



Leon County
Board of County Commissioners
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Leon County



NEWS RELEASE

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Florida County Files Suit in Federal Court to Preserve Its Energy Program *Legal Action Aims to Protect Florida's First PACE Program for Leon County Homeowners*

LEON COUNTY, Fla. – To ensure the survival of its local energy efficiency program, Leon County, Fla., filed complaint in federal court on October 8, 2010, against the Federal Housing Finance Agency (FHFA), the Federal Home Loan Mortgage Corporation (“Freddie Mac”) and the Federal National Mortgage Association (“Fannie Mae”) in an effort to reverse recent federal regulatory actions taken by the FHFA.

Those actions have undermined the County’s Leon Energy Assistance Program, also known as “LEAP,” and others like it throughout the nation, which are intended to assist property owners by funding energy efficiency improvements on their homes and businesses through property assessments.

“The primary purpose of LEAP is to enact meaningful energy reduction efforts that will also help to create jobs and reduce green house gas emissions for our entire community,” said Leon County At-Large Commissioner Cliff Thaell, the driving force behind the creation of LEAP. “Through LEAP, property owners will be able to lower their utility bills, reduce the up-front cost of energy retrofits, and add value to their property; this is a win-win-win.”

The FHFA regulation, which was announced in July, would prohibit home mortgages with energy assessments from being acquired by Fannie Mae and Freddie Mac, the two federal private corporations that purchase or guarantee more than 50 percent of the residential mortgages in the nation. The FHFA regulation upholds determinations by Fannie Mae and Freddie Mac that property-based energy assessments in these programs, a growing national trend more commonly known as PACE (Property Assessed Clean Energy), are not valid, contradicting long-standing principles of state and federal laws.

“The FHFA, Fannie Mae and Freddie Mac’s actions would effectively halt Leon County’s energy program, as well as others throughout the country,” said Leon County Board of County Commissioners Chairman Bob Rackleff.

The County’s suit charges the FHFA, Fannie Mae and Freddie Mac with violating state and federal constitutional laws, violating procedures for creating agency regulations and practicing unfair trade practices.

(More)

Leon County Attorney Herbert A. Thiele said Leon County is confident that the lawsuit will resolve these challenges and allow County residents to move forward with energy saving projects without being under threat from the federal banking regulators.

“It is our hope that Congress will act to resolve the FHFA, Fannie Mae and Freddie Mac’s interpretations so that we can continue to offer LEAP to Leon County homeowners,” said Thiele. “Without any action to date, we are forced to seek a judicial remedy to protect our right to implement energy efficiency programs.”

For more information regarding the complaint, contact the Leon County Public Information Office at (850) 606-5300 or at pio@leoncountyfl.gov . For more information regarding LEAP, contact the Leon County Office of Sustainability at (850) 606-5300 or at Sustainability@leoncountyfl.gov .

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