

From: Karl <Karl@baytechlabel.com>
Sent: Sunday, March 25, 2012 3:36 PM
To: !FHFA REG-COMMENTS
Subject: RIN 2590-AA53

Mr. Pollard,

This is my request to the FHFA to implement rulemaking that allows residential PACE financing to go forward. I write as a St. Petersburg, Florida Councilmember who is deeply involved in the housing issues of our community. As you know, 47% of homeowners in Florida are upside down on their mortgage. In addition, coastal communities like St Petersburg are required to use the toughest building code in the country to resist possible hurricane damage.

The irony is that the common energy efficiency upgrades for residential properties have a considerable overlap with hurricane hardening in areas like roofs and windows. Since property insurance is a major cost for housing in Florida and often runs more than \$3,000 per year, energy efficiency upgrades also generate significant insurance discounts which further improves the payback. The FHFA has an interest in this because energy efficiency and hurricane hardening upgrades combine to make it radically less likely that a person will lose their home due to economic stress.

PACE is the best tool we have to allow middle class, residential property owners to overcome the upfront costs of energy efficiency upgrades. The fact that the costs of the upgrades travel with the property, makes it much easier to encourage people to invest in their properties. There are widely accepted criteria that most of the federal and state governments are suggesting that mean that PACE financing REDUCES the FHFA's risk due to the positive cash flow from the improvements. This is particularly true in Florida due to the combination of property insurance costs.

Please implement rulemaking that allows PACE financing go move forward. The City of St. Petersburg was ready to implement this prior to the FHFA throwing the roadblock in our way. The construction jobs that this will generate is another major, positive impact for our community.

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