



Overview of C-PACE: Commercial Property Assessed Clean Energy for North Las Vegas City Council

September 21, 2022

Presenter

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 - C-PACE Program Administrator for:
 - **Nevada Cities:** Las Vegas, Henderson, Reno and Fernley
 - **States:** CO and UT



Nevada C-PACE Background

- **2017:** Nevada State Legislature adopted C-PACE enabling legislation - Nevada Revised Statutes Chapter 271.6312-6325
 - Authorizes Municipalities to establish C-PACE programs
- **2019:** Las Vegas, Reno and Fernley launched C-PACE programs
- **2020:** Henderson launched its C-PACE program
- **2021:** Nevada State Legislature, via Senate Bill 283, amended and expanded the original NRS 271 enabling legislation
- **2022:** Las Vegas, Reno, Fernley and Henderson amend their C-PACE Resolutions to conform with Senate Bill 283

What is C-PACE?

- Voluntary program that enables Commercial & Industrial Property Owners to finance Qualified Improvement Projects* (retrofits & new construction) and make repayments via an assessment
- ***Qualified Improvement Projects:** improvements which are permanently affixed and have a useful life of 10+ years in the following categories:
 - **Energy efficiency:** improvements that decrease energy use, e.g., HVAC, lighting
 - **Renewable energy:** equipment used to generate electricity, e.g., solar PV
 - **Water efficiency:** improvements that conserve or remediate water
 - **Resiliency projects:** improvements that increase structural resiliency
- **Financing is provided by private Capital Providers (no public funds) and is secured through a voluntary and assignable assessment recorded on the owner's property**

C-PACE Benefits for Property Owners

- **Existing building retrofits:** Up to 100%⁽¹⁾, long-term financing⁽²⁾ not to exceed 25% of fair market value of the Tract as determined by a certified appraiser
- **New construction:** Long-term financing⁽²⁾ not to exceed 35% of fair market value of the Tract as determined by a certified appraiser provided new building meets or exceeds current NV energy code (IECC 2018)
 - C-PACE fills gaps in developer's capital stack and enables projects to advance that otherwise may be unable to secure sufficient affordable financing
- **Transferability:** Assessment repayment obligation is transferrable upon sale
- **Cash flow:** Annual energy savings that flow from energy improvements can often outweigh the annual financing repayment resulting in positive cash flow

(1) Including hard and soft costs

(2) Financing Term not to exceed the weighted average effective useful life of Qualifying Improvement(s).

C-PACE Benefits for the City

■ **Supports economic development at no cost to the City:**

- Improve the energy and water efficiency of existing commercial building stock, reducing utility costs for building owners and tenants
- Attract high performance new construction projects that avoid “value engineering” of energy and water efficiency features
- Create local jobs in the construction trades

■ **Accelerate sustainability initiatives:**

- Improve air quality from reduced emissions in commercial buildings
- Support environmental sustainability initiatives, e.g., improve fire resistance and storm water quality to reduce flash flooding risk

Role of the City

- **Execute a written voluntary Assessment Agreement with the Property Owner**
- **Facilitate the recording of the Notice of Assessment and Assessment Lien on the property in the County land records**
- **Execute the C-PACE Assignment to the private Capital Provider that provides the financing of the Qualified Improvement Project**

Role of the Program Administrator

Day-to-day mgmt & collaboration with project parties, including:

- Application processing
- Support services for project stakeholders (property owner, project developer, existing mortgage holder, capital provider, etc.)
- Project technical review (energy audit, etc.)
- Determination of total eligible finance amount
- Collaboration with City's C-PACE contact

Questions & Answers

