



Energize NY Open C-PACE



EIC

Energy Improvement Corporation

- 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

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

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 yrs to a term not to exceed the weighted average of the useful life of the improvements up to 30 yrs
- Competitive interest rates

Eligible Building Types

Commercially-owned + Not for Profit buildings



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

Eligible Improvements

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*



NYS PACE: Open C-PACE

EIC will bill the property owner with instructions to repay the capital provider directly.

The bill is backed by a PACE lien which is subordinate to municipal taxes.

EIC places the PACE lien on the property record when the PACE financing is originated

Member benefits:

- No administrative role
- No obligation to backstop
- No financial exposure for EIC and its member municipalities

Open C-PACE: Lien Enforcement

If property owner does not pay the Annual PACE Installment:

- The capital provider may redeem the property by **first** paying off any unpaid municipal liens, **then** enforcing the Annual PACE Installment lien through to foreclosure.

If a benefitted property owner is delinquent on municipal taxes:

- The municipality will provide, upon EIC's request, verification to EIC of such delinquencies.
 - Capital provider may then pay off the delinquent taxes to avoid the municipality redeeming the property.

Open C-PACE – Capital Providers

Competition and choice for property owners and developers = lower rates and longer terms

3rd Party Capital Providers

YGrene

PACE Loan Group

Counterpointe

Greenworks Lending

Lever Energy

NYCEEC

Lord Capital

PACE Equity

Clean Fund

Petros PACE Finance

Open C-PACE - Application

- Apply directly to participating capital providers
 - Capital providers listed on EIC Web site
- Mortgage Lender Consent required
- NYSERDA CPACE Guidelines for technical qualifications
- If qualified for capital:
 - Finance Agreement between Capital Provider and Property Owner
 - Benefit Assessment Lien placed on improved property
 - EIC bills and collects directly with property

EIC Duties: Managing PACE for Members

- Receive and review applications, energy assessments, scopes of work and requested financing amounts
- Manage capital provider list for Members' constituents
- Record the Benefit Assessment Lien
- Deliver an Annual Report to Member with lists of improved properties and schedule of repayments
- Review completed projects to check operability

Municipal Member Duties

- 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 underwriting responsibilities

No fees to join

Enabling Open C-PACE

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



For More Information

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