Finance Program Handbook

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Overview

Introduction

The Town of Lantana, pursuant to a U.S. Department of Energy funded grant issued through the State of Florida, in collaboration with the Town of Mangonia Park and other willing city and county partners, has created the Florida Green Finance Authority (the "Authority") as well as the Florida Green Energy Works financing program. The Authority administers the Florida Green Energy Works financing program as well as other similar but separately branded programs sponsored by participating local governments (hereinafter these programs will collectively be referred to as the "Program") in order to give commercial, and ultimately, residential property owners access to a new form of financing for the installation of certain energy efficiency, renewable energy, and wind resistance improvements ("Qualifying Improvements"). The anticipated benefits of completing Qualifying Improvements include reduced operating costs, improved occupant health and comfort, reduced environmental impact, and support for the local economy.

The focus of this Program Handbook is financing for non-residential properties. A separate Residential Program Handbook covers financing for residential properties.

Nature of this Program Handbook

This handbook details the Program Terms governing all Program participants, including property owners, vendors and lenders. By submitting an Application, applicants warrant that they have read this handbook in its entirety, and that they understand and agree to the terms set forth herein.

Type of Financing

The Program is designed to provide property owners with options for retrofitting their properties, which currently include Property Assessed Clean Energy (PACE) as well as PACE3P® financing options. PACE is an innovative type of secured financing program that provides funding for energy efficiency, renewable energy, and wind resistance improvements to privately owned buildings. Under the Program, the Authority may sell a PACE bond to a qualified investor, use the proceeds to finance the improvements, and place an assessment lien on the property to secure repayment. The assessment is collected on the property tax bill. Similarly, PACE3P® is a third-party ownership form of PACE financing where the funds to finance the improvements are brought by Demeter Power Group, Inc., who has responsibility for managing the improvement project for the property owner.

Source of Capital

The Program is using the "open-market" PACE model in which individual **property owners may choose any project lender or provider of funds willing to fund their project**. Property owners negotiate specific financing terms, including the interest rate and repayment term, with their chosen project lender. The Authority uses assessments to repay the project lender.

Security

The assessment obligation is secured by a lien on the property of equal status with the lien for ad valorem property taxes. The Authority reserves the right to seek to enhance the security of the Program's financing by raising and using funds to establish a Debt Service Reserve Fund (DSRF) that will help cover payment to lenders in the event of assessment delinquencies by the property owner. See Chapter 7 "Application and Approval Process" below, for more information on the DSRF.

Program Process Flow

Appendix A, attached, shows a high-level description of the Program's process flow from beginning to end. It shows the significant stages for the property owner that applies to the Program, and for the Program in response to property owner submissions (the steps are illustrated to show the flow and interaction).

1. Eligible Properties

In order to participate in the Program, a property owner must meet and/or complete the following requirements and steps:

a. The property to be improved with Qualifying Improvements (the "subject property") must be located within the geographic boundaries of a local government in Florida that opts into the Program by becoming a member of the Authority.

b. The Program defines eligible non-residential property as (i) a property the primary use of which is not residential or (ii) a property used for multi-family housing with five or more units.

c. The property owner must provide written notice of the proposed senior lien to any and all lenders with existing liens on the subject property, and must obtain the written consent/acknowledgment of existing lenders; the Program will provide templates for this purpose but it is the property owners' responsibility to obtain the consent/acknowledgement of the lenders. The owner must submit a copy of the lender's written approval to qualify for closing on the financing.

d. All owners of fee simple title to the subject property or their legally authorized representatives must sign the Program Documents. Therefore, before submitting an Application, please ensure that all owners (or their representatives) of the fee simple title to the subject property will agree to participate in the Program on the terms set forth in these Program Terms.

e. The property owner must have a professional energy review ("Property Evaluation") conducted on the property that corresponds to the types of Qualifying Improvements the owner is seeking to finance, and those Qualifying Improvements must appear as identified opportunities or recommendations within the resulting Property Evaluation report. The Program reserves the right on a case-by-case basis to review and approve Qualifying Improvements that do not appear as an identified opportunity or recommendation within the Property Evaluation report based on their potential for energy savings and compliance with law. For the initial phase of the Program, the following Property Evaluation and project requirements will apply as outlined below:

   i. If the property owner wishes to finance energy or water efficiency improvements and/or a renewable energy project through the Program, the owner must obtain a Property Evaluation from a firm, agency or entity with the appropriate skills and experience for non-residential buildings, to complete the appropriate type of Property Evaluation. See the Program Handbook for requirements for participating evaluators and for details about the type of Property Evaluation required.

   ii. If a renewable energy system is financed, the property owner should also demonstrate that lower-cost and higher value energy efficiency improvements were evaluated that could result in a 10% improvement in building performance, or demonstrate that the building already meets one of a predefined list of efficiency performance requirements as specified in the Program Handbook.

   iii. If the property owner wishes to finance wind resistance improvement projects only, the owner must, nevertheless, obtain a Property Evaluation from a firm with the appropriate skills and experience for non-residential buildings to evaluate the appropriate type of wind resistance measures for the property. The property owner will also receive information regarding energy efficiency and renewable energy at that time but will have no obligation to install such improvements.

f. The property owner will be encouraged (as described below) to participate in appropriate state and local incentive programs to the extent the subject property is eligible for such programs at the time of application. For example, property owners planning to finance the installation of a solar PV system will be encouraged to participate in the Florida Power & Light photovoltaic ("PV") rebate program (if available) with respect to the subject property. Property owners will also be encouraged to participate in similar incentive programs for solar thermal (hot water) systems and energy efficiency improvements. Property owners will be encouraged to participate in other utility rebate and incentive programs (if available) that cover the Qualifying Improvements, but may elect not to do so. See Chapter 6 of this Program Handbook for more detail.

g. The financed improvements must be Qualifying Improvements as defined in Section 163.08, F.S. and this Handbook and must be installed by a contractor that meets the Program's qualification criteria ("Contractors"). See Chap. 2 "Eligible Property Improvements" below.

h. The property owners must agree to provide the Authority with access to the property's utility usage information to determine energy and/or water savings. The owner must further agree to participate in surveys and Program Property Evaluations directed by the Authority.

i. The property owner must use the no-cost ENERGY STAR online energy-use benchmarking service called Portfolio Manager or another similar program or evaluation methodology approved by the Program for benchmarking so owners have access to the raw data necessary to determine if the installed improvements are delivering the expected energy and cost savings. (Determining whether or not installed improvements are meeting projections is encouraged, but may require additional analysis by professionals and any such additional services would be the responsibility of the owner). See Chapter 10 of this Program Handbook for more detail.

j. The property owner must certify that it (and its corporate parent if the property owner is a single-purpose entity) is solvent and that no proceedings are pending or threatened in which the property owner (or the corporate parent, as applicable) may be adjudicated as bankrupt or become the debtor in a bankruptcy proceeding, or discharged from all of the property owner's (or corporate parent's, as applicable) debts or obligations, or granted an extension of time to pay the property owner's (and the corporate parent's, as applicable) debts or a reorganization or readjustment of the property owner's (and the corporate parent's, as applicable) debts. The property owner must also certify that the property owner (or any corporate parent if the property owner is a single-purpose entity) has not filed for or been subject to bankruptcy protection in the past three years.

k. The property owner must be current in the payment of all obligations secured by the subject property, including property taxes, assessments and tax liens, within the past 3 years (or since taking title to the subject property if it has been less than 3 years). The Authority may review public records, including the real property records, to verify compliance with this requirement. Certain allowances may be made for property tax payment delays that do not reflect financial distress. Properties that are currently appealing a property tax assessment will be reviewed and eligibility will be determined on a case-by-case basis.

l. There must be no notices of default or foreclosure, whether in effect or released, due to non-payment of property taxes or loan payments filed against the subject property within the last 3 years (or since ownership, if less than 3 years). Exceptions may be granted on a case-by-case basis.

m. The property owner must not have any involuntary liens, defaults or judgments applicable to the subject property. The Authority may review public records, including the real property records and court documents, to verify compliance with this requirement. A property owner with an involuntary lien(s) may be allowed to participate in the Program if it can demonstrate an acceptable reason for the lien, default or judgment and a path for resolution along with supporting documentation. A property with an involuntary tenant's lien will be reviewed and eligibility will be determined on a case-by-case basis.

n. The value of the property (based on current assessed value, or recent (within 90 days of the Program application) appraised value determined by an Authority-approved appraiser) plus the value of the Qualifying Improvements financed by the Program must be equal to or greater than the sum of (i) the total private property debt including mortgages and maximum draw amount of any equity lines of credit secured by the property, (ii) the principal amount of any Program indebtedness attributable to the property, and (iii) the aggregate principal amount of any fixed assessment liens or other assessment debt on the property (not including Program assessments).

o. The property owner must certify that the property owner is not party to any litigation or administrative proceeding of any nature in which the property owner has been served, or is pending or threatened which, if successful, would materially adversely affect the property owner's ability to operate its business or pay the assessments when due, or which challenges or questions the validity or enforceability of documents executed by property owner in connection with the Program.

p. The Program may involve the issuance of bonds by the Authority. Therefore, it is important that property owners pay their assessments and other property-related obligations in full on a timely basis. Consequently, the Authority reserves the right to request additional information in its sole discretion and to deny applications based on any information that reflects on the likelihood that a property owner may not pay assessments.

2. Eligible Property Improvements

In general, in order for property improvements to be eligible for financing through the Program, they must have a useful life of five years or longer, be affixed to a building or facility that is part of the property and constitute an improvement to the building or facility or a fixture attached to the building or facility. The Qualifying Improvements must also either reduce consumption through conservation or a more efficient use of electricity, natural gas, propane or other forms of energy upon the property or further wind resistance capabilities for the property.

Common Improvements

The Program has an extensive list of common energy efficiency (*EE*), renewable energy (*RE*), water efficiency (*WE*) and wind resistance (*WR*) property improvements that are eligible for financing, which can be found in the separate Qualifying Improvements List document organized by these categories attached as Appendix E – Qualifying Improvements. The improvements are further organized into system and subsystem groupings for easier navigation within the list. The list is not meant to be exhaustive but can be updated as new improvement technologies and products enter the market.

Custom Improvements

The Program will also consider, on a case-by-case basis, other improvements (a.k.a. *custom improvements*) that do not appear in the Qualifying Improvements List. Such custom improvements will require additional technical review by the Program if they are not covered by an incentive program that approves them, likely at additional cost for the applicant (which may typically be financed as part of a project at closing). See Chap 6 "Participation in Rebate/Incentive Programs", below, more information about incentive programs.

Ineligible Improvements

Improvements that are not attached to the real property or building and can be easily removed are not eligible for financing through the program (e.g., screw-in fluorescent light bulbs). Any improvement that cannot be explained in terms of industry-standard engineering or scientific principles is also not eligible. See the *Ineligible Improvements* page of the Qualifying Improvements List for the short list of what qualifies as being ineligible.

Loading Order Recommendation

Property owners are encouraged, but not required, to apply a loading order when seeking to install eligible on-site renewable energy systems, such as solar photovoltaic (PV) systems.

Essentially, a loading order is intended to assure that, before installing a renewable energy system, the property should first evaluate options to reduce its total energy demand – for example, by 10% – by implementing energy efficiency improvements identified in the Property Evaluation. Energy efficiency improvements are typically less expensive on a per kWh basis (i.e., cost per kWh saved through efficiency is less than the cost per kWh generated through renewable energy), and decreasing energy demand usually makes it possible to decrease the size (and cost) of the desired renewable energy system. Consult with the Program Administrator for approaches to the loading order.

Responsibility for Qualifying Improvements

The Program is a financing program only. By establishing the Qualifying Improvements List, the Authority is not recommending nor warranting any particular improvements. Neither the Authority nor the Administrator is responsible for the improvements or their performance.

Property owners are solely responsible for the improvements installed on their property. Should there be any unsatisfactory performance or other system-related issues that arise during or after installation, the property owner must address those directly with the responsible contractor according to the terms of the contract between the two parties.

The Program's PACE3P® option is offered by Demeter Power Group, Inc., and any improvements installed utilizing PACE3P® shall be governed solely by a separate agreement executed between the property owner and Demeter Power Group, Inc. Neither the Authority nor the Administrator is responsible for the improvements or their performance. Should there be any unsatisfactory performance or other system-related issues that arise during or after a PACE3P® financed installation, the property owner must address those directly with Demeter Power Group, Inc. according to the terms of the contract between the two parties.

Minimum and Maximum Project Funding

The Authority requires a minimum funding request of $5,000. The Authority will only authorize funding requests in an amount equal to the final cost of installing the Qualifying Improvements (including the Property Evaluation fee and closing costs imposed by the Program and by capital providers) plus the additional items identified in Chap 12 "Financing Cost; Interest Rate", below. Funding amounts may not exceed the available equity in the property as described in Section 1.n. above. The funding limits are per property per financing request.

3. Eligible Vendors

Registered Vendors

There are two primary types of vendors that may participate in the Program: Evaluators and Contractors.

Selecting An Evaluator

The commercial building energy audit market is fragmented, with no universally accepted standards for auditors (referred to in the Program as "Evaluators"). Although the Program does not endorse specific Evaluators or accreditation programs, it has compiled some recommendations for selecting a qualified Evaluator and having a suitable Property Evaluation conducted on the subject property. See Appendix B – Guidance for Selecting Evaluator and Appendix C – Property Evaluation Types for more details.

Selecting A Contractor

The Qualifying Improvements must be installed by contractors who meet the registration criteria set forth for the specific category of work being financed:

- Energy and water efficiency improvements must be installed by licensed contractors.

- Renewable energy projects must be installed by licensed contractors.

- Wind resistance improvements must be installed by licensed contractors.

The Authority may provide lists of contractors who have satisfactorily registered for participation in the Program, but the Authority does not warrant the work of any such contractor. The Authority encourages property owners to do their research and receive bids from multiple contractors before signing a contract. Neither the Authority nor the administrator is responsible for determining the appropriate equipment, price or contractor for a property. By establishing these contractor registration criteria, the Authority is not recommending a particular contractor or warranting the reliability of any such installer. The Program is a financing program only. Neither the Authority nor the administrator will participate in the resolution of any dispute between a property owner and their installer or equipment manufacturer.

4. Eligible Project Lenders

Lenders must be qualified to provide the type of financing contemplated by a project transaction, which may be deemed an issuance and purchase of a bond as detailed in the Authority's bond documentation, a sample of which can be provided upon request. Generally, basic qualification criteria includes that the lender is one of the following:

a. An "accredited investor" as defined by Rule 501(a) promulgated under the Securities Act of 1933; or
b. A "qualified institutional buyer" as defined in Rule 144A under the Securities Act of 1933; or
c. A bank, savings institution or insurance company; or
d. A certain trust, custodial or similar arrangements conforming with the requirements of the bond documentation.

5. Energy, Water And/Or Wind Resistance Evaluations

Energy Evaluations

The Program requires property owners seeking to finance energy efficiency or renewable energy improvements through the Program to receive a Property Evaluation conducted by a professional Evaluator of the owner's choice and at the owner's cost. Note that the cost of the energy evaluation can be included in the financing. The Evaluator must meet Program eligibility requirements (see Appendix B, "Guidance for Selecting Evaluators", for more detail).

The energy audit report will include a written report of recommended energy efficiency (*EE*), renewable energy (*RE*) or water efficiency (*WE*) measures with calculations for the expected cost of the improvements and the projected energy or water savings. The energy review will list recommended *EEs*, *REs, or WEs* appropriate for the property owner. At a minimum, this review will present the following information on a standard summary sheet required by the Program:

1. Recommendations for energy savings measures;
2. Estimated energy savings and a priority ranking for each measure;
3. Estimated renewable energy to be produced (if applicable);
4. Estimated greenhouse gas reductions; and
5. Estimated cost savings resulting from the implementation of the recommendations and use of funds made available by the Program

The improvements for which the property owner is seeking financing should be supported as opportunities or recommendations within the resulting Property Evaluation report. The Program reserves the right on a case-by-case basis to review and approve improvements that do not appear as an identified opportunity or recommendation within the evaluation report.

The type of energy evaluation that the Program requires the property owner to conduct on its property depends on the number of improvements and total estimated project cost. The Program has organized these into three *evaluation tiers* for easier reference. See Table 1 below for the resulting evaluation tiers and thresholds.

Table 1 – Program Energy Evaluation Tiers

Energy Evaluation Tier	Evaluation Type[1]	# Improvements	Project Cost
Tier 1	Targeted Audit	1	Any amount
Tier 2	ASHRAE Level I	2 or more	Less than $100k
Tier 3	ASHRAE Level II	2 or more	Equal to or more than $100k

[1] The Authority will also accept the technical equivalent of an ASHRAE evaluation. Some financing projects may require ASHRAE Level III depending on the amount financed and complexity of the projects.

For building owners who may want to use Energy Savings Performance Contracts (ESPC) to implement the identified energy savings measures, they should select an auditor capable of providing performance contract services, typically called an Energy Service Company (ESCO).

The targeted evaluation and *ASHRAE* evaluation types referenced in the above table are fully described within Appendix B- Energy Evaluation Types.

Each energy review performed in connection with financing through the Program must also include post-project evaluation no more than 12 months after the initial evaluation to verify results of project.

Water Evaluations

The Program requires properties seeking to finance water efficiency improvements through the Program to receive a water evaluation conducted by a professional water Evaluator of the owner's choice, or that the measures be included on the energy Property Evaluation as described above. The Evaluator must meet Program eligibility requirements (see Appendix B, "Guidance for Selecting Evaluators" for more detail). Note that the cost of the water Property Evaluation can likewise be included in the financing.

At a minimum, this review will present the following information on a standard summary sheet required by the Program:

1. Recommendations for water savings measures;
2. Estimated water savings and a priority ranking for each measure;
3. Estimated cost savings resulting from the implementation of the recommendations and use of funds made available by the Program.

The improvements for which the property owner is seeking financing should be supported as opportunities or recommendations within the resulting Property Evaluation report. The Program reserves the right on a case-by-case basis to review and approve improvements that do not appear as an identified opportunity or recommendation within the Property Evaluation report.

Each water efficiency review performed in connection with financing through the Program must also include post-project evaluation no more than 12 months after the initial evaluation to verify results of project.

Wind Resistance Evaluations

The Program requires property owners seeking to finance wind resistance improvements to obtain a wind resistance review performed by a licensed professional engineer or, in certain cases, by a licensed contractor (see Appendix B, "Guidance for Selecting Evaluators", for or more detail).

At a minimum, this review will present the following information on a standard summary sheet required by the Program:

1. Recommendations for wind resistance measures;
2. Estimated increases in wind resistance and a priority ranking for each measure; and
5. Estimated insurance or other cost savings resulting from the implementation of the recommendations and use of funds made available by the Program.

Purpose and Benefits

Property owners should use the resulting Property Evaluation report(s) to identify and prioritize building-specific energy and wind resistance improvement opportunities and to predict associated cost/energy/water/insurance savings. The Program also uses the Property Evaluation report(s) as a third-party check that the selected improvements for implementation are appropriate for the property and its unique context, thus reducing Program and participant costs.

Visit www.citizensfla.com for more detail about insurance benefits of wind resistance improvements.

6. Participation in Rebate/Incentive Programs

Depending on the types of improvements that the property owner is including in their projects financed through the Program, the property owner may participate in applicable rebate and/or incentive programs offered through the State, local utilities, federal, or associated third-party programs.

Benefits

Rebate and incentive programs reward participants with cash payments or tax credits for implementing improvements that, for example, reduce energy (or water) usage, thus reducing a property owner's project cost. Leveraging such existing programs can help reduce overall program costs by providing credible savings projections, quality control and assurance, and project inspection services at no additional cost that maximize project benefits.

Participation Is Encouraged But Not Required

Property owners seeking financing through the Program are encouraged, but not required, to participate in rebate or incentive programs that are or may be available.

Given the benefits associated with such programs, the Program anticipates that most property owners will elect to participate in all applicable rebate and incentive programs that cover improvements in their properties. The Program strongly encourages such participation, but does not require it in order to give property owners maximum flexibility.

Reasons some property owners may choose not to participate in applicable rebate or incentive programs may include:

- The rebate/incentive amount is small compared to the time and effort involved in applying for such.

- The rebate/incentive program possibly introduces delays (e.g., for project review, approval, inspections, etc.) that the project cannot accommodate.

Consequences of Nonparticipation in Optional Programs

Because rebate and incentive programs can act as a third-party check for the Program on the validity of the property owner's improvements and their likely energy savings, participation in such programs reduces the Program's costs for project review, verification and quality assurance/control (QA/QC) activities. Therefore, **property owners who elect <u>not</u> to participate in such rebate or incentive programs may incur additional fees to cover the Program's costs in conducting activities normally performed by such programs.** The Authority reserves the right to impose these fees, which may vary depending on the type and complexity of improvements included in the project. See Appendix D – Program Costs/Fees for a summary of possible additional fees.

7. Application and Approval Process

Program Costs/Fees

There are a number of direct and indirect costs and fees associated with the Program. Some of these are mandatory fees, whereas a few are conditional depending on what type of financing is being utilized (PACE or PACE3P™), what improvements are being undertaken, what rebate or incentive programs are being utilized, and what method of property valuation is chosen. Most of these can be included in the financing. See Appendix D – Program Costs/Fees for a breakdown of Program costs and fees.

Debt Service Reserve Fund

The Authority reserves the right to raise and/or charge fees for use in establishing and funding a Debt Service Reserve Fund (DSRF) for each financing project in order to provide greater security (lower risk) for project lenders. For some lenders, this reduced risk may support the ability to offer better financing rates and terms to property owners participating in the Program. Other lenders may not find the DSRF useful in impacting rates.

If the Authority elects to offer a DSRF option and there are sufficient DSRF funds, each project approved by the Program has the option to a standard allocation for a DSRF equal to 10 percent of the total requested financing amount, with a maximum DSRF allocation of $100,000 for any single project (which, at 10 percent, would support up to a $1 million project financing).

The Program will consider requests that exceed the $100,000 maximum DSRF allocation on a case-by-case basis, as well as allocations greater than the standard 10 percent. Project lenders may also decline to receive an allocation from the DSRF, if they so choose.

Application Process

The Program's application process is a multi-step process that is facilitated through the Program website. Property owners must first assess their eligibility for financing based upon criteria as listed on the Program website and as detailed in Chapter 1. Upon confirmation of eligibility by the Authority, property owners must complete necessary steps in the financing process in order to be fully approved.

Step 1: Determine Eligibility

This step is a simple process for property owners to quickly indicate their interest in participation and to submit preliminary details regarding their property via the Program website. This gives the Program the ability to promptly ascertain project eligibility as well as give owners the preliminary indication that their property meets program requirements. The eligibility determination may include a request for an allocation from the Debt Service Reserve Fund, if desired and if offered by the Program. The Program has developed eligibility criteria "checks" and consent forms to be completed through the Program website that must be satisfied in order to complete this step.

Information to be sought with eligibility determination:

- **Applicant information**: property owner name, mailing and physical address, property type (confirmed non-residential use), mortgage and other property liens; confirmation of property eligibility criteria (see Chapter 1).
- **Relevant Consents**: the property owner must agree to release and permit ongoing usage of electricity data by the Authority and third-parties participating in the Program and must agree to share their contact information with prospective vendors and Program participants.

The Program will review the property owner's eligibility information and related items within two (2) business days and determine if all initial eligibility requirements are met. Upon confirmation of initial eligibility, the property owner will be encouraged to take all necessary steps to participate in the Program.. Approval of the finance application will establish ultimate eligibility for funding disbursements.

Step 2: Obtain an Appropriate Property Review

As a threshold matter, a property owner must obtain a property review which focuses on the specific improvements that are proposed to be made at the property (e.g., a Property Evaluation for proposed energy efficiency projects). The property review must be obtained from a vendor registered with the Program. The review must be submitted to the Program, accompanied by the Program's standard cover sheet for reviews which requires the reviewer to clearly identify all recommended measures (in order of priority), their anticipated cost, anticipated savings resulting from the measure, and other information detailed in Section 5 "Energy, Water And/Or Wind Resistance Evaluations."

Step 3: Underwriting

Once the property review is received, the Program will underwrite the proposed loan to determine if it meets requirements for financing. The Program will order a title report on the property to verify ownership and any existing liens. Program staff will also verify that the measures recommended by the energy review meet Program guidelines.

Step 4: Lender Approvals and Documentation

Once the property passes underwriting and is approved for participation in the Program, the property owner is responsible for lining up two required elements relating to lenders. First, the owner must obtain a consent and estoppel from their existing mortgage holder(s) authorizing the project and the PACE assessment lien. Second, the owner must, in cooperation with Program staff, solicit and review financing offers from various eligible financing sources to select a lender for the project. Once the terms of the financing are finalized, Program staff will prepare a package of documents to be executed by the property owner, including the Financing Agreement and any required disclosure documents. The property owner should execute the entire package of documents prior to commencing the improvement work. A memorandum of the financing agreement is recorded on the public records of the county in which the property is located within 5 days after execution of the documents.

Approval of financing through the Program is not available unless the property owner obtains the consent of all holders of mortgage liens on the property. Approval or denial will be based on the eligibility and underwriting requirements listed within this handbook, and does not guarantee that a property will be approved for funding by any particular lender. If an owner proceeds with installation before notification of lender approval or satisfaction of the requirements described in this section, the owner risks incurring the cost of installation without the benefit of Program financing.

Step 5: Project Completion and Disbursement

With the financing documentation executed, the property owner is able to move forward with the project. The improvements must be performed by contractors registered with the program. When the project is complete, the owner submits the following items to the Program:

- Certificate of owner confirming completion and the total cost of the improvements.
- Copies of closed permits for the improvements.
- Final lien waiver from contractor(s).
- Copies of invoices confirming the final cost of the improvements.

Once the project is completed, funds are disbursed to pay all expenses of the project. Project installation costs are generally paid directly to the contractor(s). Third party expenses such as recording fees and the title search fee are paid directly to the vendors. The cost of the property review is refunded by a payment to the owner. Following final disbursement, the complete executed Financing Agreement is recorded in the public records of the county in which the property is located.

Tasks and Deadlines for Submitting Application

Related to the items to be submitted with the Application, there are three major tasks that must be accomplished between determination of eligibility and funding of the project costs. Completing these tasks by certain deadlines (or receiving deadline extensions from the Program) is necessary in order to maintain eligibility. The property owner must make progress toward completing these tasks within a certain timeframe relative to when eligibility was determined. Those tasks, and their associated deadlines, are listed in Table 4 below.

Table 4 – Tasks & Deadlines for Maintaining Program Eligibility

Task	Description	Deadline*
1. Property Review	Have an appropriate Property Review conducted on the property by a professional, and determine final project scope and financing amount.	Within 30 calendar days of eligibility determination
2. Lien Holder Approval	Obtain lender approval from all existing mortgage or lien holders on the property for participation in the Program.	Within 90 calendar days of property review completion
3. Project Lender	Identify a project lender that will provide financing for the project.	Within 90 calendar days of property review completion

**Exceptions to the above deadlines may be granted on a case-by-case basis if the Program determines that the applicant is making good progress toward completing these tasks.*

Addressing DSRF Underestimates (If Applicable)

If the DSRF amount that the applicant originally requested is underestimated (i.e. increases between eligibility determination and final determination of project costs), the Program may or may not be able to allocate additional funds from the DSRF to cover the difference. There are several options to rectify this, as detailed below:

1. The applicant can contribute funds to the DSRF to cover the gap (and such funds can be added to the total amount financed; if there are never any payment defaults, applicant would get these funds back when financing was paid off).
2. The applicant can adjust the agreement with the project lender for the lender to accept less DSRF coverage (which may result in a change of related interest rate or terms).
3. The applicant can reduce the scope of the project and the associated amount of needed financing such that the original DSRF gives sufficient coverage.

4. The applicant can contribute capital (e.g. internal funds) to reduce the project costs such that the remaining amount being financed is sufficiently covered by the original DSRF estimate.

8. Requesting Funding Disbursement

Funding Disbursement Types

After a registered contractor has completed installation of the Qualifying Improvements on the subject property or has reached a milestone at which a progress payment is permitted (see “Progress Payments” below), the owner must submit a funding disbursement request and the project verification documents listed below in order to receive funding from the Program. The Administrator will review the funding request and the project verification documents, and produce Program forms. The Program forms will be sent to the owner within five (5) business days after submission of a funding request accompanied by the project verification documents. The owner must return the executed Program forms to the administrator within seven (7) calendar days. The project verification documents are listed below.

<u>Project Verification Documents (submitted by the owner with a funding request)</u>

a. A signed final permit inspection from the appropriate City’s Department of Building Inspection for applicable completed projects;
b. A final invoice from all contractors (or, for progress payment, an invoice stating percentage of work complete; see “Progress Payments” below);
c. A completed final lien waiver from all contractors (or, for progress payments, a partial lien waiver relating to the percentage of work complete); and
d. Confirmation of enrollment of property with ENERGY STAR Portfolio Manager (see Chap. 10 (Measurement & Verification).

All funding requests will be deemed final upon submission of the required documentation listed above and may not be subsequently changed.

In the event a property owner cancels financing after a request for funding is submitted to the Authority, all expenses incurred by the Authority for recording tax liens, preparing bond or other financing documents and removing tax liens will be the responsibility of the applicant. The Authority will terminate the lien evidenced by recordation of the Financing Agreement upon receipt of reimbursement from the applicant for these expenses.

Table 1 – Related Disbursement Request Items to be Submitted

Progress Payment:	**Final Payment:**
• Applicable permit(s) • Invoices, cost statements, or equivalent from contractors showing progress • Partial lien waivers • Check made out to the Florida Green Finance Authority for progress payment processing*	• Applicable finalized permit(s) • Final invoices, cost statements, or equivalent from contractors • Full lien waivers from all contractors • Receipts, statements, purchase orders, or other evidence of actual cost for items not covered in contractor invoice

*Please consult the Authority for amounts listed in the Program Fee Schedule.

The Program will review the submitted disbursement request and associated items and, upon approval, issue payment.

Progress Payments

The Authority will consider making progress payments in certain circumstances on a case-by-case basis. In general, the Authority may agree to make progress payments before the installation of the Qualifying Improvements is complete if certain criteria are met, which may include (i) the amount financed is in excess of a minimum amount, (ii) the time required to install the Qualifying Improvements exceeds a certain length of time, (iii) the amount of each progress payment is a minimum percentage of the total cost of the Qualifying Improvements to be financed by the Program and (iv) based on a certification of the contractor, the percentage of the total amount to be financed that will have been disbursed by the Authority after disbursement of the progress payment will not exceed the percentage of the installation work that has been completed.

Program Participation Expiration

If the Authority approves an application, the approval will be effective for 360 calendar days. Property owners that receive Program approval must have a registered contractor complete installation of the Qualifying Improvements on the subject property and complete the financing process within this period. If the owner fails to have a registered contractor complete the installation of Qualifying Improvements on the subject property within the 360-day period, the owner's Program approval will expire. An owner may request to extend Program approval prior to its expiration for an additional 90 days. However, the owner will have to pay an extension fee.

An applicant may cancel a Program approval in writing during the 360-day period, but will forfeit the application fee (if applicable) and the opportunity to receive funding under that approval. The applicant may reapply but will

not be guaranteed funding availability and will be required to pay an additional application fee.

9. Quality Assurance and Quality Control (QA/QC)

In order to ensure that financed property improvements are properly completed and are able to deliver expected savings and benefits, the Program recommends that property owners either participate in existing utility rebate or incentive programs (where available and applicable) that have their own verification/inspection mechanisms, or submit to and pay for other third-party site inspections (service providers may be retained by the Program for this purpose). The cost of quality assurance / quality control provided by the Program's providers will be collected at closing, and may be included in the financed amount.

The Program and/or the partner project lender may require additional inspections if the property owner requests progress payments be made before final payment – also at additional cost.

10. Measurement and Verification (M&V)

The Program requires property owners to enroll in the free energy usage tracking and benchmarking service called ENERGY STAR Portfolio Manager which provides access to the data necessary to determine how the installed improvements are performing over time, and how their building is performing relative to its peers.

The Program reserves the right to require property owners to utilize additional data collection tools developed for the Program and to require property owners to grant the Authority access to their ENERGY STAR Portfolio Manager accounts for a minimum period of three years after project completion so that the Authority can analyze project performance and gauge program effectiveness. Information received under this provision shall remain confidential, except that the Program may release data regarding Program performance in aggregate or in a manner that is not individually identifiable.

Property owners and project lenders are encouraged to conduct more detailed performance analysis on their own to ensure continued cost and energy savings.

11. Description of Financing/Legal Documents

The following table summarizes the Program's major legal documents.

Table 5 – Major Financing/Legal Documents

Document	Description	Timing
Lender Consent and Estoppel	Executed by a property owner's existing mortgage lender/lienholder, whereby that existing lender/lienholder (i) consent to the levy of special assessments and the creation of the assessment lien and (ii) agrees that the proposed assessment lien will not constitute an event of default of trigger the exercise of any remedies under the loan documents in force between the existing lender/lienholder and the property owner.	Closing
Financing Agreement & Memo of Financing Agreement	Document pursuant to which the property owner agrees to the levy of assessments for purposes of the issuance by the Authority of an assessment bond to a project lender. The Memo of Financing Agreement is recorded in the real property records to provide notice of a lien securing payment of assessments on the property.	Closing
Bond Purchase Agreement or other finance agreement	A contract between the Authority and the lender, pursuant to which the lender (i) agrees to advance funds to the Authority for completion of the project and (ii) makes representations and warranties that it is a "qualified investor". This contract also reflects the basic financing terms agreed between the lender and the property owner.	Closing

12. Financing Cost; Interest Rate

The following terms are helpful in understanding the Program's financing structure.

Financing Cost. In order to receive funding, an owner will agree to pay assessments in an amount equal to (i) the principal amount received through the Program, (ii) interest on the principal amount received through the Program and (iii) initial and on-going program expenses summarized in Appendix C. The Authority expects to levy assessments on the property tax bill, although it reserves the right to bill or collect assessments separately.

Principal Amount. This is the amount equal to all project costs an owner chooses to finance, which may include costs associated with implementing the project such as permits, evaluation expenses, application fee, an applicable deposit to a debt service reserve fund if required and capitalized interest (see "Stub Period Interest" below).

Interest Rate. The rate of interest on the financed amount will be negotiated between the owner and the financial institution selected by the owner.

Stub Period Interest. Interest accrued on the financed amount between the date of closing and the beginning of the first repayment period will be collected at closing.

Deposit to a Debt Service Reserve Fund. A debt service reserve fund (DSRF) may be required by your chosen lender as additional security to participating financial institutions to pay debt service on the bonds in the event of late payments or default by the property owners. The Authority may permit property owners to finance a reasonable deposit to a DSRF, if a DSRF is required by the lender identified by you.

Initial and On-going Program Administrative Costs. Program Administrative Costs are built into the total financed amount and the ongoing assessment requirement (which increases the effective interest rate you will pay). The fees for any specific project will be disclosed and agreed to prior to financing.

13. Important Legal Considerations

Repayment Terms

Following recordation of the Financing Agreement, the property owner will be obligated to pay the assessments specified in the Financing Agreement.

Assessments

A property owner must pay the agreed-upon assessments regardless of personal financial circumstances, the condition of the property, or the performance of the Qualifying Improvements. Owners should not apply for financing unless they are certain they can pay the assessments. **The failure to pay an assessment in full will result in financial repercussions, including penalties, interest and, potentially, foreclosure of the property by the Authority.**

Tax and Insurance Escrow

If an owner uses an escrow account to pay annual property taxes, the owner must notify the escrow company of the assessment payments. The owner will be required to increase the monthly payments to the escrow account by an amount equivalent to the annual assessments divided by 12.

Compliance with Existing Mortgages

Recordation of the Financing Agreement will establish a continuing lien as security for your obligation to pay assessments. The lien securing the obligation to pay assessments will be senior to all private liens, including any existing mortgage(s). Many mortgage and loan documents limit the ability of a property owner to place senior liens upon property without the consent of the lender, or authorize the lender to obligate you to prepay the senior obligation. **As a condition to receiving financing through the Program, a property owner must obtain a consent from each existing mortgage holder authorizing the imposition of the assessment lien and confirming that participation in the Program will not adversely impact your rights with respect to any existing loan documents, or obligate you to prepay your assessments**. . The Program will provide lender acknowledgment / consent templates, but addressing issues with existing lenders is the property owners' responsibility.

Transfer or Resale of the Subject Property

If a property improved using funds financed through the Program is sold prior to the end of the agreed-upon assessment period, the new owner will assume the assessment obligation. Ownership of any Qualifying Improvements on the subject property will transfer to the new owner at the close of the real estate sale; Qualifying Improvements financed through the Program may not be removed from the property until the bond issued by the Authority to finance installation of the Qualifying Improvements has been retired. Program participants agree to make all legally required disclosures about the existence of the assessment lien on the property in connection with any sale.

Rebates and Taxes

Participation in this Program does not reduce rebates available through federal, State or local rebate programs.

Each participating owner should consult with tax advisors with respect to the State and federal tax implications of participating in the Program.

Neither the Authority nor the administrator is responsible for the State or federal tax consequences of participating in the Program.

Changes in State and Federal Law

The Authority's ability to issue bonds to finance the Program is subject to a variety of State and federal laws. If those laws or the judicial interpretation thereof changes after an owner has applied for funding but before the Authority issues a bond to finance the funding request, the Authority may be unable to fulfill the funding request. **The Authority shall have no liability as a result of any such change in law or judicial interpretation**.

Changes in the Program Terms; Severability

The Authority reserves the right to change these Program Terms at any time without notice; however, no such change will affect an owner's obligation to pay assessments as set forth in the Financing Agreement. An owner's participation in the Program will be subject to the Program Terms in effect from time to time during their participation.

If any provision of these Program terms is determined to be unlawful, void, or for any reason unenforceable, then that provision shall be deemed severable from these Program terms and shall not affect the validity and enforceability of any remaining provisions.

Disclosure of Property Owner Information

Property owner agrees that the Authority may disclose its personal/corporate information submitted as part of the Program to the administrator, and that the Authority and the administrator may disclose the property owner's information to third parties when such disclosure is essential to the conduct of the Authority's business or to provide services to the property owner, including but not limited to where such disclosure is necessary to (i) comply with the law, legal process or our regulators, and (ii) enable the Authority or the administrator's employees or consultants to provide services to the property owner and to otherwise perform their duties. The Program will not provide property owner information to third parties beyond the Program administrative team for any telemarketing, e-mail or direct mail solicitation.

Each property owner further agrees to the release of property owner's name and contact information and the property's utility usage data to the Authority, its member municipalities and its designated contractors for the purpose of conducting surveys and evaluation of the Program.

Fraud

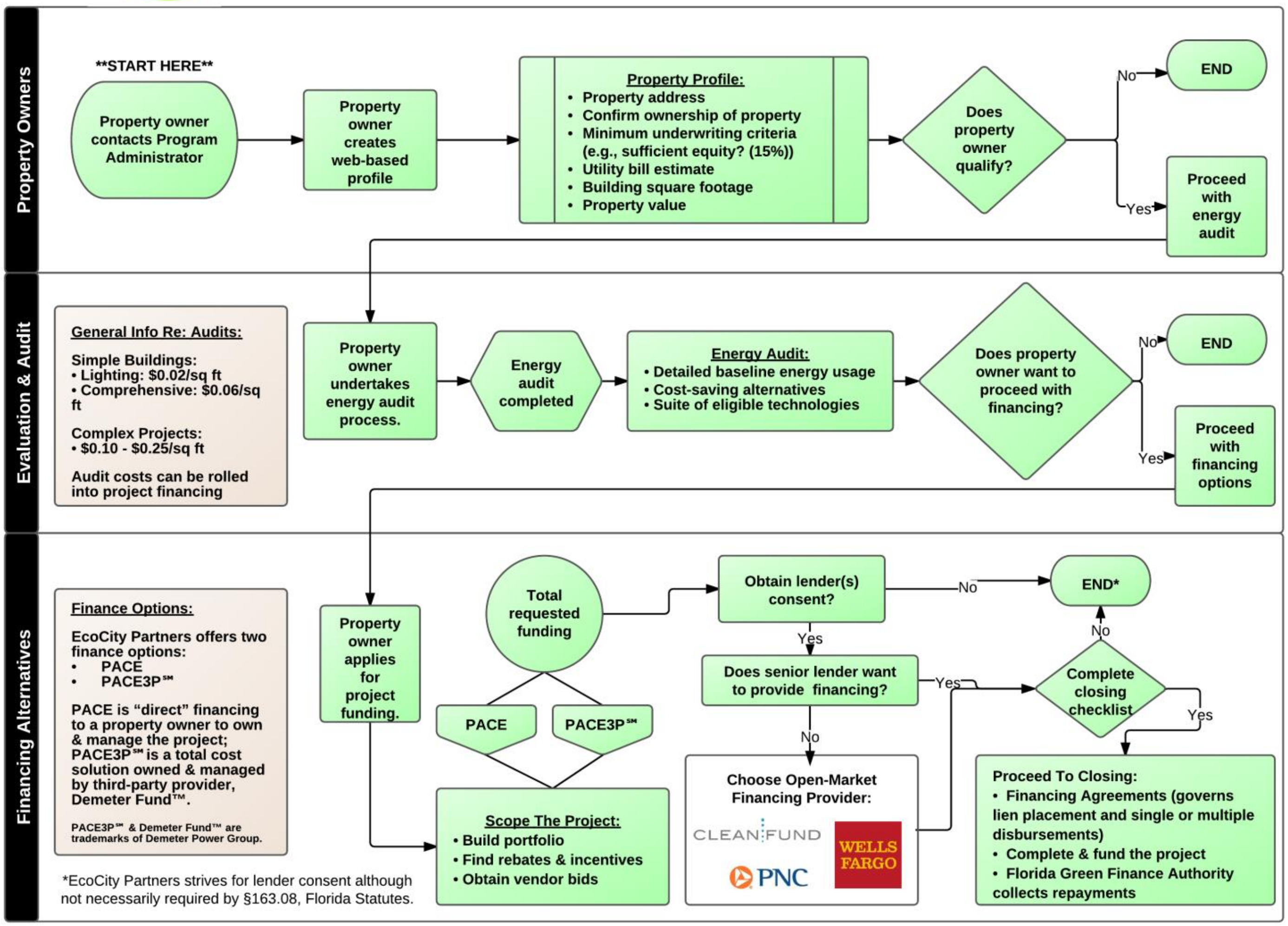
Giving materially false, misleading or inaccurate information or statements to the Authority or its employees and agents (or failing to provide the Authority with material information) in connection with an application is punishable by law. Material representations include, but are not limited to, representations concerning the project costs, ownership structure and financial information relating to the property and the applicant.

Exceptions to these Terms and Provisions

The Program Administrator may make exceptions to the terms and provisions detailed in this handbook where there is a finding that such exception furthers the goals and objectives of the Florida Green Energy Works Program. Consideration of an exception request from a property owner may involve payment of an application fee or other fees.

Appendix A – Open Market Financing Process

OPEN-MARKET FINANCING PROCESS



Appendix B – Guidance for Selecting Evaluators

Overview

The commercial building energy, water and wind resistance evaluation and audit market is fragmented, with no universally accepted standards for auditors. Although the Program does not endorse specific contractors or accreditation programs, it has compiled this guidance to serve as suggested minimum requirements that property owners might look for in a reviewer in the commercial sector.[2] Reviews constitute an important first step in qualifying for financing through the Program. Property owners rely on the savings projections made in the energy, water and wind reviews when deciding which measures, if any, to implement at their properties. Capital providers will likewise rely on the reviews in determining whether to provide funding for proposed projects. The accuracy and reliability of the reviews is critical to the success of the Program, and the Program will only accept reviews from credible and qualified Evaluators.

Energy Evaluators

The market for energy reviews is varies with different levels of skills, background and expertise in specific systems. The qualifications of the reviewer should be commensurate with the scope and scale of the projects the property owner wishes to undertake. For a project that will include a single system, such as lighting, an energy reviewer with deep but narrow expertise in lighting may be appropriate. However, the same reviewer may not be qualified to perform a whole-building review that includes other systems.

Energy Evaluators - Credentials/Qualifications

Although the following credentials and qualifications are not required, the more of these that a service provider's staff has, the more confidence there is in their knowledge, experience and abilities:

- Florida Professional Engineering License (PE)
- ASHRAE Building Energy Assessment Professional (BEAP) Certification
- Certified Energy Manager (CEM) or Certified Energy Auditor (CEA) from the Association of Energy Engineers (AEE)
- State of Florida Certified Building Energy Rater
- Florida Green Building Coalition Green Commercial Building Standard
- Leadership in Energy and Environmental Design (LEED)
- Multi-disciplinary competence (lighting, HVAC, refrigeration, appliances)
- Building Performance Institute (BPI)
- Building Commissioning Association (BCA)
- American Institute of Architects (AIA)
- Years of directly relevant professional experience

[2] Please note that these standards are based in part on applicable federal and state laws and are therefore subject to change.

Water Efficiency Evaluators

Water efficiency evaluations may be performed as part of energy efficiency reviews, provided the energy reviewer's staff has sufficient expertise and training to adequately analyze water efficiency matters. Some professionals may also specialize in performing water efficiency evaluations and some specific agencies, such as the State's water management districts, may provide various water efficiency evaluation programs.

Water Efficiency Evaluators - Credentials/Qualifications

Although the following credentials and qualifications are not required, the more of these that a service provider's staff has, the more confidence there is in their knowledge, experience and abilities:

- Florida Professional Engineering License (PE)
- Florida Green Building Coalition Green Commercial Building Standard
- Florida Water Star Accredited Professional
- Multi-disciplinary competence (lighting, HVAC, refrigeration, appliances)
- Building Performance Institute (BPI)
- Leadership in Energy and Environmental Design (LEED)
- Building Commissioning Association (BCA)
- American Institute of Architects (AIA)
- Years of directly relevant professional experience

Wind Resistance Evaluators

Analyzing the wind-resistance of a building, or specific building elements, is a complex process that requires the knowledge and skills of a licensed professional engineer. In addition, Chapter 471 of the Florida Statutes provides that only a licensed professional engineer may engage in engineering tasks such as evaluating structures, buildings or equipment that are designed to safeguard life, health or property.

Wind Resistance Evaluators - Credentials/Qualifications

In order to perform wind resistance evaluations for the Program, the evaluator must hold a Florida professional engineering license (PE) if the scope of the improvements involves structural components. For instance if the wind resistance evaluation is limited to shutters as authorized by the program and state law, an appropriately certified contractor may be appropriate depending on the scope of the potential project. A PE's area of expertise must include structural engineering if the scope of the improvements involves structural aspects of the property.

Recommendations/Questions for Prospective Reviewers

1. If seeking a whole-building energy audit, request that the auditor follow the ASHRAE Level 1 and/or 2 audit guidelines. (This is a requirement of the Program for projects that include multiple improvements)
    a. Ask for a copy of previous ASHRAE Level 1 and 2 audits that they have completed.
    b. Request and check references for past building energy audit work.

2. Ask about training
    a. Are they a mechanical engineer?
    b. A licensed Professional Engineer (PE)?
    c. A Certified Energy Manager, Certified Energy Auditor, or Certified Lighting Efficiency Professional through the Association of Energy Engineers, or other accredited energy audit training program?
3. Ask about active involvement with relevant professional organizations such as (in alphabetical order):
    a. Association of Energy Engineers (AEE)
    b. American Society of Heating Refrigeration and Air-Conditioning Engineers (ASHRAE)
    c. ENERGY STAR (U.S. E.P.A.)
    d. Illuminating Engineering Society (IES)
    e. U.S. Green Building Council (USGBC)
    f. Florida Green Building Coalition
4. Be clear about what you expect as the outcome from the building evaluation report. You may want to specifically ask for some of the following products or services:
    a. Actionable recommendations
    b. Realistic treatment of utility rates and energy cost savings
    c. Transparent (not black box) analysis
    d. Guidance to more resources to assist with implementation
    e. Credible energy and cost savings estimates
    f. Reasonable cost estimates or vendor bids
    g. Interactive effects of multiple improvements
    h. Measurements of existing systems
    i. Logging of temperatures or base case energy consumption
    j. Hourly modeling
    k. Project design specifications
    l. Construction management services
    m. Utility incentive/rebate application assistance
5. Talk to your firm's CFO and discuss with the evaluator what type of financial/economic analysis would be most helpful to your decision-making process.

Other Tips for the Building Review Process

1. Collect all as-built mechanical, electrical and plumbing (for water audits) plans and specs that you have accessible, and make them available to the auditor.
2. Ask the property manager and building engineer to be present at the building audit.
3. Contact your utility account representative to coordinate incentives for your project.
4. You may want to involve vendors that you typically rely on, or have existing contracts with, such as controls companies, HVAC service companies, or lighting companies. They can provide cost estimates for proposed retrofits.

Appendix C – Energy Evaluation Types

Overview
This appendix contains a description of four levels of building energy evaluation that are commonly used in the energy efficiency industry. They are intended to help address questions that property owners may face when they decide to undertake an energy efficiency, renewable energy, or water efficiency project.

Industry Standard Audit Formats
While there is no single approach to conducting building evaluations, there are widely accepted industry standard audit formats. Depending on the size of the building, scope of the energy efficiency measure(s), and the complexity of systems, one can specify a Targeted Audit, or American Society of Heating Refrigeration and Air-Conditioning Engineers (ASHRAE) Level 1, 2, or 3 audit or their technical equivalents. Costs of audits are dependent on these variables as well.

Targeted Audit
In a Targeted Audit, the analysis need only account for the energy or water use of the system of concern, rather than the energy or water use of the whole building. This approach is generally used for larger, single-system projects. For example, this approach may be used for a project to replace only a cooling tower that is part of a building's chilled water system. In this example, only the chilled water system would be examined in the targeted audit.

In addition to reporting the same minimum building and energy conservation measure (ECM) information as above, this approach also includes an estimate of the base case energy use of the targeted system. In the example above, the Targeted Audit should include the base case energy use estimate of the combined cooling tower and chilled water plant.

ASHRAE Level 1, 2, and 3 Audits
The ASHRAE evaluation summary below lays out basic parameters for performing varying degrees of a whole building audit. For more precise guidelines see the ASHRAE Publication "Procedures for Commercial Building Energy Audits" (available from the ASHRAE online bookstore at http://www.ashrae.org). Please note that while ASHRAE is the leading industry standard, this type of evaluation is not mandatory if the evaluation is the technical equivalent to an ASHRAE evaluation.

Level I to III designations are based on increasing level of detail, depth, and cost. Each evaluation level includes an initial, preliminary analysis that compares the building energy use to similar building stock based on the energy use intensity (EUI in kWh/sq ft or kBTU/sq ft). Please see additional descriptions and components of these energy audit types in Table 5 and Table 6 below.

Table 2 – ASHRAE Energy Audit Level Descriptions

ASHRAE Audit Level	Audit Description
Level 1	**Walk-through analysis** Brief review of building systems with primarily qualitative results.
Level 2	**Energy Survey and Engineering Analysis** Includes identification of energy efficiency improvements with estimates of energy and cost savings for capital projects.
Level 3	**Detailed Analysis of Capital-intensive Modifications** Includes more detailed calculations based on monitored end use data or hourly building simulations. Also includes more detailed project specifications for retrofits.

Table 3 – ASHRAE Energy Audit Activities

	Audit Level		
Audit Activity	**1**	**2**	**3**
Walk-through survey	●	●	●
Identify low-cost/no-cost recommendations	●	●	●
Identify capital improvements	●	●	●
Review mech. & elec. design, condition and O&M practices		●	●
Measure/Monitor key parameters		●	●
Analyze capital improvements (savings & costs inc. interaction)		●	●
Additional testing/monitoring			●
Detailed system modeling			●
Schematic layouts for recommendations			●
Meet with owner to review recommendations		●	●

Table 4 – ASHRAE Energy Audit Report Components

	Audit Level		
Audit Report Component	**1**	**2**	**3**
Estimate savings from utility rate change	●	●	●
Compare energy use intensity (EUI) to similar sites	●	●	●
Summarize utility data	●	●	●
Estimate savings if EUI met target	●	●	●
Preliminary end-use breakdown	●	●	●
Detailed end-use breakdown		●	●
Estimate low-cost / no-cost savings	●	●	●
Estimate capital project costs, savings		●	●
Complete bldg description & equipment inventory		●	●
Detailed description of recommendations		●	●
Recommended monitoring & verification (M&V) method		●	●
Specifications and schematics of all recommendations			●

Minimum Data Requirements

For all projects, regardless of size or audit type, the energy analysis or evaluation report should, at a minimum, provide the following key parameters in an easy-to-identify summary table. Note: Some of these requirements are included in a Level I Energy Evaluation while others augment the requirements in a Level 1 Evaluation.

For the building overall:

- Description of the Project and facilities affected by the Project
- The square footage for conditioned space by space type (e.g. office, retail, industrial, schools, hospital, high tech, etc)
- The historical annual energy consumption by fuel type (e.g. electricity kWh, natural gas therms) for at least one year
- The historical annual energy cost by fuel type
- The applicable utility rate schedule(s)

For each proposed Energy Conservation Measure (ECM):

- Measure description (including specifications, as appropriate)
- Estimated annual energy consumption savings (e.g. kWh, therms, kBTU) based on specific application (not manufacturer's generic, average estimate)
- Estimated peak demand savings (kW)
- Estimated operations and maintenance savings (if applicable)
- Estimated measure utility cost savings
- Estimated measure cost
- Calculated measure simple pay back
- Measure Equipment Useful Lifetime (from approved measure list if available)

The energy audit will list specific EEMs and ECMs and how cost effective each is. At a minimum, this audit will also include the following information:

1. Recommendations for energy savings measures;
2. Estimated energy savings and a priority ranking for each measure;
3. Estimated renewable energy to be produced;
4. Estimated greenhouse gas reductions;
5. Estimated cost savings resulting from the implementation of the recommendations and use of funds made available by the District; and
6. Post-project evaluation no more than 12 months after the initial evaluation to verify results of project.

Appendix D – Program Costs/Fees

Closing Costs

Fee Type	Small Commercial (<$100,000)	Large Commercial (≥$100,000)
Application Processing Fee	$0 (Waived)	$0 (Waived)
Project Marketing Fee	2.5% of cost of the improvement	2.5% of cost of the improvement

Statutory or Required Third-Party (Pass-Through) Fees

Fee Type	Small Commercial (<$100,000)	Large Commercial (≥$100,000)
Energy Audit (pass-through)	**Tier 1 (Targeted Audit) or Tier 2 (ASHRAE Level I)**	**Tier 1 (Targeted Audit) or Tier 3 (ASHRAE Level 2)**
Appraisal Fee (optional) (pass-through)	Est. $2.5k - $5k	Est. $5k - $10k
Title Search (pass-through)	$150	$425
Recording Fee (Set by Florida statute) (pass-through)	$10 for 1st page; $8.50 each add'l page; $0.60 abstract fee plus doc. stamp tax of $0.35/$1,000.	$10 for 1st page; $8.50 each add'l page; $0.60 abstract fee plus doc. stamp tax of $0.35/$1,000.
Bond Counsel Legal Fees	TBD	TBD
Debt Service Reserve Fund (DSRF) (if required)	Est. 10% of financed amount (subject to lender approval)	Est. 10% of financed amount (subject to lender approval)

Ongoing Finance Program Fees

Fee Type	Small Commercial (<$100,000)	Large Commercial (≥$!00,000)
Ongoing Administrative Fee[3]	1% of collected amount	1% of collected amount
Property Appraiser [4][5]	$150/year + $0.75/per parcel	$150/year + $0.75/per parcel
Tax Collector[6]	1-2% of collections	1-2% of collections

[3] Administrative fees cover the costs to manage the Authority, prepare the assessment role, and to legally advertise and hold four (4) quarterly hearings per year.

[4] Municipal "taxes" are considered levied by the County for purposes of determining commissions under Chapter 192, F.S. Payments must be paid quarterly.

[5] Chapter 197, F.S. requires reimbursement to the Property Appraiser for administrative costs, $150 per year plus an annual fee of $0.75 per parcel subject to the assessment.

[6] The amount of the fee is dependent on the actual assessments not to exceed 2%.

Appendix E – Qualifying Improvements

This appendix contains a summary of common improvements that typically qualify for financing through the Program. The list is not meant to be exhaustive but can be updated as new improvement technologies and products enter the market. The Program will also consider any other improvements with demonstrated energy and/or water conservation benefits or wind hardening effects.

Renewable Energy Improvements

System affected	Eligible project
Renewable Thermal Energy	
Water	Solar thermal water heat
Heating	Solar thermal space heat (hydronic)
Pool	Solar pool heat
Renewable Electrical Energy	
Photovoltaic	Grid-tied PV System
Wind	Grid-tied wind turbine
Microturbine using Renewable Fuel	Grid-tied microturbine
Internal Combustion Engine using Renewable Fuel	Grid-tied internal combustion engine
Electric-only Fuel Cell Using Renewable Fuel	Grid-tied fuel cell
Cogeneration	
Microturbine with Cogeneration	Grid-tied microturbine with heat exchanger for cogeneration
Internal Combustion Engine with Cogeneration	Grid-tied internal combustion engine with heat exchanger for cogeneration
Fuel Cell with Cogeneration	Grid-tied fuel cell with heat exchanger for cogeneration

Energy Efficiency Improvements

System affected	Eligible project
Domestic Hot Water	
Water Heater	Replacement with Efficient Unit
Water Heater	Domestic Hot Water Pipe Insulation
Commercial Kitchen	Pre-rinse Spray Valve
Commercial Laundry	Ozone Laundry System
Pumps	Replacement with Efficient Unit
Pumps	Trimmed impeller
Pumps	Installing VFD & controls
Building Envelope	
Doors	Reduce Building Infiltration
Walls	Insulation (Conditioned spaces only)
Roof	Insulation (Conditioned spaces only)
Roof	Cool roof surface

Roof	Green roof installation
Windows	High Performance Windows
Windows	Window film installation
Lighting	
Fluorescent	Efficiency Improvement
Compact Fluorescent	Efficiency Improvement
Induction Lighting	Efficiency Improvement
Cold Cathode Lamps	Efficiency Improvement
HID	Efficiency Improvement
Bi-Level Fixtures	Replace existing lighting in Stairwells and Garages with Bi-level Lighting fixtures
Exit Signs	Replace existing with LED / LEC exit Sign
Exit Signs	Replace existing with self-luminescent
Interior Lighting	Replace existing with Induction or LED
Exterior Lighting	Replace existing with Induction or LED
Street Lighting	Replace existing with Induction or LED
Daylighting	Skylights
Controls	Demand Response Controls
Controls	Lighting scheduling controls
Controls	Daylighting controls
Controls	Occupancy sensors
General	Delamping
HVAC	
AC / Split Systems / Heat Pumps	Replacement with Efficient Unit
AHUs	Airflow distribution improvements
AHUs	Economizer (Air or Water-side)- Repair or New Unit
Boilers	Burner upgrade
Boilers	Combustion fan VFD
Boilers	Economizers
Boilers	Replacement with Efficient Unit
Boilers	Heat recovery
Boilers	Oxygen trim controls
Boilers/Chillers	Pipe Insulation
Chillers	Addition of Water-side economizer
Chillers	Replacement with Efficient Unit
Chillers	Heat recovery
Cooling Tower	Installing VFD & controls for fans
Cooling Tower	Replacement or additional capacity
Data Center	Air Flow Management
Energy Management Controls	Cooling tower fan sequencing
Energy Management Controls	Demand Response Controls
Energy Management Controls	Improved scheduling capability
Energy Management Controls	Sensors calibration/optimal relocation
Energy Management Controls	Retrocomissioning
Evaporative Cooling Systems	Offset existing mechanical cooling
Fans	Installing VFD & controls
Furnaces	Condensing furnaces
HVAC System (General)	Duct testing and sealing
HVAC System (General)	Duct testing and sealing
HVAC System (General)	VAV system conversions

HVAC System (General)	Radiant Heating / Cooling
HVAC System (General)	Geothermal HVAC
HVAC System (General)	Thermal Storage for Load Shifting
Steam Heating	Install/Replace Steam Traps
Labs	Reduced ACH
Labs	VAV fume hoods
Motors	Replacement with Efficient Unit
Pumps	Replacement with Efficient Unit
Pumps	Trimmed impeller
Pumps	Installing VFD & controls
Ventilation	Demand controlled ventilation
Ventilation	Garage CO controls
Refrigeration	
Refrigerated Cases / Walk-ins	Addition of insulation
Refrigerated Cases / Walk-ins	Anti-sweat heater controls
Refrigerated Cases / Walk-ins	Auto-closers for cooler/freezer doors
Refrigerated Cases / Walk-ins	Case-lighting Controls
Refrigerated Cases / Walk-ins	Defrost Controls
Refrigerated Cases / Walk-ins	Efficient evaporator fan motors
Refrigerated Cases / Walk-ins	Efficient Unit Replacement
Refrigerated Cases / Walk-ins	Evaporator fan controllers
Refrigerated Cases / Walk-ins	High Efficiency Display Cases
Refrigerated Cases / Walk-ins	Improved Defrost Controls
Refrigerated Cases / Walk-ins	Installing doors with low/no anti-sweat heat
Refrigerated Cases / Walk-ins	Installing Night covers
Refrigerated Cases / Walk-ins	Replacing Door gaskets
Refrigerated Cases / Walk-ins	Strip curtains
Refrigerated Cases / Walk-ins	Suction line insulation
Thermal Storage Systems	Thermal Storage for Load Shifting
Compressors	Add VFD and Controls
Compressors	Added Heat Recovery
Compressors	Addition of Mechanical Sub-cooling
Compressors	Efficient Unit Replacement
Compressors	Floating Head Pressure Controls
Compressors	Floating Suction Pressure
Condensers	Efficient Unit Replacement
Condensers	Evaporative Condensers
Condensers	Floating Head Pressure
Condensers	Replace Air Cooled with Evaporative Condenser
Controls	Retrocommissioning
Compressed Air	
Air Compressors	Replacement with Efficient Unit
Compressed Air Storage	Additional compressed air storage
Controls	Improved compressor sequencing
Controls	Improved scheduling or controls
Pools	
Pool	Add pool cover
Pool	Efficient Heater Replacement
Pool Pump	Reduce/Optimize Flow/Configuration

Pool Pump	Replace Motor
Pool Pump	Replace Pump
Pool Pump	Variable Flow
General	
Air / Water Distribution System	Efficiency Improvement
Fans	Replacement with Efficient Unit
Fans	Installing VFD & controls
Industrial Process	Equipment scheduling for load reduction
Industrial Process	Process improvement
Motors	Efficient Unit Replacement
Elevators	Hoisting and Standby improvements
Electric Vehicle Infrastructure	
Electric Vehicle Charger	Install AC Level 1 and/or 2 charging station, or DC Level 1 EV charging station
Electric Vehicle Charger - Fast Charge	Install DC Level 2 or 3 EV charging station

Wind Resistance Improvements

System affected	Eligible project
Building Envelope	
Doors	High impact doors
Walls	Installing perimeter opening protections
Roof	Improving the strength of the roof deck and foundation attachment
Roof	Wind resistant shingles or other roofing material
Roof	Gable-end bracing
Roof	Reinforcing roof-to-wall connections
Windows	Installing storm shutters
Windows	High impact windows

Water Efficiency Improvements

System affected	Eligible project
Domestic Water Use	
Toilets	Replacement with Efficient Unit
Urinals	Replacement with Efficient Unit
Commercial Kitchen	Pre-rinse Spray Valve
Laundry Systems (Multi-family dwellings)	Replacement with Efficient Unit
Commercial Kitchens	
Pre-Rinse Valves	Replacement with Efficient Unit
Dishwashers	Replacement with Efficient Unit
Commercial Ice-makers	Replacement with Efficient Unit

Laundry and Laundromats	
Commercial Laundry	Replacement with Efficient Unit
Commercial Laundry	Retrofit with wastewater recovery system
Commercial Laundry	Ozone Laundry System
HVAC	
Cooling Towers	Upgrades to Reduce Bleed-off and Drift
Condensers	Upgrades to Reduce Bleed-off and Drift
Steam Boilers	Upgrades to Reduce Bleed-off
Industrial / Process Water	
Steam Sterilizers / Autoclaves	Replacement with Efficient Unit
Car Wash Operations	Water Recycling System
Film / X-Ray Processing	Replacement with Efficient Units / Systems
Food / Beverage Processing	Replacement with Efficient Units / Systems
Metal Finishing	Replacement with Efficient Units / Systems
High Tech Manufacturing	Replacement with Efficient Units / Systems
Landscaping	
Irrigation system	Rain Shutoff Device
Irrigation System	Soil Moisture Sensors
Irrigation System	Rainwater Harvesting system
Irrigation System	Greywater system
Irrigation System	Blackwater treatment system