

### AGENDA ITEM SUMMARY

☒ Regular  
☐ Public Hearing

**Submitted By:** County Administration  
**Submitted For:** Office of Resilience

## Date \_\_\_\_\_

May S Houston

For

5/1/25

## II. FISCAL IMPACT ANALYSIS

**A. Five-Year Summary of Fiscal Impact:**

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures	0				
Operating Costs	0				
External Revenues	0				
Program Income (County)	0				
In-Kind Match (County)	0				
NET FISCAL IMPACT	0	0	0	0	0
# ADDITIONAL FTE POSITIONS (Cumulative)	0	0	0	0	0

Is the item included in the Current Budget?	Yes	No	X
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Does this item include the use of federal funds? Yes \_\_\_\_\_ No ☒ X

Does this item include the use of state funds?      Yes      No      ☒ X

**Budget Account No.:**

**Fund 0001 Department 261 Unit 2101 Object 4946 Program**


**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

**No fiscal impact.**

C. Department Fiscal Review: *See 11/14/24/25*

### III. REVIEW COMMENTS

**A. OFMB Fiscal and /or Contract Dev. and Control Comments:**

  
 OFMB  
 MD 4/29 4/29

Frank Dush 7/27/20  
Contract Development and Control 26 9.29.25

**B. Legal Sufficiency:**

  
Assistant County Attorney

**C. Other Department Review:**

Department Director

ORDINANCE NO. 20\_\_\_\_-\_\_\_\_\_

1                   AN ORDINANCE OF THE BOARD OF COUNTY  
2                   COMMISSIONERS OF PALM BEACH COUNTY,  
3                   FLORIDA, AMENDING PALM BEACH COUNTY  
4                   CODE, CHAPTER 17, ARTICLE XVII,  
5                   (ORDINANCE 2017-012),  
6                   SECTION 17-504 THROUGH SECTION 17-507,  
7                   REGARDING THE PROPERTY ASSESSED  
8                   CLEAN ENERGY (PACE) PROGRAM TO  
9                   CONFORM WITH THE AMENDED "PACE"  
10                  STATUTE; PROVIDING FOR A SAVINGS  
11                  CLAUSE; PROVIDING FOR REPEAL OF LAWS  
12                  IN CONFLICT; PROVIDING FOR  
13                  SEVERABILITY; PROVIDING FOR INCLUSION  
14                  IN THE CODE OF LAWS AND ORDINANCES;  
15                  PROVIDING FOR ENFORCEMENT; PROVIDING  
16                  FOR PENALTIES; PROVIDING FOR CAPTIONS;  
17                  AND PROVIDING FOR AN EFFECTIVE DATE.

18                **WHEREAS**, Property Assessed Clean Energy (PACE) programs for Residential and  
19                Commercial Properties have been established across the country to provide mechanisms for  
20                funding energy efficiency, renewable energy, and other types of improvements to Residential  
21                and Commercial properties; and

22                **WHEREAS**, PACE Programs in Florida were established by the Florida Legislature's  
23                adoption of Section 163.08, Florida Statutes (the "PACE Statute") in 2010, and

24                **WHEREAS**, the Board of County Commissioners (the "Board") adopted a PACE  
25                Ordinance (Ordinance 2017-030) in 2017 to authorize and regulate the operation of PACE  
26                programs within the County; and

27                **WHEREAS**, the Board of County Commissioners amended the PACE ordinance  
28                through the adoption of Ordinance 2022-030 to clarify and strengthen qualifications and  
29                consumer protection disclosure requirements for PACE Programs for Residential and  
30                Commercial Properties that provide financing for Qualifying  
31                Improvements in accordance with Section 163.08, Florida Statutes; and

32                **WHEREAS**, on June 28, 2024, the Governor of Florida signed into law Senate Bill  
33                770, which amended Section 163.08, Florida Statutes, and added Sections 163.081 through  
34                163.087 to the PACE Statute; and

35                **WHEREAS**, Senate Bill 770 made certain additions and amendments to the PACE  
36                Statute for the purposes of, but not limited to, improving the operation of PACE programs  
37                overall, clarifying and strengthening consumer protections, reaffirming local government's

1 authority to regulate PACE programs, distinguishing the operations of residential and  
2 commercial PACE programs; and

3 **WHEREAS**, the additions and amendments to the PACE Statute have created certain  
4 inconsistencies with the County's PACE Ordinance that must be addressed by updating  
5 language in the Ordinance; and

6 **WHEREAS**, the Board of County Commissioners of Palm Beach County, pursuant to  
7 its authority under the Florida Constitution, Article VIII, Section 1(g), Section 125.01, Florida  
8 Statutes, and the Palm Beach County Charter, hereby adopts the following amendments to the  
9 Palm Beach County Property Assessed Clean Energy (PACE) Ordinance (Ordinance 2017-  
10 012).

11  
12 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY**  
13 **COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:**

14 **Section 1. Chapter 17, Article XVII, Section 17-504, entitled "DEFINITIONS" is hereby**  
15 **amended as follows:**

16 For purposes of this Ordinance, the following words and phrases shall have the  
17 following meanings:

18 ...

19 (5) *Qualifying Improvements* shall mean ~~energy conservation and efficiency, renewable energy,~~  
20 ~~and wind resistance improvements~~ as defined by F.S. § 163.08, as may be amended by law.

21 (6) *PACE Third-Party Administrator* shall mean ~~the an entity defined administering the PACE~~  
22 ~~Program and operating on behalf of the PACE Agency/Authority/District. The Third-Party~~  
23 ~~Administrator is an entity contracted with a PACE Agency/Authority/District to perform~~  
24 ~~administrative functions, including, but not limited to, processing PACE financing~~  
25 ~~applications and determining eligibility by F.S. § 163.08, as may be amended.~~

26 (7) ~~*PACE Agencies/Authorities/Districts Program Administrator*~~ shall mean an entity as  
27 defined by F.S. § 163.08, as may be amended. ~~one or more local governments defined in~~  
28 ~~F.S. § 163.08 (2)(a), authorized by Palm Beach County to offer PACE financing for~~  
29 ~~Qualifying Improvements.~~

30 (8) *PACE Program* shall mean the County's provision through interlocal agreements with  
31 PACE Program Administrators ~~Agencies/Authorities/Districts~~ offering financing for  
32 Qualifying Improvements as approved by the State of Florida pursuant to the PACE Statute

Coding: Words in strike through type are deletions from existing text. Words in underscored type are additions.

- 1 F.S. § 163.08, further defined in this Ordinance, as may be amended by law.
- 2 (9) *PACE Statute* shall mean sections F.S. § 163.08 through § 163.087 of the Florida Statutes  
3 and all future amendments thereto.
- 4 (10) *Residential Property* is defined by F.S. § 163.08, as may be amended by law. ~~shall mean~~  
5 ~~a residential property consisting of four (4) or fewer residential dwelling units.~~
- 6 (11) ~~*Non-Residential-Commercial Property* is defined by F.S. § 163.08, as may be amended by~~  
7 ~~law. shall mean commercial, industrial, agricultural, mixed use and residential properties~~  
8 ~~consisting of five (5) or more residential dwelling units.~~
- 9 **Section 2. Chapter 17, Article XVII, Section 17-505, entitled “PACE PROGRAM**  
10 **AUTHORIZATION” is hereby amended as follows:**
- 11 (1) PACE Program Administrators Agencies/Authorities/Districts ~~and Third-Party~~  
12 ~~Administrators~~ offering financing for Qualifying Improvements on Residential and Non-  
13 Residential Properties pursuant to this Ordinance shall be approved by the County and  
14 authorized through interlocal agreements to provide financing subject to the requirements  
15 of this Ordinance and the PACE Statute. A resolution indicating the County’s desire to join  
16 a PACE Program Administrators Agencies/Authorities/Districts ~~and Third-Party~~  
17 ~~Administrators~~ shall be prepared by County staff and presented to the Board for  
18 consideration with each interlocal agreement. The interlocal agreements shall include  
19 specific terms and conditions for PACE Program Administrators  
20 ~~Agencies/Authorities/Districts and Third-Party Administrators~~ to operate within Palm  
21 Beach County.
- 22 (2) PACE Program Administrators Agencies/Authorities/Districts ~~and Third-Party~~  
23 ~~Administrators~~ desiring to provide financing pursuant to this Ordinance shall provide  
24 sufficient documentation as requested by the County to provide reasonable assurance that  
25 the requirements of this Ordinance and the PACE Statute can be met by the PACE Program  
26 Administrators Agencies/Authorities/Districts ~~and Third-Party Administrators~~. Document  
27 requests shall include but are not limited to a list of Qualifying Improvements, standard  
28 financing agreements, consumer protection provisions, and certificates of insurance. PACE  
29 Program Administrators Agencies/Authorities/Districts ~~and Third-Party Administrators~~  
30 shall comply with reasonable requests for data and business practices within 90 days,  
31 consistent with state and federal law.

1 **Section 3. Chapter 17, Article XVII, Section 17-506, entitled “DISCLOSURE**  
2 **REQUIREMENTS” is hereby amended as follows:**

3 (1) For Residential Properties, ~~In~~ in addition to any disclosure requirements in the PACE  
4 Statute, PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party  
5 Administrators that extend financing pursuant to the PACE Statute and levy non-ad  
6 valorem assessments to fund Qualifying Improvements must have the property owner sign  
7 a separate, written notice. PACE Program Administrators ~~Agencies/Authorities/Districts~~  
8 and Third-Party Administrators must disclose to property owners essential terms in a  
9 “Residential Consumer Disclosure Notice” that must be pre-approved by the County. The  
10 County will not unreasonably withhold approval. The Residential Consumer Disclosure  
11 Notice must be a consolidated summary of the following information:

12 ~~(a) The estimated total amount of the debt, including amount financed, fees, fixed interest~~  
13 ~~rate, capitalized interest and the effective rate of the interest charged (“Annual~~  
14 ~~Percentage Rate” or “APR”);~~

15 ~~(b)(a)~~ That PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party  
16 Administrators may only offer fixed simple interest rates and payments that fully  
17 amortize the obligation. Variable or negative amortization financing terms are not  
18 permitted. Capitalized interest included in the original balance of a PACE financing  
19 agreement does not constitute negative amortization;

20 ~~(c) The repayment process and terms, amounts and a schedule that fully amortizes the~~  
21 ~~amount financed including the estimated annual PACE assessment;~~

22 ~~(d) That the PACE assessment will appear on the property owner's tax bill;~~

23 ~~(e)~~ (b) That there is no discount for paying the PACE assessment early;

24 ~~(f) The nature of the lien recorded and that the PACE assessment will be collected in the~~  
25 ~~same manner as real estate taxes. That failure to pay the PACE assessment may cause~~  
26 ~~a tax certificate to be issued against the property, and that failure of payment thereof~~  
27 ~~may result in the loss of property subject to the PACE assessment, including homestead~~  
28 ~~property, in the same manner as failure to pay property taxes;~~

29 ~~(g)(c) The specific improvements to be financed and installed and that such~~ That the  
30 Qualifying Improvements ~~improvements~~ and PACE assessment may or may not affect  
31 the overall value of the property;

- 1       ~~(h)(d)~~ A PACE assessment payment term that does not exceed the useful life of the  
2       improvements, as determined by reputable third party sources, including, but not  
3       limited to, the U.S. Department of Energy;
- 4       ~~(i)~~ The right of pre-payment without penalty;
- 5       ~~(j)~~ Notice that the property owner may be required to pay any PACE assessment in full at  
6       the time of refinance or sale of the property;
- 7       ~~(k)(d)~~ The property owner has at least a three-day right to cancel the financing. PACE  
8       Program Administrators Agencies/Authorities/Districts—and Third-Party  
9       Administrators must furnish to the property owner a notice of the right to rescind the  
10      PACE financing agreement. The property owner may exercise the right to rescind until  
11      midnight of the third business day following the execution of the agreement by giving  
12      notice to the other party by either certified or registered mail, electronic mail, fax  
13      machine, phone call, or any other method approved by the PACE Program  
14      Administrators Agencies/Authorities/Districts and Third-Party Administrators;
- 15      ~~(l)(e)~~ The property owner has a three-day right to cancel a home improvement contract per  
16      F.S. § 520.72;
- 17      ~~(m)f~~ In the event of an emergency, property owners may waive their right to the PACE  
18      financing agreement three-day right to cancel to allow PACE contractors to begin the  
19      project. For the purposes of this section, an emergency is defined as a situation that  
20      poses an immediate threat to the health, safety, or well-being of the property owner and  
21      requires immediate abatement by the installation of a Qualifying Improvement. The  
22      property owner may waive their right to the three-day right to cancel for emergencies  
23      either through the Consumer Disclosure Notice or by giving notice by either certified  
24      or registered mail, or electronic mail, fax machine, phone call, or any other method  
25      approved by the PACE Agencies/Authorities/Districts and Third-Party Administrators;
- 26      ~~(n)g~~ An emergency waiver option for the three-day right to cancel;
- 27      ~~(o)(h)~~ Except as required by law, PACE Program Administrators  
28      Agencies/Authorities/Districts and Third-Party Administrators may not disclose or permit  
29      disclosure to a PACE contractor or third-party engaged in soliciting financing agreements  
30      of the maximum amount of the PACE financing for which a property owner is eligible;
- 31      ~~(p)(i)~~ That the County has programs that property owners may qualify for to fund  
32      improvements, such as the Weatherization Assistance Programs. The County retains

1 the right to provide information about County programs within and/or in addition to  
2 the Residential Consumer Disclosure Notice, which the PACE  
3 Agencies/Authorities/District and Third-Party Administrator must provide to the  
4 homeowner; and

5 ~~(q)~~(j) That before the PACE three-day right to cancel ends, the Program  
6 Administrators ~~Agencies/Authorities/Districts~~ or Third-Party Administrators will  
7 speak with the property owner or authorized representative to review the terms of the  
8 PACE financing agreement and confirm that the property owner understands the  
9 financial implications and communicate all essential terms including what the  
10 Consumer Disclosure Notice requires. The PACE Agencies/Authorities/Districts or  
11 Third-Party Administrators will conduct the conversation in the property owner's  
12 preferred language. The PACE Program Administrators ~~Agencies/Authorities/Districts~~  
13 or Third-Party Administrators will record the "confirm terms" call, unless the property  
14 owner declines to be recorded. If the property owner declines to be recorded, the PACE  
15 entity must take detailed notes of the conversation to demonstrate compliance with the  
16 "confirm terms" requirement; and

17 (k) These notices are required pursuant Palm Beach County's PACE Ordinance, and are  
18 made in addition to what PACE Program Administrators are required to disclose under  
19 the PACE Statute. Property Owners are encouraged to review the County's PACE  
20 Ordinance and the PACE Statute for a complete list of definitions, consumer  
21 protections, guidelines and requirements; and

22 ~~(r)~~ Contact information for the PACE Program Administrators  
23 ~~Agencies/Authorities/Districts~~ or Third-Party Administrator, including the name,  
24 phone number, and email (if applicable).

25 (2) For Commercial Non-Residential Properties under \$250,000 for the total amount of the  
26 PACE assessment, in addition to any disclosure requirements in the PACE Statute, PACE  
27 Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party Administrators  
28 that extend financing pursuant to the PACE Statute and levy non-ad valorem assessments  
29 to fund the Qualifying Improvements shall have the property owner sign a separate, written  
30 notice. PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party  
31 Administrators must disclose to property owners essential terms in a "Commercial Non-  
32 Residential Consumer Disclosure Notice" that must be pre-approved by the County. The

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1 County will not unreasonably withhold approval. The Commercial Non-Residential  
2 Consumer Disclosure Notice must be a consolidated summary of the following  
3 information:

4 ~~(a) The estimated total amount of the debt, including amount financed, fees, fixed or~~  
5 ~~variable interest rate, capitalized interest and the effective rate of the interest charged~~  
6 ~~(APR);~~

7 ~~(b)(a)~~ That PACE Program Administrators Agencies/Authorities/Districts and Third-Party  
8 Administrators may only offer payments that fully amortize the obligation. Negative  
9 amortization financing terms are not permitted. Capitalized interest included in the  
10 original balance of a PACE financing does not constitute negative amortization;

11 ~~(c) The repayment process and terms, amounts and a schedule that fully amortizes the~~  
12 ~~amount financed including the estimated annual PACE assessment;~~

13 ~~(d)(b)~~ That the PACE assessment will appear on the property owner's tax bill;

14 ~~(e)(c)~~ That there is no discount for paying the PACE assessment early;

15 ~~(f)(d)~~ The nature of the lien recorded and that the PACE assessment will be collected in  
16 the same manner as real estate taxes. That failure to pay the PACE assessment may  
17 cause a tax certificate to be issued against the property, and that failure of payment  
18 thereof may result in the loss of property subject to the PACE assessment in the same  
19 manner as failure to pay property taxes;

20 ~~(g)(e) The specific improvements to be financed and installed and that such~~ That the  
21 Qualifying Improvements improvements and PACE assessment may or may not affect  
22 the overall value of the property;

23 ~~(h) A PACE assessment payment term that does not exceed the useful life of the~~  
24 ~~improvements, as determined by reputable third party sources, including, but not~~  
25 ~~limited to, the U.S. Department of Energy;~~

26 ~~(i)(f)~~ Notice that the property owner may be required to pay any PACE assessment in full  
27 at the time of refinance or sale of the property;

28 ~~(j)(g)~~ The 3-day right to cancel the financing. PACE Agencies/Authorities/Districts and  
29 Third-Party Administrators must furnish to the property owner a notice of the right to  
30 rescind the PACE financing agreement. The property owner may exercise the right to  
31 rescind until midnight of the third business day following the execution of the

1 agreement by giving notice to the other party by either certified or registered mail,  
2 electronic mail, fax machine, or a recorded phone call;

3 ~~(kh)~~ In the event of an emergency, property owners may waive their right to the PACE  
4 financing agreement three-day right to cancel to allow PACE contractors to begin the  
5 project. For the purposes of this section, an emergency is defined as a situation that  
6 poses an immediate threat to the health, safety or well-being of the property owner and  
7 requires immediate abatement by the installation of a Qualifying Improvement. The  
8 property owner may waive their right to the three-day right to cancel for emergencies  
9 either through the Consumer Disclosure Notice or by giving notice by either certified  
10 or registered mail, or electronic mail, fax machine, phone call, or any other method  
11 approved by the PACE Agencies/Authorities/Districts and Third-Party Administrators;

12 ~~(hi)~~ An emergency waiver option for the three-day right to cancel; and

13 ~~(kj)~~ These notices are required pursuant Palm Beach County's PACE Ordinance, and are  
14 made in addition to what PACE Program Administrators are required to disclose under  
15 the PACE Statute. Property Owners are encouraged to review the County's PACE  
16 Ordinance and the PACE Statute for a complete list of definitions, consumer  
17 protections, guidelines and requirements.

18  
19 ~~(m)(k)~~ Contact information for the PACE Program Administrator  
20 Agencies/Authorities/District or Third-Party Administrator, including the name, phone  
21 number, and email (if applicable).

22 ~~(3)~~ Commercial Non-Residential PACE Program Administrators  
23 Agencies/Authorities/Districts and Third-Party Administrators providing PACE financing  
24 in the amount of \$250,000 or greater for the total PACE assessment are not required to  
25 provide disclosures a Consumer Disclosure Notice that is consistent with F.S. § 163.08, as  
26 may be amended by law the PACE Statute. Additionally, However, they are required to  
27 conform to the following obligations:

28 ~~(a)~~ That PACE Program Administrators Agencies/Authorities/Districts and Third Party  
29 Administrators may only offer payments that fully amortize the obligation. Negative  
30 amortization financing terms are not permitted. Capitalized interest included in the  
31 original balance of a PACE financing does not constitute negative amortization; and

1       ~~(b) That PACE Agencies/Authorities/Districts and Third-Party Administrators may only~~  
2       ~~provide a PACE assessment payment term that does not exceed the useful life of the~~  
3       ~~improvements, as determined by reputable third-party sources, including, but not~~  
4       ~~limited, to the U.S. Department of Energy.~~

5       (4) For both Residential and Commercial Non-Residential where applicable, PACE Program  
6       Administrators Agencies/Authorities/Districts or Third Party-Administrators must submit  
7       updated Consumer Disclosure Notices that incorporate the updated Palm Beach County-  
8       approved consumer protection language for review and approval by the County. Once  
9       approved by the County, PACE Agency/Authority/District or Third Party-Administrators  
10      must fully implement and utilize the approved Palm Beach County-approved Consumer  
11      Disclosure Notice within one hundred and eighty (180) days of notice of approval.

12     (5) A copy of the Consumer Disclosure Notices must be provided to the property owner either  
13     by electronic mail or hard copy by the PACE Program Administrator  
14     ~~Agencies/Authorities/District~~ or Third Party Administrator within the 3-day right to cancel  
15     period (which applies to Commercial Non-Residential Properties under \$250,000 for the  
16     total amount of the PACE assessment and Residential), and must be signed and dated by  
17     the property owner prior to or contemporaneously with the property owner's signing of any  
18     legally enforceable documents under the PACE Program. Upon the property owner's  
19     request, the PACE Program Administrator ~~Agencies/Authorities/District~~ or Third-Party  
20     Administrator must provide the property owner with a hardcopy of the Consumer  
21     Disclosure Notice within the three-day right to cancel. The property owner and the PACE  
22     Program Administrator ~~Agencies/Authorities/District~~ or Third-Party Administrator must  
23     keep the signed Consumer Disclosure Notice with the property owner's executed financing  
24     agreement.

25     (6) The PACE Program Administrator ~~Agencies/Authorities/District~~ or Third-Party  
26     Administrator shall provide the signed Consumer Disclosure Notice to, where applicable,  
27     the Palm Beach County Office of Resilience and the Palm Beach County Tax Collector in  
28     electronic format within five (5) business days after execution of the PACE financing  
29     agreement.

30     (7) The PACE Program Administrator ~~Agencies/Authorities/District~~ and Third-Party  
31     Administrator shall record, or cause to be recorded, the financing agreement or a summary  
32     memorandum of the financing agreement, in accordance with F.S. § 163.08-(8).

1 Section 4. Chapter 17, Article XVII, Section 17-507, entitled “ELIGIBLE  
2 PROPERTIES/PROGRAM REQUIREMENTS” is hereby amended as follows:

3 (a) As defined in the PACE Statute, PACE Program Administrators  
4 ~~Agencies/Authorities/Districts~~ and Third-Party Administrators that extend financing  
5 pursuant to the PACE Statute and levy non-ad valorem assessments to fund the Qualifying  
6 Improvements shall comply with the following: terms in the subsections below.  
7 Subsections apply to both Residential and Commercial ~~Non-Residential~~ Properties except  
8 where the subsection specifically refers to Residential or Non-Residential.

9 (1)~~Residential Property.~~ PACE Program Administrators ~~Agencies/Authorities/Districts~~  
10 and Third-Party Administrators may finance Qualifying Improvements on Residential  
11 Properties provided they comply with the following criteria inclusive of all eligibility  
12 criteria listed in the PACE Statute and all future amendments thereto, along with additional  
13 consumer protections:

14 ~~(a) Without the consent of the holders or loan servicers of any mortgage encumbering or~~  
15 ~~otherwise secured by the property, the total amount of any non-ad valorem assessment~~  
16 ~~for a property under the PACE Statute may not exceed twenty (20) percent of the~~  
17 ~~just/fair market value of the property as determined by the county property appraiser,~~  
18 ~~excepted as otherwise provided by statute;~~

19 ~~(b) All property taxes and other assessments levied on the property tax bill have been paid~~  
20 ~~and have not been delinquent for the preceding three years, or the property owner’s~~  
21 ~~period of ownership, whichever is less;~~

22 ~~(c) There are no involuntary liens, including but not limited to construction liens on the~~  
23 ~~property;~~

24 ~~(d) No notices of default or other evidence of property-based debt delinquency have been~~  
25 ~~recorded during the preceding three (3) years, or the property owner’s period of~~  
26 ~~ownership, whichever is less;~~

27 ~~(e) All mortgage debt on the property is current and not delinquent;~~

28 ~~(f) (a) All mortgage-related debt on the underlying property may not exceed ninety (90)~~  
29 ~~percent of the property’s Fair Market Value;~~

30 ~~(g) (b) The total mortgage-related debt on the underlying property plus the PACE Program~~  
31 ~~financing may not exceed the Fair Market Value of the property; and~~

1       ~~(h) The total estimated annual payment amount for the PACE assessment does not exceed~~  
2       ~~10 percent of the property owner's annual household income determined using~~  
3       ~~sufficient and credible documentation, for example using adjusted gross income from~~  
4       ~~a recent tax return; and~~

5       ~~(i) (c) That the property owner is not currently in bankruptcy proceedings.~~

6       (2)   ~~Non-Residential~~Commercial   Properties.   PACE   Program Administrators  
7       ~~Agencies/Authorities/Districts~~ and Third-Party Administrators may finance Qualifying  
8       Improvements on Commercial Non-Residential Properties provided they comply with the  
9       eligibility criteria listed in the PACE Statute and all future amendments thereto, along with  
10      the following consumer protections:

11      ~~(a) Without the consent of the holders or loan servicers of any mortgage encumbering or~~  
12      ~~otherwise secured by the property, the total amount of any non-ad valorem assessment~~  
13      ~~for a property under the PACE Statute may not exceed twenty percent (20%) of the just~~  
14      ~~value of the property as determined by the county property appraiser, excepted as~~  
15      ~~otherwise provided by statute;~~

16      ~~(b) All property taxes and other assessments levied on the property tax bill have been paid~~  
17      ~~and have not been delinquent for the preceding three years, or the property owner's~~  
18      ~~period of ownership, whichever is less;~~

19      ~~(e) (a) There are no involuntary liens, including but not limited to construction liens on the~~  
20      ~~property; and~~

21      ~~(d) (b) No notices of default or other evidence of property-based debt delinquency have~~  
22      ~~been recorded during the preceding three years, or the property owner's period of~~  
23      ~~ownership, whichever is less;~~

24      ~~(e) All mortgage debt on the property is current and not delinquent; and~~

25      ~~(f) That the property owner is not currently in bankruptcy proceedings.~~

26      (3)   ~~Qualifying~~   Improvements.       The   PACE   Program Administrators  
27      ~~Agencies/Authorities/Districts~~ and Third-Party Administrator will finance Qualifying  
28      Improvements ~~energy efficiency, renewable energy and wind resistant improvements that are~~  
29      ~~permanently affixed to the property as more specifically described in the PACE Statute. All~~  
30      improvements and products should identify efficiency standards established by the U.S.  
31      Department of Energy, the U.S. Environmental Protection Agency, or Florida state agencies  
32      as applicable. All Qualifying Improvements ~~must comply with the PACE Statute for energy~~

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1 efficiency, renewable energy, and wind resistance or other improvements as permissible by  
2 law. PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party  
3 Administrators shall establish procedures confirming that the property owner applying for  
4 financing through the PACE Program Administrators ~~Agencies/Authorities/Districts~~ and  
5 Third-Party Administrators intends to install Qualifying Improvements, and that at the time of  
6 funding such improvements have been installed.

7 (4) *Inquiries and Complaints.*

8 a. *Complaints.* PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-  
9 Party Administrators are required to receive, manage, track, timely resolve, and report on  
10 complaints from property owners regarding the funded work performed by the contractors.  
11 PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party Administrators  
12 must investigate and mediate disputes between property owners and contractors in a timely  
13 manner.

14 b. *Payment inquiries.* PACE Program Administrators ~~Agencies/Authorities/Districts~~ and  
15 Third-Party Administrators are required to respond to inquiries and resolve any issues in a  
16 timely manner, related to payments, including but not limited to prepayments and payment  
17 reconciliation.

18 c. *Review.* In the event that ten percent or more of a PACE Program Administrator  
19 ~~Agencies/Authorities/Districts and or~~ Third-Party Administrator's projects result in complaints  
20 or disputes, or such complaints or disputes remain unresolved six (6) months after completion  
21 of a project, the County may review the PACE Program Administrator  
22 ~~Agencies/Authorities/Districts~~ and Third-Party Administrator's handling of complaints and  
23 may request corrective actions or initiate suspension proceedings pursuant to Section 17-  
24 508(1).

25 (5) *Data Security.* PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-  
26 Party Administrators are responsible for taking security measures that protect the security and  
27 confidentiality of consumer records and information in proportion to the sensitivity of the  
28 information, and as required by state and federal law.

29 (6) *Consumer Privacy.* PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-  
30 Party Administrators must develop and maintain a privacy policy that complies with local, state,  
31 and federal law and, in particular, shall provide a property owner the ability to opt-out of having  
32 the property owner's information shared with third-parties, except where expressly permitted by

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1 local, state, and federal law.

2 ...

3 (8) *Protected Classes*. PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-  
4 Party Administrators shall not discriminate against individuals on the basis of race, color,  
5 ancestry, disability, national origin, religion, age, familial status, marital status, sex, gender, sexual  
6 orientation, gender identity and expression, or genetic information.

7 (9) *Contractor Management*.

8 (a) No contractor shall contract for or install any Qualifying Improvement pursuant to the  
9 PACE program unless the contractor is properly licensed, registered, certified, or  
10 otherwise legally authorized to perform such work. A PACE Program Administrator  
11 ~~Agency/Authority/District~~ or Third-Party Administrator may not finance Qualifying  
12 Improvements that are installed by contractors that a PACE Program Administrator  
13 ~~Agency/Authority/District~~ or Third-Party Administrator knows, or should know, are  
14 not properly licensed, registered, certified, or otherwise legally authorized to perform  
15 such work. PACE Agencies/Authorities/Districts and Third-Party Administrators  
16 must obtain the contractor's written agreement that the contractor shall comply with  
17 each of the following conditions:

- 18 1. Be licensed and insured pursuant to the applicable state and local requirements;  
19 2. Agree to comply with all program requirements and marketing guidelines; and  
20 3. Act in good faith to timely resolve property owner complaints.

21 (b) PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party  
22 Administrators for Residential Properties must execute a contractor agreement with all  
23 contractors for which they intend to use to complete Residential PACE projects. PACE  
24 Program Administrators and Third-Party Administrators will use a process established by  
25 Palm Beach County, or use a process established by a program administrator that is  
26 approved by Palm Beach County, to register a qualifying improvement contractor for  
27 participation in the PACE Program. The contractor agreement must address at a minimum  
28 the following:

- 29 1. Agree to not present a higher price for a Qualifying Improvement on financed by  
30 a PACE financing agreement than the contractor would otherwise reasonably  
31 present if the Qualifying Improvement were not being financed through a PACE  
32 financing agreement;

- 1           2. Branding and/or marketing guidelines, including imposing enhanced monitoring
- 2           at a minimum for contractors found to have violated the marketing and
- 3           communications provisions;
- 4           3. Consumer protection code of conduct for the contractor;
- 5           4. PACE training for contractors that the contractor must attend in order to become
- 6           an eligible contractor; and
- 7           5. Suspension and termination provisions.

8       (c) *Kickbacks.* PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party  
9       Administrators shall have and shall strictly enforce anti-kickback policies and  
10       procedures that prohibit direct financial or other monetary incentives to contractors in  
11       exchange for or related to such contractor being awarded work under a PACE Program,  
12       excepting payment for the contractor's installation of Qualifying Improvements.

- 13           1. Any person or entity who accepts, provides or facilitates kickback payments
- 14           or incentives in exchange for work being awarded under a PACE ~~p~~Program
- 15           commits a violation of this ordinance.

16       (d) For Residential and Commercial Non-Residential Projects Less than \$250,000, before  
17       disbursing funds to a PACE contractor, PACE Program Administrators  
18       ~~Agencies/Authorities/Districts~~ or Third-Party Administrators must first confirm the  
19       applicable work or service has been completed in a manner that is consistent with the  
20       PACE Statute. ~~, either through written certification from the property owner, a~~  
21       ~~recorded telephone call with the property owner, time-stamped and geo-tagged photos,~~  
22       ~~or a site inspection through third-party means. For Non-Residential Projects equal to~~  
23       ~~or larger than \$250,000, PACE Agencies/Authorities/Districts and Third-Party~~  
24       ~~Administrators shall disburse funds in accordance with the terms of their finance~~  
25       ~~agreement.~~

26   10. *Financing.* PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party  
27   Administrators must establish pricing rules and enforcement mechanisms to ensure property owners  
28   are protected from excessive or unjustified prices and charges. In addition, PACE Program  
29   Administrators ~~Agencies/Authorities/Districts~~ and Third-Party Administrators must require  
30   compliance with each of the following conditions prior to the issuance of any final disbursement to  
31   the contractor:

- 32       (a) Contractors have certified that any necessary permits have been obtained;

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- 1 (b) Verification that the Qualifying Improvements have been installed; and
- 2 (c) The property owner and the contractor have signed a final inspection and/or certificate
- 3 of completion that all improvements have been installed to the property owner's
- 4 satisfaction.
- 5 (11) *Reporting.* Each PACE Program Administrator ~~Agencies/Authorities/District~~ and Third-
- 6 Party Administrator must provide a report to the County on a quarterly calendar basis, due 30 days
- 7 following the close of the quarter. Each PACE Program Administrator
- 8 ~~Agencies/Authorities/District~~ and Third-Party Administrator shall utilize the County-supplied
- 9 spreadsheet for the report. This spreadsheet shall not be modified, though additional information
- 10 may be supplied in a separate spreadsheet. In addition to the reporting requirements contained in
- 11 the PACE Statute, the The quarterly reports shall include, at a minimum, the following
- 12 information:
- 13 ...
- 14 (g) Assumptions and methodologies used for energy savings, renewable energy, cost per
- 15 kilowatt hour saved/generated, other resource savings, audits, and jobs calculations
- 16 under this subsection, including third-party sources and methodologies. Describe any
- 17 changes in the methodologies and assumptions from the previous reporting period. If
- 18 available, PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-
- 19 Party Administrators shall use nationally accepted standardized assumptions and
- 20 methodologies so that reporting is consistent. If no national standards are available,
- 21 PACE Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party
- 22 Administrators shall work with the County to agree upon and use the same assumptions
- 23 and methodologies so that the County has a consistent data. If the PACE Program
- 24 Administrators ~~Agencies/Authorities/Districts~~ and Third-Party Administrators are
- 25 unable to agree on uniform assumptions and methodologies, the County reserves the
- 26 right to cite reputable, nationally recognized standard assumption and methodology
- 27 sources for these calculations that the PACE Program Administrators
- 28 ~~Agencies/Authorities/Districts~~ and Third-Party Administrators must use within 90 days
- 29 of receipt, going forward with data collection;
- 30 ...
- 31 (13) *Incomplete Data or Late Reporting.* In the event any PACE Program Administrator
- 32 ~~Agencies/Authorities/District~~ or Third-Party Administrator fails to provide complete data

1 or provide reports by the stated due dates, they will be given 60 days to cure the defect,  
2 after which written notice will be given prior to any administrative act to suspend. The  
3 suspension will take place 30 days after this notice is given. After such defect, any new  
4 project starts from the PACE Program Administrator ~~Agencies/Authorities/District~~ or  
5 Third-Party Administrator of which the reports are incomplete will be suspended until the  
6 complete data is provided. The right to cure is an option before suspension or termination  
7 will occur. Suspension will be done by the County Administrator or designee.

8 (14) *Administrative Fees.* PACE Program Administrators ~~Agencies/Authorities/Districts~~ and  
9 Third-Party Administrators will be responsible for paying administrative fees to the County  
10 on an annual basis. The Board will establish fees for administrative tasks carried out by  
11 County staff, including interlocal agreements, indemnification agreement for new PACE  
12 Program Administrators ~~Agencies/Authorities/Districts~~ and Third-Party Administrators,  
13 Residential projects funded during the year, and Commercial Non-Residential projects  
14 funded during the year. PACE Program Administrators ~~Agencies/Authorities/Districts~~ and  
15 Third-Party Administrators shall send an annual summary of all projects completed within  
16 that year and provide a payment per project to the County.

17 **Section 5. Chapter 17, Article XVII, Section 17-508, entitled "ENFORCEMENT" is**  
18 **hereby created as follows:**

19 (1) *Suspension or Termination of PACE* Program Administrators  
20 ~~Agencies/Authorities/District~~ *and Third-Party Administrators.* In the event any PACE  
21 Agency/Authority/District or Third-Party Administrator fails to incorporate and  
22 continually provide for all of the foregoing service components or to otherwise abide by  
23 the provisions of this Ordinance and/or the interlocal agreement the County, in its sole  
24 discretion, may suspend or terminate the interlocal agreement or by other means prohibit a  
25 PACE Agency/Authority/District or Third-Party Administrator from operating in the  
26 County's jurisdiction and support of the County at any time upon written notice to that  
27 PACE Program Administrator ~~Agencies/Authorities/District~~ or Third-Party  
28 Administrators. Suspension, termination or prohibition will be done by the County  
29 Administrator or designee. Any project that has been initiated or received PACE financing  
30 as of the time of suspension or termination shall be permitted to be completed, and continue  
31 until such time that all outstanding debt has been satisfied.

32 ...

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1     **Section 6. REPEAL OF LAWS IN CONFLICT:**

2             All local laws and ordinances in conflict with any provisions of this Ordinance are  
3 hereby repealed to the extent of such conflict.

4     **Section 7. SAVINGS CLAUSE:**

5             Notwithstanding the section of this ordinance regarding repeal of laws in conflict, all  
6 administrative and court orders, fines, and pending enforcement issued pursuant to this  
7 authority and procedures established by Chapter 17, Article XVII, of the Palm Beach County  
8 Code shall remain in full force and effect.

9     **Section 8. SEVERABILITY:**

10            If any section, paragraph, sentence, clause, phrase or word of this Ordinance is for any  
11 reason held by a Court of competent jurisdiction to be unconstitutional, inoperative, or void,  
12 such holding shall not affect the remainder of this Ordinance.

13    **Section 9. INCLUSION IN THE CODE OF LAWS AND ORDINANCES:**

14            The provisions of this Ordinance shall become and be made a part of the Palm Beach  
15 County Code. The sections of this Ordinance may be renumbered or relettered to accomplish  
16 such, and the word Ordinance may be changed to section, article, or other appropriate word.

17    **Section 11. PENALTY:**

18            Any violation of any portion of this Ordinance shall be punishable as provided by law.

19    **Section 12. CAPTIONS:**

20            The captions, section headings and section designations used in this Ordinance are for  
21 convenience only and shall have no effect on the interpretation of the provisions of this  
22 Ordinance.

23    **Section 13. EFFECTIVE DATE:**

24            The provisions of this Ordinance shall become effective adoption by the Board of  
25 County Commissioners and filing with the Department of State.

26

27

28

29

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31





County Administration  
Office of Resilience

2300 North Jog Road, 4th Floor  
West Palm Beach, FL 33411-2741  
(561) 233-2400  
[www.pbc.gov/resilience](http://www.pbc.gov/resilience)

Palm Beach County  
Board of County  
Commissioners

Maria G. Marino, Mayor  
Sara Baxter, Vice Mayor  
Gregg K. Weiss  
Joel G. Flores  
Marci Woodward  
Maria Sachs  
Bobby Powell Jr.

County Administrator

Verdenia C. Baker

"An Equal Opportunity  
Affirmative Action Employer"

Official Electronic Letterhead

ATTACHMENT 2

TO: Palm Beach County Board of County Commissioners  
FROM: Megan Houston, Director, Office of Resilience MSH  
THRU: Patrick Rutter, Deputy County Administrator *PR*  
DATE: April 9, 2025  
SUBJECT: Palm Beach County Property Assessed Clean Energy Program  
Proposed Ordinance Amendments Summary

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**I. Background**

Section 163.08, Florida Statutes, authorizes local governments to create Property Assessed Clean Energy (PACE) programs that fund energy efficiency, renewable energy, wind resistance, septic-to-sewer, and other resiliency improvements for residential and commercial properties. Through PACE, property owners within a participating district can finance a qualified project through a voluntary non-ad valorem assessment on their annual property tax bill. Failure to pay the PACE assessment may result in the loss of property subject to the PACE assessment, similar to failing to pay one's property taxes.

In 2017, the Board of County Commissioners (BCC) established a PACE program in Palm Beach County (PBC), which is applicable within unincorporated areas of the County and within all municipalities that have not adopted their own PACE ordinance or resolution. In 2022, the BCC amended the PBC PACE Ordinance to increase consumer protections, standardize consumer disclosure requirements, differentiate commercial and non-commercial program requirements, and set administrative fees. The PBC Office of Resilience (OOR) oversees the County's PACE Ordinance to ensure PACE provider compliance with local regulations and handles consumer complaints regarding PACE.

On July 1, 2024, 2024-273 Florida Statutes went into effect, updating the PACE requirements of programs that operate in Florida. OOR is recommending updates to the PBC PACE Ordinance to bring it into compliance with the new State Statute. OOR staff have met with local PACE representatives and the Tax Collector's Office to collaborate on these recommendations. During the PACE industry meetings, several PACE industry stakeholders asked for additional revisions. OOR explained that any revisions beyond statutory compliance would require Board of County Commissioners (BCC) direction.

PBC OOR is only proposing Ordinance changes that are necessary to align with the statute. **Thus, there is no estimated economic impact on businesses.** OOR staff will be presenting the proposed Ordinance amendments to the BCC on June 3, 2025. This memo summarizes the proposed PBC Ordinance amendments and areas where PACE providers raised additional concerns.



## OOR Memo, continued

### II. State Statute Major Updates

- Separates Commercial and Residential PACE programs with different procedures and protections;
- Adds waste system projects like septic-to-sewer, flood and water damage mitigation, and resiliency improvements to Qualifying Improvements, depending on whether the improvement is for a Residential or Commercial program;
- Clarifies that PACE providers may only offer PACE within the jurisdiction of a county or municipality that has authorized the administration of the program;
- Creates a list of findings and disclosures, including a Residential ability-to-pay provision;
- For Residential projects, requires a contractor approval process;
- Provides parameters for solicitation, advertising, and unenforceable financing agreements; and
- Enacts reporting requirements for Program Administrators and operational audit requirements to be performed annually by the Auditor General.

### III. Proposed PBC Ordinance Amendments Summary

- Removal of Definitions Covered by Statute
- Removal of Disclosures Covered by Statute
  - Disclosure Requirements – Residential
    - Estimated total amount of debt.
    - Repayment process and terms.
    - Warning of PACE assessment that failure to pay could cause a loss of property.
    - Specific improvements to be financed.
    - Payment term doesn't exceed the useful life of the improvements.
    - Right of pre-payment without penalty.
    - Three-day right to cancel the financing.
  - Disclosure Requirements – Commercial Under \$250,000
    - Estimated total amount of debt.
    - Repayment process and terms.
    - Specific improvements to be financed.
    - Payment term doesn't exceed the useful life of the improvements.
  - Disclosure Requirements – Commercial at least \$250,000
    - Payment term doesn't exceed the useful life of the improvements.



## OOR Memo, continued

- Removal of Program Requirements Covered by Statute
  - Residential
    - Requirement of mortgage lender consent for PACE deal to exceed 20% of the property's fair market value.
    - The property is current on its mortgage and property taxes.
    - There are no involuntary liens or property-based debt delinquencies
    - The estimated annual payment doesn't exceed 10% of the property owner's annual household income.
  - Commercial
    - Requirement of mortgage lender consent for PACE deal to exceed 20% of the property's fair market value.
    - The property is current on its mortgage and property taxes.
    - The property owner isn't in bankruptcy.

### IV. Updates Necessary to Align with State or Clarify

- Requires PACE providers to submit the consumer disclosure notice for the County's review and approval, where required.
- Clarifies that only Residential and Small Commercial projects have to provide the consumer disclosure notice to the property owner within the 3-day right to cancel.
- Requires a process to register a Qualifying Improvement contractor to participate in the PACE program.
- Requires PACE providers to confirm the work has been done in a manner consistent with the State Statute.
- Explains that the State Statute has additional protections and disclosures that property owners should review.

### V. Where PBC Ordinance Remains Stricter Than State Statute for Commercial Properties

- A Commercial project cannot have involuntary liens on the property. The State has a \$5,000 minimum.
- There can be no notices of default during the prior three years or the owner's period of ownership, whichever is less. The State only prohibits defaults that have been "recorded and not been released."



**OOR Memo, continued**

- The PACE financing terms must be fully amortized. The State doesn't prohibit negative amortization.
  - PACE providers have asked to allow for "interest-only" periods, which is common practice in commercial construction lending.
- The PBC Ordinance allows a three-day right to cancel for Small Commercial projects.
- Contractors have to be licensed.
- PACE providers have to establish pricing rules and enforcement mechanisms to ensure property owners are protected from excessive or unjustified prices and charges.
- A requirement that property owners and contractors have signed a final inspection and/or certificate of completion that all improvements have been installed to the property owner's satisfaction.

Please contact me with any questions or concerns at [mshouston@pbc.gov](mailto:mshouston@pbc.gov) or (561) 681-3812.

Best regards,

A handwritten signature in black ink that reads "Megan S. Houston". The signature is written in a cursive, flowing style.

Megan S. Houston

**BUSINESS IMPACT ESTIMATE**

<b>Meeting Date:</b> <b>June 3, 2025</b>
--

<b><u>Proposed Ordinance Title/Reference:</u></b> Amendment #2 to PACE Ordinance
<b><u>Summary of Proposed Ordinance and Statement of Public Purpose to be Served:</u></b>  On July 1, 2024, 2024-273 Florida Statutes went into effect, updating the requirements of the Property Assessed Clean Energy (PACE) program in Florida. This revision included updates to definitions, increased consumer protections, increased consumer disclosure requirements, expanded the qualifying improvements of the program, clarified that PACE program administrators may only offer PACE financing in counties or municipalities that have authorized them to do so, and bifurcated residential and commercial program requirements. Staff is recommending updates to the PBC PACE Ordinance to bring the PBC PACE Ordinance into compliance with the new State Legislation
<b><u>Estimate of Direct Economic Impact on Private/For Profit Businesses:</u></b> a. <u>Estimate of Direct Business Compliance Costs:</u> Exemption 1 applies.  b. <u>New Charges/Fees on Businesses Impacted:</u>  c. <u>Estimate of Regulatory Costs:</u>
<b><u>Good Faith Estimate of Number of Businesses Likely Impacted:</u></b>
<b><u>Any Additional Information:</u></b>

## **INSTRUCTIONS**

Before the enactment of a proposed ordinance, the Board of County Commissioners shall prepare or cause to be prepared a business impact estimate in accordance with this section 125.66(3), Florida Statutes.

### **Posting**

The business impact estimate must be posted on the County's website no later than the date the notice of proposed enactment is published pursuant to section 125.66(2)(a), Florida Statutes.

### **Exemptions**

The business impact requirement does not apply to the following:

1. Ordinances required for compliance with federal or state law or regulation;
2. Ordinances relating to the issuance or refinancing of debt;
3. Ordinances relating to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
4. Ordinances required to implement a contract or an agreement, including, but not limited to, any federal, state, local, or private grant, or other financial assistance accepted by a county government;
5. Emergency ordinances;
6. Ordinances relating to procurement; or
7. Ordinances enacted to implement the following:
  - a. Development orders and development permits, as those terms are defined in section 163.3164, Florida Statutes, and development agreements, as authorized by the Florida Local Government Development Agreement Act under sections 163.3220–163.3243;
  - b. Comprehensive plan amendments and land development regulation amendments initiated by an application by a private party other than the municipality;
  - c. Sections 190.005 and 190.046;
  - d. Section 553.73, relating to the Florida Building Code; or
  - e. Section 633.202, relating to the Florida Fire Prevention Code.

### **Resolutions**

Resolutions proposed pursuant to a non-exempt ordinance must include a business impact estimate.