

ADDITIONAL MATERIAL Public Hearing

JANUARY 28, 2025

SUBMITTED AT THE REQUEST OF

COMMISSIONER STEVE GELLER

PROPOSED

ORDINANCE NO.

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA, PERTAINING TO THE PROPERTY ASSESSED CLEAN ENERGY ("PACE") PROGRAM IN BROWARD COUNTY; AMENDING VARIOUS SECTIONS OF CHAPTER 20, ARTICLE VII, DIVISION 8 OF THE BROWARD COUNTY CODE OF ORDINANCES ("CODE") REGARDING THE BROWARD PACE ACT; AND PROVIDING FOR SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE.

(Sponsored by Senator Steve Geller)

WHEREAS, the Florida Legislature substantially amended state law regulating the provision of financing of property assessed clean energy ("PACE") qualifying improvements to real property during the 2024 Legislative Session;

WHEREAS, on October 8, 2024, the Board of County Commissioners of Broward County, Florida ("Board"), enacted Ordinance No. 2024-38, the Broward PACE Act, and Resolution No. 2024-469, to consolidate, strengthen, and update requirements for voluntary financing of certain qualifying improvements to real property within Broward County through non-ad valorem assessments on such real property by PACE program administrators (collectively, "PACE financing");

WHEREAS, continued meetings between County staff, the County Attorney's Office, the County Auditor's Office, and PACE industry stakeholders resulted in additional proposed amendments to the Broward PACE Act to require that qualifying improvement contractors make certain attestations regarding pricing and price due diligence to the

Coding: Words stricken are deletions from existing text. Words underlined are additions to existing text.

PACE program administrator and/or third-party administrator offering the PACE financing; and

WHEREAS, the Board finds it appropriate at this time to amend the Broward PACE Act as set forth herein,

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA:

Section 1. Section 20-176.136 of the Broward County Code of Ordinances is hereby amended to read as follows:

Sec. 20-176.136. Additional Requirements for Residential Property.

. . .

- (c) *Price due diligence*. Before entering into a financing agreement for a qualifying improvement to residential property, program administrators and/or third-party administrators shall require contractors to attest submit a sworn statement to the program administrator and/or the third-party administrator, on a form prescribed by the program administrator or the third-party administrator, that:
 - (1) \$\frac{t}{T}\$he contractor's prices for services, materials, and products for the qualifying improvement project do not exceed one hundred twenty five percent (125%) of the average market price in the tricounty area, consisting of Broward, Miami-Dade, and Palm Beach counties, for the same services, materials, and products, and the program administrators and/or third-party administrators shall conduct approriate and which includes as an attachment the calculations performed by the contractor, in sufficient detail to demonstrate the accuracy of the sworn statement, in connection with the

contractor performing required pricing due diligence using either the program administrator's and/or the third-party administrator's contractor's internal construction cost estimates or industry-accepted sources for construction costs estimates, such as the RSMeans or Xactimate construction cost database, to confirm, in a writing they maintain, the accuracy of the contractor's attestation; and

<u>The prices for any qualifying improvements financed under Section 163.081, Florida Statutes, are the same prices that the contractor would otherwise provide if the qualifying improvements were not being financed through a financing agreement.</u>

The program administrator and/or the third-party administrator must retain the submitted sworn statement for at least three (3) years.

Section 2. Severability.

If any portion of this Ordinance is determined by any court to be invalid, the invalid portion will be stricken, and such striking will not affect the validity of the remainder of this Ordinance. If any court determines that this Ordinance, in whole or in part, cannot be legally applied to any individual, group, entity, property, or circumstance, such determination will not affect the applicability of this Ordinance to any other individual, group, entity, property, or circumstance.

Section 3. Inclusion in the Broward County Code of Ordinances.

It is the intention of the Board of County Commissioners that the provisions of this Ordinance become part of the Broward County Code of Ordinances as of the effective date. The sections of this Ordinance may be renumbered or relettered and the word "ordinance" may be changed to "section," "article," or such other appropriate word or phrase to the extent necessary to accomplish such intention.

Section 4. Effective Date.

This Ordinance is effective as of the date provided by law.

ENACTED **PROPOSED**

FILED WITH THE DEPARTMENT OF STATE

EFFECTIVE

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Approved as to form and legal sufficiency: Andrew J. Meyers, County Attorney

By: <u>/s/ Jennifer D. Brown</u> 01/27/2025

Jennifer D. Brown (date)

Senior Assistant County Attorney

By: <u>/s/ Michael C. Owens</u> 01/27/2025

Michael C. Owens (date)

Senior Assistant County Attorney

JDB/gmb
Contractor Sworn Statement and Due Diligence Basis Amendment 01/27/2025
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