

Program Activity Countywide by Assessment Type and Income Blocks

Bonded Projects: 3,078
May 2009 - May 2024

Supervisorial District

Bonded Parcel 6/2009 - 5/2024

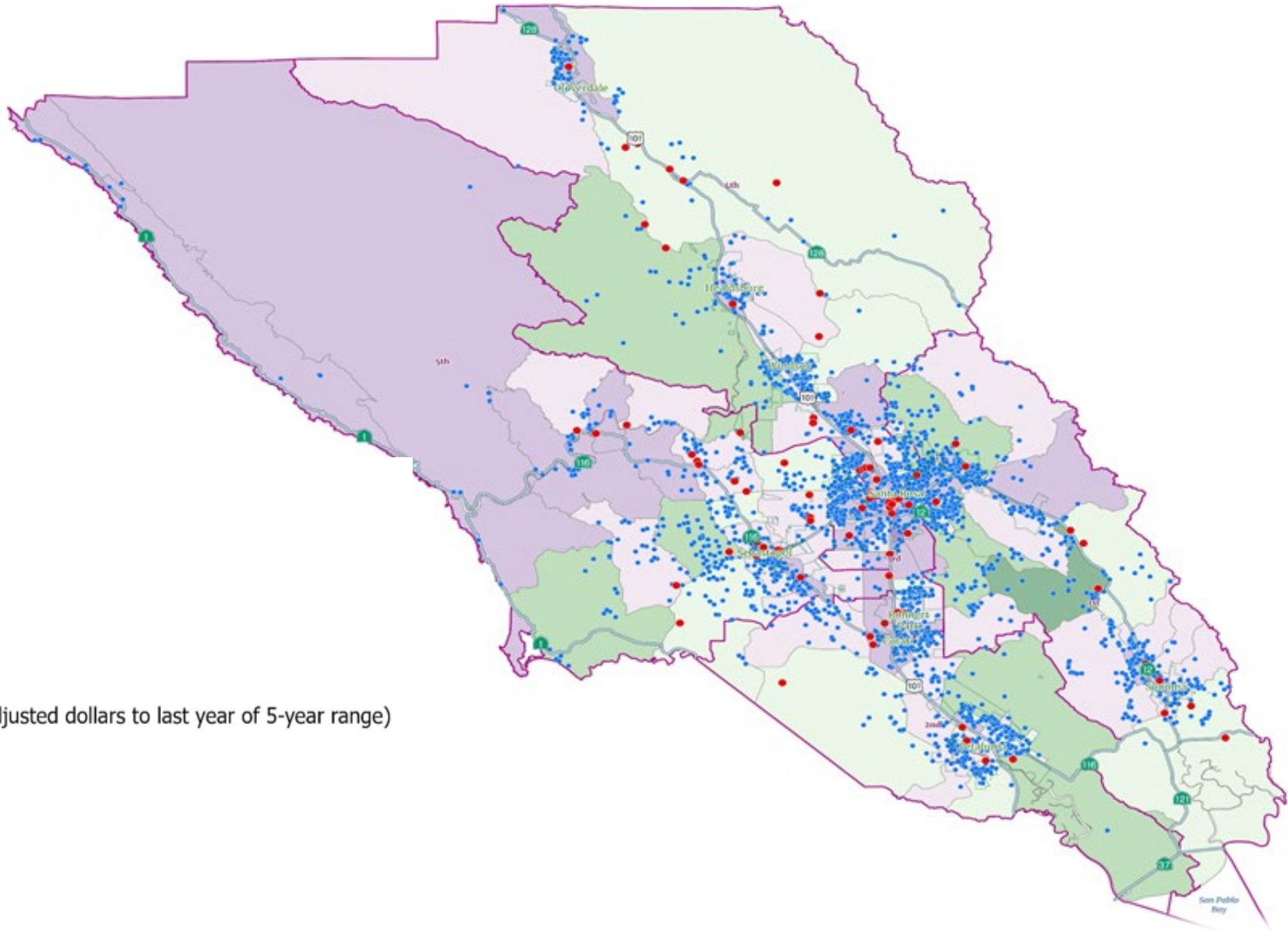
Type of Project

- Commercial
- Residential
- Incorporated City

Median Household Income (2018 - 2022)

Median Household Income in past 12 months (inflation-adjusted dollars to last year of 5-year range)

- < -1.5 Std. Dev. (\$50,417 - \$62,596)
- 1.5 - -0.50 Std. (\$Dev. 62,597 - \$90,267)
- 0.50 - 0.50 Std. (\$Dev. 90,268 - \$117,937)
- 0.50 - 1.5 Std. Dev. (\$117,938 - \$145,608)
- 1.5 - 2.5 Std. Dev. (\$145,609 - \$173,278)
- > 2.5 Std. Dev. (\$173,279 - \$195,233)



- **Recommended Action:**
 - Increase the interest rate on new SCEIP assessments by 50 bps from 7.49% to 7.99%, which reflects the prevailing interest rate environment and forward curve as of 4/4/2024
 - Pricing would remain competitive to alternative sources of financing for homeowners (e.g. HELOC, solar loans, personal loans, etc.)
 - Increases the investment yield to Treasury pool participants for SCEIP bonds from 3.49% to 3.99%

- **Budget and Projections**
 - Program cash position for FY23/24 is better than anticipated
 - Outstanding bond balances remain strong with projected growth of 15% in FY23/24
 - Early payoffs of assessments have been lower than projected with 5% expected this year
 - SCEIP disbursement growth is conservatively assumed at 0% in FY24/25 and going forward
 - Payoffs are conservatively assumed at 10% in FY24/25 and going forward
 - Program expenditures conservatively assume 3% growth in FY24/25 and going forward
 - Repayment of General Fund loan is incorporated beginning FY28/29
 - See detail projections provided in Attachment 3

- **Key Risk: Consumer Financial Protection Bureau (CFPB) Proposed Rulemaking**
 - CFPB issued a proposed rule on May 1, 2023 regarding Property Assessed Clean Energy (PACE), as related to “Ability to Repay” consideration and compliance with Truth in Lending Act (TILA)
 - PACE liens would effectively be considered a form of “credit”
 - County provided comments during their public comment period
 - Final rule has not yet been issued and no update is available at this time
 - See detail in Attachment 4