

Memorandum
Office of Jenine Windeshausen
Treasurer-Tax Collector



To: The Board of Supervisors

From: Jenine Windeshausen, Treasurer-Tax Collector

Date: November 4, 2014

Subject: mPOWER Placer Rocklin Estates Mobile Home Park Project

Action Requested:

Approve an mPOWER Placer application for Rocklin Estates Mobile Home Park for the financing of a renewable generation project in an amount not to exceed \$747,593.

Background:

The Rocklin Estates Mobile Home Park property owners have submitted an application to mPOWER Placer for financing a renewable generation project in the amount of \$747,593. The mPOWER Program Report and Administrative Guidelines approved by your Board requires that projects greater than \$500,000 be approved by your Board.

The property owners have applied to mPOWER Placer to finance the installation of a ground mounted photovoltaic solar system. This renewable generation project is expected to produce a first year energy savings of approximately \$22,599 and has an estimated cumulative 25 year energy savings of \$835,947. In addition to energy savings, tax incentives and federal and state depreciation allowances increase the estimated savings to \$1,344,040 over 25 years. The payback period for this project is estimated to be just over four (4) years

The Rocklin Estates Mobile Home Park has been family owned since 1979. A September 2014, market value appraisal, plus the cost of improvements brings the total property value to \$8,534,800. The equity balance after mPOWER financing is \$5,013,581, or 58.74%. The amount of \$747,592 to be financed as a percent of the market value is 8.76%. Therefore the application meets equity and financing thresholds and all other program requirements.

Pursuant to the Program Report and Administrative Guidelines, the Program Steering Committee reviewed the application and then recommended approval of the application to the Treasurer-Tax Collector. The Committee consists of a representative from the Treasurer's Office, a representative from the Tax Collector's Office, a representative from the Auditor's Office, and a representative from the County Executive's Office; an attorney from County Counsel advises the Committee.

Recommendation

Based on the Steering Committee's review and recommendation and after further review by the Treasurer Tax Collector, the Treasurer-Tax Collector recommends that your Board approve the Rocklin Estates Mobile Home Park application for a renewable generation project financing with mPOWER Placer in an amount not to exceed \$747,592.20.

A summary of the application criteria and details of the improvements to be financed are attached in Exhibit A and B respectively.

Fiscal Impact:

A processing fee of \$1,506 will be collected upon disbursement of proceeds. Additional processing costs and program overhead will be covered by a portion of interest collected on the financing as a part of the long-term cost recovery plan for the Program.

Attachments: Application Criteria
Rocklin Estates Mobile Home Park Project Details

Exhibit A

Application Criteria

- The property owner is current on the property taxes and has not been in default within the last three years.
- The property owner is not in bankruptcy and, if the property owner was subject to bankruptcy, it has been at least five years since discharge of bankruptcy, and the property is not an asset in a bankruptcy proceeding.
- The property's aggregate annual tax rate does not exceed 5% of the value.
- The property owner is current on all credit agreements with their lender.
- The property owner's lender has signed an acknowledgement letter which states that the voluntary assessment lien will not constitute a default under its Deed of Trust or other lending provisions.
- The principal amount of the contractual assessment may not exceed 10% of the property value plus the value of the Energy Improvements without lender consent.
- The value of the property plus the value of the Energy Improvements being financed is greater than the total of the principal amount of all outstanding debt.

Exhibit B

**Rocklin Estates Mobile Home Park Project Details
APN 010-270-019-000**

Energy Conservation Measures	Electric Reduction	Cost Savings	Payback Period
	[kWhr/yr]	[\$ First yr]	[yr]
120 KW Ground Mount Photovoltaic System (480 panels)	160,560	\$22,599	4.1

Project Cost \$ 699,800.00
Program Fees 1,506.00
Capitalized Interest (est) 46,286.20
Total Project Cost &
Not to Exceed Amount \$ 747,592.20



480-
SW 250 P
SMA TL's

Rocklin Estates

5505 S Grove St
Rocklin, CA 95677



Date
12/3/2013 11:57:45 AM
Scale 1" = 160'-0"

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