



C-PACE: A Clean Energy Opportunity for Commercial Buildings in Trumbull

Commercial & Industrial Property Assessed Clean Energy (C-PACE)

In 2013, Connecticut launched Commercial & Industrial Property Assessed Clean Energy or “C-PACE”, an innovative financing model that will allow building owners across the state to access cleaner, cheaper, and more reliable energy. Hundreds of millions of dollars in energy upgrades are possible in Connecticut and C-PACE will enable our state to access the private capital to finance it. C-PACE is a state-wide program administered by the Clean Energy Finance and Investment Authority (CEFIA) and any interested municipalities can opt-in through an agreement with CEFIA. Trumbull joined the program in June 2013 and over 100 buildings within the municipality are now eligible for C-PACE financing.

How does C-PACE financing work?

C-PACE allows interested property owners to access financing to undertake qualifying energy efficiency and clean energy improvements on their buildings and repay the investment through an additional charge (“assessment”) on their property tax bill. Similar to a sewer tax assessment, capital provided under a C-PACE program is secured by a lien on the owner’s property tax bill and paid back over time. Like other benefit assessments, C-PACE is a non-accelerating, senior lien secured by the property. The repayment obligation transfers automatically to the next owner if the property is sold. Because the payment is tied to the property tax, low interest capital can be raised from the private sector with no government financing required. This arrangement spreads the cost of clean energy improvements – such as energy efficient boilers, upgraded insulation, new windows, or solar installations – over the expected life of the measure.

How do building owners benefit?

C-PACE helps building owners minimize the investment, installation, and performance risk of energy upgrades, while they enjoy lower operating costs, improved asset value, market competitiveness, and compliance with energy mandates.

- **Lack capital for energy improvements?** C-PACE provides 100% upfront, long-term financing to property owners for qualified energy upgrades. That means no money down. Audits, construction costs and M&V can be wrapped into C-PACE financing.
- **Plan to sell building?** The C-PACE tax obligation is attached to the property and transfers to the new owner. Payments do not accelerate in case of default.
- **Insufficient payback?** The C-PACE program requires projects to be cash flow-positive. Financing is structured so that energy savings more than offset the additional property tax assessment. Deeper energy upgrades and related capital improvements are possible because the assessment is up to 20 years.
- **Uncertain of savings?** The C-PACE third party administrator reviews all projects to ensure that energy savings pay for the investment over the term of the assessment and track real vs. projected savings on an open-source data management platform.
- **Split Incentive?** As a benefit assessment repaid through the property tax bill, under typical leases C-PACE payments – as well as energy savings – can be passed along to tenants.
- **Cannot assume more debt?** As a benefit assessment repaid through the property tax bill, C-PACE is intended as an operating expense. This means owners can finance improvements while preserving capital and credit lines for core business investments.

What types of buildings are eligible?

LOCATION: The property is located within a municipality that has adopted a resolution joining the C-PACE program.

OWNERSHIP: The applicant is the legal owner of the property and all the legal owners of such property agree to participate.

PROPERTY TYPE: The property must be non-residential, or 5 or more dwelling units.

BUILDING FINANCIALS: The property must be current on property tax and assessment payments. The property owner must not have any involuntary liens, defaults, or judgments applicable to the subject property.

LENDER CONSENT: The property owner must provide evidence that the mortgage holder(s) on the property consents to the C-PACE assessment, if applicable.

What types of upgrades are eligible?

- High efficiency lighting
- Heating ventilation air conditioning (HVAC) upgrades and controls
- High efficiency chillers, boilers, furnaces and water heating systems
- Building enclosure/envelope improvements
- Building automation (energy management) systems
- Renewable energy systems

Read more about our eligibility criteria for qualifying buildings and energy upgrades at www.energizect.com/c-pace

Benefits of C-PACE Financing

C-PACE financing offers a broad range of benefits to municipalities, building owners, mortgage holders, investors and energy efficiency / renewable energy contractors.

A complete discussion of these benefits can be found online at www.energizect.com/c-pace

How can I access C-PACE financing?

Choose your upgrades. Work with an energy contractor to identify projects that reduce energy use or install clean energy systems.

Submit an application online at www.energizect.com/c-pace CEFA will work with you to approve your project and secure low-cost financing.

Install project and get funding. When approved, CEFA will request a lien to be placed on your property and funding will be dispersed.

Make Payments. Repay your C-PACE financing through a line item on your property tax bill over the course of up to 20 years. If you sell the property, the assessment stays with the building

For more information

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