

In order to help ensure high levels of accountability and consumer protection, the following minimum standards are required of any Property Assessed Clean Energy (PACE) program provider seeking to operate in the City of Chula Vista. Each program will still need to be formally reviewed by the City Attorney's Office and approved by the City Council. These guidelines build off of the best practices developed by the State of California, US Department of Energy, and others:

Program

1. Provide PACE financing and program administration at zero cost to the City
2. Indemnify and release the City from any liability associated with the PACE program
3. Encourage the most cost effective improvements (or combination of improvements) to maximize property-owners' long-term utility savings and return on investment
4. Ensure that all improvements are performed by California-licensed contractors and have received the necessary building permits prior to installation
5. Promote local purchases and the use of local contractors
6. Integrate all applicable City, utility, and state rebates
7. Deliver or provide access to quarterly program participation reports that include the following electronic data (split between residential & commercial sectors):
 - Number & value (\$) of applications
 - Number & value (\$) of approved projects
 - Number & value (\$) of completed projects
 - Number of participating contractors (especially local)
 - Number of energy & water improvement types financed
 - Building size (square feet) & year
 - Estimated savings in kWh, Therms, & Gallons (per project & cumulative)
 - Any digital/print marketing efforts (copies & notice of distribution method)

Underwriting

1. Require that applicants are the property-owner(s) of record
2. Require that applicants are current on all property taxes and assessments for the subject property
3. Require that applicants are current on all debt secured by the subject property, and do not have more than one 30-day late payment notice for the prior 36 months or since the current owner acquired the property, whichever period is shorter
4. Require that the subject property is not an asset in any bankruptcy proceeding and does not have any involuntary liens
5. Require that total indebtedness secured by the property (including all mortgages, tax liens, and assessment liens), when combined with the PACE lien, does not exceed 95% of the property value
6. Require that the PACE lien is for 15% or less of the value of the subject property
7. Require that the financing term does not exceed the expected useful life of the proposed improvements or 25 years, whichever period is shorter
8. Require applicant acknowledgment of the Federal Housing Finance Agency position on PACE (residential only)