

PACE is an innovative public-private partnership that makes it possible for owners of commercial properties to obtain low-cost, long-term private-sector financing for energy-efficiency.

- Enabling legislation was introduced last year: HB 118 & SB 56. This legislation would allow municipalities and boroughs **the option of** starting or joining PACE programs.
- PACE statutes authorize municipalities and boroughs to work with private sector lenders to provide upfront financing to property owners for qualified projects, and to collect the repayment through annual assessments on the property's real estate tax bill.
- The term of PACE financing may extend up to 20 years, resulting in utility and other cost savings that exceed the amount of the assessment payment. PACE legislation for commercial property has been adopted in 30 states and the District of Columbia.
- It's a simple concept. PACE is a mechanism that connects private commercial building owners with private-sector investors to finance long-term energy savings projects through a superior lien on the property rather than debt in the building owner's name and it's repaid as a line item on property taxes. These are lower risk, longer-term financing deals that allow the building owner to stay cash flow positive from the get-go.
- Our legislation is modeled after Texas and was written with the business community in mind. This legislation comes with no financial burden on the state and doesn't mandate action of any body. If passed it merely opens the door to voluntary action on the part of local authorities, which, at their discretion can chose to initiate a program.
 - 100% financing with no up-front, out-of-pocket costs for the property owner.
 - Positive cash flow and increased property value, even with long simple payback projects.
 - Alignment of landlord and tenant interests: the real estate tax assessment, along with the cost savings generated by a sustainability project, can be shared with tenants under most lease forms.