



## Staff Report

### December 9, 2025

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**TO:** Honorable Mayor and Members of the Town Council  
**FROM:** Christian Svensk, Community Development Director  
**RE:** PACE Program opt-in

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#### RECOMMENDATION

Adopt a resolution approving the California Statewide Communities Development Authority (CSCDA) Open PACE Program.

#### DISCUSSION

Property Assessed Clean Energy (PACE) is a mechanism for residential and commercial property owners to finance renewable energy, energy efficiency, and water conservation projects to their properties. Property owners utilize funds based on the available equity in their property made available from a PACE provider. These providers are sponsored by a Joint Powers authority (JPA) and repay the financial obligation via a voluntary special tax or special assessment.

State law authorizes contract assessment districts in charter and general law counties to provide financing for renewable energy, energy efficiency, and water conservation (among other measures with a communal sustainability or resiliency benefit) improvements to qualified property owners.

A property owner voluntarily enters into a contractual agreement with one of the JPA assessment districts in which they reside to access financing by securing a lien on their property. This lien is then repaid through a special tax or assessment on their property tax bill. This financing mechanism is referred to as PACE.

California municipalities must adopt a resolution allowing the CSCDA Open PACE Program to operate in their jurisdiction. Staff recommends that in order to provide Loomis property owners with a variety of trusted PACE finance options, the Council adopt a resolution to admit licensed PACE providers and thereby allow the PACE program to operate within Loomis.

The Town of Loomis has been a member of CSCDA since 2005 (City resolution 05-06 February 8).

#### DISCUSSION

PACE financing can be set up and administered under AB 811 (2008) which allows qualifying upgrades to be financed through an assessment district. Additional legislation expanded the type of projects that are eligible for financing to include: water efficiency improvements, electric vehicle charging stations, seismic improvements and wildfire resiliency.

The following legislation expanded the original legislation and provide for additional consumer protections:

- **AB 2693** (2016) enhanced disclosures to homeowners participating in PACE programs and guarantees the right to cancel PACE financing within three business days of execution. AB 2693 also prohibits marketing promises of monetary or percentage representations of increased value to a property owner regarding the effect the financed improvements will have on the market value of the property unless the market value is estimate using one of specified methods.
- **SB 242** (2017) requires a recorded telephone call to residential consumers to confirm key terms of the agreement. This call and contractual documents must be available in one of five enumerated non-English languages as necessary. SB 242 also prohibits kickbacks to contractors for steering consumers into a particular program and any misrepresentation as to tax deductibility of a PACE assessment contract. PACE providers are prevented from disclosing to contractors the amount of funds the property is eligible for under a PACE assessment under this law.
- **AB 1284** (2017) establishes state oversight for the California's PACE program (through the regulator – Department of Financial Protection and Innovation – DFPI) and requires PACE administrators that are not local governments to obtain a license under California Financing Law. They are also held accountable for screening, training, and monitoring the contractors and sales reps enrolled in their programs. Lastly, PACE providers have to determine a consumer's ability to repay, including income verification, before entering into a PACE assessment.
- **SB 465** (2018) allows for fire resiliency measures to be financed under enabling PACE legislation.
- **AB 1551** (2020) prohibits penalties for early prepayment, prohibits PACE financing with reverse mortgages, requires financing documents to be provided to the homeowner as a printed copy unless the homeowner opts out
- **AB 2471** (2020) extends the right to cancel on all home improvement contracts including PACE for persons 65 years and older from three to five days
- **AB 790** (2021) extends laws regulating unfair methods of competition and unfair or deceptive acts or practices with regard to the home solicitation of senior citizens for home improvements funded by PACE
- **DFPI regulations** (2021) further regulated the PACE Administrator license and application process, advertising standards and standardized disclosures, complaints processes and procedures, dishonest dealings and misleading statements, and PACE enrollment standards and processes.

PACE offers an alternative to traditional means of financing property improvements such as paying cash, taking a home equity line of credit (HELOC) or using credit cards. Eligibility for PACE financing is based on property equity and the ability to pay, rather than on the credit worthiness of the applicant. PACE financing has fixed term interest rates with terms generally longer than those of other private and/or unsecured loans, but equal to the average useful life of the improvement being undertaken. Some other advantages of PACE financing include 100% financing for eligible improvements and the reliability of pre-approved, vetted, trained and strictly monitored contractors. Participation in PACE financing is voluntary.

Because the capital for PACE financing is from private sources and the transactions are between program administrators and building owners, the Town will incur no cost or risk associated with program activities. The Town is not required or expected to provide administrative support or marketing for the programs, which are conducted by the program administrators. However, many jurisdictions throughout the state have found that partnering in outreach and marketing can enhance the efficacy of the program. The Town is not obliged to repay bonds issued by the JPA or assessments levied on the participating properties.

Enabling the Town of Loomis's PACE availability by approving licensed program administrators will create a competitive marketplace that provides a variety of financing options with more favorable terms for home and business owners. Doing so may also incentivize more property owners to undertake improvements, resulting in the creation of more renewable energy and local jobs, reduction in energy use, greenhouse gas emissions and water consumption, among other improvement categories.

### **PACE in Placer County**

Placer County created its own PACE Program, MPower, in 2015. In December 2020 the Board of Supervisors voted to end the exclusivity of MPower and authorized other PACE providers including those within the CSCDA Open PACE Program to operate within the unincorporated territory. MPower was closed to new applications in 2021 leaving residents of the incorporated cities and the Town of Loomis with no PACE options.

Since 2022, several jurisdictions in Placer County have taken action to expand access to CSCDA's Open PACE program. In October 2022, the City of Roseville's Council voted unanimously to authorize Open PACE to operate within the city. In late 2023, Placer County extended its participation to ensure property owners in unincorporated areas could benefit from the same opportunities. The City of Auburn followed in June 2024 and in 2025, both Rocklin and Lincoln voted to join CSCDA's Open PACE as well.

### **California Statewide Communities Development Authority (CSCDA) Open PACE**

CSCDA Open PACE is an umbrella initiative including three DFPI licensed residential PACE providers: PACE Funding Group (dba Home Run Financing), FortiFi Financial, and Renew Financial; and several commercial PACE providers. Launched in 2015 it is sponsored by the California Statewide Communities Development Authority (CSCDA). CSCDA Open PACE's goal is to create a platform to vet and pre-qualify PACE administrators so that local governments only need to pass a single resolution to authorize multiple providers including specialist residential or commercial PACE providers.

The Town of Loomis has been a member of CSCDA since 2005.

### **CEQA**

There are no CEQA issues associated with opting into the PACE program.

### **FINANCIAL IMPLICATIONS**

Opting into the PACE program will not create costs for the Town but and would not necessitate staffs' time.

### **ATTACHMENT**

California Statewide Communities Development Open PACE Resolution to approve CSCDA Open PACE

# TOWN OF LOOMIS

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOOMIS  
CONSENTING TO THE INCLUSION OF PROPERTIES WITHIN THE TERRITORY  
OF THE TOWN IN THE CSCDA OPEN PACE PROGRAMS; AUTHORIZING THE  
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO  
ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT  
CONTRACTUAL ASSESSMENT PROCEEDINGS AND LEVY CONTRACTUAL  
TOWN; AND AUTHORIZING RELATED ACTIONS**

**WHEREAS**, the California Statewide Communities Development Authority (the “Authority”) is a joint exercise of powers authority, the members of which include numerous cities and counties in the State of California, including the Town of Loomis (the “Town”); and

**WHEREAS**, Chapter 29 of Division 7 of the Streets & Highways Code (“Chapter 29”) authorizes the Authority to establish voluntary contractual assessment programs to finance or refinance renewable energy, energy efficiency, water efficiency and seismic strengthening improvements, electric vehicle charging infrastructure and such other improvements, infrastructure or other work as may be authorized by law from time to time (collectively, the “Improvements”) through the levy of contractual assessments within counties and cities throughout the State of California that consent to the participation of properties within their respective territories and the issuance of bonds from time to time; and

**WHEREAS**, for the purpose of providing financing and refinancing for the Improvements, the Authority has established two CSCDA Open PACE Programs (the “Programs”): (i) the CaliforniaFIRST Program and (ii) the CSCDA Open PACE Program; and

**WHEREAS**, the Authority has designated multiple third-party program administrators to administer the Programs; the current program administrators are the Counterpointe Energy Solutions II (CA) LLC, **PACE Funding Group LLC dba Home Run Financing**, Renew Financial Group LLC, Fortifi, Nuveen Green Capital, White Oak Advisors, Stonehill PACE, LLC, Lord Cap PACE, Green PACE Capital, PACE Loan Group and Petros PACE Finance, Castle Green Finance, Bayview PACE, Green Rock Healthcare Capital, Citizens Business Bank and the Authority will notify the Town of any additions or changes; and

**WHEREAS**, the Authority may also administer certain projects itself, working directly with third-party capital providers; and

**WHEREAS**, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner or owners of each lot or parcel on which an assessment is levied at the time the assessment is levied; and

**WHEREAS**, the Town desires to allow the owners of property (“Participating Property Owners”) within its territory to participate in the Programs and to allow the Authority to conduct assessment proceedings under Chapter 29 within its territory and to issue bonds to finance or refinance Improvements; and

**WHEREAS**, the territory within which assessments may be levied for the Programs shall include all of the territory within the Town’s official boundaries; and

**WHEREAS**, the Authority will conduct all assessment proceedings under Chapter 29 for the Programs and issue any bonds issued in connection with the Programs; and

**WHEREAS**, the Town will not be responsible for the conduct of any assessment proceedings; the levy of assessments; any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the Programs;

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Loomis as follows:

Section 1. This Town Council hereby finds and declares that properties in the territory of the Town will benefit from the availability of the Program within the territory of the Town and, pursuant thereto, the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 and the issuance of bonds to finance or refinance Improvements.

Section 2. In connection with the Programs, the Town hereby consents to the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 on any property within the territory of the Town and the issuance of bonds to finance or refinance Improvements; provided, that

(1) The Participating Property Owners, who shall be the legal owners of such property, execute a contract pursuant to Chapter 29 and comply with other applicable provisions of California law in order to accomplish the valid levy of assessments; and

(2) The Town will not be responsible for the conduct of any assessment proceedings; the levy of assessments; any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the Programs.

Section 3. The appropriate officials and staff of the Town are hereby authorized and directed to make applications for the Programs available to all property owners who wish to finance or refinance Improvements; provided, that the Authority shall be responsible for providing such applications and related materials at its own expense. The following staff persons, together with any other staff persons chosen by the Town Council from time to time, are hereby designated as the contact persons for the Authority in connection with the Programs: Town Manager or their designee.

Section 4. The appropriate officials and staff are hereby authorized and directed to execute and deliver such certificates, requisitions, agreements and related documents as are reasonably required by the Authority to implement the Programs.

Section 5. The Town Council hereby finds that adoption of this Resolution is not a “project” under the California Environmental Quality Act, because the Resolution does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4).

Section 6. This Resolution shall take effect immediately upon its adoption. The Town Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of the Authority at: Secretary of the Board, California Statewide Communities Development Authority, 1400 K Street, Sacramento, CA 95814.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2025 by the following vote, to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Town Clerk