



Legislation Text

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TO: Mayor and Commissioners
FROM: Dale Sugerman, Asst. City Manager/Acting Director of ESD
THROUGH: Chief Neal de Jesus, Interim City Manager
DATE: May 2, 2017

RESOLUTION 18-17 APPROVING AND ADOPTING THE SECOND AMENDED AND RESTATED INTERLOCAL AGREEMENT ORIGINALLY EXECUTED BY THE TOWNS OF LANTANA AND MANGONIA PARK, WHICH PROVIDES FOR UPDATES TO THE BOARD OF SUPERVISORS' STRUCTURE, FOR MORE FLEXIBILITY IN OBTAINING A QUORUM OF THE BOARD AND A PROGRAM NAME CHANGE TO "RENEWPACE" AS IMPLEMENTED BY THE FLORIDA GREEN FINANCE AUTHORITY CONCERNING THE CONTINUATION OF THE "PACE" PROGRAM WITHIN THE CITY; SPECIFICALLY RESCINDING RESOLUTION NO. 24-12 ON "PACE" DUE TO THE RECENT CHANGES IN THE PROGRAM NAME AND AMENDMENTS TO ORIGINAL INTERLOCAL AGREEMENT

Recommended Action:

Motion to Approve Resolution 18-17 approving and adopting the second amended and restated Interlocal Agreement originally executed by the Towns of Lantana and Mangonia Park, which provides for updates to the Board of Supervisors' Structure, for more flexibility in obtaining a quorum of the Board and a program name change to "RenewPACE" as implemented by the Florida Green Finance Authority concerning the continuation of the "PACE" Program within the City; specifically rescinding Resolution No. 24-12 on "PACE" due to the recent changes in the program name and amendments to the original Interlocal Agreement.

Background:

The Property Assessed Clean Energy (PACE) program in Delray Beach has been relatively dormant since inception in 2012. In order adapt to changing market conditions and help ensure the program's success the City needs to: 1) adopt an ordinance that establishes guidelines for multiple, non-exclusive PACE programs providing PACE funding within the City and provides additional consumer protections for our residents; 2) Join the Second Amended Interlocal Agreement with Florida Green Finance Authority (the "Authority"), implemented through the RenewPACE qualifying improvements program, by adopting a resolution which provides that the original 2012 membership agreement is still in effect; and 3) Join the Interlocal Agreement that forms the Green Corridor PACE District, currently administered by Ygrene Energy Fund, Florida LLC., by entering into a membership agreement with the Green Corridor District.

Property Assessed Clean Energy (PACE) was authorized by the Florida Legislature in 2010 through Section 163.08 F.S., in an effort to improve energy efficiency, incentivize installation of solar arrays, and increase storm resilience of Florida's built environment. Using PACE, property owners can implement a variety of 'qualifying improvements' including, but not limited to, the installation of energy efficient air conditioning systems, water heaters, insulation, impact resistant and insulated windows

and doors, solar energy panels, and roof improvements that address energy efficiency and/or wind mitigation on homes and commercial buildings.

Resolution 18-17 authorizes the City to join the Second Amended and Restated Interlocal Agreement with Delray Beach's current PACE program entity, Florida Green Finance Authority. The Second Amended and Restated Interlocal reflects a change in the program name pursuant to the acquisition of the third-party administrator by Renew Financial. It also introduces changes providing greater flexibility for the Authority's Board of Supervisors, greater geographic representation on the board, and provides that the 2012 membership agreement is still in full force and effect.

Although the former Florida Green Energy Works program was impacted by the challenges to its bond validation and did not roll out many projects, the Florida Green Finance Authority expanded to include 49 jurisdictions across nine counties including Alachua Broward, Escambia, Indian River, Martin, Orange, Palm Beach, Pasco, and Pinellas. The program's acquisition by Renew Financial brings significant resources, both monetary and personnel, to help make the program more successful throughout Florida.

Renew Financial administers the largest multi-jurisdictional PACE program in California, CaliforniaFIRST, which available to 27 million people in over 300 local governments in California. Renew Financial has closed on over 7,300 PACE assessments at a total value of \$186 Million across the U.S. and secured \$650 million in total financing to date. The RenewPACE program now launching the residential portion of its program with an expedient project approval process. Since July 2016, RenewPACE has completed approximately \$70,000 in residential transactions.

There are no costs to the City from the PACE program. The program allows the private sector to operate within the City's jurisdiction.

City Attorney Review:

Approved as to form and legal sufficiency.

Finance Department Review:

Finance recommends approval.

Funding Source:

N/A

Timing of Request:

Adopting these changes will help reenergize the Delray Beach PACE Program.