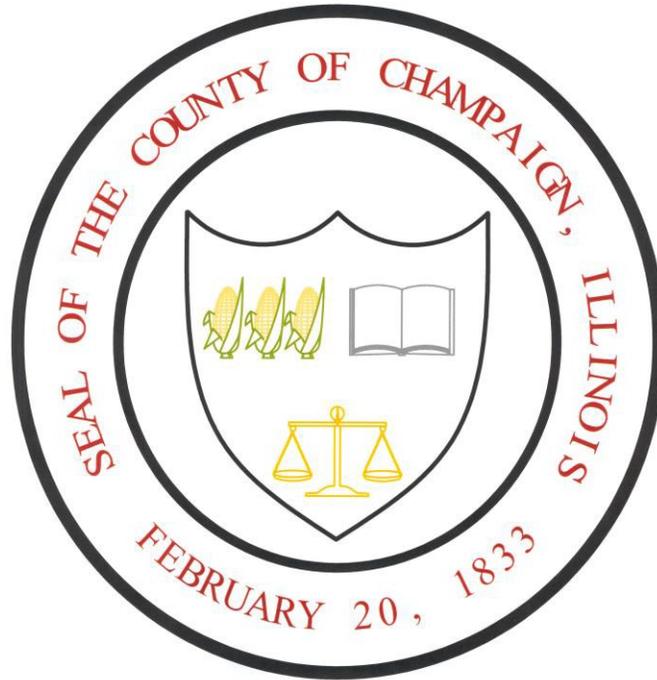


OFFICE of the CHAMPAIGN COUNTY EXECUTIVE



REQUEST FOR QUALIFICATIONS (RFQ): 2021-006

**PROPERTY ASSESSED CLEAN ENERGY PROGRAM
ADMINISTRATOR SERVICES**

Sealed Proposal Due Date: Tuesday, May 4, 2021 – 1:30pm



REQUEST FOR QUALIFICATIONS: 2021-006
PROPERTY ASSESSED CLEAN ENERGY PROGRAM ADMINISTRATOR SERVICES

April 2021

On behalf of Champaign County, I invite you to furnish a proposal in accordance with the General Requirements and Proposal Format requirements as documented herein. Carefully read the attached documents and follow the procedures as outlined in order to be considered for selection for this project.

Sealed Proposals: All proposals are to be submitted as outlined. To be considered for the award of contract, vendors will deliver one (1) original and five (5) hard copies, and one electronic copy (Microsoft Office or PDF format) to the following address:

Attn.: Darlene Kloeppe, County Executive
Champaign County Administrative Services
Brookens Administrative Center
1776 East Washington Street
Urbana, Illinois 61802

By 1:30pm on Tuesday, May 4, 2021

All proposals shall be delivered in a sealed envelope clearly marked

“SEALED PROPOSAL –

RFQ 2021-006 – PACE Administrator Services”.

The proposal shall include the entire response to this Request for Qualifications document and any amendments which may subsequently be issued.

Proposals received after the above stated time will be considered a late quote and will not be accepted.

Please direct questions regarding the proposal package to Darlene Kloeppe, County Executive, at 217-384-3776 or dkloeppe@co.champaign.il.us.

Cordially yours,

Darlene Kloeppe, County Executive

TABLE of CONTENTS

I.	INTRODUCTION	4
II.	INSTRUCTIONS to PROPOSERS	4
III.	MINIMUM QUALIFICATIONS	5
IV.	TERMS and CONDITIONS	5
V.	SELECTION CRITERIA	6
VI.	BACKGROUND INFORMATION	7
VII.	SCOPE of SERVICES DESIRED	8
VIII.	PROPOSAL FORMAT	14
IX.	PROPOSED TIME SCHEDULE	14

I. INTRODUCTION

The County of Champaign is requesting Statements of Qualifications from professional agents who have significant experience in the public entity finance market. The County will be reviewing these qualifications and selecting a qualified Agent to provide specified program administration services related to development and operation of the County's Property Assessed Clean Energy (PACE) Program.

The County of Champaign prefers to place administration of the County's PACE program through one Agent and to establish a close working relationship with that Agent. Our intent is to obtain professional management services at a reasonable cost and to fulfill program requirements to offer PACE to qualifying projects located in Champaign County.

The Agent selected will need to be available to advise, instruct and educate the County on all matters related to Property Assessed Clean Energy Act rules and policies (50 ILCS 50/1 *et seq.*). The selected Agent will work with the County Executive, County Clerk, County Treasurer and other County staff on a regular basis to assure that the most effective and efficient PACE program is operating on behalf of the County of Champaign.

II. INSTRUCTIONS TO PROPOSERS

1. All proposals must be submitted to:

Darlene Kloeppe, County Executive
Brookens Administrative Center
1776 East Washington St.
Urbana, IL 61802

All questions regarding the proposal shall be directed in writing to (e-mail accepted):

Darlene Kloeppe, County Executive
Brookens Administrative Center
1776 East Washington
Urbana, IL 61802
e-mail: dkloeppe@co.champaign.il.us

2. All responses to this RFQ must be delivered in a sealed envelope clearly labeled “**RFQ 2021-006 – PACE Administrator Services**”. All proposals must be received by 1:30 pmon Tuesday, May 4, 2021. One (1) original and five (5) hard copies of your response, and one digital/electronic copy of your response to this RFQ must be submitted. Proposals arriving after the deadline will not be accepted.
3. Proposals should be prepared simply and economically, providing a straight-forward, concise description of provider capabilities to satisfy the requirements of the RFQ. Emphasis should be on completeness and clarity of content.

4. An authorized representative of the firm must complete and sign the proposal.
5. The County Executive or representative will notify appropriate Proposers if the County wishes to interview them and will establish the timeline for those interviews.
6. Failure to comply with any part of the RFQ may result in rejection of the proposal as non-responsive.
7. In submitting qualifications, it is understood by the undersigned that the right is reserved by the County of Champaign to accept any qualifications, to reject any and all qualifications, and to waive any irregularities or informalities which are in the best interest of the County of Champaign.

III. MINIMUM QUALIFICATIONS

The County encourages proposals from all Proposers meeting minimum qualifications of similar experience with public entities and the services outlined in the scope of work.

The work contemplated is professional in nature. It is understood that the Proposer, acting as an individual, partnership, corporation, or other legal entity, is of professional status, licensed to perform in the State of Illinois and the County for all applicable professional discipline(s) requiring licensing and will be governed by the professional ethics in its relationship to the County. The Proposer shall be financially solvent and each of its members, if a joint venture, its employees, agents, or sub-consultants of any tier shall be competent to perform the services required under this RFQ document.

IV. TERMS and CONDITIONS

1. The County reserves the right, at its sole discretion, to terminate this process at any time, or reject any and all proposals without penalty, prior to the execution of a contract acceptable to the County. Final selection will be based on the proposal which best meets the requirements set forth in the RFQ and are in the best interest of Champaign County.
2. The County reserves the right to request clarification of information submitted and to request additional information of one or more Proposers.
3. Any proposal may be withdrawn up until the date and time set above for the opening of proposals. Any proposal not so withdrawn shall constitute an irrevocable offer, for a period of 90 days, to provide the County the services set forth in the attached specifications, or until one or more of the proposals have been approved by the County, whichever occurs first.
4. Any agreement or contract resulting from the acceptance of a proposal shall be on forms supplied or approved by the County and shall contain, as a minimum, all applicable provisions of the RFQ. The County reserves the right to reject any agreement

which does not conform to the RFQ and any County requirements for agreements and contracts.

5. The County shall not be responsible for any costs incurred by the Proposer in preparing, submitting, or presenting its proposal or any other response to the request for qualifications.
6. The successful Proposer will be required to provide evidence of insurance for General Liability and Employers Liability. The firm will also be required to provide workers' compensation insurance in accordance with Illinois State Law.
7. If awarded, the term of the Contract will begin on June 1, 2021 for an initial three-year term through May 31, 2024, with two additional options for one-year renewals to be negotiated on an annual basis at least sixty days before the current term end date.
8. It is also understood that all reports, information, or data prepared or assembled by the Proposer under a contract awarded pursuant to this RFP may be made available to any individual or organization in compliance with the Freedom of Information Act.

V. SELECTION CRITERIA

The County will screen all proposals and generally evaluate them on the criteria outlined below.

1. Responsiveness: The County will consider the material submitted by the Proposer to determine whether the Proposer is in compliance with the RFQ.
2. Responsibility: The County will consider the material submitted by the Proposer and other evidence it may obtain to determine the firm's demonstrated ability to market and administer a program for a county the size of Champaign County with similar scope of activities.
3. The accuracy of the Proposer's perception of the County's needs and the Proposer's proposal(s) for meeting those needs. The County's Ordinance approving the PACE Program is attached as Appendix A to this RFQ.
4. The qualifications, experience, and familiarity with local government special assessment issues of the service team to be assigned to the County's account.
5. Satisfactory local government experience and references.
6. The fee proposal for providing the requested services.
7. The availability of other related support services.
8. Any other information provided that the County deems valuable.

VI. BACKGROUND INFORMATION

PACE is a voluntary, opt-in debt financing tool for commercial or nonprofit property owners that use proceeds of a bond issue (or interim financing as provided for in the PACE Act) to fund energy projects (as defined in the PACE Act) on their respective properties, which is paid back through a special assessment imposed by the County on the benefitted properties. The special assessment is senior to any mortgage, and accordingly PACE projects require the mortgage holder's consent.

PACE Programs can be used to fund the acquisition, construction, installation, or modification of an alternative energy improvement, energy efficiency improvement, renewable energy improvement, resiliency improvement, or water use improvement affixed to real property (including new construction). As per current state law, PACE is available to any privately-owned commercial, industrial, non-residential agricultural, and multifamily properties (of five (5) or more units), and properties owned by nonprofits. The County intends to create a new PACE Program.

In addition, Champaign County intends to collaborate with the third-party lenders and/or the Illinois Finance Authority ("IFA") in order to utilize its standardized, efficient, and affordable PACE bond financing services in order to lower the cost of the PACE Program and efficiently issue bonds. Proceeds of bond issues by the IFA will provide the source of long-term, fixed rate capital for PACE projects. Under the proposed PACE Program, the County will not be issuing General Obligation bonds and neither the County nor IFA will be issuing Moral Obligation bonds. Rather, the County's PACE Program will be assigning assessment contracts entered into by the County to IFA as security for issuance of conduit bonds by IFA.

The entire jurisdictional limits of the County will be included in the PACE area covered by the PACE Program. The County may further work with third-party financial institutions and/or the IFA to issue bonds on a pooled basis for multiple PACE projects. The Program is envisioned to allow flexibility depending on the number and size of PACE projects, as well as market conditions.

The Administrator will provide services needed to create the PACE Program and further launch and operate the Program for a period of three (3) years. The County will then have the option to extend the contract annually for two additional one-year renewals to be negotiated on an annual basis at least sixty days before the current term end date.

The County reserves the right to update its PACE Program in order to create consistency or align with other governmental units in the State of Illinois that may authorize PACE Programs. Accordingly, the ordinance authorizing establishment of a PACE Program will delegate future changes to the Program Report to staff for approval.

The administration of the County PACE Program will be self-financed. The Program will charge user fees to any property owners that voluntarily opt in to the PACE Program, and no County funds will be used to create the PACE Program or to fund the PACE Program's ongoing operations. The Administrator may collect these fees directly from the users, and these user fees will cover all PACE Program costs and the Administrator's compensation. The funding for PACE projects may come from IFA-issued bonds (or as otherwise provided for in the PACE Act) which are purchased by Capital Providers.

VII. SCOPE of SERVICES DESIRED

The scope of work is divided into two phases. Phase I includes program setup. Phase II includes the formal PACE Program launch, stakeholder outreach/marketing, and ongoing operations.

Phase I: PACE Program Setup

In this phase of the project, the Administrator will develop all program materials, guidelines, and documentation processes needed prior to the formal program launch. Deliverables include the program report referred to as the “PACE Program Report”; application forms for property owners; the form of PACE assessment contract; and any other program materials needed.

The Administrator will also provide information in the Program Setup phase as to how the PACE Program may be structured so that it is consistent with or aligned with the PACE Programs of other governmental units in Illinois.

The Administrator will develop further the PACE Program Report elements approved at the time of ordinance passage. The County’s Ordinance approving the PACE Program is attached as Appendix A to this RFQ. The Administrator will work with County staff to include each item listed below in the PACE Program Report, and to set up a process for each of the following PACE Program elements:

- A. Form of the assessment contract between the County and the record owner governing the terms and conditions of financing and assessment under the PACE Program. The Administrator will work with the County to develop the form of assessment contract or utilize the form of assessment contract provided by IFA.
- B. Identification of one or more officials authorized to enter into an assessment contract on behalf of the County. The Administrator will work with the County to identify proper staff to execute assessment contracts and assignment agreements (in order to assign the assessment contracts to IFA).
- C. Application process and eligibility requirements for financing or refinancing energy projects under the PACE Program. The Administrator will develop the application process and any standard application forms. Also, the Administrator will establish a procedure and any standard forms for the property owner to obtain written consent from the mortgage holder before participating in the PACE program. Note that the County may wish to utilize the standard form of lender notice and consent provided by the IFA.

The Administrator will identify and describe the types of PACE projects to be included in the PACE Program, and any eligibility or technical requirements. These requirements for the PACE Program design would be approved by the County. Once requirements are set, the Administrator would ensure that all PACE projects meet the PACE Program requirements. The requirements could be based on the state or utility’s technical reference manual or other utility criteria for energy efficiency incentive and rebate programs.

Additional requirements may include an unbiased, professional assessment, such as a professional energy audit. The Administrator will recommend whether an energy audit is required on a programmatic basis. If audits are recommended, the Administrator will also make a recommendation as to the level of audit needed. For example, PACE projects below a certain cost amount could require an ASHRAE Level I audit, while larger projects might require an ASHRAE Level II or Level III audit or Investor Confidence Project standards.

- 1) The Administrator will also make a recommendation of whether the PACE Program will require an independent review of the audit and results, or other QA/QC processes. For example, other governmental units with PACE Programs require that a third party that is independent from property owner, lender, or utility to review the baseline and savings projections.
 - 2) The Administrator will determine if any financial criteria will be considered beyond those outlined (and required) of the record owner in the PACE Act. Examples may include the debt service coverage ratio and/or the combined loan to value ratio.
 - 3) The Administrator will develop the process used to document energy and cost savings. In addition, the building owner may be required to enroll in the Better Buildings Challenge (BBC) as part of the United States Department of Energy free energy use reduction challenge for commercial properties, or other energy savings program as run or endorsed by the County. Additional processes may be required for the building owner to share information about savings after project completion.
- D. A method for determining interest rates on amounts financed or refinanced under assessment contracts, repayment periods, and the maximum amount of an assessment, if any. The Administrator will set the process for determining these items in collaboration with County staff as needed.
- E. An explanation of the process for billing and collecting assessments. The Administrator will assist the County in determining the process of how assessments may be billed and collected by the County Treasurer. Alternatively, assessments may be billed and collected by the Administrator or a third party if the County Treasurer desires not to do so based on discussions. The County also assumes that assessments will be recorded by the Administrator. Furthermore, if a program administrator or another third party is billing and collecting assessments pursuant to the PACE Act, and the applicable assessment becomes delinquent during any year, the Administrator shall work with the County to determine the date required by which a delinquency report is made in writing (see 50 ILCS 50/30(c)).
- F. A plan to finance the program pursuant to the issuance of PACE bonds under or in accordance with the PACE Act. Bonds issued for the PACE Program shall not be general obligations or moral obligations of either the County or IFA but shall be secured by payments under one or more assessment contracts on benefited property or properties within the PACE area; if applicable, municipal bond insurance, letters of credit, or public or private guarantees or sureties; or if applicable, revenue sources or reserves from bond proceeds or other lawfully available funds. Interim financing prior to the issuance of bonds may be provided as well. The Administrator will work with IFA to issue conduit bonds for the PACE Program.

- G. Any application, administration, or other PACE Program fees to be charged to record owners participating in the PACE Program that will be used to finance and reimburse all or a portion of costs incurred by the governmental unit as a result of its program. The Administrator will determine the appropriate amount of user fees to charge for the PACE Program in consultation with the County. These may include one-time application fees, one-time administration fees, and/or ongoing PACE Program fees to be charged to record owners participating in the PACE Program that will be used to finance costs incurred by the County as a result of the PACE Program.

Note that user fees will fund the Administrator's initial and ongoing operational expenses.

- H. A requirement that the term of an assessment not exceed the useful life of the energy project financed or refinanced under an assessment contract; provided that an assessment contract financing or refinancing multiple energy projects with varying lengths of useful life may have a term that is calculated in accordance with the principles established by the PACE Program Report. The Administrator will develop a process to ensure that the term of assessment does not exceed useful life of energy projects paid for by the assessment. If the County allows PACE projects that consist of multiple improvements with varying lengths of useful life, it is expected that the term of the assessment shall be no greater than the improvement with the longest useful life.
- I. A requirement for an appropriate ratio of the amount of the assessment to the value of the property. The Administrator will also develop a process to ensure there is an appropriate ratio (not to exceed 25%, as per the PACE Act) of amount of assessment to the greater of any of the following:
 - a. the value of property as determined by the office of the County Assessor; or
 - b. the value of property as determined by an appraisal conducted by a licensed appraiser.
- J. Provisions for marketing and participant education. The Administrator will provide general information about the marketing and education plan (see Phase II, Task 2 for more details).
- K. Quality assurance and antifraud measures. The Administrator will develop any additional procedures to ensure high quality and reduce any risk of fraud. This may include verification of the installed improvements.

Phase II. PACE Program Launch and Ongoing PACE Program Operations

Task 1: Program Launch

The formal PACE Program Launch will include additional marketing and outreach to inform the key stakeholders that the PACE Program is available. The launch may also include an event in which key stakeholder groups will convene to learn about PACE and how to participate in the PACE Program. The launch will also include release of finalized Program materials, the Program website, and other program communications. The County will develop any official communications, such as a press release.

Task 2: Marketing & Education

The Administrator will implement the marketing and education plan that was developed during Phase I of the project. The Administrator will further identify key stakeholder groups and develop an appropriate outreach and marketing strategy for each group of stakeholders. Key stakeholder groups may include all of the following: community leaders, commercial property owners, contractors, commercial real estate agents, environmental advocates, and lending institutions. This task also includes maintenance of the website and other communications. Outreach may include targeted campaigns using traditional methods, social media, or other means. Outreach may also include analysis and review of the existing commercial building stock to target marketing towards opportunities with the greatest program impact. This task may also include developing partnerships with existing business or nonprofit organizations to conduct outreach and marketing. Contractors are a key stakeholder group for PACE programs, and one of the goals of this task is to ensure that qualified contractors are available to conduct energy audits and implement PACE project improvements. Another goal is to have the program use a diverse group of contractors local to Champaign County. Thus, this task includes developing and implementing a contractor workforce development, training, and recruitment program, including the following:

- A. Raising awareness of the PACE Program to local, Champaign County-based contractors through marketing, outreach activities, and events
- B. Providing technical training to contractors on how to apply for PACE financing and comply with the PACE Program requirements
- C. The pre-screening or verification processes for contractors, or contractor eligibility requirements, such as proof of relevant certifications, e.g., ASHRAE or other certifications for commercial energy consultants
- D. How property owners would provide feedback on contractor performance
- E. How the PACE program would reach out to and include women, minorities, and other targeted business owners

Task 3: Program Operations

The Administrator will conduct all ongoing operations once the PACE Program is formally launched, provided that billing and collecting may be conducted by the County Treasurer. The County and the Administrator will review the PACE Program requirements and materials after one (1) year of operations, and will make adjustments, based on PACE Program outcomes and feedback from stakeholders in the first year.

Ongoing PACE Program operations include the following tasks:

- A. **Application approvals:** Review of applications to ensure that applicant meets all PACE Program criteria. If application materials are not complete, work with the applicant to provide missing information. If the applicant does not meet PACE Program criteria, provide feedback as to the reason and provide information on how the applicant could become eligible.

- B. **Roles and responsibilities:** Upon approval of the initial application, inform the property owner of his or her responsibilities in the process, including determining final project scope, completing and submitting a closing verification package, and obtaining the mortgage holder's consent to enter into the assessment contract which acknowledges that (i) the existing mortgage or mortgages for which the consent was received will be subordinate to the assessment contract and the lien created thereby and (ii) the governmental unit or its permitted assignee can foreclose the property if the assessments are not paid.
- C. **Technical and financial underwriting:** Review that the project and applicant have met all PACE Program requirements.
- D. **Verification of projects:** Prior to closing each project, conduct a pre-closing verification, which will confirm the statutorily required eligibility requirements of the owner. In some cases, the County may assist in verifying that the applicable property is entirely within the PACE area.

The Administrator shall verify and receive evidence of all the following:

- a) that there are no delinquent taxes, special assessments, or water or sewer charges on the property;
- b) that there are no delinquent assessments on the property under a property assessed clean energy program;
- c) that there are no involuntary liens on the property, including, but not limited to, construction or mechanics liens, *lis pendens* or judgments against the record owner, environmental proceedings, or eminent domain proceedings;
- d) that no notices of default or other evidence of property-based debt delinquency have been recorded and not cured;
- e) that the record owner is current on all mortgage debt on the property, the record owner has not filed for bankruptcy in the last 2 years, and the property is not an asset in a current bankruptcy proceeding;
- f) that all work requiring a license under any applicable law to acquire, construct, install, or modify an energy project shall be performed by a licensed contractor that has agreed to adhere to a set of terms and conditions through a process established by the governmental unit or its program administrator or program administrators;
- g) that the contractor or contractors to be used have signed a written acknowledgement that the Administrator will not authorize final payment to the contractor or contractors until the County has received written confirmation from the record owner that the energy project was properly acquired, constructed, installed, or modified and is operating as intended;
- h) that the aggregate amount financed or refinanced under one or more assessment contracts does not exceed 25% in relation to the value of the property in accordance with the PACE Act; and
- i) that an evaluation of the existing water or energy use and a modeling of expected monetary savings have been conducted for any proposed energy efficiency improvement, renewable energy improvement, or water use improvement, unless the water use improvement is undertaken to improve water quality.

- E. **Compliance with technical standards:** Review the technical aspects of the energy project, including any energy audits or engineering studies.
- F. **Assessment contracts:** The Administrator will work with the record owner and County to obtain signatures of the assessment contracts and assignment agreements, and record said documents with the County Clerk.
- G. **Fee collection:** Collect and retain the user fees to fund ongoing operations.
- H. **Development/maintenance of documents:** Update any documents as needed, including PACE Report, PACE Program applications, RFI or RFPs for contractors or lenders, etc.
- I. **Default procedures:** Upon notification of a record owner's default in payment of an assessment, notify the County to enforce the assessment lien in accordance with law and the agreements between the parties.
- J. **Quality Assurance:** The Administrator will maintain PACE Program integrity through quality assurance and verification with reports and data generated from the program's operation. Using procedures developed in Phase I, collect information needed to ensure the energy and cost savings are documented. The Administrator may also review contractor work to ensure high quality.
- K. **Customer Service:** Respond to questions and work with applicants to ensure a seamless experience as they work through the PACE financing process. Respond to inquiries from other entities, such as vendors, contractors, consultants, and the general public.
- L. **Program Reporting:** The Administrator will also provide bi-annual reporting, that may include but is not limited to the following data:
 - i. Overall program growth and performance.
 - ii. Program impact, including but not limited to:
 - a. Number of participants and average project size
 - b. The value PACE projects added to buildings
 - c. Funds collected and disbursed
 - d. Energy consumption reduction (actual vs. projected)
 - e. Water consumption reduction (actual vs. projected)
 - f. Renewable energy generated (actual vs. projected)
 - g. Electric vehicle chargers installed (actual vs. projected)

- h. GHG emission reductions
- i. Workforce development
- j. Local and minority contractor participation levels for construction contracts funded

VIII. PROPOSAL FORMAT

The proposal **must** be presented in the order as described below. To be considered substantive, the proposal must respond to all requirements of this part of the RFQ. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal.

1. Provide a brief company history and description including size and number of employees.
2. **A response to each item as set forth in the “Scope of Services Desired” in Section VII and a description of how your firm will approach delivery of those services.**
3. Resumes of the service team that would be assigned to Champaign County’s account.
4. At least three references from **current** public sector clients, including contact names, addresses and telephone numbers.
5. Information on the firm’s experience in qualifying property owners and lenders for program participation.
6. A description of any other services to be provided without additional compensation.
7. An explanation of what distinguishes the services the Proposer can provide from other agents or firms.

IX. PROPOSED TIME SCHEDULE

The County has established the following proposed timetable which should result in the award of contract for Administrator Services no later than the month of May, 2021. The following schedule is tentative and is subject to revision during the process of review and selection by the County.

April 2021	Request for Qualifications Posted and Advertised
May 4, 2021-1:30pm	Proposals Due

May 4, 2021 – 2:00pm	Proposals Opened – <i>Lyle Shields Meeting Room, Brookens Administrative Center, 1776 East Washington, Urbana, IL</i>
Week of May 10, 2021	Presentations by Finalist Firms to Evaluation Team
May 18, 2021	Selection of Top-Ranked Firm by Evaluation Team
May 19-21, 2021	Negotiation of Agreement with Selected Firm
May 24, 2021	Award of Contract

APPENDIX A

ORDINANCE NO. 2021-3
AN ORDINANCE ESTABLISHING A PROPERTY ASSESSED CLEAN ENERGY
(PACE) AREA AND ESTABLISHING A PACE PROGRAM

WHEREAS, Champaign County, a County duly organized and validly existing under the Constitution and the laws of the State of Illinois (the “County”), is a non-home rule unit of local government of the State of Illinois authorized pursuant to the Property Assessed Clean Energy Act, 50 ILCS 50/1 et seq., as amended (the “PACE Act”) to establish a property assessed clean energy program (the “PACE Program”), create a PACE area (as defined in the PACE Act) and facilitate access to private, third party financing through a special assessment (as defined in the PACE Act); and

WHEREAS, PACE creates a mechanism for commercial property owners to finance energy efficiency, water efficiency, renewable energy, and other improvements authorized by the PACE act through a private lender that is secured and repaid through the property tax bill as a voluntary special assessment, and the assessment stays with the property rather than any individual; and

WHEREAS, the PACE Act states that a program such as the PACE Program may be administered by a program administrator (as defined in the PACE Act);

WHEREAS, the County now desires to establish the PACE area as the entirety of the corporate limits of Champaign County and to establish the PACE Program as further described herein and in the Program Report and Implementation Plan (Exhibit A); and

WHEREAS, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the “Authority”), is authorized to issue PACE bonds (as defined in the PACE Act) to finance or refinance energy projects in accordance with the PACE Act and pursuant to subsection (d) of Section 825-65 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (the “Authority Act”); and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY OF CHAMPAIGN, ILLINOIS, AS FOLLOWS:

Section 1. Incorporation of the Recitals. The County hereby finds that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and are hereby incorporated by reference thereto and are made a part hereof.

Section 2. Designation of the Program Administrator. The County intends to contract for the services of a Program Administrator for the PACE Program on the terms and pursuant to the conditions set forth in an agreement for services between the County Executive of Champaign County and the Program Administrator who meets the statutory requirements and is selected by a competitive process, who develops a voluntary assessment contract with property owners; and who will work with lenders that will provide capital for a commercial or industrial loan that will be payable through the County’s property tax billing process; and

Section 3. Report of the Program Administrator; Creation of PACE Area.

The County hereby finds as follows:

a. The financing or refinancing of energy projects is a valid public purpose and serves an essential governmental function;

b. The County intends to facilitate access to capital from the Program Administrator approved by the County or as otherwise permitted by the PACE Act, to provide funds for energy projects which will be repaid by assessments on the property (as defined in the PACE Act) benefitted with the agreement of the record owners (as defined in the PACE Act) of such property;

c. A description of the territory within the PACE area, the types of energy projects that may be financed or refinanced, and the description of the proposed arrangements for financing the PACE Program through the issuance of PACE bonds under or in accordance with Section 35 of the PACE Act,; are all set forth in the Program Report and Implementation Plan which is attached hereto as Exhibit A (Program Report). The Program Report is hereby incorporated by reference thereto and made a part hereof. The County hereby approves the Program Report and hereby establishes the PACE area as the corporate limits of the County, all as further described in Exhibit B (Description of the PACE Area). The Program Report shall be made available for public inspection in the office of the County Clerk.

Section 4. No Public Hearing; Program Established. The County hereby finds that no public hearing shall be required in connection with the adoption or amendment of the PACE Program and hereby establishes the PACE Program in accordance with the Program Report.

Section 5. Assessment Contract. A sample form for an “assessment contract” (as defined in the PACE Act) attached as Appendix B to the Program Report is hereby approved by the County. . The County Executive (an “Authorized Officer”) is hereby authorized to approve changes, updates, amendments, modifications, or supplements to the form of the assessment contract as suggested by the Program Administrator to the extent such changes, updates, amendments, modifications or supplements comply with the parameters and requirements set forth in the PACE Act. The County Executive (an “Authorized Officer”) is hereby authorized to negotiate, execute, and deliver one or more assessment contracts with record owners meeting the requirements set forth in the Program Report (each, an “Assessment Contract”) in substantially the form of the Appendix to the Program Report, or as thereafter revised, with such changes, deletions, and insertions as shall be approved by the Authorized Officer and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of such Assessment Contract, and upon execution to record such Assessment Contract in the manner in which deeds are recorded in Champaign County. The execution of such agreements and instruments shall be conclusive evidence of such approval.

Section 6. Additional Actions. The Authorized Officer is hereby authorized:

i. to approve the form of Program Handbook of the Program Administrator (as defined in the Program Report) setting forth certain additional

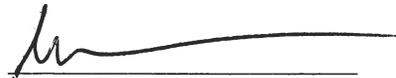
requirements, procedures, and descriptions relating to the PACE Program and to negotiate, execute, and deliver such other supporting documents as may be necessary or appropriate to implement the PACE Program;

ii. in connection with the issuance of PACE bonds by the Authority to finance or refinance energy projects in accordance with the PACE Act and pursuant to subsection (d) of Section 825-65 of the Authority Act, to negotiate, execute, and deliver one or more agreements assigning to the Authority an Assessment Contract securing such PACE bonds; and

iii. to approve changes, updates, amendments, modifications or supplements to the Program Report to the extent such changes, updates, amendments, modifications or supplements comply with the parameters and requirements set forth in the PACE Act.

Section 7. Enactment. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity or enforceability of the remainder of the sections, phrases and provisions hereof. All ordinances, orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this Ordinance shall take effect and be in full force immediately upon its adoption.

This Ordinance shall become effective upon its passage and approval.



Kyle Patterson, Chair
Champaign County Board

Recorded
& Attest: 
Aaron Ammons, County Clerk
and ex-officio Clerk of the
Champaign County Board
Date: 3/23/21

Approved: 
Darlene A. Kloepfel, County Executive
Date: 3-22-21

EXHIBIT A

CHAMPAIGN COUNTY PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM REPORT AND IMPLEMENTATION PLAN

Table of Contents

- A. Purpose and Intent**
- B. Form of Assessment Contract**
- C. Authorized Officials**
- D. Application Process and Participant Eligibility**
- E. Method for Determining Interest Rates**
- F. Process for Billing**
- G. Finance Plan**
- H. Program Fees**
- I. Term**
- J. Ratio**
- K. Mortgage Holder Consent**
- L. Marketing and Participant Education**
- M. Project Eligibility**

Appendix A – Assessment Contract Application Form

Appendix B – Assessment Contract Form

A. Purpose and Intent

PACE is designed to assist qualifying commercial and industrial properties with financing of energy improvements. The PACE loan from a private lender is paid back through an annual special assessment on the property tax bill. This loan stays with the property and a subsequent owner continues to pay the assessment until the loan is fully paid. Having the PACE special assessment included on the tax bill provides greater security in the loan repayment, as it allows the charge to be part of the tax bill and therefore part of the tax lien process if the PACE special assessment goes unpaid.

It is the intent of Champaign County (hereinafter County) to establish a property assessed clean energy program (the “PACE Program”), create a PACE area (as defined in the PACE Act) and facilitate access to private, third party financing through a special assessment with individual, willing property owners in accordance with 50 ILCS 50/20 the Property Assessed Clean Energy Act.

B. Form of Assessment Contract

A sample form for an assessment contract between the governmental unit and record owner governing the terms and conditions of financing and assessment under the program is provided in the Appendix B to this Report.

C. Authorized Officials

The County Executive is authorized to enter into an assessment contract on behalf of the County.

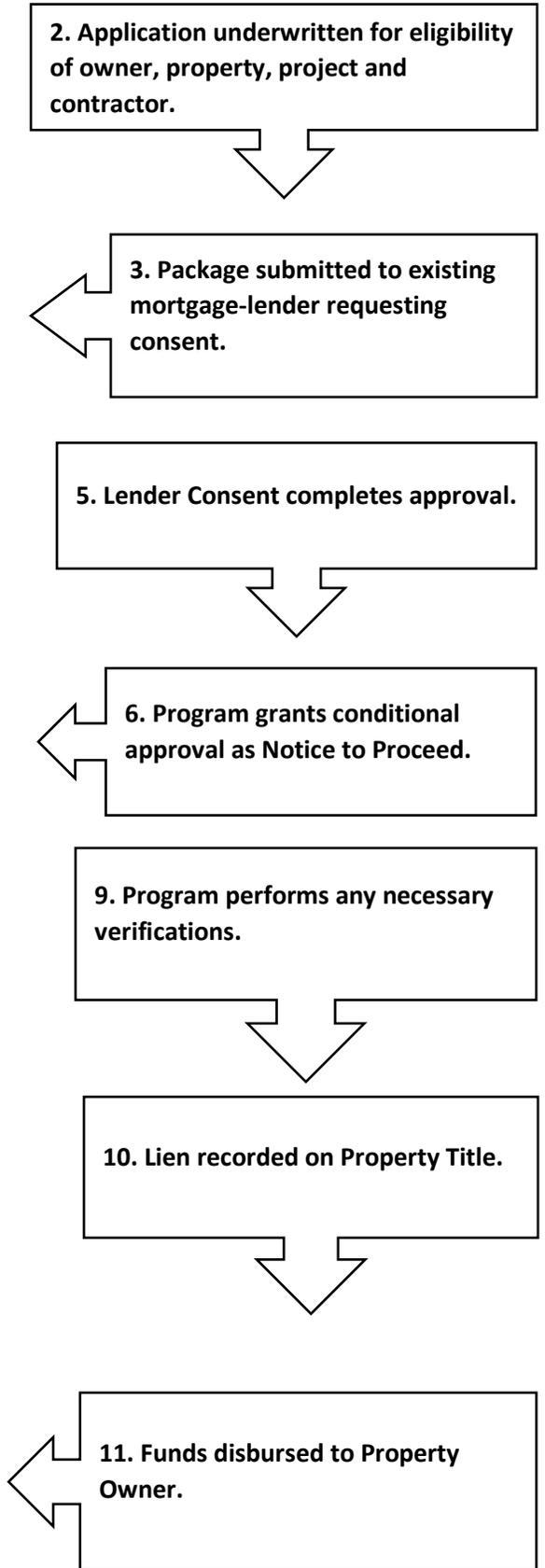
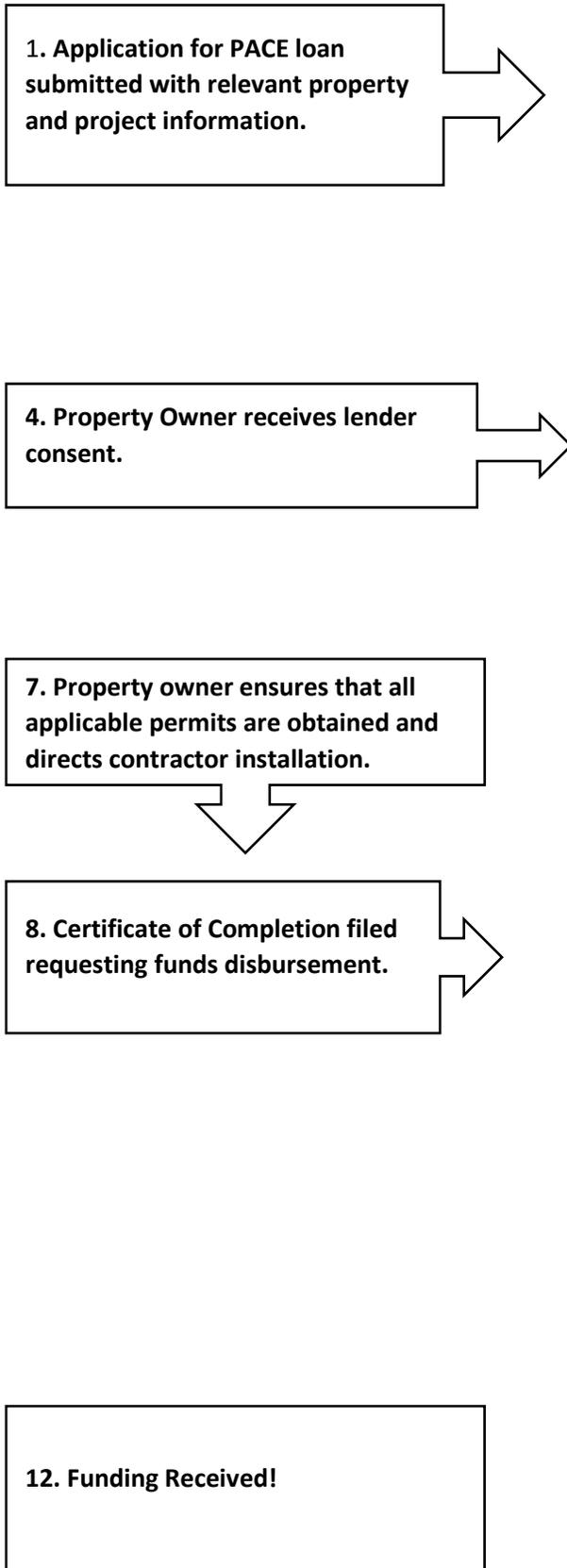
D. Application Process and Participant Eligibility

1. A record owner of property within the PACE area may apply to the County or its Program Administrator to finance or refinance an energy project under the governmental unit's program.
2. The County may impose an assessment under a property assessed clean energy program only pursuant to the terms of a recorded assessment contract with the record owner of the property to be assessed.
3. Before entering into an assessment contract with a record owner under a program, the County or its Program Administrator shall verify that the applicable property is entirely within the PACE area and receive evidence of all of the following:
 - a. that there are no delinquent taxes, special assessments or water or sewer charges on the property;
 - b. that there are no delinquent assessments on the property under a property assessed clean energy program;
 - c. whether there are any involuntary liens on the property, including, but not limited to, construction or mechanics liens, *lis pendens* or judgments against the record owner, environmental proceedings, or eminent domain proceedings;
 - d. that no notices of default or other evidence of property-based debt delinquency have been recorded and not cured;

- e. that the record owner is current on all mortgage debt on the property, the record owner has not filed for bankruptcy in the last 2 years, and the property is not an asset in a current bankruptcy proceeding;
 - f. that all work requiring a license under any applicable law to acquire, construct, install, or modify an energy project shall be performed by a licensed contractor that has agreed to adhere to a set of terms and conditions through a process established by the County or its Program Administrator and described in the Program Report;
 - g. that the contractor or contractors to be used have signed a written acknowledgement that the governmental unit or its Program Administrator will not authorize final payment to the contractor or contractors until the County has received written confirmation from the record owner that the energy project was properly acquired, constructed, installed, or modified and is operating as intended; provided, however, that the contractor or contractors retain all legal rights and remedies in the event there is a disagreement with the record owner;
 - h. that the aggregate amount financed or refinanced under one or more assessment contracts does not exceed 25% in relation to the greater of any of the following:
 - i. the value of the property as determined by the office of the county Supervisor of Assessments; or
 - ii. the value of the property as determined by an appraisal conducted by a licensed appraiser; and
 - i. that an evaluation of the existing water or energy use and a modeling of expected monetary savings have been conducted (as defined in the PACE Act) for any proposed energy efficiency improvement, renewable energy improvement, or water use improvement, unless the water use improvement is undertaken to improve water quality with the procedures set forth in the Program Report.
4. Before entering into an assessment contract with the County, the record owner shall provide to the mortgage holders of any existing mortgages encumbering or otherwise secured by the property a notice of the record owner's intent to enter into an assessment contract with the County, together with the maximum principal amount to be financed or refinanced and the maximum annual assessment necessary to repay that amount, along with an additional request that the mortgage holders of any existing mortgages consent to the record owner subjecting the property to the PACE program. Prior to the execution of an assessment contract, the County shall be provided with a copy or other proof of those notices and the written consent of the mortgage holder for the record owner to enter into the assessment contract which acknowledges that (i) the existing mortgage or mortgages for which the consent was received will be subordinate to the assessment contract and the lien created thereby and (ii) the County or its permitted assignee (as defined in the PACE Act) can foreclose the property if the assessments are not paid.
5. If the record owner has signed a certification that the County has complied with the provisions of this Section, then this shall be conclusive evidence as to compliance with these provisions, but shall not relieve any contractor or the County from any potential liability.

PROPERTY OWNER

PROGRAM



E. Method for Determining Interest Rates

As the County will not be directly providing financing, interest rates will be determined by the market and the lender selected by the property owner of record.

F. Process for Billing

1. Assessments created by the County may be billed and collected as required by the PACE Act, or as thereafter amended, which presently provides as follows:
 - a. The County may include assessments in the regular property tax bills of the county. The County collector may bill and collect assessments with the regular property tax bills of the County if requested. If the County collector agrees to bill and collect assessments with the regular property tax bills of the county, then the applicable assessment contract shall be filed with the County collector and the annual amount due as set forth in an assessment contract shall become due in installments at the times property taxes shall become due in accordance with each regular property tax bill payable during the year in which such assessment comes due;
 - b. If the County collector does not agree to bill and collect assessments with the regular property tax bills of the County, then the County shall bill and collect the assessments, either directly or as permitted in paragraph (3) of this subsection, and the annual amount due as set forth in an assessment contract shall become due in installments on or about the times property taxes would otherwise become due in accordance with each regular property tax bill payable during the year in which such assessment comes due; or
 - c. If a governmental unit is billing and collecting assessments pursuant to paragraph (2) of this subsection, assessment installments may be billed and collected by the governmental unit's Program Administrator or another third party.
2. If the County, a Program Administrator, or another third party is billing and collecting assessments pursuant to this section, and the applicable assessment becomes delinquent during any year, the applicable collector shall, on or before the date in such year required by the county in the PACE area is, make a report in writing to the general office of the county in which the applicable property subject to the assessment is situated and authorized by the general revenue laws of this State to apply for judgment and sell lands for taxes due the county and the State, of the assessments or installments thereof the applicable collector has billed for and not received as required under the applicable bill, including any interest or penalties that may be due as set forth in the applicable assessment contract. This report shall be certified by the applicable collector and shall include statements that (i) the report contains true and correct list of delinquent assessments that the collector has not received as required by the applicable bill and (ii) an itemization of the amount of the delinquent assessment, including interest and penalties, if applicable. The report of the applicable collector, when so made, shall be prima facie evidence that all requirements of the law in relation to making the report have been complied with and that the assessments or the matured installments thereof, and the

interest thereon, and the interest accrued on installments not yet matured, mentioned in the report, are due and unpaid. Upon proper filing of such report, at the direction of the governmental unit or its permitted assignee, the county collector shall enforce the collection of the assessments in the manner provided by law.

3. Payment received by mail and postmarked on or before the required due date is not delinquent. From and after the due date of any installment of an assessment, an additional rate of interest of 1 1/2% per month may be imposed with respect to the delinquent amount of such installment, which shall be payable to the applicable governmental unit or other permitted assignee as set forth in the applicable bill.

G. Finance Plan

The County does not intend to issue bonds or directly provide lending. No reserve funds will be used to secure loans or bonds.

H. Program Fees

Appropriate program fees established by the Program Administrator and allowed within PACE Act guidelines will be charged to record owners participating in the program that will be used to finance and reimburse all or a portion of costs incurred by Champaign County as a result of its program.

I. Term

The term of an assessment may not exceed the useful life of the energy project financed or refinanced under an assessment contract; provided that an assessment contract financing or refinancing multiple energy projects with varying lengths of useful life may have a term that is calculated in accordance with the principles established by the program report.

J. Ratio

The County PACE program will establish an appropriate ratio for the aggregate amount financed or refinanced under one or more assessment contracts does not exceed 25% in relation to the greater of any of the following:

1. the value of the property as determined by the office of the county Supervisor of Assessments; or
2. the value of the property as determined by an appraisal conducted by a licensed appraiser.

K. Mortgage Holder Consent

The record owner of property subject to a mortgage must obtain written consent from the mortgage holder before participating in the program.

L. Marketing and Participant Education

The Program Administrator shall be primarily responsible for marketing and participant education.

M. Project Eligibility

The following projects are eligible for the County PACE program:

1. Energy efficiency improvements, meaning any fixture, product, system, equipment, device, material, or interacting group thereof intended to decrease energy consumption or enable a more efficient use of electricity, natural gas, propane, or other forms of energy on property, including, but not limited to, all of the following:
 - a. insulation in walls, roofs, floors, foundations, or heating and cooling distribution systems;
 - b. energy efficient windows and doors, multi-glazed windows and doors, heat-absorbing or heat-reflective glazed and coated window and door systems, and additional glazing, reductions in glass area, and other window and door systems that reduce energy consumption;
 - c. automated energy or water control systems;
 - d. high efficiency heating, ventilating, or air-conditioning and distribution systems;
 - e. caulking, weather-stripping, and air sealing;
 - f. lighting fixtures;
 - g. energy controls or recovery systems;
 - h. day lighting systems;
 - i. any other fixture, product, system, equipment, device, or material intended as a utility or other cost-savings measure as approved by the governmental unit.
2. Energy projects, meaning the acquisition, construction, installation, or modification of an alternative energy improvement, energy efficiency improvement, renewable energy improvement, resiliency improvement, or water use improvement affixed to real property (including new construction).
3. Renewable energy improvements, meaning any fixture, product, system, equipment, device, material, or interacting group thereof on the property of the record owner that uses one or more renewable energy resources to generate electricity, including any renewable energy project, as defined in Section 825-65 of the Illinois Finance Authority Act.
4. Renewable energy resources, including energy and its associated renewable energy credit or renewable energy credits from wind energy, solar thermal energy, geothermal energy, photovoltaic cells and panels, biodiesel, anaerobic digestion, and hydropower that does not involve new construction or significant expansion of hydropower dams. For purposes of this Report, landfill gas produced in the State is considered a renewable energy resource. The term "renewable energy resources" does not include the incineration or burning of any solid material.
5. Resiliency improvements, meaning any fixture, product, system, equipment, device, material, or interacting group thereof intended to increase resilience or improve the durability of infrastructure, including but not limited to, seismic retrofits, flood mitigation, fire suppression, wind resistance, energy storage, microgrids, and backup power generation.

6. Water use improvements, meaning any resiliency improvement, fixture, product, system, equipment, device, material, or interacting group thereof intended to conserve water resources or improve water quality on property, including, but not limited to, all of the following:
 - a. water management or efficiency systems;
 - b. water recycling;
 - c. capturing, reusing, managing, and treating stormwater;
 - d. bioretention, trees, green roofs, porous pavements, or cisterns for maintaining or restoring natural hydrology;
 - e. replacing or otherwise abating or mitigating the use of lead pipes in the supply of water; and
 - f. any other resiliency improvement, fixture, product, system, equipment, device, or material intended as a utility or other cost-savings measure as approved by the County
7. Future energy improvements may be added as determined fitting the requirements as defined by the PACE Act for increasing energy efficiency or sustainable use of energy.

The County or its Project Administrator will assure that all parties to the Assessment Contracts remain in compliance with PACE Act requirements, or as thereafter amended.

APPENDIX A - ASSESSMENT CONTRACT APPLICATION FORM

**APPLICATION FOR P.A.C.E. ASSESSMENT CONTRACT –
CHAMPAIGN COUNTY, IL**

Name of Applicant (Owner of Record) : _____

Address of Subject Property: _____

City: _____ Illinois Zip Code _____

Email: _____ Phone: _____

Parcel Identification: _____

PACE Requirements:

1. Are there any delinquent property taxes, special assessments, water or sewer utility charges outstanding on any of the above listed properties/tracts?
Yes: No:
2. Are there any involuntary liens on the property including, but not limited to, construction or mechanics liens, *lis pendens* or judgments against the record owner, environmental proceedings, or eminent domain proceedings regarding the above properties/tracts?
Yes: No:
3. Are there any defaults, delinquencies, foreclosed mortgages or similar actions pending against the described properties/tracts?
Yes: No:
4. Are there notices of default or other evidence of property-based debt delinquency that have been recorded and not cured?
Yes: No:
5. Is the record owner current on all mortgage debt on the property, the record owner has not filed for bankruptcy in the last 2 years, and the property is not an asset in a current bankruptcy proceeding?
Yes: No:
6. Is all work requiring a license under any applicable law to acquire, construct, install, or modify an energy project to be performed by a licensed contractor that has agreed to adhere to a set of terms and conditions through a process established by the governmental unit or its Program Administrator?
Yes: No:
7. Have the contractors to be used signed a written acknowledgement that the governmental unit or its program administrator will not authorize final payment to the contractor or contractors until the governmental unit has received written confirmation from the record owner that the energy project was properly acquired, constructed, installed, or modified

and is operating as intended; provided, however, that the contractor or contractors retain all legal rights and remedies in the event there is a disagreement with the record owner?

Yes: No:

8. Does the aggregate amount financed or refinanced under one or more assessment contracts exceed 25% in relation to the greater of either of the following:
- the value of the property as determined by the office of the county assessor; or
 - the value of the property as determined by an appraisal conducted by a licensed appraiser

Yes: No:

9. Has an evaluation of the existing water or energy use and a modeling of expected monetary savings have been conducted for any proposed energy efficiency improvement, renewable energy improvement, or water use improvement, unless the water use improvement is undertaken to improve water quality?

Yes: No:

10. If the properties are subject to a mortgage, are existing mortgage holders on the described property's title?

Yes: No:

If "Yes", attach a copy of the mortgage with the name of the mortgage holder and the amount of the outstanding mortgage.

11. If the properties are subject to a mortgage, has the record owner obtained written consent from the mortgage holder before participating in the program?

Yes: No:

12. Is an assessment and modeling estimate of the water and/or energy savings to be achieved from this project attached to this application, completed by a person(s) competent to make such calculations and estimates?

Yes: No:

13. Does the term of the assessment exceed the useful life of the energy project financed or refinanced under an assessment contract; provided that an assessment contract financing or refinancing multiple energy projects with varying lengths of useful life may have a term that is calculated in accordance with the principles established by the program report? Yes: No:

14. Does the ratio of the amount of the assessment to the greater of either the value of the property as determined by the office of the county assessor or the value of the property as determined by an appraisal conducted by a licensed appraiser exceed the ratio set by the program report? Yes: No:

The undersigned acknowledge that they have read, understand and will comply with the *Implementation Plan* of the Champaign County, Illinois Property-Assessed Clean Energy (PACE) Program and that they have read the Illinois PACE Act, and that they willingly consent to a contract adding a PACE special assessment to their property tax bill(s) for the described properties and tracts.

The undersigned furthermore understand that PACE program payments will not be made until all eligible energy improvements approved by the County are completed and installed.

[END OF AGREEMENT, SIGNATURES FOLLOW.]

For Champaign County, Illinois:

For Property Owner:

Champaign County Executive

Owner of record

Date: _____

Date: _____

Attest:

County Clerk

Date: _____

ASSESSMENT CONTRACT

[NAME AND LOGO OF MUNICIPALITY OR COUNTY]	Property Owner Name: [Mr. or Mrs. Property Owner]
	_____ 1
	Property: [123 Main Street]
	[City, IL Champaign County]
	Financed Amount: \$ 250,000 (the "Financed Amount")
	Assessment Payments: [40] Assessment Payments of \$[11,656 .99], each [June 1] and [September 1] commencing [June[1], 20(19)]
	Interest Rate: [6.5]%
	Registered Contractor: [ABC Co]
Completion Deadline: [June 1, 2019]	
Construction Escrow:@	

This **ASSESSMENT CONTRACT** (this "**Agreement**"), dated as of ____, 20__ (the "**Effective Date**"), is by and between [Champaign County] (the "**Sponsor**") a [INSERT APPROPRIATE UNIT OF LOCAL GOVERNMENT ENTITY TYPE], and [Mr. or Mrs. Property Owner] (the "Property Owner") the owner(s) of record, of the fee interest in the real property described on Exhibit [A] (the "**Property**"). The Property Owner completed an application (the "**PACE Application**") to participate in a property assessed clean energy ("**PACE**") financing program (the "**Program**") offered by the Sponsor pursuant to the Property Assessed Clean Energy Act. 50 ILCS 50/1 et. seq. (the "**PACE Act**") and administered by [ICEA] (the "**Administrator**"), in order to finance or refinance certain qualified "energy projects" (as defined in the PACE Act) that benefit the Property, as described on Exhibit A (the "**Improvements**"). The Property Owner will repay this financing through a tax assessment (the "**Special Assessment**") levied on the Property. This Agreement establishes the terms of participation in the Program and payment of the Special Assessment.

SPECIAL ASSESSMENT. The Property Owner freely and willingly agrees that upon execution of this Agreement, the Property shall be subject to the Special Assessment levied by the Sponsor in an amount equal to the Financed Amount described above. The Property Owner will use the financing obtained under this Agreement solely for the purpose of financing the actual costs of materials, labor and fees necessary for installation of the Improvements. If the actual costs of the Improvements exceed the Financed Amount, the Property Owner is solely responsible for such excess. The Special Assessment and all associated interest and penalties will create a lien (the "**Lien**") against the Property until they are paid. The Lien will be coequal to and independent of the lien for general taxes on the Property. If the Property Owner sells the Property, the obligation to pay the Special Assessment and the Lien will remain with the Property and will be effective against any future owner of the Property until the Special Assessment has been paid in full.

PAYMENTS. The equal installments that the Property Owner is anticipated to pay under the Special Assessment are described above ("**Assessment Payments**") and on Schedule I. The exact payment amounts and due dates will be disclosed in annual invoices from the local tax collector along with the Property Owner's regular property taxes and must be paid with the Property Owner's regular property taxes. Assessment Payments are not subject to discount or any other credit for early payment.

INTEREST. Interest will accrue on the principal balance of the Special Assessment at rate equal to [6.5]% per year on the basis of a 360-day year consisting of 12 months of 30 days each. Interest will begin to accrue on the full amount of the Special Assessment beginning on the Effective Date. Each Assessment Payment will include the full amount of interest scheduled to become due within the corresponding 6-month period of the calendar year in which that Assessment Payment is scheduled (each, an "**Interest Period**"). Early payment will not reduce the amount of interest accrued in any Interest Period. The principal balance of the Special Assessment will

include capitalized interest sufficient to pay any interest due in the period from the Effective Date to the first day of the Interest Period covered by the first scheduled Assessment Payment.

ADMINISTRATIVE FEES. Each Assessment Payment will include administrative fees to pay certain costs to administer the Program ("**Administrative Fees**"). Administrative Fees will be equal to 0 of each scheduled Assessment Payment.

PROGRAM REQUIREMENTS. Based solely on the recommendation of the Administrator and the representations of the Property Owner in this Agreement and in the related application, the Sponsor has determined the Property Owner has met all necessary Program requirements to enter into this Agreement.

FUNDING. If construction of the Improvements is not complete as of the Effective Date, funds from the Special Assessment must be disbursed to a construction escrow account governed by an escrow arrangement (the "**Construction Escrow**") that is consistent with the requirements of the program guidelines for the Program as of the Effective Date (the "**Program Guidelines**") and designated by the Property Owner on the Effective Date. Otherwise, funds from the Special Assessment will be disbursed to or at the direction of the Property Owner once all requirements have been completed in accordance with the Program Guidelines. The Property Owner shall provide to the Administrator copies of any documents submitted or require to be submitted in connection with requests for funding from the Construction Escrow. In accordance with the Program Guidelines, requests for funding under the Construction Escrow or any other disbursements will be accompanied by an interim or final completion certificate, as applicable, signed by the relevant contractors and the Property Owner certifying the work on the Improvements has been completed in a satisfactory manner and in accordance with all relevant construction agreements. The Property Owner shall ensure that, if (a) funds remain in the Construction Escrow [24] months after the Effective Date and the Improvements are not complete (as evidenced by delivery of a final completion certificate) or (b) after the delivery of the final completion certificate funds from the Special Assessment remain unspent, the agreements governing the Construction Escrow provide that the Program Administrator may direct by written notice to the applicable escrow agent that funds in the Construction Escrow will be disbursed at the direction of the Administrator as a partial prepayment of the Special Assessment. Promptly after such disbursement the Administrator will provide the Property Owner an updated Schedule I that describes the relevant adjustments to future payments.

PAYMENT . The Special Assessment may be prepaid in whole or in part upon no less than 45 days written request to the Administrator. Prepayments will be applied at the end of the month in which funds are received. Upon receipt of the request or prepayment, the Administrator will provide a payoff statement and payment instructions. The amount of any prepayment, in whole or in part, will include a rebate of unearned interest, if applicable and a prepayment premium equal to the amount set forth in Exhibit A attached hereto. Following a prepayment, Assessment Payments will continue to be owed in the same amount as prior to such prepayment, however, the number of Assessment Payments may decrease.

LATE PAYMENT . Under Illinois law, if the Property Owner fails to pay any annual installment of the Special Assessment on a timely basis, delinquent Special Assessments will be subject to the same penalties as other delinquent property taxes, which initially incur a penalty of 1.5% per month and continue to incur increasingly steep penalties mandated by statute if such taxes remain unpaid, including loss of title to the Property. The Property Owner will be responsible for any fees, default interest or other charges related to a delinquent payment.

FORECLOSURE. The Property Owner acknowledges and agrees that upon failure to pay any Assessment Payment, the Sponsor has the right to enforce collection of delinquent installments, associated penalties and all

costs of suit (including attorneys' fees) by all lawful means, including through a tax certificate sale or an issuance of a tax deed or other process that could result in Property Owner losing title to the Property. The Property Owner acknowledges that the Sponsor has the right to obligate itself, on behalf of the Financing Parties (as defined below), to exercise such rights and remedies with respect to enforcement of delinquent Special Assessments to the extent permitted by applicable law.

NO ACCELERATION; NO REDUCTION OR OFFSET; SURVIVAL. Except as provided below with respect to Eminent Domain, amounts due under the Special Assessment will not accelerate upon a default or late payment or enforcement of remedies under this Special Assessment and the Special Assessment, the Lien and the obligation to pay Assessment Payments when they become due shall survive any such event and continue until paid in full. The Property Owner acknowledges and agrees that the Special Assessment will not be subject to reduction, offset or credit of any kind for any reason, including in the event the Improvements fail to perform.

NONRECOURSE. Without limiting any rights pursuant to an agreement among the providers of capital for funding the Special Assessment (the "**Capital Providers**") and the Property Owner that is (A) entered into in connection with the Special Assessment and (B) in accordance with the requirements for such agreements in the Program Guidelines (a "**PACE Supplemental Agreement**"), the Property Owner will not be personally liable for any Special Assessment due after the closing of a tax sale with respect to the Property or the completion of the exercise of other applicable remedies by the Sponsor, except for indemnification rights arising from an event of fraud, willful misconduct or reckless disregard by Property Owner.

NO WARRANTIES; LIMITATION OF LIABILITY. Neither the Sponsor nor the Administrator makes any warranty or representation, either express or implied, regarding the Improvements, including any warranty of merchantability or fitness for a particular purpose, and any and all implied warranties are expressly disclaimed.

PROPERTY OWNER REPRESENTATIONS AND WARRANTIES. The Property Owner represents and warrants: (A) the Property Owner is duly organized, validly existing and in good standing in the state of its organization and has authority to do business under the laws of the State of Illinois; (B) the Property Owner has all necessary power and authority to own the Property and to enter into and perform the transactions contemplated by this Agreement; (C) there are no actions, suits or proceedings pending, or to the knowledge of the Property Owner threatened, against or affecting it or the Property which could materially adversely affect the Property Owner, the Property or the construction of the Improvements; (D) the Property Owner has good and insurable title to the Property; (E) the Property Owner has complied with, and will continue to comply with, all applicable statutes, regulations and ordinances in connection with the Property and construction of the Improvements; (F) all permits, consents, approvals and authorizations required to be issued by any governmental body necessary for the construction of the Improvements in accordance with the plans and specifications submitted by the Property Owner to the Administrator (the "**Plans**") either (i) have been obtained, are valid, and are in full force and effect; or (ii) will be obtained, will be valid, will be in full force and effect prior to the initiation of construction; (G) the Property Owner has (i) disclosed to the Administrator the identities of all persons, if any, that hold mortgage liens or other Special Assessment liens against the Property; (ii) at least thirty (30) days prior to the Effective Date, obtained the written consent of the holders of such mortgage liens against the Property acknowledging that upon execution of this Agreement, the Special Assessment (including interest thereon) shall constitute a legal, valid and binding assessment and a resulting lien upon the Property, equal in priority with the lien of all state, county, district and municipal taxes and superior in priority to all other liens, titles and claims, until paid; and (iii) to the Property Owner's knowledge, no such consent has been withdrawn or revoked; (H) the information in the PACE Application, including, without limitation, the description of the Improvements provided to the Administrator in connection with in the PACE Application, is true and correct as of the Effective Date, and that the representations in the PACE Application with respect to the Property and the Property Owner are true and correct as of the Effective Date; (I) the Property Owner has thoroughly reviewed any projections of future energy savings, has been provided sufficient time to clarify any questions regarding such projections and understands that the actual energy savings may vary for a variety of reasons; (J) the Property Owner understands that neither the County nor the Administrator makes any assurances as to the quality, safety, efficiency of the Improvements or compliance of the installation of the Improvements with any applicable laws, regulations, codes, standards or requirements; (K) the Property Owner understands that the County voluntarily participates in the Program but does not directly operate or administer the Program; (L) the Property Owner does not and will not engage in operations that involve the generation, manufacture, refining,

transportation, treatment, storage or handling of hazardous materials or hazardous wastes, and the Property has not been previously used for such matters; (M) the Property Owner acknowledges and agrees that the term of the Special Assessment does not exceed the expected useful life of the Improvements; and (N) Property Owner has reviewed the Program Guidelines. These representations and warranties will survive the execution and delivery of this Agreement.

PROPERTY OWNER COVENANTS. The Property Owner covenants and agrees to: (A) at all times, maintain the Property and, after construction, the Improvements; (B) pay all taxes, assessments (including the Special Assessment) , and all other charges levied on or against the Property when due; (C) cause its contractor(s) to install the Improvements in accordance with the Plans and in a good and workmanlike manner in accordance with all applicable laws, ordinances, codes, rules and regulations; (D) keep in effect all permits, licenses, and approvals required to own and operate the Improvements; and (E) provide written notice to any subsequent purchaser of the Property that the Property is subject to the Special Assessment lien and to provide any subsequent purchaser a copy of this Agreement.

INSPECTION RIGHTS. The Property Owner grants the County, the Administrator, their respective agents and representatives the right to enter at any reasonable time, upon reasonable notice, to inspect the Improvements. The Property Owner further grants the Sponsor, the Administrator, their respective agents and representatives the right to examine and copy any documentation relating to the Improvements.

TERM. Except as otherwise set forth in this Agreement, this Agreement shall expire upon payment in full of the Special Assessment and any other amounts owed by the Property Owner pursuant to this Agreement.

DIVISION OF PROPERTY. If the property is subdivided before the Special Assessment is paid in full, the Special Assessment will be allocated among the subdivided parcels in the same proportion used for allocating other property taxes on such parcels. . If the Improvements no longer exist, the Special Assessment will be assigned to each parcel on a per-acre basis, unless the Administrator, in its sole discretion, decides to allocate the Special Assessment in an alternate manner.

EMINENT DOMAIN. If the Property or any part thereof is taken by eminent domain or other taking in a manner that would extinguish all or a portion of the Property Owner's (or that of its successor by eminent domain) obligation to make Assessment Payments following such exercise of eminent domain, then Property Owner may be required to pay all or a portion of the outstanding amounts in accordance with the Supplemental CPACE Agreement

RECORDATION OF DOCUMENTS. The County shall record or cause a memorandum of this Agreement to be recorded in the office of the applicable County Recorder on or after the Effective Date.

WAIVERS, ACKNOWLEDGMENT AND AGREEMENT. To the extent permitted by applicable law, the Property Owner expressly waives any right for a public hearing regarding the Special Assessment. The Property Owner also waives any right to repeal or challenge the Special Assessment either by lawsuit or by any other proceeding. The Property Owner acknowledges and agrees that the Property Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Improvements. The Property Owner waives any right to recover from and fully releases the Sponsor, the Program Administrator and their successors, assigns and funding sources, and any of their respective officials, employers and agents (the "**Financing Parties**") from any claims or liabilities related to, (i) the Property Owner's participation in the Program, (ii) the Special Assessment, (iii) the Improvements, or (iv) any fact, circumstance or event related to this Agreement, other than claims for, or liabilities not exceeding, Property Owner's actual damages resulting from such Financing Party's willful misconduct or gross negligence and equitable actions to enforce the terms of this Agreement, .

INDEMNIFICATION. To the extent permitted by applicable law, the Property Owner agrees to indemnify, defend, protect, and hold harmless the Financing Parties against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and attorney's fees) and any demands related to (i) the Property Owner's participation in the

Program, (ii) the Special Assessment, (iii) the Improvements, or (iv) any other fact, circumstance or event related to this Agreement. These indemnification provisions shall survive the termination of this Agreement.

AMENDMENT. This Agreement may be modified or amended only by the written agreement of the County and the Property Owner or their respective successors.

BINDING EFFECT; ASSIGNMENT. This Agreement inures to the benefit of and is binding upon the County, the Administrator, the Property Owner and their respective successors and assigns. The County has the right to assign any or all of its rights and obligations under this Agreement without the consent of the Property Owner. The County intends to delegate certain of its functions under this Agreement to the Administrator.

SEVERABILITY. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision of this Agreement.

FURTHER ASSURANCES. The Property Owner and the County agree to execute any further documents necessary or appropriate to ensure that this Agreement and the Special Assessment operate as intended.

MISCELLANEOUS. This Agreement (other than the arbitration provisions below) shall be governed by the laws of the State of Illinois. This Agreement may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument. This Agreement may be executed by one or more electronic means and each party agrees that an electronic signature is enforceable against each that respective party.

THIRD PARTY BENEFICIARY. The parties hereto acknowledge that the Administrator is a third party beneficiary of this Agreement.

PERMITTED ASSIGNMENTS. To the extent permitted by the PACE Act, the County may assign the Assessment Payments and related rights under this Agreement to a third party (a "Permitted Assignee"). Any Permitted Assignee shall be a direct beneficiary hereof.

EFFECTIVENESS OF AGREEMENT. The effectiveness of this Agreement is subject to the execution of the documents described on Exhibit A (the "PACE Documents") and the satisfaction of any conditions precedent therein.

GOVERNING LAW; VENUE AND JURY WAIVER. THIS AGREEMENT SHALL BE GOVERNED BY THE AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES. IF FOR ANY REASON A DISPUTE UNDER THIS AGREEMENT PROCEEDS IN COURT AS A LAWSUIT, BOTH PARTIES AGREE THAT: (1) ANY SUCH DISPUTE SHALL ONLY BE BROUGHT AS A LAWSUIT IN THE SIXTH JUDICIAL CIRCUIT COURT, SITTING IN CHAMPAIGN COUNTY, ILLINOIS; (2) BOTH PARTIES IRREVOCABLY CONSENT AND SUBMIT TO THE EXCLUSIVE PERSONAL JURISDICTION AND VENUE OF SUCH COURTS; AND (3) BOTH PARTIES WAIVE ANY RIGHT TO TRIAL BY A JURY.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Sponsor and the Property Owner have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the Effective Date.

Property Owner:

_____ ,

Signature

Date: _ _ _ _ _

Month/Day/Year

[County]: Authorized Signatory

Name *(Please Print)*

Signature

Date of Execution

EXHIBIT A

**DESCRIPTION OF PROPERTY, DESCRIPTION OF THE IMPROVEMENTS AND NOTICE
INFORMATION**

Description of Property:

Description of Improvements:

The Improvements consist of the following:

Notice Information:

[PACE Program Notice Information]

[Property Owner Notice Information]

PACE Documents:

Assessment Contract

CPACE Supplemental Agreement

[Disbursement Agreement]

Prepayment Premium:

Period	Payment Date Owner	Balance	Principal	Interest	Payment P&I	PACE Treasurer Servicing Fee	Administrator Servicing Fee	TOTAL Payment
Capitalized Interest		\$ 250,000.00		SO. CO				
	6/1/2019	\$250,000.00	\$3,131.99	\$8,023.21	\$11,256.99	\$200.00	\$200.00	\$11,656.99
	9/1/2019	\$246,868.01	\$3,233.77	\$7,918.11	\$11,256.99	\$200.00	\$200.00	\$11,656.99
	• 6/1/2020	\$243,634.24	\$3,338.87	\$7,809.60	\$11,256.99	\$200.00	\$200.00	\$11,656.99
4	9/1/2020	\$240,295.37	\$3,447.39	\$7,697.56	\$11,256.99	\$200.00	\$200.00	\$11,656.99
5	• 6/1/2021	\$236,847.98	\$3,559.43	\$7,581.88	\$11,256.99	\$200.00	\$200.00	\$11,656.99
6	9/1/2021	\$233,288.56	\$3,675.11	\$7,462.44	\$11,256.99	\$200.00	\$200.00	\$11,656.99
	• 6/1/2022	\$229,613.45	\$3,794.55	\$7,339.11	\$11,256.99	\$200.00	\$200.00	\$11,656.99
8	9/1/2022	\$225,818.90	\$3,917.87	\$7,211.78	\$11,256.99	\$200.00	\$200.00	\$11,656.99
9	• 6/1/2023	\$221,901.03	\$4,045.20	\$7,080.31	\$11,256.99	\$200.00	\$200.00	\$11,656.99
10	9/1/2023	\$217,855.83	\$4,176.67	\$6,944.57	\$11,256.99	\$200.00	\$200.00	\$11,656.99
11	• 6/1/2024	\$213,679.16	\$4,312.41	\$6,804.42	\$11,256.99	\$200.00	\$200.00	\$11,656.99
12	9/1/2024	\$209,366.75	\$4,452.57	\$6,659.71	\$11,256.99	\$200.00	\$200.00	\$11,656.99
13	• 6/1/2025	\$204,914.18	\$4,597.27	\$6,510.30	\$11,256.99	\$200.00	\$200.00	\$11,656.99
14	9/1/2025	\$200,316.91	\$4,746.69	\$6,356.03	\$11,256.99	\$200.00	\$200.00	\$11,656.99
15	• 6/1/2026	\$195,570.22	\$4,900.95	\$6,196.75	\$11,256.99	\$200.00	\$200.00	\$11,656.99
16	9/1/2026	\$190,669.27	\$5,060.23	\$6,032.29	\$11,256.99	\$200.00	\$200.00	\$11,656.99
17	• 6/1/2027	\$185,609.04	\$5,224.69	\$5,862.49	\$11,256.99	\$200.00	\$200.00	\$11,656.99
18	9/1/2027	\$180,384.34	\$5,394.49	\$5,687.17	\$11,256.99	\$200.00	\$200.00	\$11,656.99
19	• 6/1/2028	\$174,989.85	\$5,569.81	\$5,506.15	\$11,256.99	\$200.00	\$200.00	\$11,656.99
20	9/1/2028	\$169,420.04	\$5,750.83	\$5,319.25	\$11,256.99	\$200.00	\$200.00	\$11,656.99
21	• 6/1/2029	\$163,669.20	\$5,937.74	\$5,126.27	\$11,256.99	\$200.00	\$200.00	\$11,656.99
22	9/1/2029	\$157,731.47	\$6,130.71	\$4,927.02	\$11,256.99	\$200.00	\$200.00	\$11,656.99
23	• 6/1/2030	\$151,600.75	\$6,329.96	\$4,721.30	\$11,256.99	\$200.00	\$200.00	\$11,656.99
24	9/1/2030	\$145,270.79	\$6,535.68	\$4,508.89	\$11,256.99	\$200.00	\$200.00	\$11,656.99
25	• 6/1/2031	\$138,735.11	\$6,748.09	\$4,289.58	\$11,256.99	\$200.00	\$200.00	\$11,656.99
26	9/1/2031	\$131,987.01	\$6,967.41	\$4,063.14	\$11,256.99	\$200.00	\$200.00	\$11,656.99
27	• 6/1/2032	\$125,019.61	\$7,193.85	\$3,829.34	\$11,256.99	\$200.00	\$200.00	\$11,656.99
28	9/1/2032	\$117,825.76	\$7,427.65	\$3,587.94	\$11,256.99	\$200.00	\$200.00	\$11,656.99
29	• 6/1/2033	\$110,398.11	\$7,669.05	\$3,338.69	\$11,256.99	\$200.00	\$200.00	\$11,656.99
30	9/1/2033	\$102,729.07	\$7,918.29	\$3,081.35	\$11,256.99	\$200.00	\$200.00	\$11,656.99
31	• 6/1/2034	\$94,810.78	\$8,175.63	\$2,815.64	\$11,256.99	\$200.00	\$200.00	\$11,656.99
32	9/1/2034	\$86,635.14	\$8,441.34	\$2,541.30	\$11,256.99	\$200.00	\$200.00	\$11,656.99
33	• 6/1/2035	\$78,193.80	\$8,715.69	\$2,258.04	\$11,256.99	\$200.00	\$200.00	\$11,656.99
34	9/1/2035	\$69,478.11	\$8,998.95	\$1,965.57	\$11,256.99	\$200.00	\$200.00	\$11,656.99
35	• 6/1/2036	\$60,479.16	\$9,291.41	\$1,663.60	\$11,256.99	\$200.00	\$200.00	\$11,656.99
36	9/1/2036	\$51,187.75	\$9,593.38	\$1,351.82	\$11,256.99	\$200.00	\$200.00	\$11,656.99
37	• 6/1/2037	\$41,594.37	\$9,905.17	\$1,029.90	\$11,256.99	\$200.00	\$200.00	\$11,656.99
38	9/1/2037	\$31,689.20	\$10,227.09	\$697.52	\$11,256.99	\$200.00	\$200.00	\$11,656.99
39	• 6/1/2038	\$21,462.12	\$10,559.47	\$354.34	\$11,256.99	\$200.00	\$200.00	\$11,656.99
40	9/1/2038	\$10,902.65	\$10,902.65					

EXHIBIT B

DESCRIPTION OF PACE AREA

The property assessed clean energy (PACE) area is defined as the corporate limits of Champaign County.