

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 11/17/2015	(3) CONTACT/PHONE Jon Griesser, Supervising Planner / (805) 781-5611	
(4) SUBJECT Request to enter into three individual agreements with Property Assessed Clean Energy (PACE) administrators to allow properties within unincorporated County to participate in PACE programs, and to amend an existing Joint Powers Agreement. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> <li>1. Adopt the resolutions in Attachments 1, 2, and 3 consenting to inclusion of properties within unincorporated County to participate in Property Assessed Clean Energy (PACE) programs and instruct the Chairperson to sign the Amendment to the Joint Powers Agreement in Exhibit 1.</li> <li>2. Approve and instruct the Chairperson to sign Attachments 4, 5 and 6 to enter into three individual agreements with PACE administrators.</li> </ol>			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT { } Consent    { } Presentation    { } Hearing (Time Est. ___) <b>{X}</b> Board Business (Time Est. <u>30 min.</u> )			
(11) EXECUTED DOCUMENTS <b>{X}</b> Resolutions <b>{X}</b> Contracts    { } Ordinances    { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required <b>{X}</b> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A    Date: <u>June 2, 2015</u>	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) All Districts			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Jon Griesser, Supervising Planner / (805) 781-5611

VIA: Planning and Building / Trevor Keith, Deputy Director / (805) 781-1431

DATE: 11/17/2015

SUBJECT: Request to enter into three individual agreements with Property Assessed Clean Energy (PACE) administrators to allow properties within unincorporated County to participate in PACE programs, and to amend an existing Joint Powers Agreement. All Districts.

## **RECOMMENDATION**

It is recommended that the Board of Supervisors:

1. Adopt the Resolutions in Attachments 1, 2, and 3 consenting to inclusion of properties within unincorporated County to participate in Property Assessed Clean Energy (PACE) programs and instruct the Chairperson to sign the Amendment to the Joint Powers Agreement in Exhibit 1.
2. Approve and instruct the Chairperson to sign Attachments 4, 5 and 6 to enter into three individual agreements with PACE administrators.

## **DISCUSSION**

### Property Assessed Clean Energy (PACE)

PACE is a financing mechanism that allows property owners to finance eligible energy and water efficiency, and renewable energy projects, by adding the cost as an assessment to the property tax bill. This mechanism eliminates upfront costs and allows repayment to be made over a long timeframe—typically from five to twenty years.

It is common practice for local governments to enter into agreements with PACE administrators because it allows the local government to establish certain guidelines and best practices for PACE program implementation. These guidelines and best practices can include but are not limited to integration with County residential energy efficiency programs, increased consumer protections, ability to terminate programs, and guaranteed access to program related data.

### Board Direction to Implement PACE

On June 2, 2015, County Planning & Building Staff presented a report to the Board of Supervisors on residential energy efficiency financing options in San Luis Obispo County. The report included a review of PACE financing programs as a potential offering in the County. The Board directed staff to develop evaluation criteria for a Request for Proposal (RFP) process to vet and select the most qualified PACE provider for the County of San Luis Obispo.

### RFP Selection Process

County Planning & Building Staff initiated the RFP process consistent with County requirements. The RFP was released on August 21, 2015 and vendors had three weeks to respond. A selection committee including representatives from multiple County departments and the City of San Luis Obispo was formed to review and score each proposal based a standardized set of criteria. Following proposal review, interviews were conducted and other Counties and Cities were contacted regarding their experience and satisfaction with PACE administrators.

## Results of the RFP Process

The committee selected three PACE administrators. By selecting multiple qualified providers, a more competitive marketplace is created for PACE administrators that maximizes options available to property owners participating in the PACE program.

## **OTHER AGENCY INVOLVEMENT/IMPACT**

Representatives from the Auditor-Controller-Treasurer-Tax Collector, County Counsel, Planning and Building Department, County Administrative Office and the City of San Luis Obispo's Community Development Department were involved in the RFP selection process.

County Counsel has reviewed the attached contracts as to their form and legal effect.

## **FINANCIAL CONSIDERATIONS**

There is no fiscal impact to the County. All administrative costs are intrinsic to the program and included in the property owner's voluntary contractual assessment.

## **RESULTS**

Adoption of the resolutions will allow property owners to participate in PACE programs through the three selected PACE administrators. PACE programs are consistent with the County's goals of promoting a healthy, livable and prosperous community.

## **ATTACHMENTS**

1. Attachment 1 - Hero Resolution
2. Exhibit 1 - Joint Powers Amendment
3. Attachment 2 - Cal First Resolution
4. Attachment 3 - YGreene Resolution
5. Attachment 4 - Hero Agreement
6. Attachment 5 - CalFirst Agreement
7. Attachment 6 - YGreene Agreement