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LETICIA PEREZ: Energy efficiency program ushers green jobs into Kern

By Leticia Perez



The green economy has arrived in Kern County, and not a moment too soon. Kern faces an unemployment rate of more than 13 percent -- well above state and national rates. Our region has struggled since the recent recession, facing not only one of the state's highest unemployment rates but also deep cuts in property values and increasing regulations over oil production, one of our area's main economic drivers.

Fortunately, long-term job prospects for our area are beginning to look more promising. Just last month, Kern County introduced a new public-private partnership that has already increased demand for construction jobs while saving homeowners money and improving property values.

The Home Energy Renovation Opportunity (HERO) program leverages private funding to make it possible for property owners to finance energy- and water-efficiency improvements through their property taxes. HERO increases comfort at home while simultaneously reducing utility bills for participating homeowners. Interest payments are tax deductible and payments can typically

be passed on to the homebuyer if the property is sold before the improvements are paid off.

When the Kern County Board of Supervisors voted to make HERO available to residents, we imagined a modest benefit for homeowners. We could not have predicted the program's rapid growth. Since HERO launched March 10, residents have applied for nearly \$1.9 million in energy- and water-efficiency projects. Work has already begun on the five approved projects, bringing more than \$115,000 into the county in just a few weeks. Almost instantly, we've witnessed one of the main benefits of having HERO available in our community: demand is created for local contractors to make improvements that homeowners might otherwise not have been able to afford. This boost in demand for construction jobs is good news for our region, which is finally seeing an uptick in that sector. As of February, there were 18,400 construction jobs in Kern County, an increase of 2,000 -- or 12 percent -- over the same time in 2013. Given HERO's early success in Kern, the program is sure to help this important job sector continue to grow.

Besides the direct jobs created, the program also leaves more money in the pockets of participating homeowners. With costs of water and energy continuing to rise, property owners who invest in efficiency typically see their utility bills go down. By reducing financial pressures on local homeowners, HERO makes it possible for these residents to invest their hard-earned money in other home improvements or to spend more on dining out, entertainment and durable purchases like new cars and appliances.

People who invest in improving the efficiency of their homes also reap a bonus in property value. A report by the Oregon-based Earth Advantage

Institute shows that homes certified as energy efficient sell for as much as 9.6 percent more, and they sell an average of 18 days faster than similar inefficient homes.

Ultimately, HERO financing could play an important role in improving property values throughout Kern County, something that benefits both public coffers and personal wealth for local residents. All signs point to the fact that investments in efficiency are here to stay. Nationwide, the solar installation industry adds 20 percent more jobs year-over-year; in 2013, 70,000 people were employed installing solar panels. In our sunny region, incentives like the HERO program mean that we should see sustained growth in renewable energy for the foreseeable future.

Between California's extended drought and ongoing state and federal incentives to invest in renewable energy, like solar panels, and efficiency measures, like drip irrigation, insulation and efficient windows, Kern County residents have a lot of good reasons to improve efficiency at home. The easy financing available through HERO, which relies on home equity rather than personal credit, is making it possible for homeowners to actually make those investments. With HERO, we hope to stimulate the economy, create jobs, bring money into the community and improve local property values. The program's strong start shows us that we're moving in the right direction. Adopting HERO is one of the best investments we've made in a long time in the future of our region.

Leticia Perez of Bakersfield is chair of the Kern County Board of Supervisors.