



RENEW
FINANCIAL

PACE Policy: Federal and State

Cliff Staton

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FHFA Update

- July 6, 2010: Statement
- August 2010: Fannie Mae and Freddie Mac issue policy not to purchase mortgages with PACE liens attached
- December 22, 2014 FHFA statement confirming its earlier position

Political Context for PACE in CA

- Strong Support/Leadership from Gov. Brown
- Strong Bi-Partisan Support in Legislature
- Strong Support from CEC, CPUC

History of PACE Bills in CA

- 2008: AB 811 (establishes PACE districts)
- 2009: AB 474 (adds water)
- 2010: SB 555 (establishes Mello-Roos PACE districts)
- 2011: AB 184 (adds seismic)
- 2013: SB 96 (establishes \$10 MM PACE Reserve)
- 2014: AB 1883 (pooled projects) and AB 2597 (increases the amount of home value financeable to 15%)
- 2015: AB 450 (increases PACE Reserve)

AB 1883 (Skinner) Summary

- Allows projects to be funded on demand, but pooled into one bond, thus reducing transaction costs
- Allows PACE to be used for new construction IF the construction done by owner or occupant
- Makes changes to allow PACE to finance PPAs for commercial properties
- Passed Assembly 77-0 and Senate 32-1
- Sponsor: Renewable Funding

AB 2597 (Ting) Summary

- Defines PACE as a “financing,” not a “loan”
- Increases from 10% to 15% of home value that can be financed for an eligible PACE project
- Passed Assembly 75-0 and Senate 28-6
- Sponsor: Renewable Funding

AB 450 (McCarty) Summary

- Allows “cap and trade” funds to be used to supplement the \$10 MM PACE Reserve Fund
- Passed out of Assembly April 30, going to Senate

What You Can Do

- Letter of Support
- Alex.Harold@asm.ca.gov
- Letters already sent from: Renewable Funding, Renovate America, CALSEIA, Sierra Club, Cal State Assn of Counties, Sacramento Municipal Utility District (SMUD)



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Thank You / Questions

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