



City of Eustis

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TO: EUSTIS CITY COMMISSION

FROM: Tom Carrino, City Manager

DATE: November 17, 2022

RE: Resolution 22-87 – Authorizing a Commercial Property Assessed Clean Energy (C-PACE) Program within the City of Eustis allowing Commercial Property Owners access to financing through a non-ad valorem assessment

Introduction:

C-PACE was established under Florida Statue 163.08, which gives local governments authorization allowing for the funding and administration of the financing programs through the creation of a non-ad valorem tax against the borrowing property. This is a vehicle which allows commercial property to enter into the clean energy era, leaving a lower carbon foot print, which allows for alternative financing not otherwise available. The program is not available for residents within Lake County.

Background:

The program is set to allow for the financing and security of the loan at preferred interest rates, making clean energy projects affordable. Funding of energy conservation and efficiency, renewable energy and wind resistance improvements are considered "Qualifying Improvements".

The non-ad ad valorem tax is the vehicle set in place to insure the financing institutions are collateralized and secured in making the loans for these projects. The financing is secured by the property and the agreement is solely between the borrower and the financing institution. The City of Eustis has no financial interest in the transaction and therefore has no obligation to repay any debt.

Four districts/agencies are participating in the program established by the City of Eustis:

- Florida Green Finance Authority
- Florida Resiliency and Energy District
- Green Corridor PACE District
- Florida PACE Funding Agency

Collectively these four entities are units of local government which were established by separate interlocal agreements to provide a scalable and uniform platform to facilitate the financing of the projects allowed through out the State of Florida.

Both the Property Appraisers Office and the Tax Collectors Office have signed agreements which cover all of Lake County entities to join the non- ad valorem assessments. Lake County, Lady Lake and Mount Dora are currently utilizing the C-Pace established under FS 163.08.

Recommended Action:

It is recommended that Resolution 22-87 be approved to allow Commercial Businesses the opportunity to apply for financing through non-ad valorem assessments which is exclusively related to the real property associated with commercial business activity.

Alternatives:

Advantage Provides an alternative for business to procure financing for clean projects under FS 163.08. The State has provided for the City and County participation in the program at no risk to the City.

Disadvantage – None known.

Budget/Staff Impact:

None

Prepared By:

Mike Sheppard, Finance Director

Attachments:

- Resolution 22-87 - A RESOLUTION OF THE CITY OF EUSTIS, FLORIDA, AUTHORIZING A COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (C-PACE) PROGRAM WITHIN THE CORPORATE LIMITS OF THE "CITY"
- Exhibit A – Florida Green Finance Authority (FGFA)
- Exhibit B – Florida PACE Funding Agreement
- Exhibit C – Florida Resiliency Energy District Agreement (FRED)
- Exhibit D – Green Corridor Form Membership Agreement
- Exhibit D-1 Green Corridor Amended Agreement
- Exhibit D-2 Green Corridor Second Amendment