



## (PACE) Property Assessed Clean Energy Financing Program to Fund Building Upgrades

### PACE Program Overview

The PACE Program is a local government financing tool that allows commercial building owners to make energy efficient building upgrades like Exterior/Interior Lighting, HVAC Roof Top Units, BAS/Climate Controls, Boilers/Chillers, Elevators, and Roof with ***no money out-of-pocket***. PACE Financing applies to Retrofit, Redevelopment, Renovation, and New Construction projects.

PACE is a no capital outlay, non-recourse, and low fixed rate financing amortized up to 30 years. Payments for the upgrades are collected through a voluntary municipal special assessment placed on the building, not the owner and is repaid back up to 30 years through the annual property tax bill. PACE Projects helps the building owner reap the benefits of lower annual utility bills with lower operations/maintenance costs, and are designed to show the annual energy savings will offset the cost of the special assessment either as budget neutral or cash flow positive.

PACE Financing is good for building owners and municipalities by improving property values, modernizing buildings, lowering annual operating costs, creating a comfortable environment for tenants/employees, and creating jobs. These PACE Projects are funded by County Port Authorities and Private PACE Capital Providers.

### Building Owners Like PACE for the Following Reasons:

- PACE requires NO capital outlay
- PACE is off balance sheet financing
- PACE is non-recourse financing with no personal or corporate guarantees
- PACE can help lower annual utility bills by up to 60%
- PACE applies to both non-profit and for-profit businesses
- PACE helps to preserve capital, reduce equity contribution, and increase property values
- In Triple Net Leases, the special assessment can be passed through to the individual tenants
- If the property is sold, the special assessment sticks with the property and transferred to the next building owner
- PACE works with Utility Rebates, TIFS, Historical Tax Credits, New Market Tax Credits, CRA's, and Tax Abatement Program
- PACE has low competitive rates that are fixed and amortized up to 30 years
- PACE works with Utility Rebates, TIFS, Historical Tax Credits, New Market Tax Credits, CRA's, and Tax Abatement Programs

### PACE Eligible Building Upgrades Include:

- Interior/Exterior Lighting
- Building Automation/Climate Controls
- HVAC Roof Top Units, Boilers, Chillers, Air Handlers
- Building Envelope (Roofs, Windows, Doors, Insulation)
- Elevators