

Leah Wiggs, HERO PACE Program, also clarified several questions from the Commission. She explained that most PACE programs perform rigorous quality assurance to ensure that their approved contractors meet specific standards. HERO has a contractor quality rating system and has excluded contractors from their approved pool for failing to meet quality standards. Furthermore, HERO's team of property advisors work directly with realtors and homeowners of active Multiple Listings Service (MLS) listings to assist them in selling or refinancing homes with PACE liens. Ms. Wiggs confirmed that HERO is no longer offering contractual subordination based on the recent experience with Federal Housing Finance Agency's (FHFA) position. However, she noted that the Federal Housing Administration (FHA) and Veterans Affairs (VA) have recently taken a position to allow PACE assessments on their loans.

Rachel Hobbs, California Statewide Communities Development Authority (CSCDA) OpenPACE program, noted that the quick 3-day loan approval turnaround offered by PACE programs was particularly useful for financing unanticipated energy and water efficiency upgrades (e.g., replacing an air conditioner that stopped working).

Chair Paton closed the Public Hearing.

Vice Chair Srivastava moved, and Commissioner Hafeman seconded, a motion to approve Alternatives 1-8 as recommended by staff. Chair Paton clarified that approval of Alternative 3 would be contingent on HERO's agreement to sign the proposed Letter of Agreement. The motion carried by the following vote:

**Yes:** 4 - Chair Paton  
Vice Chair Srivastava  
Commissioner Hafeman  
Commissioner Wickham

**No:** 0

**Absent:** 1 - Commissioner Zornetzer

**Abstain:** 1 - Commissioner Kisyova

Commissioner Kisyova abstained due to the aforementioned concerns.

- 3**      [17-0492](#)      Approve the City's Green Infrastructure Plan Framework and Find that the Action is Categorically Exempt from Environmental Review under CEQA Guidelines Section 15308

Melody Tovar, Regulatory Programs Division Manager, provided an overview of the City's Green Infrastructure Plan Framework, which describes the City's workplan to develop the required Green Infrastructure Plan and integrate stormwater treatment to control and reduce stormwater pollutants, particularly polychlorinated biphenyls (PCBs) and mercury. The proposed Framework outlines a roadmap for developing a complete Plan by July 2019 as required by the City's stormwater permit. Staff will also screen Capital Projects for potential to include green infrastructure in City projects even before completion of the Plan.

The Commission asked clarifying questions and inquired about the scope of the Green Infrastructure Plan.

Commissioner Kisyova moved, and Commissioner Wickham seconded, a motion to recommend that Council approve staff's proposed Green Infrastructure Plan Framework. The motion carried by the following vote:

**Yes:** 5 - Chair Paton  
Vice Chair Srivastava  
Commissioner Hafeman  
Commissioner Kisyova  
Commissioner Wickham

**No:** 0

**Absent:** 1 - Commissioner Zornetzer

- 4      [17-0557](#)      Annual Review of the City Manager's Recommended Budget  
Full budget available online at:  
<<http://sunnyvale.ca.gov/Departments/Finance/BudgetDocuments.aspx>>

The Commission discussed aspects of the Recommended Budget related to the City's Climate Action Plan (CAP). Ms. Tovar clarified that the \$250,000 proposed in Budget Supplement No. 6, Accelerating Climate Action, included funds only to expand the CAP to meet long-term targets beyond year 2020, separate from implementation of the adopted CAP.

Chair Paton asked why CAP Implementation project (831290) had been reduced in the out-years. Ms. Marshall clarified that funding had been reduced in out-years to account for \$90,000 grant awarded to the City by the Silicon Valley Energy Watch (SVEW) for residential energy efficiency programs and to reflect realistic potential to use the funding for current CAP implementation, given the priority of developing CAP 2.0 in the upcoming year.