



Property Assessed Clean Energy (PACE) Financing Marketplace

City Council
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Overview

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- Benefits of PACE
- PACE Marketplace Participation Activity
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- Challenges and Considerations
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PACE

What is PACE Financing?

- Property Assessed Clean Energy (PACE) is a financing option that allows property owners to install permanently affixed energy efficient improvements, water conservation measures and solar
- Authorized by state law AB 811 in July 2008
- Repayment is made through the property tax bill process
- **PACE assists communities in reaching GHG reductions targets**

City's Current PACE Program

The City currently offers the Sonoma County Energy Independence Program (SCEIP)

- County's PACE program since March 2009
- City joined SCEIP in April 2009

Area	Metric	Residential	Commercial
Countywide	Projects Funded	2181	64
	\$ Funded	\$60,370,941	\$11,724,246
Santa Rosa	Projects Funded	664	21
	\$ Funded	\$14,535,310	\$5,528,881

Table: March 2009 – September 2015

County's Current PACE Programs

- SCEIP 2009
- In Nov 2014, the County established the PACE Marketplace, which offers additional financing programs with various products
 - CaliforniaFIRST
 - California HERO
 - Figtree



Benefits of PACE Marketplace

- Accelerate progress toward meeting climate community-wide greenhouse gas reduction targets
- Data and information on progress toward community GHG reduction goals
- Expands availability of project financing
- Consumer choices for PACE options
- County's PACE Marketplace Program provides impartial assistance to consumers

PACE Marketplace Activity

PACE Marketplace Comparison
November 2014 – September 2015

Marketplace Member	\$ Funded	# Projects Funded	MTCO2E Emissions Prevented
SCEIP	\$3,423,673	115	592
CA FIRST	\$1,345,990	54	91
CA HERO	\$312,524	10	22

Joint Powers Authority (JPA)

- Santa Rosa will need to join two JPAs:
 - Western Riverside Council of Governments (WRCOG) HERO program
 - California Enterprise Development Authority (CEDA) Figtree program
- Santa Rosa already belongs to California Statewide Communities Development (CSCDA) CaliforniaFIRST program

Joint Powers Authority (JPA)

- Joining the JPAs may expose the City to undetermined financial and indemnification liability, with two JPAs not providing indemnification to the City
- Possible JPA required member fees in future
- City can withdraw at any time from both the JPAs and the Programs

Challenges & Considerations

Consumers

- Public entities would be authorized to offer their PACE programs within the City
- Rates, Fees and Terms of products offered may not be most favorable to consumers
- PACE loans and first lien mortgages

Challenges & Considerations

City

- Carbon Credits will be held by Program Administrators
- Marketplace continues to vet additional providers for City consideration
- Resources for program administration

Options for Consideration

Council may choose one of the following options:

- Allow operation of all three additional PACE programs
- Offer only the California HERO Program
- Choose not to allow any additional PACE programs at this time

Questions?