



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

## Cover Memo

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**File #:** LB 18-039, **Version:** 1

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**DATE:** July 17, 2018

**TO:** Mayor and City Council

**FROM:** Director of Utilities & Environmental Services

### **SUBJECT**

Adoption of a Resolution to Rescind Authorization for the CaliforniaFirst PACE Program to Operate in Hayward

### **RECOMMENDATION**

That Council reviews and comments on this report and considers adoption of the attached draft resolution.

### **SUMMARY**

Property Assessed Clean Energy (PACE) programs allow property owners to finance energy and water efficiency improvements and pay off the debt through annual installments on their property tax bill. The City Council has authorized five PACE programs to operate in Hayward ([www.hayward-ca.gov/PACE](http://www.hayward-ca.gov/PACE) <<http://www.hayward-ca.gov/PACE>>). Two of the five are 'Open PACE' programs, each of which have several program administrators. PACE programs can present risks to consumers and some PACE programs and contractors have been implementing aggressive marketing tactics. CaliforniaFirst engaged with a contractor that mailed postcards that misled consumers about the nature of PACE financing and the City's involvement.

*Council Sustainability Committee* - On May 14, 2018, the Council Sustainability Committee reviewed a [staff report](https://hayward.legistar.com/LegislationDetail.aspx?ID=3502777&GUID=4AD822CF-AA9B-4F6F-B228-0013D3D99D3B&Options=&Search=>) <<https://hayward.legistar.com/LegislationDetail.aspx?ID=3502777&GUID=4AD822CF-AA9B-4F6F-B228-0013D3D99D3B&Options=&Search=>>> about marketing tactics of some PACE programs and recommended that Council adopt a resolution to rescind authorization for CaliforniaFirst to operate in Hayward for two years. The Committee also suggested that the City cancel any PACE provider that has not signed the Regional Collaborative Services Agreement (RCSA), which improves residential customer protections.

### **ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Draft Resolution
Attachment III	Postcard Received in February 2018

Attachment IV Postcard Received May 22, 2018  
Attachment V Letter from ABAG to PACE Funding Group, LLC dated May 24, 2018  
Attachment VI Letter from PACE Funding Group dated May 24, 2018  
Attachment VII Letter from CSCDA to PACE Funding Group, LLC dated May 30, 2018  
Attachment VIII Letter from CSCDA to True Renewable Energy dated May 30, 2018  
Attachment IX Letter from Renewable Funding to Flex Energy dated April 16, 2018  
Attachment X Letter from Renewable Funding to City Council dated June 21, 2018