




Interoffice Memorandum

April 5, 2020

TO: Mayor Jerry L. Demings  
— AND —  
Board of County Commissioners

FROM: Jeff Benavides, Chief Sustainability and Resilience   
Officer  
County Administrator's Office  
(407) 836-7389

SUBJECT: May 19, 2020 – Consent Item  
Funding agreement for Solar and Energy Loan Fund (SELF)

As part of our enhanced Sustainability and Resilience initiative, implementing a strategy to assist homeowners with inclusive access to disaster preparedness, a healthy home, and lower utility bills is timely given the unprecedented economic challenges and looming hurricane season. To enhance our current Senior Climate Neighbors Program and our LIHEEP utility bill payment assistance program, Orange County has the opportunity to collaborate with the City of Orlando and the City of Winter Park to launch a regional program with the assistance of the non-profit organization Solar and Energy Loan Fund (SELF).

The non-profit SELF is a certified community development financing institution (CDFI) focused on providing access to flexible and affordable micro-loans for working class, Asset Limited, Income Constrained, Employed (ALICE) and low-to moderate (LMI) communities for healthy home improvements such as roofing, air-conditioning, weatherization, toilets, septic, and solar energy systems. SELF also offers financial wellness workshops and assistance to homeowners throughout Florida through a local program manager staff. SELF has contracted with many local governments in Florida to receive funding to establish a local contractor network, dedicated local staff, and on-the-ground support. These funding agreements have typically spanned three years to fully establish a sustainable local SELF branch office.

The City of Orlando has provided SELF with \$50,000 for FY2020 and allocated \$50,000 for FY2021. The City of Winter Park has provided \$10,000 in-kind rent office expenses for a 12-month period and \$5,000 in-kind marketing support through residential utility bill inserts and communication campaign.

Orange County has appropriated \$50,000 within the 2019-2020 non-departmental budget to establish a local SELF office through a funding agreement ending September 30, 2020. The funding agreement requires specific financial reporting and success metrics. Additional funding for two future terms, \$75,000 for FY2021 and \$75,000 for FY2022, may be renewed and awarded annually through the budget process based on the performance of the services listed in the grant scope of services. SELF is responsible for bringing its own loan capital to the community.

The agreement between Orange County and SELF formally reiterates the agreement between the parties and SELF's obligation to provide program services and reporting. The attached agreement has been reviewed by the County Attorney's Office as to form.

#### **BENEFITS TO ORANGE COUNTY RESIDENTS**

- SELF offers two lending options for needed home improvements:
  - A traditional non-secured loan at competitive rates and
  - A crowd-funded microloan program targeted to veterans and female homeowners with demonstrable difficulty in accessing capital.
- This funding can stretch the funding available from our current Air Conditioning, Weatherization and LIHEEP programs as well as other non-profit home repair agencies such as Rebuilding Together, Habitat for Humanity, and our long-term recovery groups.
- Strict lending protocols are followed to prevent predatory lending, ensure ability to pay, and not financially burden individuals.
- The loans do not require equity, have no penalty for early payoffs, and adhere to consumer protection practices.
- Personal finance and credit coaching assistance.
- Home maintenance savings and utility expense savings for residents.
- Mission-driven lending to provide equitable and affordable financing dollars to LMI and ALICE residents.

**ACTION REQUESTED: Approval and execution of Orange County, Florida and the Solar and Energy Loan Fund of St. Lucie County Inc., FY 2020 Grant Agreement in the amount of \$50,000. All Districts**

Byron Brooks  
Randy Singh  
Chris Testerman  
Lonnie Bell

**ORANGE COUNTY, FLORIDA  
AND  
THE SOLAR AND ENERGY LOAN FUND OF ST. LUCIE COUNTY INC.,**

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**FY 2020 GRANT AGREEMENT**

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THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2020, (Effective Date) by and between ORANGE COUNTY, a charter county and political subdivision of the State of Florida, hereinafter referred to as the "County," and the Solar and Energy Loan Fund of St. Lucie County, Inc., an active not-for-profit corporation, registered with the state of Florida, hereinafter referred to as "SELF"

**WITNESSETH:**

WHEREAS, SELF has applied to the County for a donation of funds for financing services, programs, and operations; and

WHEREAS, the County has determined that it is in the public interest to assist Orange County homeowners and other vulnerable populations with home improvements that harden structures against storms, provide accommodations for disabled or aging-in-place residents, improve energy efficiency, and enable repairs and renovations that enhance overall health and quality of life. To that end, the County has appropriated funds for donation to SELF for specified financing services, programs, homeowner seminars, and operations designed to accomplish these aforementioned purposes; and

WHEREAS, the County desires to enter into an agreement with SELF whereby SELF will receive and utilize the donated funds of the County in accordance with the terms and conditions herein set forth; and

WHEREAS, SELF has available the necessary qualified and trained personnel, facilities, materials and supplies to perform its obligations as set forth in this Agreement;

THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties agree as follows:

**Section 1. Recitals.**

- A. The recitals set forth above are true, correct, and are incorporated herein by reference.
- B. The following Exhibits are attached to this Agreement and are made a part hereof:

- EXHIBIT A: Scope of Services
- EXHIBIT B: Reporting Schedule of Performance Metrics
- EXHIBIT C: Compensation for Services
- EXHIBIT D: County In-kind Support

## **Section 2. County's Obligation.**

**2.1** The County has appropriated for the period commencing May 19, 2020 and ending September 30, 2020, the total sum of Fifty Thousand Dollars and No/100 (\$50,000.00) to be administered and disbursed by the County solely for the purposes set forth in Exhibit "A" and Exhibit "B". Any funds not spent or encumbered by September 30, 2020 for the designated purpose and goals set forth in Exhibit "A", shall be returned to the County within thirty (30) days of the expiration of this Agreement.

**2.1** No funds paid under this Agreement shall be expended for payment of any liability, claims, demands, damages, expenses, fees, fines, penalties, proceedings, actions, or cost of actions, including attorney's fees or attorneys on appeal of proceedings or judgments of any kind or nature.

## **Section 3. SELF Obligation.**

**3.1 Representation of SELF.** SELF represents that it will use its best efforts to educate and promote severe weather mitigation strategies, energy efficiency, and affordable access to financing for vulnerable homeowners in Central Florida, which should include partnering with Orange County's Sustainability & Resilience Officer, Neighborhood Services Department, and Community and Family Services Department.

**3.2 SELF as Independent Contractor.** The parties expressly acknowledge that SELF is acting as an Independent Contractor, and nothing in this Agreement is intended or shall be construed to establish an agency, partnership or joint venture relationship between the parties.

**3.3 Nondiscrimination.** SELF, in performing under this Agreement shall not discriminate against any worker, employee or applicant, or any member of the public because of race, creed, color, sex, age, or national origin, nor otherwise commit an unfair employment practice on such basis.

**3.4 Accounting.** SELF will utilize such accounting procedures and practices in maintenance of the records of receipts and disbursements of the funds contributed by the County as will be in accordance with generally accepted accounting principles. SELF agrees to submit reports to Orange County's Office of Management and Budget with a copy to the County Administrator's Office, Chief Sustainability & Resilience Officer, Neighborhood Services, and Community and Family Services according to the terms described in Exhibit "B". Failure to submit such statements/reports shall constitute grounds for termination of this Agreement and refund of County contributions.

**3.5 Non-Profit Status.** SELF agrees to maintain its active non-profit status in the State of Florida throughout the term of this Agreement. If SELF should, during the term of this Agreement, lose its non-profit status, it shall immediately notify the County in writing, and the County reserves the right to terminate this Agreement immediately.

**3.6 Right to Inspect and Audit Accounts.** During the term of this Agreement, and for a period of five (5) years after expiration or termination of this Agreement, SELF, with respect to the receipt and expenditure of funds provided under this Agreement, shall permit County staff and the Orange County Comptroller staff to inspect and audit SELF books and accounts at any time during normal working hours, provided that reasonable notice is given to SELF prior to any such inspection. Any costs incurred by SELF as a result of a County audit shall be the sole responsibility of and shall be borne by SELF.

**3.7 Maintenance of Records; Audit.** For a period ending five (5) years after the expiration or termination of this Agreement, SELF shall make all records and documents relating to this Agreement available for inspection and copying by the County or any agent designated by the County.

**3.8 Assignment.** SELF may not assign its rights hereunder. Failure to comply with this section will result in immediate termination of this Agreement.

**3.9 Indemnification.** SELF agrees to indemnify and save harmless the County from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions and cost of actions, including reasonable attorney's fees, of any kind and nature arising or growing out of or in any way connected with the performance of this Agreement. The parties acknowledge that this indemnity and hold harmless provision is a material inducement for the County to enter into this Agreement.

**3.1.1 No Lobbying Permitted.** No funds paid under this Agreement shall be expended for any lobbyist, as such term is defined in section 2-351 of the Orange County Code, to engage in any lobbying activities designed to influence decisions or other foreseeable actions of the Board of County Commissioners or the governing body of any other municipality located within Orange County. Furthermore, SELF agrees that it shall not undertake, or cause to be undertaken, or participate in, any lobbying before the state legislature in order to advocate for or influence legislative decision making inconsistent with legislative priorities adopted by the Board of County Commissioners, without the prior written consent of the Board or the County Administrator.

#### **Section 4. Term and Termination.**

The term of this Agreement shall begin on May 19, 2020 and shall continue until September 30, 2020. However, this Agreement can be terminated by either party at any time, with or without cause, upon no less than fifteen (15) days written notice to the other party. Notice of Termination shall be delivered by certified mail or in person to the business address of the party upon whom such notice is served.

**Section 5. Notice.**

Any notices which may be permitted or required hereunder shall be in writing and shall be deemed to have been duly given five (5) days after depositing with the U.S. Postal Service, postage prepaid; one day after depositing with a nationally recognized overnight courier service; or on the day of hand delivery provided that such delivery occurs prior to 5:00 p.m. to the address listed below, or to such address as either party may from time to time designate by written notice provided in accordance with this paragraph:

**To County:**

Orange County  
County Administrator's Office  
Attn.: Jeff Benavides, Chief Sustainability & Resilience  
Officer  
201 South Rosalind Avenue  
Orlando, FL 32801  
Phone: (407) 836-7389  
Jeff.benavides@ocfl.net

**To SELF:**

Doug Coward, Executive Director  
Solar and Energy Loan Fund of St. Lucie County, Inc.  
2400 Rhode Island Ave.,  
Ft. Pierce, Florida, 34950.  
Phone: (772) 468-1818  
Doug.coward@solarenergyloanfund.org

**Section 6. Miscellaneous.**

**6.1 Entire Agreement.** This Agreement constitutes the entire agreement between the parties. Any representations or statements heretofore made with respect to such subject matter, whether verbal or written, are merged herein. No other agreement, whether verbal or written, with regard to the subject matter hereof, shall be deemed to exist.

**6.2 Waivers.** Performance of this Agreement by either party, after notice of default of any of the terms, covenants or conditions, shall not be deemed a waiver of any right to terminate this Agreement for any subsequent default, and no waiver of such default shall be construed or act as a waiver of any subsequent default.

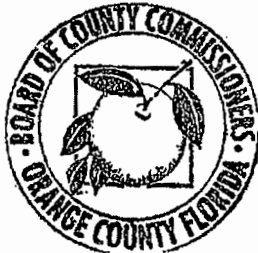
**6.3 No Third Party Beneficiaries.** This Agreement does not create, and shall not be construed as creating, any rights enforceable by any person or entity other than the parties to the Agreement.

**6.4 Governing Law; Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Venue for all actions arising out of or related to this Agreement shall be held in the Ninth Circuit Courts in and for Orange County, Florida, and shall be governed by the laws of the State of Florida.

**6.5 Severability.** It is agreed by and between the parties that if any covenant, condition or provision contained in this agreement is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other covenants, conditions or provisions herein contained.

**6.6 Force Majeure.** In the event that either party hereto shall be delayed or hindered in or prevented from the performance required hereunder by reason of strikes, lockouts, labor troubles, failure of power, riots, insurrection, war, acts of God, or other reason of like nature not the fault of the party delayed in performing work or doing acts ("Permitted Delay"), such party shall be excused for the period of time equivalent to the delay caused by such Permitted Delay. Notwithstanding the foregoing, any extension of time for a Permitted Delay shall be conditioned upon the party seeking an extension of time delivering written notice of such Permitted Delay to the other party within ten (10) days of the event causing the Permitted Delay.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set below.



**ORANGE COUNTY, FLORIDA**

**By: Board of County Commissioners**

By: *Jerry L. Demings*  
for Jerry L. Demings  
Orange County Mayor

ATTEST: Phil Diamond, CPA, County Comptroller  
As Clerk of the Board of County Commissioners

By: *Katie Smith*  
Deputy Clerk

**SOLAR AND ENERGY LOAN FUND OF ST.  
LUCIE COUNTY, INC.**

By: *Angela*  
Title: Exec. Dir., SELF  
Date: 5-27-20

## EXHIBIT A

### SCOPE OF SERVICES

#### ACTIVITIES AND ITEMS FOR WHICH FUNDING IS REQUESTED

- Funding in the amount of \$50,000.00 in FY2020 has been approved for the non-profit SELF for the following services.
- Approval of future funding will be required based on performance through contract amendment and approved by the Board of County Commissioners: \$75,000 for FY2021 and \$75,000 for FY2022

Summary of Services
<ul style="list-style-type: none"><li>• One (1) dedicated full-time Regional Program Manager Position,</li><li>• One (1) centralized loan officer,</li><li>• Marketing and outreach,</li><li>• Provide in person and online support for homeowner applications,</li><li>• Provide highly skilled lending staff necessary for loan and credit evaluation analysis, loan preparation and documentation, monitoring and collection processes, and technical assistance,</li><li>• Assist to organize a network of affiliated partners for home repairs and home services,</li><li>• Organize quarterly credit restoration workshops with affiliated partner organizations and agencies,</li><li>• Customer Project Management services to guide homeowners in the renovation or repair projects, contractor vetting, loan package options, utility rebate processing, utilization of grants and other funding,</li><li>• Establish a network of prescreened local contractors to complete Organization financed projects growing at least 25 per year,</li><li>• Hold quarterly meetings and/or outreach with local contractors to foster participation in the program and advance full understanding of program guidelines and benefits,</li><li>• Provide program reports and briefing on homeowner profiles.</li></ul>

- 1.) The Organization shall complete a 90-day Ramp-Up Period after the Effective Date: working with the County to finalize the new satellite office location and space; recruiting, interviewing and selecting a new Orange County representative of SELF; setting up systems and programs; completing an initial Target Market Assessment; and, collaborating with County staff on community outreach strategies and general coordination with county programs.
- 2.) The Organization shall complete a Target Market Assessment of Orange County to identify Low to Moderate Income "LMI" census tracts, underserved communities,



and Community Development Finance Institutions “CDFI” Investment Areas (as per “CDFI” guidelines and mapping tools). The assessment will identify geographic focus areas most in need of the Organization’s services. SELF will also work with the County to identify local priority projects and programs, such as, community redevelopment areas (CRAs) and community solar projects. The Target Market will also include veterans, female heads of household, persons with disabilities, seniors, and individuals classified by the United Way as “Asset-Limited, Income-Constrained, and Employed” (ALICE).

- 3.) SELF will provide Low-Cost Loan Capital from banks (i.e., CRA investments), faith-based organizations, foundations, private investors, worldwide crowdfunding (i.e., KIVA.org), and other socially-responsible lenders, to finance sustainable home renovation projects in Orange County totaling up to \$3 million during the term of the Agreement (“stretch goal”);
- 4.) SELF will prudently deploy inclusive and affordable financing programs in Orange County to qualifying applicants for the following Types of Home Improvement Projects:
  - a. Energy conservation and efficiency (e.g., weatherization, high-efficiency A/C);
  - b. Renewable energy (e.g., solar technologies, primarily solar PV);
  - c. Wind-hazard mitigation (e.g., Fortified roofs, windows, and hurricane shutters);
  - d. Water conservation (e.g., low-flow irrigation systems);
  - e. Water quality (e.g., septic to sewer conversions, lateral line replacement);
  - f. Disability products (e.g., wheelchair ramps and walk-in showers); and
  - g. Other projects authorized under CDFI guidelines and the Organization’s governing documents as approved by the SELF Board of Directors.
- 5.) The organization shall provide clients with Project Management services to guide them from the early stages of selecting licensed and insured contractors, securing fair pricing, building a loan around their ability to pay, and making final payment to the contractor only after inspection and verification is completed by local building inspectors. Project management shall also include helping to steer potential clients to other, better-suited and/or lower cost financing options and/or grants.
- 6.) The Organization will work closely with Local Qualified Contractors:
  - a. The Organization shall establish a network of local contractors approved to complete projects financed by SELF and add at least 25 contractors per year to this network.
  - b. The Organization shall work with the local builders association, local businesses, and other interested parties to increase contractor participation in the program—including female and minority owned contractors—through the following activities:

- 7.) The Organization shall coordinate with the county staff and elected officials (as desired) and provide multiple Reports, as referenced in EXHIBIT "B" of this Agreement, and further described below:
- 8.)
- a. The Organization shall submit an initial Report after the conclusion of the 90-day ramp-up period, including the Target Market Assessment.
  - b. The Organization shall submit Quarterly and Annual Reports to the County, in accordance with the schedule set forth in EXHIBIT "B" of this Agreement. The Annual Report submitted at the conclusion of each year will provide information for the Organization's activities during the fourth quarter and during the year, and it will be considered an Annual Report and Fourth Quarter Report for purposes of this Agreement.

**EXHIBIT B**  
**PROGRAM GOALS AND REPORTS**

The following program goals have been established over the three year performance period:

- 1) The Organization shall launch, cultivate, and expand its lending activities in Orange County with the Goals of:
  - a. financing 250+ home renovation loans in the County over a 3-year lending period, with financing for approximately 50 home renovation loans in year one, 80 loans in year two, 120 loans in year three.
  - b. SELF will commit to providing a minimum of more than \$2 million of low-cost and inclusive financing during the term of the agreement.
  - c. Facilitate a minimum of two (2) credit rebuilding seminars per year in Orange County to help clients and local residents improve their credit, qualify for the program, and obtain lower interest rates in the future.
  - d. The Organization shall conduct, collaborate, and participate in at least ten (10) Community Outreach events in the county each year to promote and educate the general public, targeted populations, and area contractors about assorted programs and services.

Quarterly and Annual reports shall be submitted to the County Administrator's Office:

- 2) Each Report must contain the following information:
  - i. A summary of the deliverables completed,
  - ii. Each Performance Measure, as described below,
  - iii. Success stories, including testimonials.
  - iv. Summary of challenges overcome and issues resolved, along with a summary of any challenges or issues that are anticipated to arise in the next twelve months.
- 3) Each Report shall describe the Organization's success in meeting the Performance Measures listed below in the following timelines:
  - (i) Quarterly
  - (ii) Year-to-date
  - (iii) Total lending in Orange County
- 4) Each Performance Measure must be broken down into the following groups when applicable:
  - (i) Target Markets in Orange County
  - (ii) Orange County

**Summary of Organization's Deliverables & Schedule:**

#	Deliverables	Timeframe and Amounts
A	<u>Ramp-Up Period</u> : submit most recent audited financials, establish satellite office location and space, recruit, interview and on-board staff, train new SELF employee, expand collaboration with county staff, and complete Target Market Assessment. Launch lending programs.	Complete within 90 days after Effective Date
C	<u>Community Outreach Events</u>	A total of 10 per year
D	<u>Credit-Rebuilding Seminars</u>	At least 2 per year
E	<u>Marketing Materials</u>	60 days after Effective Date
G	Build the local <u>Contractor Base</u> . List of contractors added to Organization's network, including location and specialty of each contractor (e.g., wind mitigation, plumbing, solar, etc.).	At least 25 contractors per year
H	<u>Contractor Outreach</u> and Meetings	At least Quarterly
I	<u>Audited Financials</u>	Annually

**Summary of Performance Measures:**

The Organization shall, as part of each Quarterly Report, provide the following Performance Measures to demonstrate the effectiveness of the work performed pursuant to this Agreement.

#	Annual Performance Measure	Year 1 Target	Year 2 Target	Year 3 Target
A	Number of community events held	10	10	10
B	Number of participants in at community events	100	100	100
C	Number of credit-rebuilding seminars held	2	2	2
D	Number of contractors added to network	25	25	25
E	Number of home renovation loans closed ( <b>Projects</b> )	50	80	120
F	Estimated Amount of lending (\$) per year	\$400,000 - \$500,000	\$700,000 - \$800,000	\$1.0 - \$1.2 Million



FY 2019

# SELF 2019 HIGHLIGHTS



*"SELF helped me tremendously with this loan for my air conditioner. There is no way I could have paid for a new unit at once on my income. Myself as well as my mother are disabled, I was experiencing swelling and my mother is elderly. I don't know what we would have done without SELF this summer."-Melvin Jones*

*"SELF determines eligibility based on the applicants' ability to pay, rather than credit scores," making the non-profit more accessible and affordable than traditional lenders or credit card companies.*

*Doug Coward-  
Executive Director  
SELF*

SELF ended its 9<sup>th</sup> year of operations with some exciting achievements and new opportunities that we are pleased to share with you. We would like to thank all of our investors, grantors and supporters for trusting us and helping us make our communities more sustainable and resilient, one home at a time.

## Results:

- SELF's loan activity grew 71% reaching an all-time record of \$2.6 million in new loans.
- To date, SELF has helped 1,157 homeowners across Florida make multiple home improvements related to energy efficiency, clean (solar) energy, climate resilience and home adaptations for people with disability. In 2019 it also helped 37 homeowners in South Carolina.
- Over 77% of SELF clients are low-to-moderate income; 50% are women; 15% U.S. Veterans; 54% are elderly, and 10% of total loans deployed to date have been for people with disability.
- Energy efficiency upgrades have helped SELF clients save an average 26% on energy bills and overall, clean energy improvements have helped avoid over 1,000 metric tons of CO2 emissions into the atmosphere.
- SELF increased its total assets and net assets by 21% and ended with an operating surplus of \$219,000.
- SELF increased its active loan portfolio by \$1 million, helping increase our self-sufficiency to just shy of 60%

**Expansion** - SELF purchased a loan portfolio in South Carolina with 37 loans worth \$223,000 from our partner MyStrongHome, to begin serving neighboring states vulnerable to climate impacts. SELF also exceeded \$ 1million in lending in the Tampa Bay region with the support of the City of St. Pete and Hillsborough County who continue to support SELF's operations.

**Grants** - SELF received a \$5 million grant award from the JPMorgan Chase Pro-Neighborhood Competition as part of a collaborative, to implement the "South Florida Housing Link Plan" developed by the South Florida Community Land Trust. The project aims to ensure affordable housing options in perpetuity along the new railway transit stations being developed in South Florida. The collaborative comprised by SELF, the South Florida Community Land Trust, Enterprise Community Partners, South Florida Community Loan Fund, and the Palm Beach County Community Land Trust, will leverage the grant to \$75 million in investments for 300 energy efficient and sustainable new and rehabbed affordable housing units. In addition, SELF will deploy 200 loans in South Florida and develop new loan products for "green" affordable housing rehabs and new construction in the next 3 years.

**CDFI Fund Award** -SELF was awarded \$402,000 from the CDFI Fund to help provide low cost loans for disability modifications and green upgrades to people low-and-moderate income homeowners and people with disabilities. \* The award was announced after the end of the FY 2019 and is not reflected in the current year end financials.

**Awards** - Sustany Foundation in Tampa, Florida awarded SELF a Sustainable Business award in the Private-Public Partnership category.

**Mission related** - SELF participated in the "Social Justice and Green Banks" panel at the first American Green Bank Summit in Washington D.C.

**New Business** - SELF signed a multi-year service contract with Martin County to help LMI communities make sustainable home improvements. SELF also developed a new septic-to-sewer conversion loan to help preserve the water quality in our communities.

**Contractors** - SELF grew its contractor network to over 350 contractors across the State of Florida

**Financial** - SELF grew its Assets and net assets 21% from last year and increased its total active loan portfolio by \$1 million. SELF also closed its first \$1 million line of credit with Bank United and renewed \$650,000 in loans from our socially responsible and faith based-investors.