

From: Kelsey DeForge <kelsey@beaumontcares.com>
Sent: Wednesday, August 22, 2012 4:21 PM
To: !FHFA REG-COMMENTS
Subject: RIN 2590-AA53
Attachments: Kelsey DeForge.vcf

To: Mr. Alfred M. Pollard, General Counsel;

The City of Beaumont would like to comment on the upcoming decision regarding Property Assessed Clean Energy (PACE) programs. Although Beaumont has not yet adopted a PACE program, our residents have approached City Council and staff in an effort to bring PACE financing to Beaumont homeowners. The PACE program that the City of Beaumont is considering, which has been implemented in many of our neighboring cities, benefits homeowners who have been responsible in keeping up on their property taxes and mortgage payments, have 10% equity in their home, have not filed bankruptcy in the last seven years, have no involuntary liens on their property, and own a property that is subject to property taxes. These requirements insure that the homeowners entering into these PACE agreements present the lowest financial risk to the entity responsible for administering the program as well as the bond conduit issuer.

Improvements financed utilizing the PACE mechanism must meet certain energy and water efficiency requirements, be permanently affixed to the property, and implemented by a qualified licensed contractor who has signed a participation agreement with the entity responsible for implementing the PACE program. PACE loans pay for the following costs included in the acquisition and installation of energy efficiency measures: product cost (less local and state rebates), labor, energy audit consultations, design, drafting, engineering, permit fees, inspection fees, and origination fees.

Beaumont feels that this program not only provides benefits to homeowners in the form of lower utility bill costs, but also improves the value of their property. In a time when local economies are struggling to cope with declining property values and reductions in sales tax revenue, PACE programs offer a creative solution to stimulate local job creation by putting thousands of unemployed local contractors back to work. This program also creates "soft" economic benefits increases in local sales tax revenue and promoting resource conservation. The City of Beaumont is located in the State of California, which has implemented legislation mandating reductions in greenhouse gas emissions by 2020. PACE programs provide cities like Beaumont with a vitally important tool toward achieving those reductions.

We stand with the City of Palm Desert, City of Berkeley, Sonoma County, and many of the other local jurisdictions who have successfully implemented PACE programs that have demonstrated real results. PACE financing is perhaps the most innovative method for promoting energy independence that we have seen in the last 40 years, it is a benefit for homeowners, not a burden.

Please feel free to contact me if you have any questions.

Respectfully submitted;