

PACE Programs Comparison Matrix

Provider Name: **Western Riverside Council of Governments**

Background: WRCOG's HERO Program provides financing to property owners to implement a range of energy saving, renewable energy, and water conserving improvements to their homes and businesses. Improvements must be permanently fixed to the property and must meet certain criteria to be eligible for financing. Financing is paid back through a lien placed on the property tax bill. The HERO Program was initiated in December 2011 and has been expanded (an effort called "California HERO") to allow for jurisdictions throughout the state to join WRCOG's Program and allow property owners in these jurisdictions to participate.

Policy	Data
Legislative Origin / Authorization	AB 811
Financing Organization	Trustee - Deutsche Bank
Program Administrator	Renovate America
Government Entity / Joint Power Authority (JPA)	Western Riverside Council of Governments
Governance Structure (e.g. who makes up the board)	Executive Committee, Western Riverside Council of Governments
Participating Jurisdiction(s)	298 California jurisdictions + 18 in the WRCOG subregion
Number of years of experience administering PACE Financing program	HERO Launched in Riverside County in 2011
Location of Corporate Office and local presence in the jurisdiction being served	WRCOG 4080 Lemon Street, 3 rd Floor, MS 1032, Riverside, CA HERO also has representatives throughout California
Residential (Yes/No)	Yes
Commercial (Yes/No)	Yes

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Number of Customers Served to date? Residential and Commercial/ Projects Financed	WRCOG Subregion: 17,898 completed projects/\$341M+ financed CA HERO: 22,887 completed projects/\$499M+ financed Commercial: 26 completed projects/\$2.7M financed
Lien	Residential: Average assessment ~ \$18,000-\$23,000
Interest Rate(s)	Residential: 6.75-8.35% - ** Subject to change Commercial: 5.75-6.5% - ** Subject to change
Term/ Loan Term	5-20 years
Lender/ Mortgage Notification or Consent	Commercial HERO Only
Disclosure	Please see attached Consumer Protection Policy
Pre-Lien loan to Value	Can discuss at a later time
Post-Lien Loan to Value	Can discuss at a later time
Total Aggregate Property Taxes/ Assessments	In FY 15-16: levied \$65M in HERO assessments
Capitalized Interest	
Credit History/ Credit Check	Not required
Bankruptcy History	No bankruptcies within past seven years

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Financing Min/Max Amounts	Minimum: \$5,000. Residential Max: 15% of property value up to \$700k, 10% after (All mortgage debt must not exceed 90% of the value of the property) Commercial: 20% of property value
Application Fee	N/A
Recording/Title Fee	\$95
Participates in PACE Loss Res. Program (CA State)	Yes
Reserve Deposit	Can discuss at a later time
Legal Validation	Held quarterly as needed, next validation date is April 1, 2016
Dispute Resolution	HERO Protect, our compliance division, handles all property owner and contractor inquiries. The majority of our compliance investigators are former law enforcement officials, and have great working relationships with the CSLB and the Riverside County DA's office.
Consumer Protection	Please see the attached document for our Consumer Protections Policy
Property Owner Fees/Costs	4.99% (similar to closing cost)
Annual Admin Fee	\$35.00
Program Admin/Underwriting	1. Applicant(s) must be the owner(s) of record of the property upon which the Eligible Products are to be installed; 2. Property owner(s) must be current on their property taxes for the property upon which the Eligible Products are to be installed, and there must be no more than one late payment in the past three years; 3. Property owners must be current on all property debt of the property upon which the Eligible Products are proposed to be installed at the time of

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	<p>application and cannot have had more than one 30 day mortgage late payment over the previous 12 months;</p> <p>4. Property owner(s) must not have had any active bankruptcies within the last seven years, and the Property must not be an asset in an active bankruptcy. However, if a bankruptcy was discharged between two and seven years prior, and the property owner(s) have not had any additional late payments more than 60 days past due in the last 24 months, the property owner may be approved; and</p> <p>5. All property owners must sign all required documentation, including but not limited to the application, the Completion Certificate and the Assessment Contract with all other required Financing Documents.</p>
Prepayment Penalty	None for residential
Average Time from Application to Payment	Varies on product installment and permits required. Once project and completion certificate is signed, the contractor is paid within 48 hours.
Contractor screening and Qualifications process	See attached for Contractor “Code of Conduct”
Fees to Contractor	N/A
How long is the training to become a participating contractor?	Varies depending on contractor’s schedule.
Do you share loan fees with jurisdictions?	WRCOG’s Executive Committee has elected to divide revenues to develop reserves at WRCOG and to implement our BEYOND Program. (Please see attached staff report.)
Provide reports to participating jurisdiction – what data?	Data is shared via HEROGov website and our HEROGov app. Jurisdictions can see projects completed, types of projects, jobs created/retained, energy saved, etc. (Please see attached snapshot).
Termination Process for Govt.	To date, no jurisdictions have opted out of CA HERO. Per our JPA Agreement: “ City or Authority may withdraw from this JPA Amendment upon six (6) months written notice to the other party; provided, however, there is no outstanding indebtedness of Authority within City. The provisions of Section 6.2 of the Authority JPA shall not apply to City under this JPA Amendment.”

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Language around indemnification of the joining jurisdiction?	Please see attached JPA Agreement.
Includes solar electric?	Yes
Includes solar hot water?	Yes
Includes water efficiency?	Yes
Includes landscaping?	Yes, with the exception of plants/trees/shrubs (per Executive Committee's decision).
Includes EV charging?	Yes
Energy Audit Provided	Contractor may provide to property owner, but is not required.
Website	www.wrcog.cog.ca.us www.heroprogram.com