

Open Issues Outline

Issue	Ask or Position	County Staff's Position	Resolution
1. Sec. 20-176.136(a) - 10% EQUITY REQUIREMENT BASED ON JUST VALUE DETERMINED BY PROPERTY APPRAISER'S OFFICE.	Industry: Using only Property Appraiser's Office's just value is too restrictive; requests that alternate methods, including AVM (automated algorithm-based appraisal), Certified Property Appraiser, or Real Estate Professional be permitted.	Allowing AVM, Certified Property Appraiser, or Property Appraiser's Office just value, but not Real Estate Professionals, will adequately protect consumers in determining 10% equity limit.	Resolved based on County Staff's position.
2. Sec. 20-176.136(c) - REQUIRES PROGRAM ADMINISTRATORS AND THIRD-PARTY PROGRAM ADMINISTRATORS TO CONDUCT PRICE DUE DILIGENCE TO ENSURE CONTRACTOR PRICING OF APPLICABLE PROJECT IS WITHIN 125% OF CONSTRUCTION COST DATABASE ESTIMATE.	<p>Industry: Requests that this cap be omitted as unnecessary given state law changes; if County unwilling to omit, some stakeholders request that they be allowed to use internal construction cost estimates and require contractor attestation of price cap compliance, which PACE administrator can confirm.</p> <p>County Auditor: Requests this restriction be strengthened to allow prices at only 110% of cost estimates.</p>	Maintain the 125% cap on construction cost estimates based on tricounty area. Agreed to modify to require administrator due diligence and keeping of written confirmation of contractor pricing complying with limitation.	Partially resolved based on County Staff's position and stakeholder request. After such partial resolution, two other stakeholders suggested different revisions which have not been made.

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3. Sec. 20-176.133(c)(1) - REQUIRES INTERLOCAL AGREEMENTS.	Industry: Request that current ILAs be amended rather than require new agreements and that County continues participation as a “party” or “member” in program administrator organizations. One stakeholder that lacks a current ILA requested time after the ordinance’s effective date to enter into an ILA.	Require new or amended ILAs, but will include language to address business operations “gap,” “party/member” concern raised by industry, addition of “amended and restated” to the title to underscore continuity, and 60 days to enter into any new ILA.	Partially resolved based on County Staff’s position. After such partial resolution; one stakeholder requested 180 days to be able to integrate County requirements into financing processes (change has not been made).
4. SEC. 20-176.136(f) and (g) - FINANCING LIMITS. 5% LIMIT (BASED ON FAIR MARKET VALUE) ON ALL TAXES AND ASSESSMENTS, AND ANNUAL PACE ASSESSMENTS CANNOT EXCEED 4% OF TOTAL ANNUAL GROSS INCOME OF PROPERTY OWNER.	Industry: Requests both limits omitted or, if not, requests different methodology for calculating fair market value similar to Issue #1.	Maintain consumer protection limits. Agreed to allow fair market valuation method for all borrowers to be based on AVM, Certified Property Appraiser, or Just Value as determined by Property Appraiser’s Office.	Resolved based on County Staff’s position.

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<p>5. PACE LIEN REGISTRY/CONTRACTOR REGISTRATION.</p> <p>NOT CURRENTLY COVERED BY ORDINANCE.</p>	<p>Industry: Requests County require a lien registry for all program and third-party administrators and County register contractors to permit them to participate in PACE-financed improvements.</p>	<p>County does not want to require a lien registry by ordinance (only a single vendor seems available) or register contractors (given concern that County registration would be used in market to imply approval by County). County public record checks will also disclose recorded financing agreements.</p>	<p>Partially resolved; voluntary use of the registry can be handled as part of industry self-reporting of consumer protections; contractor registration issue remains open.</p>
<p>6. SEC. 20-176.136(d)(2) – TIMING OF NOTICE TO PROPERTY OWNERS</p> <p>County Agency (RED) Request - require notice prior to execution of loan documents and commencement of work.</p>	<p>Industry: No objections expressed until 9/23/2024.</p>	<p>Adding language protects consumers in the event work is commenced prior to documents being fully executed.</p>	<p>Partially resolved based on County Staff's position; one stakeholder belatedly requested further revision (which has not been made).</p>
<p>7. CHANGE TO ILA SECTION 10.2 AUDIT RIGHTS AND RETENTION OF RECORDS.</p> <p>COUNTY AUDITOR REQUEST</p>	<p>Industry: No objections expressed until 9/23/2024.</p>	<p>Agrees.</p>	<p>Partially resolved based on County Staff's position; one stakeholder belatedly requested revisions to not require provision of certain records (the revision was not made).</p>

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<p>8. LIMIT CLOSING COSTS TO 1%.</p> <p>COUNTY AUDITOR REQUEST</p> <p>NOT CURRENTLY COVERED BY ORDINANCE.</p>	<p>Industry: Rejects changes as unduly limiting market and not based on any empirical analysis of problem</p>	<p>No position expressed.</p>	<p>Not included in proposed Ordinance.</p>
<p>9. CAPPING INTEREST RATE.</p> <p>COUNTY AUDITOR REQUEST</p> <p>NOT CURRENTLY COVERED BY ORDINANCE.</p>	<p>Industry: Rejects changes as unduly limiting market and not based on any empirical analysis of problem</p>	<p>No position expressed.</p>	<p>Not included in proposed Ordinance.</p>
<p>10. FURTHER OWNER DISCLOSURES.</p> <p>COUNTY AUDITOR REQUEST</p> <p>NOT CURRENTLY COVERED BY ORDINANCE.</p>	<p>Industry: Rejects changes as unduly limiting market and not based on any empirical analysis of problem</p>	<p>No position expressed.</p>	<p>Not included in proposed Ordinance.</p>
<p>11. PROTECTION FOR CONSUMER OVERCHARGES.</p> <p>COUNTY AUDITOR REQUEST</p> <p>NOT CURRENTLY COVERED BY ORDINANCE.</p>	<p>Industry: Rejects changes as unduly limiting market and not based on any empirical analysis of problem</p>	<p>No position expressed.</p>	<p>Not included in proposed Ordinance.</p>

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<p>12. OWNER RECOURSE FOR PROJECT LENGTH OR DELAY.</p> <p>COUNTY AUDITOR REQUEST</p> <p>NOT CURRENTLY COVERED BY ORDINANCE.</p>	<p>Industry: Rejects changes as unduly limiting market and not based on any empirical analysis of problem</p>	<p>No position expressed.</p>	<p>Not included in proposed Ordinance.</p>
<p>13. NO COST TO OWNER FOR ANY REQUIRED REWORK OR REINSPECTION.</p> <p>COUNTY AUDITOR REQUEST</p> <p>NOT CURRENTLY COVERED BY ORDINANCE.</p>	<p>Industry: Rejects changes as unduly limiting market and not based on any empirical analysis of problem</p>	<p>No position expressed.</p>	<p>Not included in proposed Ordinance.</p>