

COMMERCIAL PROPERTY-ASSESSED CLEAN ENERGY FINANCING



Programmatic offerings

to meet and exceed compliance requirements

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What is C-PACE?

Financing tool: Provides long-term funding for energy efficiency, renewable energy, and water conservation projects

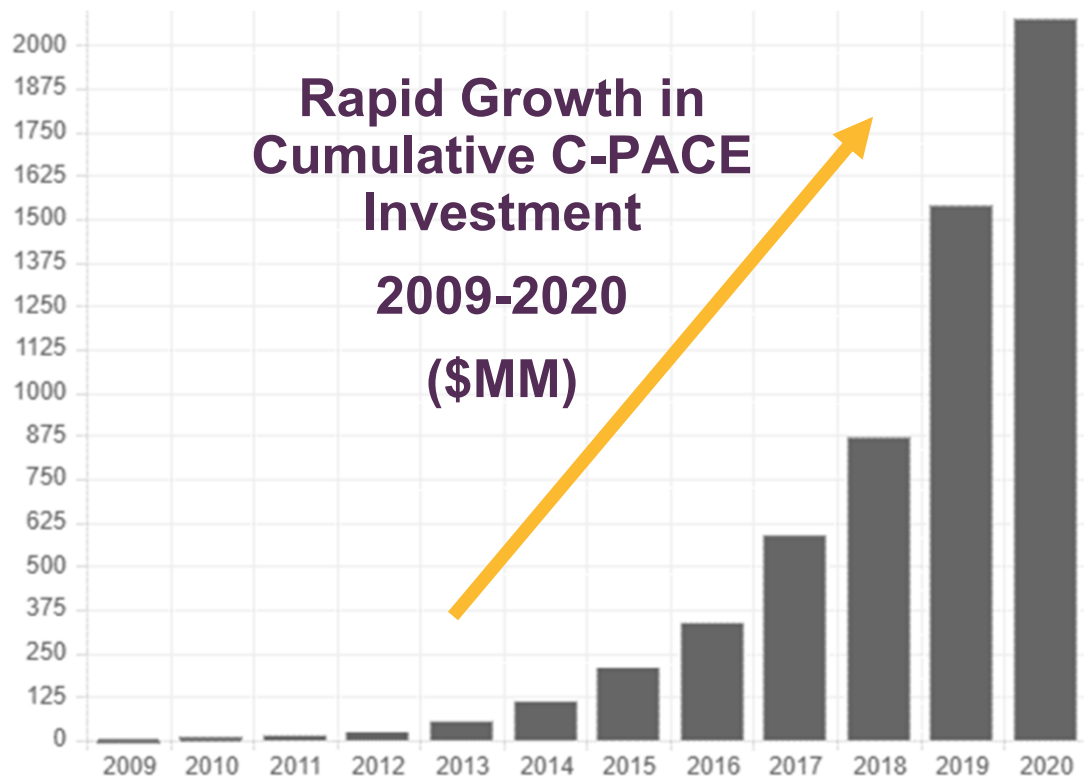
Creates measurable savings: Projects must result in energy savings or reductions in water usage for commercial properties

Through a special assessment: Repayment is through a special assessment similar to a property tax assessment

What Makes C-PACE Special?

C-PACE Element	Why It Matters
Covers 100% of eligible hard & soft costs	Limited upfront cash needed for new project
Term of up to 30 years	Long-term repayment can match project payback
Rates are generally low	Displaces expensive mezzanine debt and equity
Energy and water savings often exceed annual repayment amount	Positive net operating income for borrower
Under certain leases, building owner can pass through repayments to tenant	Addresses energy usage split incentive issue
If sale of property occurs, C-PACE obligation transfers with the sale	Allows for longer payback periods

C-PACE Growth Nationwide Through 2020



- ✓ \$2,074 MM Invested
- ✓ 2,560 Projects Funded
- ✓ 24,000 Jobs Created
- ✓ Enabled in 30 States

Source: PACE Nation

Philadelphia C-PACE Program

Philadelphia C-PACE Eligibility

PROGRAM REQUIREMENTS

- Located in Philadelphia
- Commercial and industrial properties only
 - Residential and multi-family properties not allowed*
- Building upgrades, gut rehabs, new construction permitted
 - New construction projects must exceed energy code requirements

FINANCING REQUIREMENTS

- \$100,000 minimum
- 95% lien-to-value limit
- Up to 30-year term
- Capital Provider registration with statewide C-PACE database
- Retroactive financing available

Key Application Requirements

- ✓ Engineering survey explaining the baseline energy and water usages and the expected savings
- ✓ Consent from existing mortgage/lienholder(s)
- ✓ Diversity & Inclusion Plan discussing commitment to local and diverse businesses

Why do mortgage holders consent?

- C-PACE projects generally:
 - Increase property's collateral value
 - Reduce building operating cost
- Payments do not accelerate
- Only the current year's C-PACE payment is senior to mortgage

Over 200 financial institutions have already consented to C-PACE financing in other markets

**Full list of requirements is in the Program Guidelines
available at PhiladelphiaCPACE.org**

Eligible Measures



Energy Efficiency

- HVAC upgrades
- Building controls
- LED lighting
- Green roofs



Renewable Energy

- Solar
- Fuel cells
- Other renewable generation facilities



Water Conservation

- High-efficiency equipment
- Condensate water reuse
- Low-flow fixtures
- Some stormwater management projects

**Full list of eligible projects is in the Program Guidelines
available at PhiladelphiaCPACE.org**

Eligible Project Types

Existing Building Retrofits

Replacement, refurbishment or new installation of all measures from “Eligible Measures”

New Construction/ Gut Rehab

All measures from “Eligible Measures” that help the building exceed code

Refinancing with C-PACE

All measures from “Eligible Measures” for projects completed within past 730 days

Examples

Olde City Day School

\$559K financing
Solar array & roof repairs



J Centrel

\$1.5MM new construction financing
Energy & water measures



The Met

\$6MM retroactive financing
Energy & water measures







Philadelphia Green Capital Corp Products

COMMERCIAL PRODUCTS



NAVIGATOR PRE-DEVELOPMENT LOAN

Unsecured line of credit for energy project pre-development in non-profit and multifamily buildings



CATALYST TERM LOAN

Unsecured financing for clean energy improvements for affordable housing and nonprofit buildings

*PGCC's commercial products work for **solar**, **energy efficiency**, and **resiliency** projects*

*Navigator & Catalyst loans are compatible with PEA's **Solarize** and **C-PACE** Programs*



Commercial Products Cheat Sheet

	Navigator Pre-Development Loan	Catalyst Term Loan	Commercial Solarize	C-PACE
Target audience	Non-profits Multifamily (market rate & affordable) For-profit commercial buildings			
Eligible projects				
Term & security	24 mths; unsecured	7-20 yrs; unsecured	PPA (20 yrs) or own	Up to 30 yrs; secured
Rates	1.99-3.99%	5.79-6.99%	N/A	~5.00-7.00%
Administrator	PHILADELPHIA GREEN CAPITAL CORP ACCELERATING OUR CLEAN ENERGY FUTURE	PHILADELPHIA GREEN CAPITAL CORP ACCELERATING OUR CLEAN ENERGY FUTURE	PHILADELPHIA ENERGY AUTHORITY	PHILADELPHIA ENERGY AUTHORITY
Description	Loan to scope and design energy projects	Loan to pay for installation of energy project	Program to help businesses go solar	Financing product for energy and water projects



= soft costs



= solar



= energy efficiency



= water conservation

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