



Lexington-Fayette Urban County Government Request for Proposal

RFP #36-2017 Energy Project Assessment District

Submitted by:

Greater Cincinnati Energy Alliance

DBA Energize Kentucky



AFFIDAVIT

Comes the Affiant, Jerry Schmits, and after being first duly sworn, states under penalty of perjury as follows:

1. His/her name is Jerry Schmits and he/she is the individual submitting the proposal or is the authorized representative of Greater Cincinnati Energy Alliance DBA Energize Kentucky, LLC, the entity submitting the proposal (hereinafter referred to as "Proposer").
2. Proposer will pay all taxes and fees, which are owed to the Lexington-Fayette Urban County Government at the time the proposal is submitted, prior to award of the contract and will maintain a "current" status in regard to those taxes and fees during the life of the contract.
3. Proposer will obtain a Lexington-Fayette Urban County Government business license, if applicable, prior to award of the contract.
4. Proposer has authorized the Division of Central Purchasing to verify the above-mentioned information with the Division of Revenue and to disclose to the Urban County Council that taxes and/or fees are delinquent or that a business license has not been obtained.
5. Proposer has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky within the past five (5) years and the award of a contract to the Proposer will not violate any provision of the campaign finance laws of the Commonwealth.
6. Proposer has not knowingly violated any provision of Chapter 25 of the Lexington-Fayette Urban County Government Code of Ordinances, known as "Ethics Act."

Continued on next page

7. Proposer acknowledges that "knowingly" for purposes of this Affidavit means, with respect to conduct or to circumstances described by a statute or ordinance defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

Further, Affiant sayeth naught.


STATE OF Ohio

COUNTY OF Hamilton

The foregoing instrument was subscribed, sworn to and acknowledged before me by Kerry Schmits on this the 27th day of September, 2017.

My Commission expires: 06-14-2019


NOTARY PUBLIC, STATE AT LARGE



JENNIFER CORRY
Notary Public, State of Ohio
My Comm. Expires June 14, 2019

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EQUAL OPPORTUNITY AGREEMENT

The Law

- Title VII of the Civil Rights Act of 1964 (amended 1972) states that it is unlawful for an employer to discriminate in employment because of race, color, religion, sex, age (40-70 years) or national origin.
- Executive Order No. 11246 on Nondiscrimination under Federal contract prohibits employment discrimination by contractor and sub-contractor doing business with the Federal Government or recipients of Federal funds. This order was later amended by Executive Order No. 11375 to prohibit discrimination on the basis of sex.
- Section 503 of the Rehabilitation Act of 1973 states

The Contractor will not discriminate against any employee or applicant for employment because of physical or mental disability

- Section 2012 of the Vietnam Era Veterans Readjustment Act of 1973 requires Affirmative Action on behalf of disabled veterans and veterans of the Vietnam Era by contractors having Federal contracts.
- Section 206(A) of Executive Order 12086, Consolidation of Contract Compliance Functions for Equal Employment Opportunity, states

The Secretary of Labor may investigate the employment practices of any Government contractor or sub-contractor to determine whether or not the contractual provisions specified in Section 202 of this order have been violated

The Lexington-Fayette Urban County Government practices Equal Opportunity in recruiting, hiring and promoting. It is the Government's intent to affirmatively provide employment opportunities for those individuals who have previously not been allowed to enter into the mainstream of society. Because of its importance to the local Government, this policy carries the full endorsement of the Mayor, Commissioners, Directors and all supervisory personnel. In following this commitment to Equal Employment Opportunity and because the Government is the benefactor of the Federal funds, it is both against the Urban County Government policy and illegal for the Government to let contracts to companies which knowingly or unknowingly practice discrimination in their employment practices. Violation of the above mentioned ordinances may cause a contract to be canceled and the contractors may be declared ineligible for future consideration.

Please sign this statement in the appropriate space acknowledging that you have read and understand the provisions contained herein. Return this document as part of your application packet.

Bidders

I/We agree to comply with the Civil Rights Laws listed above that govern employment rights of minorities, women, Vietnam veterans, handicapped and aged persons

Signature

Greater Cincinnati Energy Alliance DBA
Energize Kentucky, LLC

Name of Business

RFP #36-2017 Energy Project Assessment District
Submitted by: Greater Cincinnati Energy Alliance dba Energize Kentucky

Equal Opportunity Employer (EOA)

GCEA is an Equal Opportunity Employer. This means that we will extend equal opportunity to all individuals without regard for race, religion, sex, national origin, age, disability, or veteran status. This policy affirms GCEA's commitment to the principles of fair employment and the elimination of all existing vestiges of discriminatory practices.

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at GCEA are based on merit, qualifications, and abilities. GCEA does not base such employment decisions on race, religion, sex, national origin, age, disability, or veteran status. GCEA will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in undue hardship.

This Equal Employment Opportunity policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Employees with questions or concerns about discrimination in the workplace are encouraged to bring these issues to the attention of Executive Director. Employees may raise concerns and make reports without fear of reprisal. GCEA employees found to be engaging in unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

GCEA is compliant with all applicable Affirmative Action regulations.

WORKFORCE ANALYSIS FORM

Name of Organization: Greater Cincinnati Energy Alliance DBA Energize Kentucky, LLC

Categories	Total	White (Not Hispanic or Latino)		Hispanic or Latino		Black or African-American (Not Hispanic or Latino)		Native Hawaiian and Other Pacific Islander (Not Hispanic or Latino)		Asian (Not Hispanic or Latino)		American Indian or Alaskan Native (not Hispanic or Latino)		Two or more races (Not Hispanic or Latino)		Total	
		M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Administrators						1										1	
Professionals		4	1													4	1
Superintendents																	
Supervisors																	
Foremen																	
Technicians																	
Protective Service																	
Para-Professionals																	
Office/Clerical			1				1										2
Skilled Craft																	
Service/Maintenance																	
Total:		4	2			1	1									5	3

Prepared by: Jerry Schmits President & CEO

(Name and Title)

Date: 9 / 28 / 2017

Revised 2015-Dec-15

RFP #36-2017 Energy Project Assessment District
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Affirmative Action Plan

GCEA values diversity in each of its standard business practices, such as hiring and the selection of subcontractors. Because GCEA employs less than twenty-five (25) staff members at any given time, the organization is typically exempt from maintaining an official Affirmative Action Plan. But despite this exemption, GCEA's business practices embody the principles and ideals of Affirmative Action. Examples of this are evident in both the racial and gender make-up of our staff, and the MWDBE ownership status of the contractors with whom our organization has engaged since our inception in 2009.

The nature of the PACE administration function is such that GCEA does not expect to use third-party contractors or subcontract any of the direct PACE program administration functions. In the areas of marketing and outreach/education, GCEA provides PACE administration services to municipalities across the Commonwealth and has developed regional marketing plans for promoting the program statewide. Our firm is contracted with Robeson Marketing Design, a WBE (woman-owned business entity), to manage these efforts, both for our PACE Administration services and for our other service lines.

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Statement of Good Faith Efforts

GCEA currently serves as the named PACE program administrator for four (4) municipalities within the Commonwealth of Kentucky and continues to work with several other prospective local governments in forming EPAD Programs. To support and promote these services throughout the Commonwealth, GCEA has invested extensively in marketing collateral, the development of EPAD program guidelines, website design, and other marketing initiatives. While GCEA fully intends to perform 100% of the PACE administration functions for the Lexington-Fayette Urban County Government using existing (internal) staff members, the organization outsources the management of its marketing and design functions to Robeson Design Marketing, LLC—a woman-owned business entity. As a forward-looking statement, Robeson Design Marketing has been notified by GCEA of its intention to extend its contract for managed marketing services again in FY 2018.

And while the nature of the PACE Administration service fees typically varies in value (dollar amount), the structure of the contract with Robeson Design Marketing impacts all the GCEA PACE Administration clients. Therefore, it is impossible to state an exact percentage of any fees paid to this contractor that can be directly attributed to the Lexington-Fayette Urban County Government's PACE Administration contract with GCEA. Based on these factors, Robeson Design Marketing will not be required to provide a separate proposal for work specific to this RFP response.

In preparation for the development of this RFP submission, Robeson Design Marketing has been notified by GCEA that future marketing initiatives within the Commonwealth of Kentucky may involve activities such as local workshops, outreach to local contractors and developers, IP targeting / digital marketing, and broadcast marketing in the Central Kentucky / Lexington market.

Additionally, GCEA realizes the workforce development opportunities with labor-intensive energy efficiency and renewable energy installations. Therefore, education and outreach will be a focused effort to ensure all sectors of the workforce can maximize their participation on PACE financed building improvements.



LFUCG MWDBE PARTICIPATION FORM

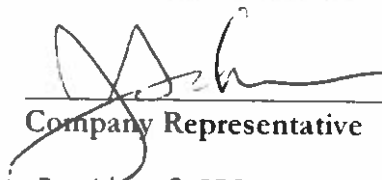
Bid/RFP/Quote Reference # 36-2017 (EPAD)

The MWDBE subcontractors listed have agreed to participate on this Bid/RFP/Quote. If any substitution is made or the total value of the work is changed prior to or after the job is in progress, it is understood that those substitutions must be submitted to Central Purchasing for approval immediately.

MWDBE Company, Name, Address, Phone, Email	Work to be Performed	Total Dollar Value of the Work	% Value of Total Contract
1. NONE			
2.			
3.			
4.			

The undersigned company representative submits the above list of MWDBE firms to be used in accomplishing the work contained in this Bid/RFP/Quote. Any misrepresentation may result in the termination of the contract and/or be subject to applicable Federal and State laws concerning false statements and false claims.

Energize Kentucky, LLC
Company
9 / 28 / 2017
Date


Company Representative
President & CEO
Title



MWDBE QUOTE SUMMARY FORM
 Bid/RFP/Quote Reference # 36-2017 (EPAD)

The undersigned acknowledges that the minority subcontractors listed on this form did submit a quote to participate on this project.

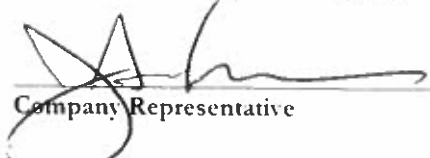
Company Name Energize Kentucky, LLC	Contact Person Chris Jones
Address/Phone/Email cjones@kypace.org; 859-746-5310 x 1	Bid Package / Bid Date Submission date: 9/28/2017

MWDBE Company Address	Contact Person	Contact Information (work phone, Email, cell)	Date Contacted	Services to be performed	Method of Communication (email, phone meeting, ad, event etc)	Total dollars SS Do Not Leave Blank (Attach Documentation)	MBE * AA HA AS NA Female	Veteran
None								

(MBE designation / AA=African American / HA= Hispanic American/AS = Asian American/Pacific Islander/ NA= Native American)

The undersigned acknowledges that all information is accurate. Any misrepresentation may result in termination of the contract and/or be subject to applicable Federal and State laws concerning false statements and claims.

Energize Kentucky, LLC
 Company
9 / 28 / 2017
 Date


 Company Representative
President & CEO
 Title

LFUCG STATEMENT OF GOOD FAITH EFFORTS

Bid/RFP/Quote # 36-2017 (EPAD)

By the signature below of an authorized company representative, we certify that we have utilized the following Good Faith Efforts to obtain the maximum participation by MWDBE business enterprises on the project and can supply the appropriate documentation.

_____ Advertised opportunities to participate in the contract in at least two (2) publications of general circulation media; trade and professional association publications; small and minority business or trade publications; and publications or trades targeting minority, women and disadvantaged businesses not less than fifteen (15) days prior to the deadline for submission of bids to allow MWDBE firms to participate.

_____ Included documentation of advertising in the above publications with the bidders good faith efforts package

_____ Attended LFUCG Central Purchasing Economic Inclusion Outreach event

_____ Attended pre-bid meetings that were scheduled by LFUCG to inform MWDBEs of subcontracting opportunities

_____ Sponsored Economic Inclusion event to provide networking opportunities for prime contractors and MWDBE firms

_____ Requested a list of MWDBE subcontractors or suppliers from LFUCG Economic Engine and showed evidence of contacting the companies on the list(s).

_____ Contacted organizations that work with MWDBE companies for assistance in finding certified MWDBE firms to work on this project. Those contacted and their responses should be a part of the bidder's good faith efforts documentation.

_____ Sent written notices, by certified mail, email or facsimile, to qualified, certified MWDBEs soliciting their participation in the contract not less than seven (7) days prior to the deadline for submission of bids to allow them to participate effectively.

- _____ Followed up initial solicitations by contacting MWDBEs to determine their level of interest.
- _____ Provided the interested MWDBE firm with adequate and timely information about the plans, specifications, and requirements of the contract.
- _____ Selected portions of the work to be performed by MWDBE firms in order to increase the likelihood of meeting the contract goals. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate MWDBE participation, even when the prime contractor may otherwise perform these work items with its own workforce
- _____ Negotiated in good faith with interested MWDBE firms not rejecting them as unqualified without sound reasons based on a thorough investigation of their capabilities. Any rejection should be so noted in writing with a description as to why an agreement could not be reached.
- _____ Included documentation of quotations received from interested MWDBE firms which were not used due to uncompetitive pricing or were rejected as unacceptable and/or copies of responses from firms indicating that they would not be submitting a bid.
- _____ Bidder has to submit sound reasons why the quotations were considered unacceptable. The fact that the bidder has the ability and/or desire to perform the contract work with its own forces will not be considered a sound reason for rejecting a MWDBE quote. Nothing in this provision shall be construed to require the bidder to accept unreasonable quotes in order to satisfy MWDBE goals.
- _____ Made an effort to offer assistance to or refer interested MWDBE firms to obtain the necessary equipment, supplies, materials, insurance and/or bonding to satisfy the work requirements of the bid proposal
- _____ Made efforts to expand the search for MWDBE firms beyond the usual geographic boundaries.

GENERAL PROVISIONS

1. Each Respondent shall comply with all Federal, State & Local regulations concerning this type of service or good.

The Respondent agrees to comply with all statutes, rules, and regulations governing safe and healthful working conditions, including the Occupational Health and Safety Act of 1970, 29 U.S.C. 650 *et. seq.*, as amended, and KRS Chapter 338. The Respondent also agrees to notify the LFUCG in writing immediately upon detection of any unsafe and/or unhealthful working conditions at the job site. The Respondent agrees to indemnify, defend and hold the LFUCG harmless from all penalties, fines or other expenses arising out of the alleged violation of said laws.

2. Failure to submit ALL forms and information required in this RFP may be grounds for disqualification.
3. Addenda: All addenda, if any, shall be considered in making the proposal, and such addenda shall be made a part of this RFP. Before submitting a proposal, it is incumbent upon each proposer to be informed as to whether any addenda have been issued, and the failure to cover in the bid any such addenda may result in disqualification of that proposal.
4. Proposal Reservations: LFUCG reserves the right to reject any or all proposals, to award in whole or part, and to waive minor immaterial defects in proposals. LFUCG may consider any alternative proposal that meets its basic needs.
5. Liability: LFUCG is not responsible for any cost incurred by a Respondent in the preparation of proposals.
6. Changes/Alterations: Respondent may change or withdraw a proposal at any time prior to the opening; however, no oral modifications will be allowed. Only letters, or other formal written requests for modifications or corrections of a previously submitted proposal which is addressed in the same manner as the proposal, and received by LFUCG prior to the scheduled closing time for receipt of proposals, will be accepted. The proposal, when opened, will then be corrected in accordance with such written request(s), provided that the written request is contained in a sealed envelope which is plainly marked "modifications of proposal".
7. Clarification of Submittal: LFUCG reserves the right to obtain clarification of any point in a bid or to obtain additional information from a Respondent.
8. Bribery Clause: By his/her signature on the bid, Respondent certifies that no employee of his/hers, any affiliate or Subcontractor, has bribed or attempted

to bribe an officer or employee of the LFUCG.

9. Additional Information: While not necessary, the Respondent may include any product brochures, software documentation, sample reports, or other documentation that may assist LFUCG in better understanding and evaluating the Respondent's response. Additional documentation shall not serve as a substitute for other documentation which is required by this RFP to be submitted with the proposal,
10. Ambiguity, Conflict or other Errors in RFP: If a Respondent discovers any ambiguity, conflict, discrepancy, omission or other error in the RFP, it shall immediately notify LFUCG of such error in writing and request modification or clarification of the document if allowable by the LFUCG.
11. Agreement to Bid Terms: In submitting this proposal, the Respondent agrees that it has carefully examined the specifications and all provisions relating to the work to be done attached hereto and made part of this proposal. By acceptance of a Contract under this RFP, proposer states that it understands the meaning, intent and requirements of the RFP and agrees to the same. The successful Respondent shall warrant that it is familiar with and understands all provisions herein and shall warrant that it can comply with them. No additional compensation to Respondent shall be authorized for services or expenses reasonably covered under these provisions that the proposer omits from its Proposal.
12. Cancellation: If the services to be performed hereunder by the Respondent are not performed in an acceptable manner to the LFUCG, the LFUCG may cancel this contract for cause by providing written notice to the proposer, giving at least thirty (30) days notice of the proposed cancellation and the reasons for same. During that time period, the proposer may seek to bring the performance of services hereunder to a level that is acceptable to the LFUCG, and the LFUCG may rescind the cancellation if such action is in its best interest.

A. Termination for Cause

- (1) LFUCG may terminate a contract because of the contractor's failure to perform its contractual duties
- (2) If a contractor is determined to be in default, LFUCG shall notify the contractor of the determination in writing, and may include a specified date by which the contractor shall cure the identified deficiencies. LFUCG may proceed with termination if the contractor fails to cure the deficiencies within the specified time.

- (3) A default in performance by a contractor for which a contract may be terminated shall include, but shall not necessarily be limited to:
 - (a) Failure to perform the contract according to its terms, conditions and specifications;
 - (b) Failure to make delivery within the time specified or according to a delivery schedule fixed by the contract;
 - (c) Late payment or nonpayment of bills for labor, materials, supplies, or equipment furnished in connection with a contract for construction services as evidenced by mechanics' liens filed pursuant to the provisions of KRS Chapter 376, or letters of indebtedness received from creditors by the purchasing agency;
 - (d) Failure to diligently advance the work under a contract for construction services;
 - (e) The filing of a bankruptcy petition by or against the contractor; or
 - (f) Actions that endanger the health, safety or welfare of the LFUCG or its citizens.

B. At Will Termination

Notwithstanding the above provisions, the LFUCG may terminate this contract at will in accordance with the law upon providing thirty (30) days written notice of that intent, Payment for services or goods received prior to termination shall be made by the LFUCG provided these goods or services were provided in a manner acceptable to the LFUCG. Payment for those goods and services shall not be unreasonably withheld.

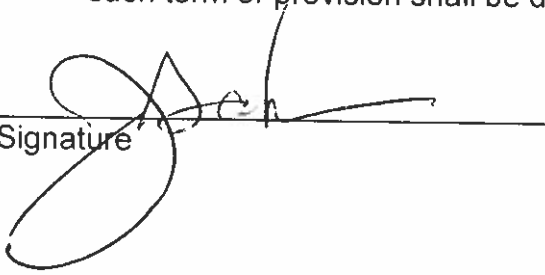
13. **Assignment of Contract:** The contractor shall not assign or subcontract any portion of the Contract without the express written consent of LFUCG. Any purported assignment or subcontract in violation hereof shall be void. It is expressly acknowledged that LFUCG shall never be required or obligated to consent to any request for assignment or subcontract; and further that such refusal to consent can be for any or no reason, fully within the sole discretion of LFUCG.
14. **No Waiver:** No failure or delay by LFUCG in exercising any right, remedy, power or privilege hereunder, nor any single or partial exercise thereof, nor the exercise of any other right, remedy, power or privilege shall operate as a waiver hereof or thereof. No failure or delay by LFUCG in exercising any right, remedy, power or privilege under or in respect of this Contract shall affect the rights, remedies, powers or privileges of LFUCG hereunder or shall operate as a waiver thereof.
15. **Authority to do Business:** The Respondent must be a duly organized and

authorized to do business under the laws of Kentucky. Respondent must be in good standing and have full legal capacity to provide the services specified under this Contract. The Respondent must have all necessary right and lawful authority to enter into this Contract for the full term hereof and that proper corporate or other action has been duly taken authorizing the Respondent to enter into this Contract. The Respondent will provide LFUCG with a copy of a corporate resolution authorizing this action and a letter from an attorney confirming that the proposer is authorized to do business in the State of Kentucky if requested. All proposals must be signed by a duly authorized officer, agent or employee of the Respondent.

16. **Governing Law:** This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. In the event of any proceedings regarding this Contract, the Parties agree that the venue shall be the Fayette County Circuit Court or the U.S. District Court for the Eastern District of Kentucky, Lexington Division. All parties expressly consent to personal jurisdiction and venue in such Court for the limited and sole purpose of proceedings relating to this Contract or any rights or obligations arising thereunder. Service of process may be accomplished by following the procedures prescribed by law.
17. **Ability to Meet Obligations:** Respondent affirmatively states that there are no actions, suits or proceedings of any kind pending against Respondent or, to the knowledge of the Respondent, threatened against the Respondent before or by any court, governmental body or agency or other tribunal or authority which would, if adversely determined, have a materially adverse effect on the authority or ability of Respondent to perform its obligations under this Contract, or which question the legality, validity or enforceability hereof or thereof.
18. Contractor understands and agrees that its employees, agents, or subcontractors are not employees of LFUCG for any purpose whatsoever. Contractor is an independent contractor at all times during the performance of the services specified.
19. Contractor [or Vendor or Vendor's Employees] will not appropriate or make use of the Lexington-Fayette Urban County Government (LFUCG) name or any of its trade or service marks or property (including but not limited to any logo or seal), in any promotion, endorsement, advertisement, testimonial or similar use without the prior written consent of the government. If such consent is granted LFUCG reserves the unilateral right, in its sole discretion, to immediately terminate and revoke such use for any reason whatsoever. Contractor agrees that it shall cease and desist from any unauthorized use immediately upon being notified by LFUCG.

20. If any term or provision of this Contract shall be found to be illegal or unenforceable, the remainder of the contract shall remain in full force and such term or provision shall be deemed stricken.

Signature

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, written over a horizontal line.

9 / 28 / 2017

Date

Firm Submitting Proposal: Greater Cincinnati Energy Alliance
DBA Energize Kentucky, LLC

Complete Address: 200 W. 4th St., #600 Cincinnati, OH 45202
Street City Zip

Contact Name: Chris Jones Title: Director, PACE Financing

Telephone Number: 859-746-5310 Fax Number:
ext 1

Email address: cjones@kypace.org

RFP #36-2017 Energy Project Assessment District
Submitted by: Greater Cincinnati Energy Alliance dba Energize Kentucky

Overview / background of submitting entity

The Greater Cincinnati Energy Alliance (“GCEA”) is a nonprofit organization focused on facilitating investment in energy efficiency and renewable energy projects for residential and commercial buildings. In 2010, GCEA was one of just 25 organizations nationwide awarded a competitive Better Buildings Neighborhood Program (BBNP) grant from the U.S. Department of Energy. The grant allowed the Energy Alliance to rapidly expand its offerings to local residents, commercial building owners and to develop an array of programs to generate energy savings.

With a strong history of administering quality programs, GCEA has become the region's leading organization for the promotion and implementation of energy efficiency investments. GCEA's resources facilitate investments in energy efficiency and renewable energy projects as economic development tools for local communities. In recognition of its work, the Energy Alliance has been honored with the following awards:

- 2011 Nonprofit of the Year Award from Green Energy Ohio
- 2012 Green Business Award for Education/Outreach from the Business Courier
- 2013 Nonprofit of the Year Award from the Cincinnati USA Regional Chamber
- 2015 Green Business Award for Product/Service from the Business Courier

The organization has successfully utilized \$18.8MM in federal, county and local government grant contracts to grow its regional reach through the US Department of Energy's Better Buildings Neighborhood Program (DOE BBNP) and the Energy Efficiency & Conservation Block Grant programs (EECBG). With EECBG grant funds, GCEA integrated its Home Performance with ENERGY STAR (HPwES) program in Northern Kentucky with the statewide HPwES program sponsored by Kentucky Home Performance (KHP). KHP was funded with State Energy Program (SEP) grants that was overseen by the Kentucky Department of Energy Development & Independence. Today, this ground-breaking collaboration remains as one of the few examples of HPwES integration in the country.

DOE BBNP funds also enabled GCEA to invest over \$1MM in the development of PACE / EPAD markets in Southwest Ohio and throughout Kentucky, where it operates as Energize Kentucky, LLC.

In 2015, GCEA was awarded a contract by the Kentucky Department for Energy Development & Independence under award number 16000000749-140316 - Energy Project Assessment District (EPAD) Initiative. In addition to several educational/outreach events throughout the Commonwealth, the primary deliverable of the EPAD contract was the “EPAD Handbook for Local Governments”. The Department for Local Governments distributed the EPAD Handbook via their communication channels.

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Additionally, GCEA has successfully managed a total of \$773,531 in contracts with the City of Cincinnati since 2013. The funds were used to implement a variety of energy efficiency and renewable energy programs for residential and commercial property owners within the city. These include an energy efficiency incentive program, a renewable energy incentive program, the Solarize Cincy program that uses group purchasing to reduce the costs of solar, and contractor training programs to promote PACE financing.

Since the organization's inception, the GCEA has overseen the completion of over 3,500 residential and commercial energy assessments and 2,073 energy efficiency upgrades. These projects have provided the Cincinnati/NKY metro area with the following benefits:

- \$44 million in local investment
- \$1.8 million in annual energy savings
- 400,000 labor hours created
- 10.4 million kWh saved annually
- 12,500 tons of CO2 offset annually
- \$1.4 million lent through residential financing program

Client#: 675109

COMMECON11

ACORDTM

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/21/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services LLC 312 Elm Street, 24th Floor Cincinnati, OH 45202 513 852-6300	CONTACT NAME: Mary J Kremer CLCS CISR CRIS	
	PHONE (A/C, No, Ext): 513 852-6386 FAX (A/C, No): 610-537-9672 E-MAIL ADDRESS: mary.kremer@usi.com	
INSURED Greater Cincinnati Energy Alliance 200 West Fourth Street Suite 600 Cincinnati OH 45202	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Selective Ins Co of SC	19259
	INSURER B: Selective Ins Co of Southeast	42307
	INSURER C: Navigators Insurance Company	42307
	INSURER D:	
	INSURER E:	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:


THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR (VVV)	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		S1934627	01/04/2017	01/04/2018	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COM/OP AGG \$2,000,000 \$
A	<input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		S1934627	01/04/2017	01/04/2018	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$0		S1934627	01/04/2017	01/04/2018	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	WC7975361	01/04/2017	01/04/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
C	Errors and Omissions		CE16MPL6955351C	01/04/2017	01/04/2018	Limit: \$1,000,000 Deductible: \$5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER CANCELLATION

HOLD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE HE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN CCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE


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Submitted by: Greater Cincinnati Energy Alliance dba Energize Kentucky

EPAD SCOPE OF WORK

Relevant PACE/EPAD Program Administration experience

Beginning in 2013, GCEA developed a business plan to provide Program Administration services to local governments in the Cincinnati, Ohio metro area. In 2014, the City of Cincinnati selected GCEA as the Program Administrator. Since that time, GCEA has facilitated the establishment of over 10 local government PACE/EPAD districts in the Cincinnati metro area, including an innovative multi-jurisdictional PACE district in Ohio. As of September 2017, the total value of GCEA-administered PACE-financed energy projects is nearly \$20MM. In addition, there is approximately \$15MM of energy projects that have currently committed to PACE financing in GCEA-administered PACE/EPAD districts thus ranking us as a top tier PACE program in the United States.

Because PACE financing is still a relatively new industry, GCEA feels that it is essential to be very active in national PACE trade associations so that they can “keep their finger on the pulse” of best practices and the latest issues at the national level that may affect local or regional PACE/EPAD activities. Therefore, GCEA has been a very active participant with PACE Nation, the leading PACE trade association in the United States. For example, GCEA is a member of PACE Nation’s Leadership Council and individual Program Administration “working groups”. In addition, GCEA is frequently asked to be an expert speaker on monthly PACE Nation national conference calls as well as being presenters at PACE Nation’s annual national conference.

In 2014, GCEA was a lead organizer of a small non-profit working group (EPAD Council) that facilitated the ultimate passage of the EPAD Act of 2015 (EPAD Act). Since the EPAD Act became law in June 2015, GCEA has accomplished the following within the Commonwealth:

- Assisted the City of Covington with developing the Commonwealth’s first EPAD that funded an actual energy project,
- Facilitated multiple EPAD creations with local governments,
- Authored the “EPAD Handbook for Local Governments” as part of a contract awarded by the Commonwealth of Kentucky’s Department for Energy Development & Independence (DEDI),
- Facilitated the Commonwealth’s first two new construction EPAD projects in the City of Covington (Kenton County) and City of Hillview (Bullitt County).
- Currently, GCEA is in active discussions with more than 10 local governments throughout the state relating to active energy projects that have applied for PACE financing with GCEA.
- GCEA is an active member with the Kentucky League of Cities (KLC) including being an exhibitor at the annual conference in addition to being a table host during the popular “Cracker Barrel” session during the Expo day where we will be leading the discussion on implementing EPADs.

RFP #36-2017 Energy Project Assessment District
Submitted by: Greater Cincinnati Energy Alliance dba Energize Kentucky

-Last, GCEA is actively working with a large “big box” national retailer who wishes to utilize PACE financing for over 20 of their locations throughout the Commonwealth with the potential to include over 100 additional locations within the Commonwealth, including Fayette County.

Since 2015, GCEA has fielded numerous calls pertaining to interest in participating in a Lexington-Fayette Urban County Government (LFUCG) EPAD. The interested parties include commercial property owners, property management companies, contractors, product suppliers, product distributors, PACE/EPAD capital lenders and existing mortgage lenders such as Central Bank and BB&T. GCEA has met individually with approximately 15 of the above referenced entities. Currently, GCEA has received imminent interest from no less than 5 Fayette County property owners who wish to submit PACE/EPAD Applications for over \$10MM in total as soon as possible. Additionally, GCEA believes that the 2018 potential is in excess of \$30MM of funded projects.

Key Personnel

Jerry Schmits, President & CEO – Jerry is a career energy & environmental management professional accomplished in growth-phase business ventures with significant achievements in business development, sales leadership and product marketing. He became President & CEO of the Energy Alliance in December 2016. Jerry’s professional experience spans 20 years in the energy efficiency industry and he will oversee overall direction of the program.

Chris Jones, Director of PACE Financing - Chris has been with the Energy Alliance since 2010 serving in various management roles. Chris has over 16 years of working in the environmental consulting and energy efficiency fields. He has a BS in Environmental Sciences from the University of Kentucky. Chris will be responsible for directly managing all aspects of the LFUCG EPAD Program.

Stephanie Hatfield, PACE Business Development Manager – Joined the Energy Alliance in 2017 with over 10 years of sales experience. Stephanie will provide marketing and educational outreach coordination along with inquiry phone calls.

Rob McCracken, Director of Operations – Joined the Energy Alliance in 2011 and is responsible for overseeing the organization’s program reporting systems including its customized PACE/EPAD administrative software and Energize Kentucky website.

Michael Davis, Director of Finance – Joined the Energy Alliance in June 2014 with over twenty years of experience leading the accounting functions of various business operations. He has experience in reducing costs and increasing margins while maintaining internal controls. He holds a B.A. in Accounting from Transylvania University and a Master of Science in Organizational Leadership from Union Institute. Michael will be responsible for the program budget, accounting, and program expenditures for the program.

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Submitted by: Greater Cincinnati Energy Alliance dba Energize Kentucky

Relevant References

Roger Peterman (Lead counsel for all EPAD-related legal documentation with Energize Kentucky)
Office Managing Partner
Dinsmore & Shohl LLP
859-431-7290

Lee Colten (Contact for Kentucky state grants including the EPAD Handbook project)
Assistant Director
Kentucky Department for Energy Development & Independence
502-782-6924

Ross Patten (Contact for City of Covington EPAD program activities)
Economic Development Specialist
City of Covington, Department of Development
859-292-2144

Mayor Jim Eadens (Contact for City of Hillview EPAD program activities)
City of Hillview (Bullitt County)
502-957-5280

Program Administration Implementation Overview

Because GCEA has an existing and established EPAD Program Administration program in the Commonwealth operating as Energize Kentucky, the actual implementation of a LFUCG EPAD will be seamless and immediate. The following major areas are what is required for a successful EPAD program:

-Program Design: As previously stated, Energize Kentucky currently operates as existing Program Administrator for several local governments and has consulted with many organizations around the United States who have asked for advice regarding program design considerations. Therefore, we would be able to review with LFUCG officials the existing program design but then review any additional considerations as mentioned in the "EPAD Handbook for Local Governments" that we authored. Additionally, Energize Kentucky, in partnership with their legal counsel Dinsmore, has templated EPAD Ordinances or Resolutions that will be recommended for adoption. TIMING: Immediately.

-Marketing: As with any service, marketing is essential to success. However, because PACE/EPAD is still a relatively new and emerging market, it is critical that a sustained marketing and educational outreach program be implemented in a collaborative manner. As such, GCEA has extensive experience in this area with knowledge of the most effective methods to reach the target audience of property owners and commercial contractors. Examples include: "PACE 101" seminars, active networking with commercial real estate organizations, and collaboration with other local organizations such as Building Owners and Managers Association (BOMA), Bluegrass Greensource, US Green Building Council, etc.

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Also, Energize Kentucky has a recently updated website that rivals the best PACE Program websites in the United States. TIMING: Immediately although there have already been several local meetings with property management and contracting companies.

-Contractor Registration: As Program Administrator, Energize Kentucky requires both contractors and capital lenders to complete an application to become officially registered as a participating company. Once registered, each company will be required to provide updated licenses and insurances while offering PACE financing in the LCUG EPAD program. TIMING: Immediately but multiple companies that service LFUG already are registered with the Energize Kentucky program.

-Contractor Training: Because contractors are the “backbone” to a successful energy efficiency program and they directly interact with property owners, it is critical that they have the necessary training to effectively communicate what PACE financing is and how the EPAD process works. Energize Kentucky will provide regularly contractor training sessions that will include seminars, webinars, trade association presentations and individual company meetings. In addition, marketing materials will be provided to contractors for use in their marketing processes.

-Application Process: Based on extensive experience, the coordination of this process is the most critical to achieving actual PACE funding results. The “one point” of coordination has proven invaluable not only for GCEA, but for other Program Administrators around the country. TIMING: Immediately.

Energize Kentucky has a proven application process:

1) Initial Eligibility Form: assists in determining if a property owner is a good fit for PACE financing based on market underwriting conditions. As an example, Energize Kentucky works with several PACE capital lenders but only a few will actually lend on “special purpose” properties such as a sports club or car wash.

2) Application: GCEA performs initial underwriting and then coordinates PACE capital lenders with the property owner. Once the property owner has agreed to financing terms with the PACE capital lender, then the formal legislative approvals need to be coordinated.

3) Mortgage Lender “consent”: A significant and necessary coordination step by the EPAD Program Administrator is to obtain the “consent” of the existing mortgage lender. As such, the Program Administrator must maintain positive relationships with the local and regional mortgage industry to facilitate the required “consent”. We have accomplished this with recent approvals from Central Bank, Stockyards Bank and BB&T.

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-LFUCG EPAD Assessment Approval: Energize Kentucky already has an existing process, including legal documents, for local government approvals for an eligible EPAD energy project. TIMING: Immediately.

-EPAD Closings: Energize Kentucky already has an existing system in place for PACE/EPAD funding closings. Energize Kentucky, in collaboration with each EPAD capital lender, oversees the disbursement of payments to registered contractors already pre-approved for the eligible energy project. TIMING: Immediately.

-Energy Project Quality Assurance/Verification: Energize Kentucky already has an existing system in place for this step in the EPAD process and would continue to utilize the same in conjunction with the EPAD Capital Lenders.

-EPAD Assessment Servicing (Billing/Collection/Remittance): Energize Kentucky has three (3) separate options that can be utilized but each has a very distinct process and system that needs implementation. First, an Energize Kentucky common servicing agent (i.e., US Bank) would directly bill, collect and remit the EPAD Assessment payment to the EPAD Capital Lender. Second, each EPAD Capital Lender could be permitted to have their own servicing agent. Last, the County Sheriff could add the EPAD Special Assessment to the property's existing tax bill and would collect and remit to the EPAD Capital Lender. Our recommendation would be to use the common servicing agent method for simplicity but this could be discussed if Energize Kentucky is awarded the contract. TIMING: 30-60 days for setup.

NOTE: THERE HAS BEEN PREVIOUS MISINTERPRETATION (INCLUDING IN THE EPAD HANDBOOK FOR LOCAL GOVERNMENTS) REGARDING THE COLLECTION/SERVICING FEES THAT CAN BE RECEIVED PER THE EPAD ACT OF 2015. FOR CLARIFICATION, OUR LEGAL PARTNER DINSMORE HAS PROVIDED AN OPINION THAT THE EPAD ACT OF 2015 IS CLEAR IN THAT THE ENTITY WHO BILLS/COLLECTS/REMITTS THE EPAD ASSESSMENT CAN DO SO AT THEIR "ACTUAL COSTS" AND NOT A PERCENTAGE OF THE ENERGY PROJECT.

-Reporting: Energize Kentucky has developed and successfully utilizes software specifically for PACE/EPAD administration that can provide regularly reports to LFUCG with respect to marketing activities, energy savings, greenhouse gas emissions avoided, etc. TIMING: Immediately.

Energize Kentucky is adequately staffed to perform all the necessary functions as listed above. In addition, due to the increased demand for PACE financing in the Central Kentucky region, we are in the process of hiring an additional PACE/EPAD staff member for Q1 2018.

RFP #36-2017 Energy Project Assessment District
Submitted by: Greater Cincinnati Energy Alliance dba Energize Kentucky

List of Fees

LFUCG: Energize Kentucky will not require an initial or on-going fee to administrate the LFUCG EPAD program.

Program Participant/Property Owner: **All fees associated with an EPAD Energy Project are paid by the property owner** from one-time closing fees and annual servicing fees. NOTE: each commercial energy project is different and thus requires different levels of effort by the Program Administrator and Legal Counsel; for example, a new construction energy project is much more in depth than a \$200,000 lighting retrofit for an existing office building. Below is the typical fee structure for EPAD energy projects (a detailed example is included in the Additional Information section of this RFP):

EPAD Energy Project Closing Fees

Program Administrator:	1-3% of Energy Project Amount (minimum=\$7,500)
EPAD Capital Lender:	1-3% of Energy Project Amount (minimums vary)
Legal Fee:	\$5,000-25,000 (variable per Energy Project)
Due Diligence Fee:	\$1,000-5,000 (variable per Energy Project)
Assessment Servicing:	\$500-900/annual fee

NOTE: As stated in the body of this proposal, there are 3 options for the EPAD Assessment Servicing and each will have a slightly different fee per current market conditions.

Summary Statement

Based on our knowledge, experience, and continued success with advancing PACE financing with EPADs throughout Kentucky, we feel we are uniquely qualified to be the Program Administrator for the LFUCG EPAD. We are excited to start and grow PACE financing in Fayette County!

RFP #36-2017 Energy Project Assessment District
Submitted by: Greater Cincinnati Energy Alliance dba Energize Kentucky

Additional Information

- EPAD Handbook (cover page, introduction and table of contents)
- Brochure
- Case study
- PR-NKY Chamber article 2016
- PR-NKY Tribune article 2017 (Riverhaus)
- PR-Lane article 2017 (Riverhaus)
- EPAD Energy Project Closing Fee Example



EPADs IN KENTUCKY

Energy Project Assessment Districts Commonwealth of Kentucky

A handbook for local governments in the Commonwealth of Kentucky to
create uniform, user-friendly and sustainable EPAD programs.

Created in partnership by:



Responsible parties to this document

The material within this document is based upon work supported by the Commonwealth of Kentucky's Department for Energy Development & Independence (DEDI) under award number 16000000749-140316 - Energy Project Assessment District (EPAD) Initiative. This document was prepared under contract awarded to the Greater Cincinnati Energy Alliance (Energy Alliance).

History of EPAD

EPAD financing was first implemented as a pilot program in 2007 by a local government outside of the Commonwealth of Kentucky. Since that time, over 30 states have passed legislation enabling EPAD financing. In 2015, the Commonwealth of Kentucky enacted EPAD financing via HB 100. EPAD is a public-private partnership; while the funding is provided by private lenders, the EPAD assessments are legally authorized by the state legislation but implemented by local governments.

How to use this document

This document is designed as a "Handbook" or "how to guide" for local governments implementing EPADs. It is organized by party role, including the local government's role as the EPAD Administrator. As such, some of the activities described will not necessarily be in chronological order. Furthermore, because the state EPAD law has few specific program and project requirements, each local government will have many decisions to make as they set up local programs. Throughout the Handbook there are topics to consider and recommendations that can be accepted or made more stringent. For example, the Handbook provides recommendations on contractor participation requirements, but a local government may decide to have more stringent requirements. The community is encouraged to document these decisions in a program policy document.

Contact information

This document was authored in June 2016. Supporting documents and related industry links are located on the DEDI website at www.energy.ky.gov

Should you have questions about this material or to receive assistance regarding EPADs, please contact:

Kentucky Department for Local Governments
1024 Capital Center Drive, Suite 340
Frankfort, KY 40601
502.573-2382
www.kydlgweb.ky.gov

Kentucky Department for Energy Development & Independence
300 Sower Boulevard
Frankfort, KY 40601
502-564-7192

Commonwealth of Kentucky
Energy Project Assessment Districts (EPADs)
Handbook for Local Governments

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**ENERGIZE
KENTUCKY**

**PACE
FINANCING**

Efficient Financing for Building Efficiency



What is PACE Financing?

PACE is a simple and effective way to finance energy efficiency and renewable energy building improvements. PACE can pay for qualifying improvements for almost any type of property including commercial, retail, industrial, nonprofit, and multi-family.

Property owners across the United States are using PACE because it saves them money and makes their buildings more valuable. PACE provides financing for 100% of an energy project's cost and is repaid for up to 25 years with a voluntary special assessment added to the property's tax bill.

Why PACE Financing?

No Down Payment

PACE covers 100% of the hard and soft costs of an energy project eliminating the need for up-front capital.

No Personal Guarantee

PACE financing is "guaranteed" by the Special Assessment added to the property's tax bill, therefore, no personal or business guarantees are needed.

Off Balance Sheet Treatment

Because PACE financing is solely repaid via a Special Assessment added to the property's tax bill, "off balance sheet treatment" is recommended by some accountants because the repayment "runs with the land" and not the business.

Fixed Rate / Fixed Payment

PACE financing rates and terms are fixed for the life of the PACE loan.

15-25 Year Term

Repayment terms can be extended to match the useful life of the eligible improvement.

Triple Net Lease Pass-through

Because repayment of PACE funding is via a Special Assessment on the property's tax bill and is technically an increase in property taxes, the property owner can seamlessly share the PACE-financed improvement costs (and energy savings) with the tenant under some lease structures such as "triple nets".

PACE Benefits for the Property Owner

No Down Payment
No Personal Guarantee
+ Off Balance Sheet Treatment

**Preserved Credit
Lines & Freed Up
Capital Budgets**

Energy Savings
Low Fixed Payment
+ Extended Term

**Increased
Cash Flow
& NOI**

Energy Savings
Low Fixed Payment
+ Triple Net Pass Through

**ZERO Net Cost
to Property
Owner**



**ENERGIZE
KENTUCKY**

**PACE
FINANCING**

IVY KNOLL SENIOR RETIREMENT COMMUNITY INVESTS WITH PACE



AT A GLANCE

Energy Project Financing

PROJECT TOTAL: \$750,000

TERM: 20 years

Energy Project Partners

PACE DISTRICT:

City of Covington

PACE LENDER:

Inland Green Capital, LLC

CONTRACTOR:

National Energy Control

Improvements:

SOLAR PANELS

LED LIGHTING

ELEVATOR MODERNIZATION

HEATING & COOLING

ABOUT THE ENERGY PROJECT

Ivy Knoll Senior Retirement Community, located in the City of Covington, is the first project in Kentucky to use an Energy Project Assessment District (EPAD) to access PACE financing. Ivy Knoll found PACE financing to be the perfect funding solution to make significant building improvements to systems that were outdated or extremely energy inefficient. Using PACE financing, Ivy Knoll management was able to select improvements that had the highest energy savings but also came with higher upfront costs.

"PACE allowed us to make many of the energy related improvements that we might have otherwise deferred," said Ray Schneider, the owner of Ivy Knoll. "We were able to improve the comfort and convenience for residents and reduce the building's energy footprint."

"We are excited to bring PACE financing to Kentucky," said Chris Jones of Energize Kentucky. "This is a big step forward. Property owners can now finance energy saving improvements with no down payment using a special assessment added to the property's tax bill."

WHY PACE FINANCING?

- No Down Payment
- No Personal Guarantee
- + Off Balance Sheet Treatment

Preserved Credit Lines & Freed Up Capital Budgets

ABOUT ENERGIZE KENTUCKY:

ENERGIZE KENTUCKY is a program administrator that works with property owners to secure PACE financing for qualified energy projects. It coordinates efforts with local governments and connects property owners with the private PACE capital providers and contractors to ensure the successful funding and installation of energy projects.

KYPACE.org

CHRIS JONES

Director of PACE Financing

859.746.5310 x1

cjones@kypace.org

Covington First To Approve PACE Financing

By: Chris Jones, Client Relations Director, Greater Cincinnati Energy Alliance

PACE financing allows private commercial property owners to repay the funds for an eligible energy project via a voluntary special improvement assessment on the property tax bill.


For the first time in the Commonwealth of Kentucky, a local government (City of Covington) has authorized a private property owner (Ivy Knoll Senior Living Community) to use PACE financing for an energy project, according to the Greater Cincinnati Energy Alliance.

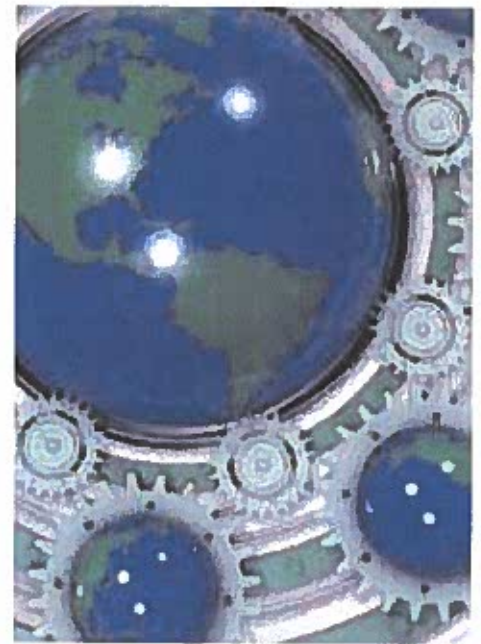
In March 2015, the Kentucky General Assembly passed legislation that was signed into law by Gov. Steve Beshear. The legislation, House Bill 100, authorizes local governments to establish Energy Project Assessment Districts (EPADs), which then allows property owners to use PACE financing to fund energy efficiency upgrades, on-site renewable energy projects and water conservation measures. Energy projects financed with PACE do not require subsidy or incentive from the local government sponsoring the EPAD.

PACE financing allows private commercial property owners to repay the funds for an eligible energy project via a voluntary special improvement assessment on the property tax bill. The assessment amount remains fixed for a term of up to 20 years. The special assessment stays with the property when sold or transferred.

The City of Covington worked closely with the Greater Cincinnati Energy Alliance to develop the EPAD which allowed the Ivy Knoll Senior Living Community to take advantage of PACE financing.

Ivy Knoll found PACE financing to be a perfect funding solution to make significant building improvements of

systems that were outdated or extremely energy inefficient. Through these energy upgrades, Ivy Knoll will be able to improve the comfort and convenience for their senior residents while also reducing the building's energy footprint. Through PACE financing, the Ivy Knoll owners were able to select improvements that had the highest energy savings but also came with the higher upfront costs for the 7-story, all-electric building. The \$750,000 project includes the following building improvements: 



Solar Panels

The largest electricity-generating system that is privately-owned in Northern Kentucky will produce over 64,000 kilowatt hours annually,

LED Lighting

Estimated electricity savings in excess of \$12,000 annually,

Elevator Modernization

Energy efficient technology by Murphy Elevator Company

Heating & Cooling

High efficiency room units with automated controls that allow the building manager to remotely turn off units in vacant rooms



- **Voices**

Home Government Development in Covington first new construction project in Kentucky to use PACE financing

Development in Covington first new construction project in Kentucky to use PACE financing

Aug 22nd, 2017

A new residential and commercial development in Covington's Mainstrasse neighborhood will be the first new construction project in Kentucky to use an Energy Project Assessment District (EPAD) to finance energy-efficiency improvements.

The River Haus project is being built by Flaherty & Collins Properties at the southwest corner of Fifth and Main Streets. In 2015, the Kentucky General Assembly passed legislation that allowed local governments to establish EPAD districts to finance energy-efficiency improvements on commercial, industrial, and multi-family properties. These districts allow Property Assessed Clean Energy (PACE) financing to pay for the improvements.

Shortly after the EPAD law was enacted in 2015, the City of Covington became the first city in the state to create the special taxing district as a financing tool. It also became the first to utilize it, when it authorized \$750,000 in energy-efficiency improvements to the Ivy Knoll Senior Retirement Community building on Highland Avenue in the city's Peasenburg neighborhood.

While property owners in Covington and other Kentucky cities have used PACE to finance energy improvements in existing structures, the Flaherty & Collins "RiverHaus" project in Covington is the first new-construction project in state to utilize this financing tool, said Chris Jones, director of Energize Kentucky, the PACE-financing program that the nonprofit Greater Cincinnati Energy Alliance operates in Kentucky.

"We are excited to plow new ground for PACE financing in Kentucky by participating in this exciting new construction development in Covington," Jones said. "PACE allows commercial property owners to finance energy-saving improvements with no down payment and the sole repayment is a voluntary special assessment that is added to the property's tax bill."

PACE financing will allow Flaherty & Collins to incorporate more than \$4 in million energy improvements and upgrades — such as energy-efficient windows, LED lighting, heating and cooling systems, programmable thermostats, and insulation upgrades for the wall and roofing systems — into the Riverhaus project, Jones said.

Deron Kintner, lead project developer for Flaherty & Collins, said "PACE financing is a great fit for us, as we always build our projects in a high-quality and environmentally friendly, efficient manner."

The RiverHaus is a high-end, residential development that includes 187 one- and two-bedroom units, a 314-space parking garage, and retail commercial space on the ground floor. Demolition of the existing building on the site — the former First Federal Savings & Loan building — is expected to start soon and construction of the new project is expected to start this fall.

Energize Kentucky is operated by the Greater Cincinnati Energy Alliance, a nonprofit organization whose mission is to promote energy efficiency in Kentucky and Ohio. For more information about Energize Kentucky and its Ohio counterpart, Ohio PACE, contact Chris Jones at cjones@greatercea.org or 513-621-4232.
Greater Cincinnati Energy Alliance

GC 19.325 +0.275 +1.444% ▲ | CHDN 205.65 +4.55 +2.26% ▲ | CSVI 46.1 -0.65 -1.39% ▼ | CSX 54.035 +0.455 +0

Covington development is first new construction project in state to use PACE financing for energy-efficiency improvements

🕒 August 22, 2017 👁 38 Views

Energize Kentucky works with developer, city to finance \$4 million in energy improvements at “Riverhaus” project in Mainstrasse



COVINGTON, Ky. (Aug. 22, 2017) — A new residential and commercial development project being built by Flaherty & Collins Properties at the southwest corner of Fifth and Main Streets in Covington’s Mainstrasse neighborhood will be the first new construction project in Kentucky to use an Energy Project Assessment District (EPAD) to finance energy-efficiency improvements.

In 2015, the Kentucky General Assembly passed legislation that allowed local governments to establish EPAD districts to finance energy-efficiency improvements on commercial, industrial, and multi-family

EPAD Energy Project Closing Fee Example

Office Building #1 & #2 (HVAC Controls & LED lighting)

Amount Financed: \$284,094

NOTE: Central Bank provided "Lender Consent" for PACE transaction

PACE Financing Summary			
	PACE Lender #1	PACE Lender #2	PACE Lender #3
Annual PACE Assessment Fixed Payment (est.)	\$ 39,191.18	\$ 41,252.00	\$ 44,246.68
Term	10	10	10
Rate	5.20%	6.63%	7.00%
Capitalized Interest	\$ 11,079.00	\$ 13,910.00	\$ 15,478.00
Total Closing Fees	\$ 25,280.00	\$ 21,520.00	\$ 29,540.00
Program Administration Fee	\$ 8,520.00	\$ 8,520.00	\$ 8,520.00
Legal Transaction Fee	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00
PACE Lender Origination Fee	\$ 4,260.00	\$ 500.00	\$ 8,520.00
PACE Lender Closing Fees: Appraisal, title search, etc. (est.)	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00

NOTE: Annual Servicing Fee not included in Closing Costs