

Bringing VA C-PACE to Richmond



VA C-PACE Program: Current participants

| | | |
|---|------------------------|-----------|
|  | Prince William County | Ordinance |
|  | Loudoun | Ordinance |
|  | Shenandoah | Ordinance |
|  | Albemarle | Ordinance |
|  | City of Virginia Beach | Ordinance |

More
coming in
2023!

C-PACE 101: The Basics

- 100% upfront financing for eligible projects and properties
- Wide range of eligible improvements
- All properties eligible except residential 1-4 units
- Fixed-rate, fully amortizing loans for up to 30+ years
- No personal or corporate guarantees
- C-PACE financing available within two years after completion



Ben created the first assessment district in 1776

C-PACE 101: The Basics

- C-PACE loan secured by a voluntary special assessment lien
- Nonaccelerating: stays with property upon sale or refinance
- Capital Providers structure financing directly with borrowers
- Prepayable per financing agreement with Capital Provider
- Enforced by locality or Capital Provider
- Consent of all secured mortgage holders required



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Project Examples:

ENERGY EFFICIENCY

- Lighting upgrades
- HVAC equipment
- Building controls
- Building envelope
- Elevator/escalator upgrades
- Hot water heaters
- Energy recovery systems
- Pool pumps

WATER CONSERVATION

- Water conserving fixtures
- Gray water systems
- Cooling tower water recovery
- Water meters
- Process water use reduction
- Irrigation control system
- Rain harvesting system
- Efficient hot water boilers

RENEWABLE ENERGY

- Solar Thermal hot water system
- Photovoltaic (PV) systems
- Battery storage with PV
- Biomass technologies
- Cogeneration (CHP)
- Fuel Cells
- Wind turbines
- E.V. charging stations

- \$50,000 Project Minimum

VA C-PACE Process: Property Owners

1

Pre Application

Fill out the pre-application to see if your project is eligible for C-PACE.

2

Project Scope

If eligible, develop your project scope & submit final application

3

Capital Provider

Select a qualified C-PACE Capital Provider to finance your project

4

Approval

VPA approves project, Capital Provider funds project, and PACE is secured on the property

5

Project Construction

Complete construction and pay back as a special assessment on your property

6

Receive Benefits!

Property Owners and Developers: Benefits

- 100% project financing of retrofit and up to 30% of new construction
- Long financing terms = lower annual payments
- Flexible prepayment for project construction and stabilization
- Non-recourse vs. typical bank loan recourse
- Potential accounting benefits
- Better performing building = lower operating and capital costs
- C-PACE payments transfer to new owner
- Helps meet ESG/sustainability goals



Localities: Benefits

- Supports environmental/ESG goals
- Supports economic development goals
- Supports climate resilience
- Creates investment in community's building stock
- Creates jobs for service providers
- Provided at no cost to localities; all fees paid through loans
- Highly effective tool to build value during challenging economic times



Roles:

Locality

- Execute the Virginia Energy- Locality C-PACE Agreement
- Execute the C-PACE Program Agreement and the C-PACE Lien Certificate for each transaction with the Property Owner and the Capital Provider
- At the Locality's discretion, collaborate with VPA and VE in promotion of C-PACE

Program Administrator

- Intake, review, and approve C-PACE Loan applications
- Facilitate closing of C-PACE Loans
- Register and train contractors
- Register and educate capital providers
- Provide marketing, outreach, and education to stakeholders
- Service the C-PACE Loans if a Capital Provider cannot
- Collaborate with Localities on economic development opportunities



Questions?

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