Management
- Drip Irrigation
- Smart Sprinkler Systems
- Artificial Turf
- Rainwater Catchment
- Weather Smart Irrigation Control
- Gray Water Recycling Systems

## Energy Efficiency Program Info

**APPROVED**  
38,000 applications  
for \$1.6 Billion

**COMPLETED**  
17,700 residential projects

**FUNDED**  
\$342 million in  
residential upgrades

**CREATED**  
2,356 jobs! jobs! jobs!

**STIMULATED**  
\$484 million in annual  
economic impact

**REDUCED**  
524,000 tons of  
CO<sup>2</sup> Emissions

**SAVED**  
\$516 million on  
energy bills



# HERO Communities

<b>Alameda County</b>	Azusa	San Gabriel	Anaheim	Riverside	Yucaipa	San Jose
<i>Albany</i>	Baldwin Park	San Marino	Brea	San Jacinto	Yucca Valley	<b>Santa Cruz County</b>
<b>Contra Costa County</b>	Bellflower	Santa Monica	Buena Park	Temecula	Unincorporated Area	Scotts Valley
<i>Concord</i>	Bradbury	<i>Sierra Madre</i>	Costa Mesa	Wildomar	<b>San Diego County</b>	<i>Unincorporated Area</i>
<b>Fresno County</b>	Carson	South El Monte	<i>Cypress</i>	Unincorporated Area	Carlsbad	<b>Solano County</b>
Clovis	City of Industry	South Pasadena	Garden Grove	<b>Sacramento County</b>	<i>Coronado</i>	<i>Benicia</i>
Fresno	Claremont	Temple City	Huntington Beach	Citrus Heights	El Cajon	Vacaville
<i>Kingsburg</i>	Covina	Torrance	<i>Lake Forest</i>	<i>Rancho Cordova</i>	<i>Encinitas</i>	<i>Vallejo</i>
<i>Reedley</i>	Diamond Bar	Walnut	La Palma	<b>San Bernardino County</b>	Escondido	Unincorporated Area
<i>Sanger</i>	El Monte	West Covina	Laguna Hills	Adelanto	<i>Imperial Beach</i>	<b>Stanislaus County</b>
<i>Unincorporated Area</i>	El Segundo	<b>Madera County</b>	Newport Beach	Apple Valley	<i>La Mesa</i>	Modesto
<b>Imperial County</b>	Gardena	<i>Unincorporated Area</i>	Placentia	Barstow	Lemon Grove	Newman
Brawley	Glendora	<b>Merced County</b>	Santa Ana	Big Bear Lake	<i>National City</i>	Oakdale
El Centro	Hawthorne	Atwater	Stanton	Chino	Oceanside	<i>Riverbank</i>
<i>Unincorporated Area</i>	Hermosa Beach	<i>Merced</i>	Tustin	Chino Hills	<i>Poway</i>	Turlock
<b>Kern County</b>	Inglewood	Unincorporated Area	Westminster	Colton	San Diego	Waterford
<i>Arvin</i>	Irwindale	<b>Mono County</b>	<b>Riverside County</b>	Fontana	San Marcos	<b>Tulare County</b>
<i>Bakersfield</i>	La Cañada Flintridge	Mammoth Lakes	Banning	Grand Terrace	Santee	<i>Visalia</i>
<i>California City</i>	La Verne	Unincorporated Area	<i>Beaumont</i>	Hesperia	Solana Beach	<b>Ventura County</b>
Delano	<i>Lancaster</i>	<b>Monterey County</b>	Calimesa	Highland	Vista	<i>Fillmore</i>
<i>McFarland</i>	Lawndale	Monterey	Canyon Lake	Loma Linda	Unincorporated Area	<b>San Joaquin County</b>
Ridgecrest	Lomita	<i>Unincorporated Area</i>	Corona	Montclair	Stockton	<i>Ojai</i>
Taft	Monrovia	<b>Napa County</b>	Eastvale	Needles	Tracy	<i>Santa Paula</i>
<i>Wasco</i>	Montebello	<i>American Canyon</i>	Hemet	Ontario	<b>San Mateo County</b>	
Unincorporated Area	Monterey Park	Calistoga	<i>Indio</i>	Rancho Cucamonga	<i>Foster City</i>	
<b>Kings County</b>	Palmdale	Napa	Jurupa Valley	Redlands	Menlo Park	
<i>Lemoore</i>	Pomona	<i>St. Helena</i>	Lake Elsinore	Rialto	<b>Santa Barbara County</b>	
<b>Los Angeles County</b>	Rancho Palos Verdes	Yountville	Menifee	San Bernardino	<i>Lompoc</i>	
Alhambra	Rolling Hills	Unincorporated Area	Moreno Valley	Twentynine Palms	<b>Santa Clara County</b>	
Arcadia	Rolling Hills Estates	<b>Orange County</b>	Murrieta	Upland		
	Rosemead	<i>Aliso Viejo</i>	Norco	Victorville		
	San Dimas		Perris			

HERO Communities as of August 2014. *Italicization indicates pre-launch phase*

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, 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

**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 Palm Springs (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 Palm Springs 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, DETERMINED AND ORDERED** by the City Council of the City of Palm Springs, 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.

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. To that end, the City of Palm Springs adopts this resolution approving the implementation agreement authorizing the Coachella Valley Association of Governments to implement, manage and administer a Property Assessed Clean Energy Program.

ADOPTED THIS 5TH DAY OF JUNE 2013

\_\_\_\_\_  
David H. Ready, City Manager

ATTEST:

\_\_\_\_\_  
James Thompson, City Clerk

CERTIFICATION

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) ss.  
CITY OF PALM SPRINGS )

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. \_\_\_\_ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on \_\_\_\_\_, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

James Thompson, City Clerk  
City of Palm Springs, California

\_\_\_\_\_

## EXHIBIT A

### AMENDMENT TO THE JOINT POWERS AGREEMENT ADDING CITY OF PALM SPRINGS 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 \_\_\_ day of \_\_\_\_\_, 2013, by City of Palm Springs, California ("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 to be known 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:

**A. JPA Amendment.**

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

2. 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.

3. 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.

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

1. 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.

2. 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.

3. 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.

4. 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.

5. 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, establishing and collecting assessments due under the California HERO Program, 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.

6. 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.

### **C. Miscellaneous Provisions.**

1. Withdrawal. Authority may withdraw from this JPA Amendment upon six (6) months written notice to City; 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. City may withdraw approval for conduct of the HERO Program within the jurisdictional limits of City upon thirty (30) written notice to WRCOG without liability to the Authority or any affiliated entity. City withdrawal 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.

2. 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.

3. 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.

4. 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.

5. 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:

City of Palm Springs  
3200 East Tahquitz Canyon Way  
Palm Springs, CA 92263  
Att: City Manager

6. 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.

7. 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.

8. 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.

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

10. 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.

11. 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.

12. 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.

13. 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.

14. 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: \_\_\_\_\_  
Executive Committee Chair  
Western Riverside Council of Governments

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

CITY OF PALM SPRINGS

By: David H. Ready  
Title: City Manager

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