

**A resolution of the Collin County Commissioners Court amending the Collin County PACE Program.**

Whereas, the 83rd Regular Session of the Texas Legislature enacted the Property Assessed Clean Energy Act, Texas Local Government Code Chapter 399 (the “PACE Act”), which allows the governing body of a local government, including a City or County, to designate an area of the territory of the local government as a region within which an authorized representative of a local government and the record owners of commercial, industrial, and large multifamily residential (5 or more dwelling units) real property may enter into written contracts to impose assessments on the property to repay the financing by the owners of permanent improvements fixed to the property intended to decrease energy or water consumption or demand; and

Whereas, the installation or modification by property owners of qualified energy or water saving improvements to commercial, industrial, and large multifamily residential real property in Collin County (“County”) will further the goals of energy and water conservation without cost to the public; and

Whereas, the Commissioners Court finds that third-party financing of energy and water conserving projects through contractual assessments maintained by the County (“PACE financing”) furthers essential government purposes, including but not limited to, economic development, reducing energy consumption and costs, conserving water resources, and reducing greenhouse gas emissions; and

Whereas, the Commissioners Court adopted a Resolution of Intent to establish a PACE Lending program for Collin County on May 23, 2022, including a reference to the report on the proposed program prepared as required by Section 399.009 of the PACE Act and made the report available to the public on the County website and for inspection in the County Judge’s office; and

Whereas, the Commissioners Court finds that the administration of the PACE Program by one or more registered municipal advisor (“RMA”) or nonprofit organizations as independent third-party (“Authorized Representative or Authorized Representatives”) contracted by the County and compensated by application and administration fees paid by the participating property owners, will enable the program to be administered without use of Collin County resources, will assure the objectives of impartiality and confidentiality of owner information, and will be convenient and advantageous to Collin County; and

Whereas, the Commissioners Court also finds that because no County funds will be expended for PACE financing of the Authorized Representative’s services, the selection of such an independent third-party Authorized Representatives is not subject to the Professional Services Procurement Act or other Collin County purchasing requirements; and

Whereas, the Commissioners Court held a public hearing on June 13, 2022 at 1:30 p.m. in the Collin County Commissioners Court Courtroom on the 4<sup>th</sup> floor of the Collin County Commissioners Courtroom, Jack Hatchell Administration Building, 2300 Bloomdale Road, McKinney, Texas, at which the public could comment on the proposed program, including the report available for public inspection as mentioned above and as required by Section 399.008(a)(2); and

Whereas, the Commissioners Court adopted a Resolution Establishing the Collin County PACE Program on June 13, 2022; and

Whereas, the Commissioners Court held a public hearing on June 19, 2023 at 1:30 p.m. in the Collin County Commissioners Court Courtroom on the 4<sup>th</sup> floor of the Collin County Commissioners Courtroom, Jack Hatchell Administration Building,

2300 Bloomdale Road, McKinney, Texas, at which the public could comment on the proposed program, including the report available for public inspection as mentioned above and as required by Section 399.008(a)(2); and

Now, therefore, be it resolved by the Collin County Commissioners Court that:

1. Recitals. The recitals to this Resolution are true and correct and are incorporated into this resolution for all purposes.
2. Amendment of Program. Collin County hereby adopts this Resolution Amending the Collin County Property Assessed Clean Energy Program ("Collin County PACE"), herein called "the Program," and finds that financing qualified projects through contractual assessments pursuant to the PACE Act is a valid public purpose and is convenient and advantageous to Collin County and its citizens.
3. Contractual Assessments. Collin County will, at the property owner's request, impose contractual assessments on the property to repay PACE financing for qualified energy and water conserving projects available to owners of privately owned commercial industrial, and large multifamily property.
4. Qualified Projects. The following types of projects are qualified projects for PACE financing that may be subject to such contractual assessments:

Projects that (a) involve the installation or modification of a permanent improvement fixed to privately owned commercial industrial or residential real property with five (5) or more dwelling units, and (b) are intended to decrease energy or water consumption or demand, including a product, device, or interacting group of products or devices on the customer's side of the meter that uses energy technology to generate electricity, provide thermal energy, or regulate temperature.

An assessment may not be imposed to repay the financing of facilities for undeveloped lots or lots undergoing development at the time of the assessment, or the purchase or installation of products or devices not permanently fixed to real property.

5. Region. The boundaries of the entire geographic area within the County's jurisdiction are included in the boundaries of the region where PACE financing and assessments can occur.
6. Third- Party Financing. Financing for qualified projects under the Program will be provided by qualified third-party lenders chosen by the owners. Such lenders will execute written contracts with the Authorized Representative to service the debt through assessments, as required by the PACE Act. The contracts will provide for the lenders to determine the financial ability of owners to fulfill the financial obligations to be repaid through assessments, advance the funds to owners on such terms as are agreed between the lenders and the owners for the installation or modification of qualified projects, and service the debt secured by the assessments, directly or through a servicer, by collecting payments from the owners pursuant to financing documents executed between the lenders and the owners. Collin County will maintain and continue the assessments for the benefit of such lenders and will enforce the assessment lien for the benefit of a lender in the event of a default by an owner. Collin County will not, at this time, provide financing of any sort for the Collin County PACE program.
7. Authorized Representatives. The Collin County Commissioners Court will designate one or more registered municipal advisor firms or non-profit organizations to act as Authorized Representatives with authority to enter into written contracts with the record owners of real property in Collin County to impose assessments pursuant to the PACE Act to repay the

financing of qualified projects on the owners' property, to enter into written contracts with the parties that provide third-party financing for such projects to service the debts through assessments, and to file written notice of each contractual assessment in the real property records of the County, all on behalf of Collin County. The Authorized Representative may make technical and conforming updates as necessary so long as the changes are consistent with the resolution to establish the PACE program and the statute. The County Judge or his designee will be the liaison with the Authorized Representatives.

8. Enforcement. The County will enforce the collection of past due assessments and may contract with a qualified law firm to assist in collection efforts.

9. Report. The amended report on the Collin County PACE program, prepared in accordance with Section 399.009 of the Texas Local Government Code is attached and incorporated into this resolution. The County will post the resolution and report on the County's website.

10. Further Amendment of Program. The Commissioners Court may further amend the Collin County PACE Program by resolution. However, another public hearing is required before the Program may be amended to provide for Collin County financing of qualified improvements through assessments.

A motion was duly made, seconded, and carried by a majority of the court members in attendance during a regular session on Monday, June 19, 2023.



Chris Hill, County Judge



Darrell Hale, Commissioner, Pct 3



Susan Fletcher, Commissioner, Pct 1

Not Present

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Duncan Webb, Commissioner, Pct 4



Cheryl Williams, Commissioner, Pct 2



ATTEST: Stacey Kemp, County Clerk