



**AGENDA**  
**CITY OF LAKE WORTH BEACH**  
**REGULAR CITY COMMISSION MEETING**  
**THURSDAY, SEPTEMBER 9, 2021 - 6:00 PM**  
**(ADDITIONS/DELETIONS/REORDERING)**

**ADDITIONS:**

The following items have been added to the agenda:

**PRESENTATIONS:**

- C. Presentation by Paul Chavez, Esq. of Southern Poverty Law Center (SPLC), on behalf of SPLC, Public Rights Project, and the Community Justice Project to represent a coalition of cities to challenge section 1 of HB1 (2021)
- D. Presentation by Annie Vasek-Dasovich, Chief Operations Officer of the non-profit Solar Energy Loan Fund, regarding low-interest home improvement loans for energy conservation and resiliency to middle and low-income homeowners

**NEW BUSINESS:**

- G. Discussion of possible LWB Solar Energy Loan Fund (SELF) programs and associated potential LWB Energy Conservation/Energy Efficiency programs

**DELETIONS:**

The following item has been deleted from the agenda:

**NEW BUSINESS:**

- F. Ordinance No. 2021-12 – First Reading -- providing authority for the issuance of taxable pension obligation bonds

**REORDERING:**

NEW BUSINESS G, Discussion of possible LWB Solar Energy Loan Fund (SELF) programs and associated potential LWB Energy Conservation/Energy Efficiency programs, will be reordered to immediately follow Presentation D.

**Added backup:**

Consent B. an additional invoice was added to the backup.

Consent F. an application was added to the backup

New Business D. an explanation of construction cost inflation was added to the backup

**TO:** Lake Worth City Commission  
**FROM:** Public Rights Project, Community Justice Project, Southern Poverty Law Center  
**RE:** Stopping the Attack on Local Democracy: The Case for Challenging HB 1

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## I. **Executive Summary**

Municipalities' ability to control their budgets is a core local power. The Combating Violence, Disorder, and Looting and Law Enforcement Protection Act, also known as HB 1, obstructs that power. HB 1 gives the governor and his cabinet the authority to line-edit municipal budgets with binding legal effect whenever a reduction to the law enforcement budget is challenged by the state attorney, member of the City Commission, or possibly even a county sheriff.<sup>1</sup> Even without an active challenge, this review process chills local government action.

To function properly, municipalities need full control of their budgets. As every commissioner knows, municipal revenue is not stable, which is why cities need full authority to structure their budgets to weather changes. When revenues are down in periods of economic hardship, municipalities must have flexibility to tighten spending wherever local elected officials determine budget cuts would be most efficient. When municipalities receive opportunities to apply for one-time grants to supplement a city budget or need to make a large expenditure to update the infrastructure or technology in a department, they need the flexibility to make this increase without being locked into maintaining a higher spending level. And, municipalities need flexibility to change personnel, which may result in budget variances, or to reorganize their departments if certain programs would fit better under the purview of another department.

Municipalities also require full control of their budgets in order to be responsive to the needs of their residents. Budgets reflect community priorities and values. If residents need greater investment in municipal human services as they struggle in the wake of a pandemic and economic downturn, then it is the municipality's duty and prerogative to formulate a budget that is responsive to residents' needs and values.

In the summer of 2020, the murders of George Floyd and Breonna Taylor, among others, catalyzed many Floridians to call on their local governments to rebalance budgeting priorities to invest in public safety strategies that prioritize social and human services separate from law enforcement. These residents pointed out that law enforcement has been relied on as a first responder for non-violent incidents that could be addressed with a public health or social service approach, but that these community approaches need funding. Many municipalities responded by exploring how non-law enforcement functions such as youth mentorship programs could be transferred from the law enforcement budget to other municipal departments.

From the faraway state capital, Governor Ron DeSantis preempted the discussions between local governments and residents with HB 1. Though his intent was to stymie discussions started by the movement for racial justice, the effect will be much broader, interfering with municipalities' ability to weather economic downturns, administer their departments efficiently,

and respond to the needs of residents by directing funds where they are most needed. Local leaders are chilled right now from continuing to pursue budget proposals that could trigger HB 1.

Litigation is the only remaining avenue to challenge HB 1. HB 1 is injuring municipalities right now by chilling budgeting discussions and creating budget uncertainty. HB 1 violates several provisions of the Florida Constitution, and four legal entities (national legal non-profit Public Rights Project, Florida-based community lawyers Community Justice Project, iconic civil rights organization the Southern Poverty Law Center, and national law firm Jenner & Block) have reviewed these facial claims to ensure their viability. Challenging HB 1 on its face, rather than waiting for an application to challenge, will create an opportunity for a much broader remedy: the invalidation of the law rather than the invalidation of only one application. For these reasons, we recommend joining the cities of Gainesville and Miramar with filing a complaint challenging HB 1.<sup>2</sup>

## **II. HB 1's Injury to Municipalities**

HB 1 threatens Lake Worth's ability to make policy and governance decisions that best reflect the needs of its constituents. HB 1 works by allowing either a state attorney or a member of a municipal governing body (or a county sheriff pending new rules) to contest any funding reduction to law enforcement departments in that municipality's budget. Any municipal budget that is challenged is then reviewed by the Administration Commission, a commission made up of the Governor and his cabinet members. The Administration Commission will then review, amend, or modify the law enforcement items of a municipality's budget. Because of Governor DeSantis' publicly stated position that law enforcement budgets should not be reduced in any way, it is very likely that any reduction to a municipal law enforcement budget will be rejected. Any amendment or modification to a municipality's budget is final and cannot be reviewed by a court.

HB 1 gives the Governor and his cabinet nearly unbridled discretion to preempt the municipal budget. Even the smallest of budgetary adjustments could trigger budgetary revisions from state governing officials who have little to no stake in day-to-day life in Lake Worth.

The imposition of this process can impact municipal budgetary discussions and decisions in several ways. If a municipality faces natural decreases in revenue from economic downturn, then reductions to the law enforcement budget as a result of across-the-board cuts can trigger HB 1. The expiration of a capital expenditure or federal or state grant to law enforcement can trigger HB 1. Simply shifting non-law enforcement programs or positions out of the law enforcement budget can also trigger HB 1.

HB 1 looms over budgeting decisions right now, creating uncertainty about what decisions could risk state takeover of the budget. Now is the time to challenge this law facially rather than wait for further injury.

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<sup>2</sup> Both Miramar and Gainesville have already passed resolutions authorizing the filing of a complaint challenging HB 1. We anticipate additional cities to join this growing coalition.

### III. Facial Legal Claims

Lake Worth has standing to challenge HB 1, and five viable claims to assert in arguing that HB 1 violates the Florida Constitution. These claims have been researched and analyzed by the Public Rights Project, Community Justice Project, the Southern Poverty Law Center, and by a national private law firm, Jenner & Block.

#### *Claim One: Separation of Powers*

Under the Florida Constitution, no branch of government can exercise the powers of another branch and no branch can assign its constitutionally given powers to another branch. Fla. Const. art. II, § 3; *Smith v. State*, 537 So. 2d 982, 987 (Fla. 1989). HB 1 assigns two fundamentally legislative powers to the executive branch. First, HB 1 gives the Governor and his cabinet the ability through the municipal budget revision process to reduce appropriations of public funds, which is a power that belongs exclusively to the legislative branch. *See, e.g., Florida House of Representatives v. Martinez*, 555 So. 2d 839, 845 (Fla. 1990). Second, HB 1 gives the Governor and his cabinet the ability to revise municipal decisions with binding effect, even though the ability to limit municipal power is also an exclusively legislative authority. *See, e.g., Askew v. Cross Key Waterways*, 372 So. 2d 913, 915-19 (Fla. 1978). Because HB 1 delegates two legislative functions to the executive branch, it violates the Florida Constitution on its face.

#### *Claim Two: Nondelegation Doctrine*

To the extent the legislative branch had some authority to delegate to the executive branch here, HB 1 nonetheless violates the nondelegation doctrine enshrined in the Florida Constitution. This doctrine holds that any delegation of legislative functions must be accompanied by "some minimal standards and guidelines ascertainable by reference to the enactment establishing the program." *Askew v. Cross Key Waterways*, 372 So. 2d 913, 925 (Fla. 1978). The nondelegation doctrine aims to prevent the executive "from acting through whim, showing favoritism, or exercising unbridled discretion." *S. All. for Clean Energy v. Graham*, 113 So. 3d 742, 748 (Fla. 2013). But HB 1 does not provide any such guidelines that instruct the executive how to review municipal reductions to the law enforcement budget, so the executive can act with unchecked discretion. The lack of standards allows the Administration Commission to make arbitrary decisions about municipal budgets with no meaningful oversight or guiding principles, in direct violation of the nondelegation doctrine.

#### *Claim Three: Single Subject Rule*

The Florida Constitution prohibits a law from addressing multiple unconnected issues and requires a bill's title to express the subject of the legislation. Fla. Const. art. III, § 6. HB 1 violates this rule because it combines two distinct and unrelated legal objectives into one law: Section 1

institutes a process for executive review of local budgeting decisions and the other provisions of the law impose criminal penalties on individuals for protest-related activities. Additionally, it is unclear how the HB 1's title "[a]n act relating to combatting public disorder" relates to the municipal budgeting provisions.

*Claim Four: Unfunded Mandate*

The Florida Constitution generally prohibits the passage of any state legislation that requires municipalities to spend funds or to take actions that require the expenditure of funds unless the state provides or authorizes a revenue stream. Fla. Const. art. VII, § 18. HB 1 requires a municipality to expend funds in order to maintain the previous year's law enforcement budget or else risk the state seizing budgetary control from the municipality and line-editing the budget without the municipality's consent or collaboration. Yet, the state has provided no revenue to maintain such funding, nor has it authorized a new municipal funding stream. For these reasons, HB 1 creates an unconstitutional unfunded mandate.

*Claim Five: Home Rule*

Like many other states across the country, Florida allows municipalities to adopt a home rule charter which grants them broad powers to meet municipal needs. Fla. Const. art. VIII, § 2(b); *Thomas v. State*, 614 So. 2d 468, 472 (Fla. 1993). Among these powers include the ability to propose and pass budgets. *See City of Boca Raton v. Gidman*, 440 So. 2d 1277, 1281-82 (Fla. 1983); *City of Gainesville v. Bd. of Control*, 81 So. 2d 514, 518 (Fla. 1955). HB 1 impedes this function by creating a process through which the state can usurp control of the municipal budget and unilaterally revise the budget with binding effect on the municipality. This is a clear violation of the City's home rule authority.

#### **IV. Conclusion and Recommendation**

HB 1's injury to municipal autonomy is egregious and strategic, and it obstructs the ability of municipalities to structure a budget that best responds to the needs and values of its residents. Municipal autonomy and responsive local democracy are worth defending, and pursuing this litigation would allow municipalities to defend their authority from increasing encroachment by the state. We recommend that Lake Worth vote to pursue this lawsuit.

**Discussion of Solar Energy Loan Fund (SELF) possible programs and potential Lake Worth Beach Energy Conservation/Energy Efficiency programs**

September 9, 2021

Commissioner McVoy

**Overview of Energy Conservation/Energy Efficiency Rebate Programs of various Florida Utilities**

	<b>Orlando</b>	<b>FPL</b>	<b>Tampa</b>	<b>Jacksonville</b>	<b>Tallahassee</b>
<b>Smart Thermostat</b>			Up to \$50 rebate		\$100 rebate
<b>Ceiling Insulation</b>	\$0.10/sq ft rebate	\$190 rebate	\$0.15/sq ft rebate	\$0.20/sq ft rebate	80% up to \$400
<b>Window Replacement</b>	\$1.50/sq ft rebate		\$0.76/sq ft rebate		
<b>Ductwork (seal &amp; repair)</b>	100% of cost, up to \$100		Fixed cost (\$125)		Up to \$500 (Income-based)
<b>AC Upgrade</b>	\$90-1,630 reb.	\$150 rebate	\$135 rebate	\$150 rebate	\$100-750 reb.
<b>Energy Effic. Improvements</b>	Up to \$2,125		Neighborhood Weatherization		Up to \$2,000
<b>Solar Hot Water</b>	Max \$900 rebate			\$400 rebate	\$450 rebate + loans
<b>Battery for Solar PV</b>	\$2,000 rebate			\$2,000 rebate	
<b>Solar Window Film</b>	\$0.55/sq ft rebate				
<b>Electric Vehicle</b>	\$200 rebate			Refers to fed. incentives	
<b>Electric Lawn Equip.</b>				\$25 rebate for el. leafblower, hedgetrimmer	
<b>Demand Response</b>		Max of \$90/yr rebate	Save thru lower rates		

<https://ouc.com/residential/save-energy-water-money/residential-rebates-information>

<https://www.fpl.com/save/programs.html>

<https://www.tampaelectric.com/residential/saveenergy/>

[https://www.jea.com/Ways\\_to\\_Save/Residential\\_Rebates/](https://www.jea.com/Ways_to_Save/Residential_Rebates/)

<https://www.talgov.com/you/you-products-home-index.aspx#rebates>



# Solar and Energy Loan Fund (SELF)

October 12, 2020



## Background



- ❖ St. Lucie County received a “Seed Grant” in 2009 through the U.S. Department of Energy (DOE) and President Obama’s stimulus program (ARRA) to create the first local government Green Bank in America (i.e., SELF);
- ❖ SELF was then created as an Independent, Non-Profit 501(c)(3) organization in July 2010 and is overseen by seven (7) member Board of Directors and staff of fifteen (15);
- ❖ SELF is a certified Community Development Financial Institution (CDFI), as per the U.S. Department of the Treasury, which means its lending activities are focused primarily on Low- and Moderate-Income (LMI) Homeowners (minimum of 60%);
- ❖ SELF became Operational in April 2011 as a pilot project in St. Lucie County and has since expanded to 90 cities and counties in Florida and a handful of projects in AL, GA, and SC;
- ❖ SELF has raised over \$20+ million in loan capital and grants to date and developed multiple unique lending programs to rebuild and develop new affordable housing with energy efficiency, clean energy, resilience, and sustainability.



# Mission Statement

Rebuild and empower underserved communities by providing access to affordable and innovative financing for sustainable home improvement projects, including: energy efficiency; renewable energy (solar PV); climate resilience; water quality; and, much more.





## Support Services



- ✓ **ACCESS to FAVORABLE FINANCING**
- ✓ **INCLUSIVE LENDING POLICIES**
- ✓ **PROJECT MANAGEMENT**
  - **Prescreen contractors (licenses & insurance);**
  - **Offer Building Science and Energy Expertise**
  - **Review Pricing to prevent price gouging;**
  - **Manage Contractors; and,**
  - **Pay Contractors directly after the final work is approved by local building inspectors.**



## Lending Policies and Procedures

Unsecured Personal Loans for home improvement projects.

Target Market: Anyone can apply but SELF focuses on low-wealth and working class communities.

Special Programs: for veterans, seniors, women, people with poor credit or no credit, and disabled homeowners.

Lending Criteria: Based primarily on Applicant's "ABILITY TO PAY", not credit scores or equity. Credit-worthiness is based on proof of income, recent credit history, and debt capacity.

Financial Inclusion: Increase access to affordable financing and help participants build or rebuild credit.

Interest Rates: Between 5.0 - 11.0% (fixed)

Terms: 3-5 years, with some programs extending to 10 years.





## Lending Programs

1

**CDFI**

Community Development Financial Institution (CDFI). Flagship lending program. SELF is certified statewide as a Community Development Financial Institution (CDFI): Unsecured Personal Loans / Residential;

2

**KIVA**

KIVA.org (non-profit)/Worldwide Crowdfunding Platform  
SELF is an approved “Field Partner”, and partnership focuses on Veterans & Women. Unsecured Personal Loans / Residential;

3

**HALO**

Home Adaptation Loans Options (HALO) for homeowners with disabilities, including assistive technologies and aging in place.  
Unsecured Personal Loans / Residential;

4

**WQL**

Water Quality Loans (WQL), Potable Water Hook-Ups, Sewer Loans for septic-to-sewer conversions and lateral line replacement. Unsecured Personal Loans / Residential;



# WHAT IS A CDFI?



- ❖ Community Development Financial Institutions (CDFIs) are private financial institutions dedicated to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream;
- ❖ CDFIs must direct at least 60% of their financial product activities to one or more eligible low-income target markets, targeted populations, and investment areas.
- ❖ SELF has consistently exceeded minimum CDFI lending thresholds and is dedicated to servicing market niches that are often underserved by traditional financial institutions;
- ❖ SELF was certified as a CDFI in 2013 and re-certified statewide in 2016.




## Types of Improvements SELF Finances



- ❖ **Energy Efficiency** (e.g. high-efficiency AC, LED lights)
- ❖ **Renewable Energy** (e.g., solar PV, solar water heaters) solar attic fans, solar A/C systems)
- ❖ **Climate Resilience** (e.g., new roofs and repairs, impact windows, doors, hurricane shutters)
- ❖ **Water Quality** (e.g., septic-to-sewer conversions and lateral line replacements. Potable water hook-ups. Plumbing)
- ❖ **Disability Modifications/Aging In Place** (e.g., wheelchair ramps, walk-in showers, widening doorways and hallways, assistive technologies, and more)
- ❖ **Miscellaneous** (20% of project can be for general home improvements not included above)



 Solar Products

 Sewer and Water

 Storm Resilience

 Roofing

 Weatherization and Insulation

 Lighting

 Health and Safety

 Disability Products

 Air Conditioning



SELF Improvements



## Contractor Benefits



No cost to join SELF's Contractor Network;

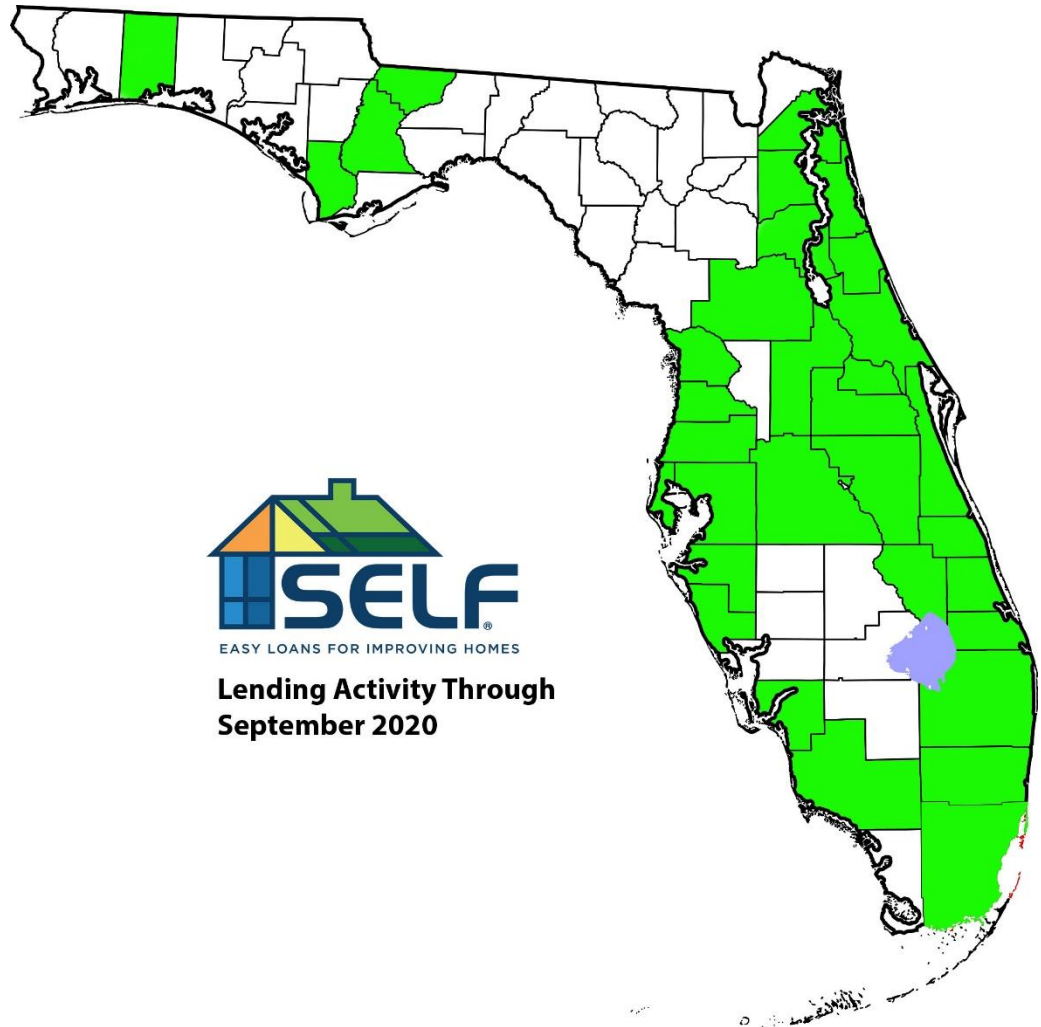
SELF's inclusive and low-cost financing helps local contractors expand business opportunities into Low- and Moderate-Income (LMI) neighborhoods and individuals with poor credit;

SELF does not charge a "dealer fee". There is a zero cost of capital to approved contractors, which is typically 10-20% per project.

**SELF Contractor Network has over 500 companies**  
<https://solarenergyloanfund.org/find-a-contractor/>



# Lending Footprint



**Lending Activity Through  
September 2020**





## Innovative Financing Sources

SELF raises low-cost loan capital from a variety of Socially Responsible Investors to create Social, Economic and Environmental Benefits, including:

- ❖ Faith-Based Organizations
- ❖ Global Crowdfunding (KIVA)
- ❖ National Health Systems
- ❖ Bank CRA Investments
- ❖ Private Investors/Impact Investors
- ❖ Government Programs (CDFI/DOE)

U.S. DEPARTMENT OF THE TREASURY  
**CERTIFIED CDFI**  
CDFI FUND  
Financial Institutions Fostering Community Growth



OPPORTUNITYFINANCE  
NETWORK

SELF is a certified CDFI; member of the Opportunity Finance Network (OFN); and, founding member of the American Green Bank Consortium.

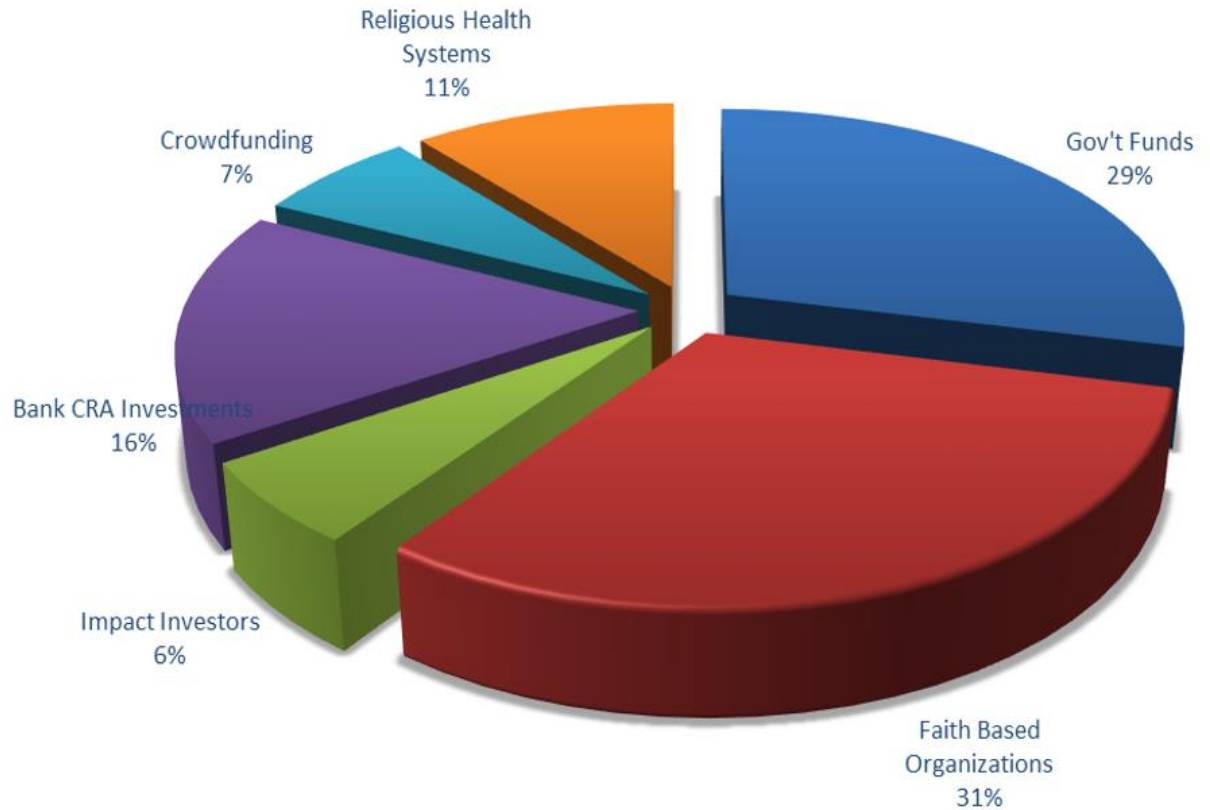
[www.SolarEnergyLoanFund.org](http://www.SolarEnergyLoanFund.org)



# Capital Funders

SELF has raised  
**\$20.85 million**  
\$16.2 MM Loan Capital  
\$4.65 MM Grants

Largest Investor:





## Global Crowdfunding

KIVA's Worldwide Crowdfunding Platform has:

- ❖ 1.6 million individual lenders
- ❖ Funded \$1.4 Billion to date

❖ **Veterans**

❖ **Women**

SELF is an approved **FIELD PARTNER** with **KIVA.org** which is a nonprofit global crowdfunding platform. Their innovative program promotes clean energy, green jobs, and helps to alleviate poverty, and provides our lowest interest rate (5% fixed/6.2% APR).



**kiva**

Total Funds Raised = **\$828,675**  
Total # of SELF Clients = 139



LOW-INTEREST LOANS FOR HOME RENOVATIONS

Low-cost financing for disabled and senior homeowners to complete home modifications.



## Disabled & Senior Homeowners

- ❖ SELF is a member of the National Disability CDFI Coalition
- ❖ SELF secured \$900,000 of low-cost capital from the CDFI FUND for disabled homeowners (2018, 2019, and 2020).
- ❖ SELF is partnering with the Florida Alliance for Assistive Services and Technologies (FAAST) and the Florida Housing Coalition (FHC) to expand the program statewide.

GET A LOW-INTEREST RATE LOAN  
ON THESE QUALIFYING PRODUCTS



RAMPS



LIFT  
SYSTEMS



DOORS  
WIDENED



CEILING LIFT  
SYSTEMS



BATHROOM  
MODIFICATIONS



HOME  
AUTOMATION  
SYSTEMS



# Water Quality

**SELF and Martin County are piloting a new Septic-to-Sewer (S2S) conversion program to assist low- and moderate-income homeowners.**

- Martin County Utility (MCU) will offer residents \$1,000 rebate (or discount) applied to the cost of connecting to sewer lines.
- Average project cost: \$8,000
- MCU rebate program budgets \$200,000 = 200 projects.
- SELF will leverage \$200,000 with \$1.4 million in private/grant capital to fund 200 projects.

## Special S2S Program Financing offer with SELF

- Martin County Utility will apply a \$1,000 rebate directly to the project.
- SELF finances balance of \$7,000 with a 10-year fixed payment of **\$85/month**.
- Utility waives connection fee and \$65 deposit for enrollment in sewer service.
- Loans will be collected from resident on the utility bill by MCU.
- SELF will collect all payments from MCU once a month.
- Delinquent accounts will a) have services discontinued by Utilities or b) can apply to get refinanced by another SELF program with less favorable terms.
- Sales/ education on program done by MCU and their boots on the ground.
- Projects done by MCU who acts as GC and sub contracts. SELF pays MCU the \$7,000 for the project as with any contractor.

**SEPTIC  
- TO -  
SEWER  
LOAN**

MARTIN COUNTY UTILITIES  
David A. DUNCAN | Project Manager  
772.221.3505  
Customer Service  
772.221.1434  
www.martin.fl.us

### Low-interest Rate Loans for Septic-to-Sewer Conversions

Get a low interest-rate loan to cover the costs of converting your onsite sewage treatment and disposal system to the Martin County Utilities sanitary sewer system.

**8.0%**  
INTEREST RATE

**\$7,000**  
10 Year Term

No credit check  
No income limits  
No minimum home  
equity required

**Apply Today!**  
SolarEnergyLoanFund.org  
or call 772.468.1818





### “Triple Bottom Line” Impacts



- \* Social
- \* Environmental
- \* Economic

## Results

- ❖ **SELF has financed over 1,500 projects totaling \$15 million** with default rates below 2% and 72% of the lending activity in Low- and Moderate-Income (LMI) communities, 50% for seniors, and 40% for women.
- ❖ SELF’s clients have reduced average household energy consumption by 25% (i.e., carbon footprint) with energy efficiency upgrades, and many clients have achieved net-zero homes through rooftop solar PV systems.
- ❖ Homeowners are making much-needed home improvements that **enhance comfort, health and quality of life, increase equity, safeguard against storms and extreme weather events, and reduce operating costs (energy and property insurance).**



## Awards and Recognition



- ❖ Achievement Award for local energy programs from the National Association of Counties (NACo) - 2012
- ❖ “Green Business of the Year” award from the South Florida Chapter of the U.S. Green Building Council - 2013
- ❖ Identified by the Opportunity Finance Network as “1 of 5 trailblazing CDFIs in America” – 2015
- ❖ “Exceptional Non-Profit in Innovation” award from 211/TC - 2015
- ❖ Highlighted in the White House report on “Innovative Financing for Clean Energy Technologies”– December 2015
- ❖ Identified by U.S. DOE staff as a “shining legacy of the Better Buildings Neighborhood Program” and featured in their national newsletter of the Better Buildings Network– 2017
- ❖ “Non-Profit of the Year” finalist from 211/Treasure Coast – 2017
- ❖ Sustany Foundation “Sustainable Business Award” (Tampa) – 2019
- ❖ Pro Neighborhoods Awardee from JP Morgan Chase – 2019
- ❖ Opportunity Finance Network (OFN) Energy Efficiency Financing Grant (OFN) awardee - 2019
- ❖ Commendation Award from Hillsborough County Commission – 2020
- ❖ Guidestar Gold Seal of Excellence of Transparency 2020





## Contact Information



**Doug Coward**

**Executive Director**

**DougC@solarenergyloanfund.org**

**(772) 618-3497**



**Duanne Andrade**

**Chief Strategic and Financial Officer**

**DuanneA@solarenergyloanfund.org**

**(772) 214-8661**