



Office of
**INDIAN RIVER COUNTY
ATTORNEY**

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MEMORANDUM

TO: Board of County Commissioners

FROM: Dylan Reingold, County Attorney *DR*

DATE: December 3, 2018

SUBJECT: Commercial PACE Program

BACKGROUND.

On October 16, 2018, the Indian River County Board of County Commissioners (the "Board") voted 3 -2 to direct staff to present additional information about the Commercial PACE (Property Assessed Clean Energy) Program and present an example of a resolution for the Commercial PACE Program.

There are four local governmental entities who provide PACE services in Florida. These are Florida Green Finance Authority, Florida PACE Funding Agency, Green Corridor PACE District and Florida Resiliency and Energy District. The first three provide Commercial PACE services. These four local governments are each administered by a separate program administrator Renew Financial, CounterPointe, LLC, Ygrene and Renovate America, respectively.

Indian River County would "join" these programs by signing onto an Interlocal Agreement creating the programs pursuant to the Florida Interlocal Cooperation Act, Section 163.01, Florida Statutes. The base Interlocal Agreement for each program contains such as items as how the individual program was formed, how it is governed, how it issues debt and indemnifications for participating local government. To participate in all of the PACE programs, Indian River County would execute Interlocal Agreements with each PACE local governmental entity separately. The Board would also have to pass a resolution evidencing intent to participate in the PACE program and the Interlocal Agreement, which can be accomplished through one "multi-provider" resolution including all PACE local governmental entities at once.

The PACE local governmental entity is responsible for providing financing for the PACE program. Capital providers or the external lending parties buy the bonds, which provides capital for the PACE program. By statute, the assessments and debt secured by the assessments are issued by the PACE local governmental entity and these obligations cannot encumber the participating local governments. The PACE local governmental entity and the program administrator incorporate all government-imposed (such as Tax Collector) administrative fees into the financing and get paid at closing. The financing provided to a

participating property owner is used to pay for the contractor to perform the work on the property. The contractor will be certified by one of the participating PACE local governmental entities.

As part of the PACE program, the PACE local governmental entity will be paid back through the annual assessments levied by the Tax Collector on the non-ad valorem assessment and ad valorem tax rolls. As part of this process, the PACE local governmental entity, its program administrator or a hired tax administrator will prepare the assessment roll and interface with the Tax Collector, and if required the Property Appraiser, with respect to the annual assessment.

Per the Board's direction, attached is a copy of an Escambia County resolution authoring the PACE Program for commercial properties. Also, attached is the interlocal agreement between Escambia County and the Florida Green Finance Authority.

ATTACHMENTS.

Escambia County Commercial PACE Program Resolution

Interlocal Agreement Between Escambia County and the Florida Green Finance Authority