



## Energize NY Open C-PACE



# EIC

## Energy Improvement Corporation

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- Not-for-profit, Statewide Local Development Corporation
- Mission to increase clean energy adoption across NYS
- Controlled by member municipalities – shared service model
- Funded by US DOE, NYSERDA and revenue from financings
- Energize NY Services:
  - PACE capital for clean energy improvements
  - Energize NY Residential - support and guidance
    - Heat Smart Campaign - Westchester and Orange County

# Energy Improvements to Buildings

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Clean energy investments in buildings supports:

- Investment in local economy
- Local business stability and expansion
- Property Values: *well maintained buildings with low energy costs are more attractive to buyers and potential employers*
- Job creation and increased opportunity in engineering, architecture, HVAC and renewable energy
- Healthier, livable communities by reducing emissions and pollution

# Clean Energy Public Benefits

## Property Assessed Clean Energy (PACE)

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*“Municipalities would fulfill an important public purpose by providing financing to property owners for the installation of renewable energy systems & energy efficiency measures.”*

- Article 5L of the NYS General Municipal Law

- Repayments secured through a municipal based assessment lien

# PACE Benefits

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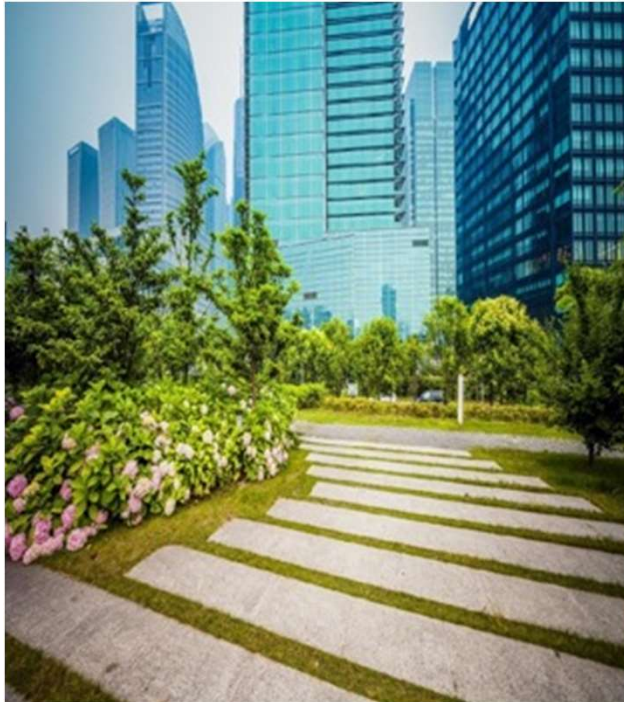
Property Assessed Clean Energy (PACE) = alternative, affordable financing

- PACE is not a bank loan
- Pays for up to 100% of the cost of renewable and energy efficiency projects
- Automatically transfers to new owner if the property is sold
- Flexible customizable loan terms from 5 – 20 yrs or longer in special circumstances
- Competitive interest rates

# Eligible Building Types

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## Commercially-owned + Not for Profit buildings



- Multifamily
- Healthcare
- Hospitality
- Industrial
- Warehouse
- Office
- Retail
- Agricultural
- Institutional
- Private colleges

# Eligible Improvements

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**Efficiency:** HVAC Equipment, Chillers, Lighting Upgrades, Boiler Conversions, Furnace Upgrades, Insulation, Windows, Pumps, Smart Controls, Variable Frequency Drives, Combined Heat + Power

– *Existing Buildings*

**Renewables:** Solar Photovoltaic (PV), Solar Thermal, Small Wind, Energy Storage, Fuel Cells, Ground Source Heat Pumps, Air Source Heat Pumps, Anaerobic Digester Gas, Wood Heating Systems

– *New Construction + Existing Buildings*



# New York State PACE: What's New

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## Open C-PACE

- *PACE Lien is placed on the property by EIC*
- *Lien is junior to Property Taxes*
- *No Municipal administration of PACE – no tax bill collections*
- *EIC or Capital Provider administers billing, collection and enforcement*
- *No Municipal Backstop*

# Open C-PACE

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- Capital availability dependent on the provider's analysis of property owner and project
- Energy Efficiency and renewable energy
- Redevelopment and rehab
- Gut Renovations

## 3<sup>rd</sup> Party Capital Providers

YGrene

Pace Loan Group

Counterpointe

Greenworks Lending

Lever Energy

NYCEEC

Lord Capital

PACE Equity

Clean Fund

# Open C-PACE - Application

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- Apply directly to participating capital providers
- Capital providers listed on EIC Web site
- If qualified for capital:
  - Finance Agreement between Capital Provider, EIC and Property Owner
  - Benefit Assessment Lien placed on improved property
  - EIC bills and collects directly with property

# EIC Duties: Managing PACE for Members

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1. Receive and review applications, energy assessments, scopes of work and requested financing amounts
2. Manage capital provider list for Members' constituents
3. Execute Finance Agreements and record the Benefit Assessment Lien
4. Deliver an Annual Report to Member with lists of improved properties and schedule of repayments
5. Review completed projects to check operability
6. Maintain repayment infrastructure for EIC obligations

# Municipal Member Duties

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- At the closing of a transaction, certify Local Law and Municipal Agreement are in effect
- Receive EIC Annual report summarizing all completed financings from previous 12 months
- *No collection or enforcement responsibilities*
- *No backstop on finance repayments*
- *No costs.*
- *No underwriting responsibilities*
- *No fees to join*

# Enabling Open C-PACE

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1. Municipality passes local law establishing program within municipal borders
  - Template legislation completed
2. Sign Municipal Agreement that codifies the tax repayments to be transferred to EIC trustee
  - Template Agreement
3. Formally request membership through letter to EIC Board



# For More Information

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