

C-PACE Financing and Resiliency

**Hampton Roads Planning District Commission
Coastal Resilience Subcommittee**

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What is Commercial PACE?

Commercial Property Assessed Clean Energy (C-PACE) is a tax-assessment based financing mechanism for commercial property owners to fund energy efficiency, renewable energy, and water conservation projects with low upfront costs.



100% financing.
Funds hard and soft costs.



Improves building stock + decreases operating costs.



Market-based. Uses private financing.



Spurs economic development + creates local jobs.

Who is the Mid-Atlantic PACE Alliance?

The Mid-Atlantic PACE Alliance (MAPA) is a partnership between stakeholders in Virginia, Maryland and the District of Columbia, created to accelerate Commercial PACE (C-PACE) programs and project financing in the MDV region.



MAPA is a collaboration between the Virginia Department of Mines, Minerals and Energy (DMME), the District of Columbia Department of Energy and Environment (DOEE), and the Maryland Clean Energy Center (MCEC) and other industry and not-for-profit partners. The Mid-Atlantic PACE Alliance is supported by grant funding from the U.S. Department of Energy.

THE POWER OF C-PACE



Social Equity

C-PACE has been used to preserve affordable housing, rehabilitate community centers and places of worship, expand access to clean energy for family farms, and improve school buildings.



Job Creation

C-PACE has infused over \$1 billion investment into local economies and created over 16,000 jobs.



Resource Conservation

C-PACE funds energy efficiency, water conservation, and renewable energy measures that reduce fossil fuel consumption and result in improvements to air, soil, and water quality.

Example C-PACE Process for Property Owners in Virginia



Property Owner Works with Registered Contractor or Energy Auditor to Define Scope of Work



Property Owner Submits Request for C-PACE Financing



Property Owner Selects Qualified Capital Provider to Fund Project



C-PACE Application is Reviewed and Approved by Program Administrator



Energy-Related Upgrades Installed



Property Owner Billed Annually with Property Taxes

What types of buildings can use C-PACE?



Commercial



Industrial



Multifamily
(5+ units)



Agricultural



Faith &
Nonprofit

What can be financed with C-PACE?



HVAC system
upgrades



High-efficiency
lighting



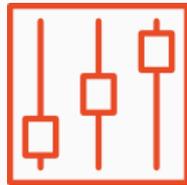
Solar energy
equipment



Water conservation &
hot water systems



High-efficiency
boilers and furnaces,
heating ventilation



Building energy
management and
controls



Building envelope
improvements



Cogeneration,
energy storage and
more!

2019: Resilience added to Virginia's C-PACE Code (15.2-958.3)

*“The kinds of renewable energy production and distribution facilities, energy usage efficiency improvements, **resiliency improvements**, or water usage efficiency improvements for which loans may be offered. **Resiliency improvements may include mitigation of flooding or the impacts of flooding or stormwater management improvements with a preference for natural or nature-based features and living shorelines”***



Examples: Resilience Measures

Electricity and Lighting	→ Relocate or protect critical electrical circuitry
Energy Storage & Generation	→ Provide backup power for critical systems
Elevators	→ Provide backup power source
Envelope and Structure	→ Dry and wetproof building
Envelope and Structure	→ Design with non combustible cladding & insulation
Envelope and Structure	→ Install floating foundations
Envelope and Structure	→ Shutters, impact resistant openings, roof braces
Plumbing	→ Install sewage backflow prevention devices
HVAC	→ Raise equipment, upgrade ventilation systems
Fire suppression	→ Elevate pumps to protect from flooding
Stormwater management	→ Install pervious pavement, blue roofs



Table courtesy of Abby Johnson, Virginia PACE Authority

Wholistic (Multiple Benefits) Measure – Green Roof

- ✓ Provides increased roof insulation (energy savings)
- ✓ May extend roof membrane life by blocking UV rays
- ✓ Holds rainwater and slows/reduces runoff (part of comprehensive stormwater management plan)
- ✓ Mitigates heat island effects



Photo courtesy of Riverbend Nursery

Next Steps: C-PACE in VA

- HB 654 (Delegate Nancy Guy): provides authority to DMME to sponsor a statewide C-PACE program and select single program administrator through competitive selection process
- Continued coordination with/outreach to local governments and industry partners
- MAPA grant ends 12/31/2020; MAPA incorporating as stand-alone 501c non-profit
- Visit www.pacealliance.org for links to active programs and more information

Thanks and questions

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