

PACE Program Descriptions

The following are brief descriptions offered by each of the PACE Programs requesting approval:

CMFA Open Pace

The California Municipal Finance Authority (CMFA) is a Joint Powers Authority formed to assist local governments, non-profit organizations and businesses by promoting economic, cultural and community development, with the financing of economic development and charitable activities through California. To date, over 260 municipalities have become members of CMFA.

As part of its economic and community development, the CMFA along with its current Program Administrators: Energy Efficient Equity Inc. (E3); BlueFlame PACE Services LLC; OnPACE Energy Solutions, LLC; and Structured Finance Associates, LLC, are offering PACE financing for residential and commercial property owners in its member territories. The CMFA is expected to issue limited obligation bonds, notes or other forms of indebtedness to fund the projects.

Adoption of the Resolution, Attachment 2, authorizes CMFA to offer their Program and levy property tax assessments within the City boundaries.

CSCDA Open Pace

The California Statewide Communities Development Authority (CSCDA), one of the largest JPAs in California is sponsored by the League of California Cities and the California State Association of Counties. Through the CSCDA Open PACE Programs, qualifying projects are available and funded to both residential and commercial property owners.

Similar to CMFA, CSCDA uses the open PACE method in order to offer members turn-key PACE solutions that provide residential and commercial property owners the choice among prequalified PACE financing providers. This creates competition on terms, service, and interest rates and gives property owners a chance to choose the best provider. CSCDA Open Pace provides the following prequalified program administrators for property owners to choose from: AllianceNRG Program; PACE Funding LLC; Renewable Funding LLS (administering CaliforniaFIRST); Clean Fund Commercial PACE Capital; and Spruce Finance.

Adoption of the Resolution, Attachment 3, authorizes CSCDA to offer their program and levy property tax assessments within the City of Pomona.

CEDA Figtree Financing

Figtree is one of the leading private PACE financing companies operating in the United States today. Over 100 municipalities throughout California have already joined the Figtree program which is offered through its JPA partner, the California Enterprise Development Authority (CEDA). Together, Figtree and CEDA offer the program as a complete turn-key PACE solution without cost to the City. Furthermore, Figtree has agreed to provide indemnification to the City for its participation.

The Figtree PACE program provides 100% upfront financing to residential and commercial property owners for a wide range of eligible property improvements. Repayment is made through an owner's annual property payment with flexible repayment terms ranging from 5 to 20 years. PACE may also allow payments to be passed on to a new property owner if the property is sold before the PACE financing is paid in full. If a property owner chooses to participate, the installed improvements will be financed by the issuance of bonds by CEDA. The bonds are secured by a voluntary contractual assessment levied on such owner's property, with no recourse to the local government or other participating jurisdictions. Participation in the program is 100% voluntary. Property owners who wish to participate in the program agree to repay the amount borrowed through the voluntary contractual assessment collected together with their property taxes.

Adoption of the Resolution, Attachment 4, authorizes the City of Pomona to join CEDA as an associate member, and authorizes CEDA to offer their program and levy property tax assessments within the City of Pomona.

GFSA-Ygrene Works Program

The Ygrene Works Program is offered through the Golden State Finance Authority (GSFA). GSFA contracts with Ygrene to serve as the program administrator to operate the Ygrene Works for California's PACE financing program. Financing options are available to both residential and commercial property owners through two types of PACE Programs. GFSA formed and validated PACE Programs through AB811, similar to the other providers, and also through SB555. Unlike AB811, SB555 allows the creation of Community Facilities Districts (CDFs) for the purpose of financing or refinancing the acquisition, installation and improvement of energy efficiency improvements and seismic improvements. Individual property owners can be annexed into a CDF and be subject to the special Mello-Roos tax that is imposed to repay the project's financing.

GFSA SB555 PACE Program has been fully operational since August of 2015, providing financing for commercial and residential properties, and non-profit organizations. GSFA chose to form, validate, and maintain both AB811 and AB555 programs offerings. Should market conditions, consumer demand and/or legislative changes affect one PACE Program more than the other, GSFA has the flexibility to offer the program that best supports GSFA's vision of service without any interruption to participating counties and cities and their property owners. The GSFA Program does not set price controls, it implements procedures to monitor conformance with generally accepted market pricing ranges.

Adoption of the two Resolutions is required for GFSA: Adoption of Resolution, Attachment 5, authorizes GFSA to offer their program as implemented under AB811, and join GFSA as an associate member. Adoption of Resolution, Attachment 6, authorizes the City of Pomona to offer the program as implemented under SB555 and join GFSA as an associate member.