

COMMITTEES  
VICE CHAIR, GOVERNMENTAL  
ORGANIZATION  
BUDGET  
HEALTH  
REVENUE AND TAXATION  
UTILITIES AND COMMERCE

SUBCOMMITTEES  
BUDGET, SUBCOMMITTEE NO. 2 ON  
EDUCATION FINANCE

# Assembly California Legislature



**BRIAN NESTANDE**  
ASSEMBLYMEMBER, SIXTY-FOURTH DISTRICT

STATE CAPITOL  
P.O. BOX 942849  
SACRAMENTO, CA 94249-0064  
(916) 319-2064  
FAX (916) 319-2164

DISTRICT OFFICES  
1223 UNIVERSITY AVENUE, SUITE 230  
RIVERSIDE, CA 92507  
(951) 369-6644  
FAX (951) 369-0366

73-710 FRED WARING DRIVE, SUITE 116  
PALM DESERT, CA 92260  
(760) 674-0164  
FAX (760) 674-0184

August 23, 2012

Federal Housing Finance Authority  
Attn: Alfred M. Pollard, General Counsel  
RIN: 2590-AA53  
400 Seventh Street S.W.  
Washington D.C., 20024

Dear Mr. Pollard:

We understand that in 2010 the Federal Housing Finance Authority prepared a statement that eliminated the use of the Property Assessed Clean Energy (PACE) loan program. We strongly support the City of Palm Desert and their continued use of PACE loans. The PACE loan program is a vital tool for local governments in their efforts to encourage energy independence and environmental sustainability.

The PACE program is entirely voluntary and is used by property owners in communities nationwide to finance renewable energy and water efficiency projects for their homes and commercial buildings. The improvement saves utility costs and stays with the property if the property owner moves and so does the assessment. The utility cost savings are projected to exceed the assessment payments. The City of Palm Desert was the first to utilize these energy-efficiency loans. As a result, they have reduced energy usage by 2.5 million kWh annually since 2008 and removed more than 1,724 metric tons of carbon dioxide from the air.

These loans are essential as PACE financing provides significant public benefits while making use of traditional assessment financing. We encourage the FHFA to not eliminate the PACE program and to listen to the local governments that have been utilizing the program with such great success. We also understand that the City of Palm Desert is willing to discuss any questions or concerns we may have relating to the program.

Again, we are pleased to support the City of Palm Desert and the PACE loan program.

Sincerely,

Handwritten signature of Brian Nestande in blue ink.

BRIAN NESTANDE  
Assemblyman, 64<sup>th</sup> District

Handwritten signature of Bill Emerson in blue ink.

BILL EMMERSON  
Senator, 37<sup>th</sup> District