



Legislation Details (With Text)

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Title: RESOLUTION - APPROVING A LIMITED PURPOSE PARTY MEMBERSHIP AGREEMENT BETWEEN THE FLORIDA RESILIENCY AND ENERGY DISTRICT, AND CITY OF MARGATE.

Sponsors:

Indexes:

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Attachments: 1. RESOLUTION, 2. AGREEMENT, 3. BACKGROUND INFORMATION, 4. BACKGROUND INFORMATION

Date	Ver.	Action By	Action	Result
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TO: Mayor and City Commission

FROM: Samuel A. May, City Manager

DATE: February 20, 2019

RESOLUTION - APPROVING A LIMITED PURPOSE PARTY MEMBERSHIP AGREEMENT BETWEEN THE FLORIDA RESILIENCY AND ENERGY DISTRICT, AND CITY OF MARGATE.

BACKGROUND: On September 16, 2015, the City Commission passed Resolution 15-092 authorizing the City of Margate to participate in three Property Assessed Clean Energy (PACE) districts (Florida Green Energy Works Program, Clean Energy Green Corridor Program and Florida PACE Funding Agency) to provide interested property owners with options to finance eligible renewable energy, energy efficiency, and wind-resistance improvements to their property by repayment through non-ad valorem assessments on their property tax bill. As of December 31, 2018, PACE financing has been used to help increase the efficiency and/or resiliency of 744 properties in the City.

A fourth PACE district, the Florida Resiliency and Energy District (FRED), is requesting permission to operate in the City of Margate. FRED is similar to the other districts in that property owners work with program-approved contractors to develop projects, apply for PACE financing, projects are installed, contractors are paid by the PACE program administrator and a tax lien is placed on the property for the financed amount, and the property owner repays the financed amount through a non-ad valorem tax on their tax bill. Where they differ is that each of the 3 currently approved PACE programs can have only 1 program administrator, FRED can have multiple. Currently FRED has 6 approved program administrators (2 are residential only, 3 are commercial only, and 1 is both residential and commercial) and is currently reviewing another 6 potential commercial only program administrators. However, should any issues arise with any program administrator, the membership agreement provides that the City can request a program administrator to be removed from the program should they not satisfactorily correct any fault(s) within 30 days of being noticed of said fault(s). Additionally, the entire membership agreement can be terminated for convenience with 90 days' notice.

The addition of FRED to the City of Margate's approved PACE programs would increase options for interested property owners while increasing competition in the market, potentially reducing the cost of PACE.

RECOMMENDATION: Approve

FISCAL IMPACT: N/A

CONTACT PERSON: Richard R. Nixon, Building Director and Acting DEES Director