

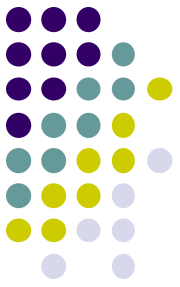


LOAN PROGRAM
For Commercial Properties

Informational Session

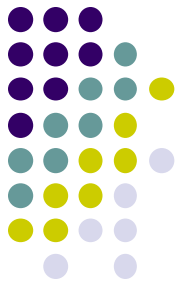


Informational Session Agenda

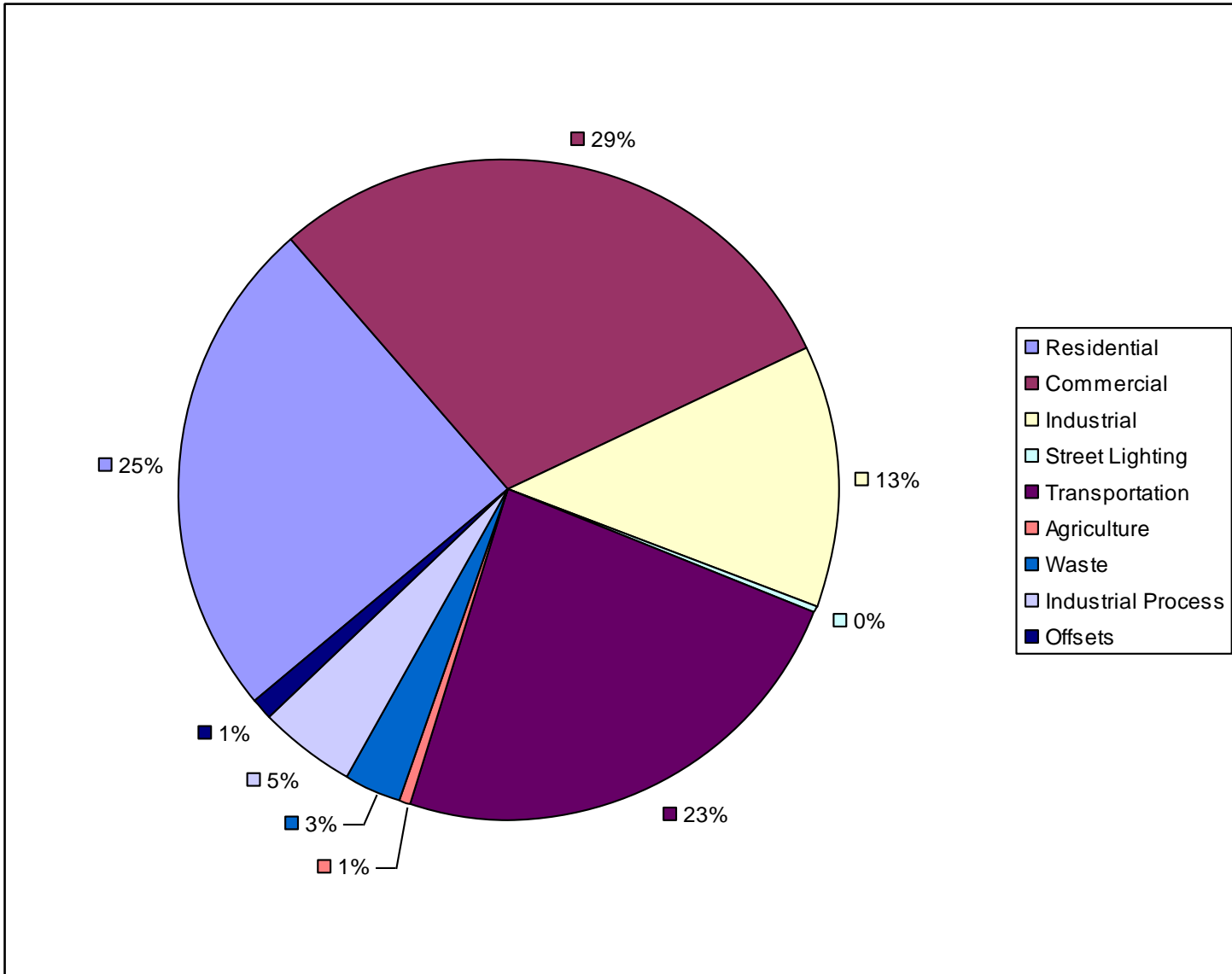


- Background & Purpose of Program
- Program Basics
- Eligible Measures
 - Energy Efficiency
 - Renewable Energy
- Program Process
- Questions





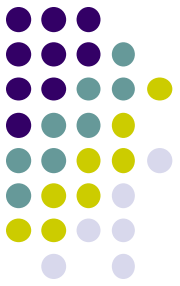
Boulder County's Emissions by Sector





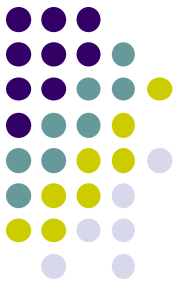
Program Purpose

- To help residential and commercial property owners reduce their environmental impact and likely save money by providing full financing for energy efficiency improvements and installation of renewable energy technologies.
- Key strategy in Sustainable Energy Plan
- Authority: HB 08-1350 and County Ballot Measure 1A

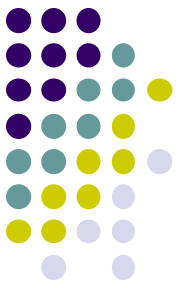


Program Basics

Program Basics



- Energy efficiency and renewable energy measures
- Special assessment placed on property—easy payment via property tax statement – repayment responsibility remains with the benefitted property
- Countywide pool of funds obtained through sale of bonds
- Up to the full upfront cost of improvements is loaned
- Property owners opt in (minimized general fund impact)
- Complements rebate and incentive programs
- Lender consent required
- Utility bill release and program tracking



Loan Size & Terms

- Loan size
 - \$3,000 minimum per property
 - \$210,000 or 20% of statutory actual value (whichever is less) maximum
- For large commercial properties wanting to apply for more than \$210,000 maximum, please contact us directly.
- Properties currently exempt from payment of property taxes must certify that the loan is no more than 20% of property value
- 5 or 10 year loan terms.

Taxable and Tax Exempt Bonds



- **Taxable bonds:**

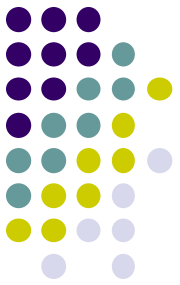
- Commercial/institutional properties, including apartment buildings

- **Tax Exempt bonds:**

- Multi-family and/or elderly rental housing for low income residents (MFH)
- Small manufacturing facilities

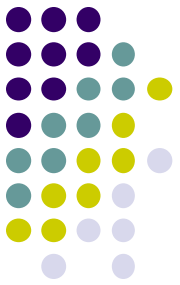
If property is tax-exempt and becomes delinquent on a payment, your property may lose tax exempt status.

* We will have separate information available for businesses who wish to know if they qualify for tax-exempt bond status.



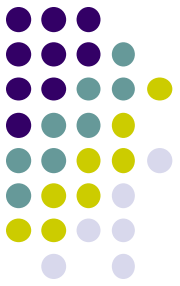
Program Rates & Fees

Bond Sale & Assessment Rates



- Rates set at the time of bond sale
- Bond sale anticipated in April, 2010
- Assessment rates (rate paid by property owner) will be about 1% higher than the bond interest rates

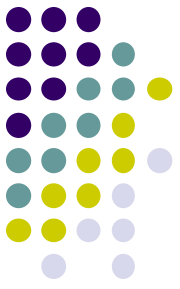
Estimated Assessment Rates



Term	Taxable	Tax-exempt
5 year	5.5%	5%
10 year	6.5%	6%

Bond market interest rates change daily

- **These rates are estimates only**
- **Actual assessment rates could be higher or lower depending on market conditions at the time of the bond sale**



Program Fees

1.) **Upfront: Non-refundable application fee**

- Paid via check when you apply

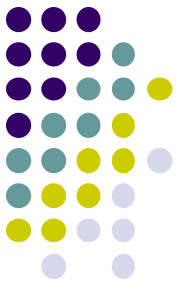
2.) **Closing Costs & Cost of Issuance: 4% max**

3.) **Pre-paid Interest: 4% max**

- Covers until taxes are due

4.) **Debt Service Reserve Fund: 5% max, expected to drop substantially**

- Helps achieve a better bond rating & interest rate
- In the future, if the default rate on these loans is low, the County may payoff the bond before the end of its term using these funds. If this occurs, the County will be able to release borrowers from any remaining payments at that time.

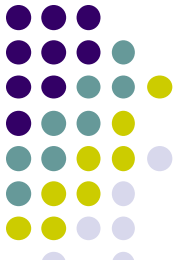


Eligible Measures



Eligible Measures

- Fixtures to property
- Prescriptive list is available online
- Will allow performance based path as well for larger loans and specific technologies (e.g., CHP, geothermal, methane digesters)—30% improvement in efficiency over current system
- Advisory committee will review non-conforming measures
- Refrigeration limited to owner occupied properties



Eligible Efficiency Measures

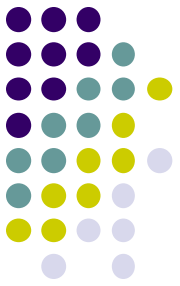
- Commissioning/Monitoring
- Energy Management
- Wall & Roof Insulation
- Windows & Doors
- Combined HVAC
- Cooling, Heat Pumps & Ventilation
- Boiler & Furnace
- Energy Recovery
- Water Heaters
- Lighting



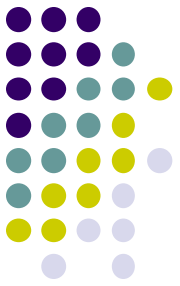
ENERGY EFFICIENCY MEASURES			
Category	Measure	Minimum Efficiency /Certification Requirements	Local & Federal Rebates & Incentives
Commissioning/Monitoring	Recommissioning		Xcel Energy, Platte River (pilot), City of Boulder (pilot)
	Energy Use Monitoring	Recommend pairing with at least one funded improvement. 12 months min. of data from before the improvement, for ongoing comparison during loan lifetime. Data may be tracked in EnergyStar Portfolio Manager in addition to County database	Governor's Energy Office
	Sub metering	Recommend pairing with other funded improvements. Allows individual tenants to monitor energy use and pay only for what they use.	
Energy Management	Energy Management Systems	Computer-based Building Automation System with preventative maintenance program or contract.	Xcel Energy
	System Level Metering	Third-party verification required, with energy management data required after 1 year.	
	Direct Digital Control (DDC)	Custom evaluation of performance proposal comparing system cost with potential energy savings. Third-party verification required.	
	Automated Controls	Occupancy and CO2 sensors, lighting and day lighting controls, and automatic shading devices. See Lighting, Ventilation.	Xcel Energy, Platte River Power Authority
	Manufacturing Process Efficiency	Custom evaluation of performance proposal. Third-party verification required	Xcel Energy
Walls and Roof	Wall Insulation	Fill cavity to capacity and/or add min. R-5 rigid insulation to interior or exterior	Governor's Energy Office, Xcel Energy, Platte River Power Authority
	Roof Insulation	Fill cavity to capacity or min. R38 total, and/or add min. R-13 batt to lower side or R-10 rigid insulation to upper side (or combination totaling min. R-15)	Governor's Energy Office, Xcel Energy, Platte River Power Authority
	Air Sealing	Air sealing with expanding compound and mastic shall prioritize joints/seams, trim where accessible, windows/doors, mechanical and electrical penetrations, weather-stripping. Third-party verification required.	Governor's Energy Office, Platte River Power Authority
	Cool Roofs	Energy Star-qualified or white TPO and metal roofs, maintaining reflectance of at least 50% after 3 years, with 10-year material and labor warranty	Xcel Energy, Platte River Power Authority
	Green Roofs	Custom evaluation of performance proposal; recommended that new waterproofing be installed in conjunction with green roof.	

Eligible Renewable Measures

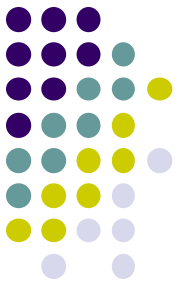
- Solar Hot Water
- Solar P.V.
- Small Wind
- Biomass
- Geothermal



Rebates and Incentives

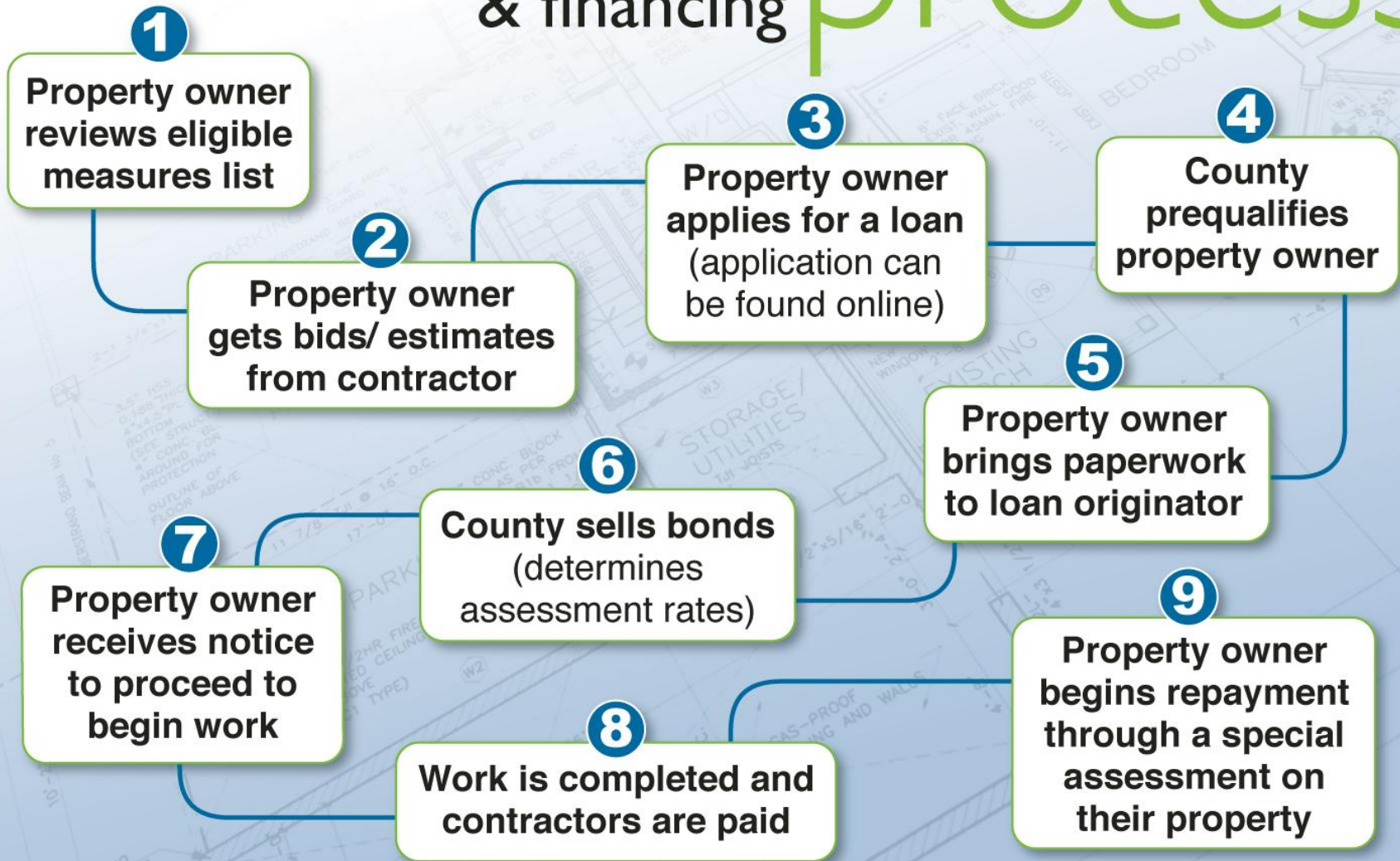


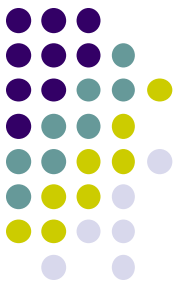
- Lists available at front table
- The County will not deduct the ITC (Federal) amounts from loans (property owners can if they wish – consult your tax advisor)
- Solar * Rewards (Xcel) payments shall be deducted from amount requested
- Otherwise, rebates/incentives may be deducted from requested amount at property owners' discretion



Program Process

ClimateSmart loan program for commercial properties application & financing **process**

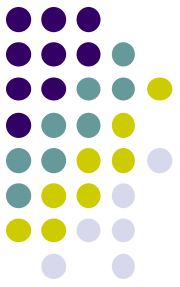




Application

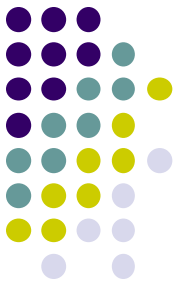
- Paper application available online and at front desk
- Applications due on March 29
- Applications must be submitted with bids/estimates from contractors and a contractor cover sheet
- Property owners must have lender consent by origination period

Required Permits/Inspections



- You must provide copies of all permits and/or inspections required by the jurisdiction where your property is located
- Please check our permit/inspection form online to see whether your project needs a permit

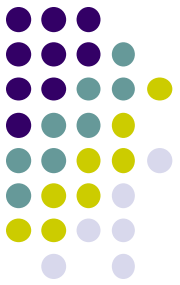




Payments to Contractors

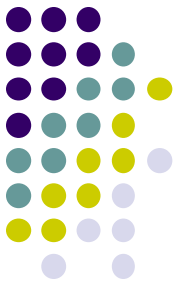
- Boulder County will pay contractors directly
- In order for contractor(s) to be paid, Boulder County must receive:
 - Official invoice(s) from the contractor(s);
 - Copies of inspections and permits if required by the jurisdiction where the work occurred;
 - A Boulder County Property Owner Acknowledgement Form.

Boulder County will allow two progress payment draws as authorized by the property owner and subject to final inspection.



Residential Program

- Anticipated launch in the Spring
- Applicants must attend a homeowner workshop in order to apply
- All updates can be found on our website ClimateSmartLoanProgram.org



ClimateSmartLoanProgram.org
ClimateSmart@BoulderCounty.org
303-441-4565