



Colorado Commercial Property  
Assessed Clean Energy

# CO Commercial Property Assessed Clean Energy (C-PACE) Workshop

*Spring 2024*

*By:*

**Tracy Phillips, CEM, CMVP, CDSM, PMVA**  
**Director**



# Today's Presenter

**Tracy Phillips: CEM, CDSM, CMVP, PMVA, LEED AP**



- CO C-PACE Director
- 27 years of experience
- IPMVP Committee Chair
- Former Investor Confidence Project Technical Director
- Energy audits, RCx, Cx, M&V, market transformation, energy modeling, third-party review, financing

# Today's Agenda

- **Section I C-PACE Background & Structure**
- **Section II Role of Key Stakeholders**
- **Section III C-PACE Process**
- **Section IV Program Update and Case Studies**
- **Section V Conclusions & Next Steps**
- **Section VI Resources**



# Case Study Video: “Power of PACE”





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# Section I

## C-PACE Background & Structure



# C-PACE Background

- **Program:** Statewide financing program - Finance energy efficiency, renewable energy, water conservation and resiliency projects *and* efficient new construction projects
  
- **Structure:**
  - Statewide “District” enabled by CO legislation
  - Counties voluntarily opt-in to the District
  - Projects financed through private capital
  - Designed to be self-sustaining program
  
- **Program Sponsor:** New Energy Improvement District (NEID)
  - Seven NEID board members
  - Sponsoring agency: Colorado Energy Office (CEO)

# C-PACE Changes in 2023

- **Resiliency improvements eligible**
- **Expansion of new construction maximum eligible finance amounts**
- **Elimination of 30-day waiting period and hearing**
- **Elimination of \$1,000 project deposit**
- **Expansion of retroactive financing period (three-year lookback period) and inclusion of retrofits in retroactive financing**
- **Extension of interest-only period to three years**
- **Variable interest rate financing terms**

# What is C-PACE?

## (PACE = Property Assessed Clean Energy)

- Innovative financing tool for *existing buildings* that provides C&I building owners a smarter way to modernize their buildings:
  - **100% financing** - no out-of-pocket expense
    - Includes soft & hard costs
  - **Long term** - up to 25-year finance term
  - Special purpose **assessment** (akin to sewer assessment)
    - Non-recourse and transferable, typically no personal guarantees

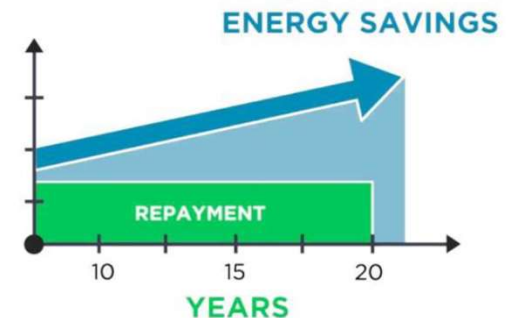




# How C-PACE Works

**C-PACE is a voluntary tax assessment-based, private financing program**

- Repayment via a **“special assessment” recorded on the property**
  - Costs are spread over periods of up to 25 years, fixed interest rate
  - C-PACE payments made annually through property tax bill
  - Goal: Energy savings \$\$ > the PACE payments, creating cash flow positive projects
  - Positive cash flow not required
- **Repayment obligation can transfer** to new owner upon sale
- Ability to pass through tax assessment to tenants or hotel guests



# What's Eligible?

## ■ Eligible Property Types (C&I)

- Office
- Retail
- Hotel
- Industrial
- Agricultural
- Healthcare
- Mixed-use
- Education
- Warehouse / storage
- Non-profit
- Multifamily (5+ units)

## ■ Eligible Improvements (examples)

- HVAC upgrades & controls
- Boilers, chillers & furnaces
- Pumps, motors, drives
- Hot water heating systems
- Combined heat & power (CHP)
- High efficiency lighting
- Solar PV systems
- Building envelope (windows, roofs)
- Low-flow plumbing; smart irrigation
- Elevator modernization
- EV charging stations
- Beneficial electrification
- Resiliency (e.g. fire, flood, wind, air quality)

# What Else is Eligible?

- **Costs related to eligible improvements (Examples)**
  - Engineering studies
  - Energy audits
  - Renewable energy feasibility studies
  - Equipment extended warranties (e.g. PV system inverter extended warranty)
  - Roof upgrades (e.g. associated with rooftop solar PV systems)
  - Building structural reinforcement (support rooftop installations)
  - Environmental clean-up (e.g. asbestos removal for new boiler installation)
  - Commissioning, M&V and maintenance contracts (up to five years)
  - Finance closing costs
  - Program participation fee (2.5% of project costs, capped at \$75,000)

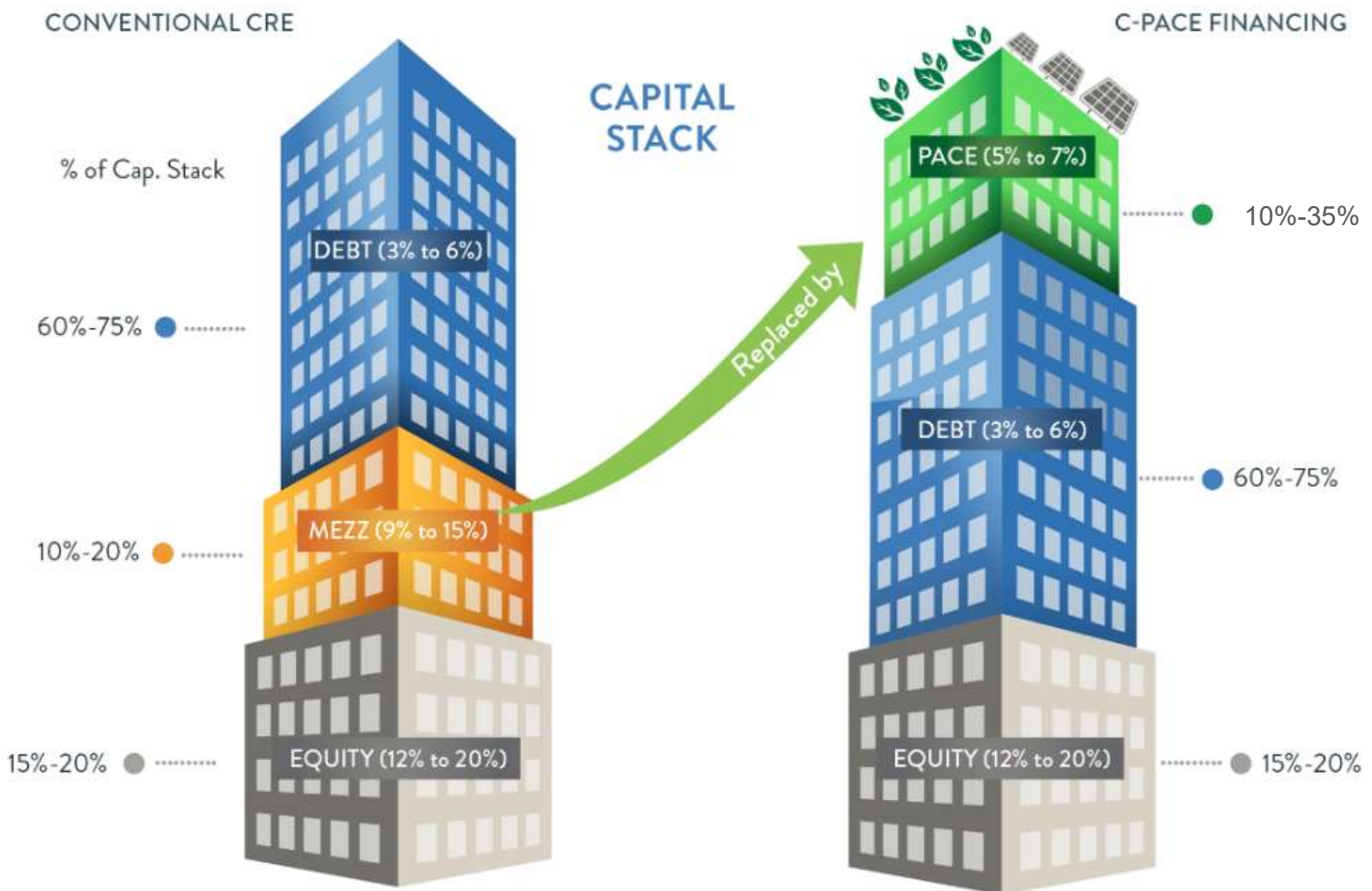
# C-PACE for New Construction

- C-PACE financing for 15% to 35% of total eligible new construction costs
- Build to the 2018 IECC to be eligible for 15% of total construction costs
- Exceed (>5%) 2018 IECC to be eligible for 30% of total construction costs
- Build to / exceed 2021 IECC to be eligible for 35% of total construction costs
- Enables building design to “push the envelope”



# C-PACE for New Construction

Where lower cost C-PACE financing can be used in lieu of mezzanine debt or equity, the developer can often lower their weighted average cost of capital



Graphic credit: EnFlux Building Solutions and Counterpointe Energy Solutions, LLC.

# C-PACE for New Construction

## ■ C-PACE eligible finance amount determination process:

1. Determine Total Eligible Construction Cost\* (TECC)
  2. Demonstrate 2018 IECC code compliance – **15% financing**
    - COMCheck reports for mechanical, envelope and lighting
  3. Demonstrate building energy performance >5% 2018 IECC code compliant building
    - Model building energy performance at “Code Compliance”
      - 2018 IECC / ASHRAE 90.1-2016 baseline
    - Model building energy performance “As Designed”
  4. Demonstrate 2021 IECC code compliance or better – **35% financing**
- 30% financing**

\* Total Eligible Construction Costs include hard and soft construction costs, *excluding* land acquisition and items not permanently affixed to the property

# C-PACE Retroactive Financing & Refinancing

## ■ Retroactive Financing

- Applicable to new construction, gut rehab and existing building retrofits
- Completed within **three (3) years** from certificate of occupancy
  - Pay down existing debt and/or fund operational reserves.
- **Retrofit improvements** – can include improvements previously installed (retroactively) with new improvements
  - Previous (retroactive) improvements **must be less than 35% of total finance amount**

## ■ Refinancing

- Refinance the outstanding C-PACE assessment lien with the existing capital provider or a new capital provider

# C-PACE Interest-Only Periods & Variable Interest Rates

## ■ Interest-Only Periods

- New construction projects may be financed incorporating an **interest-only period up to three years**
- Accommodate longer construction periods and the need for these projects to stabilize financially

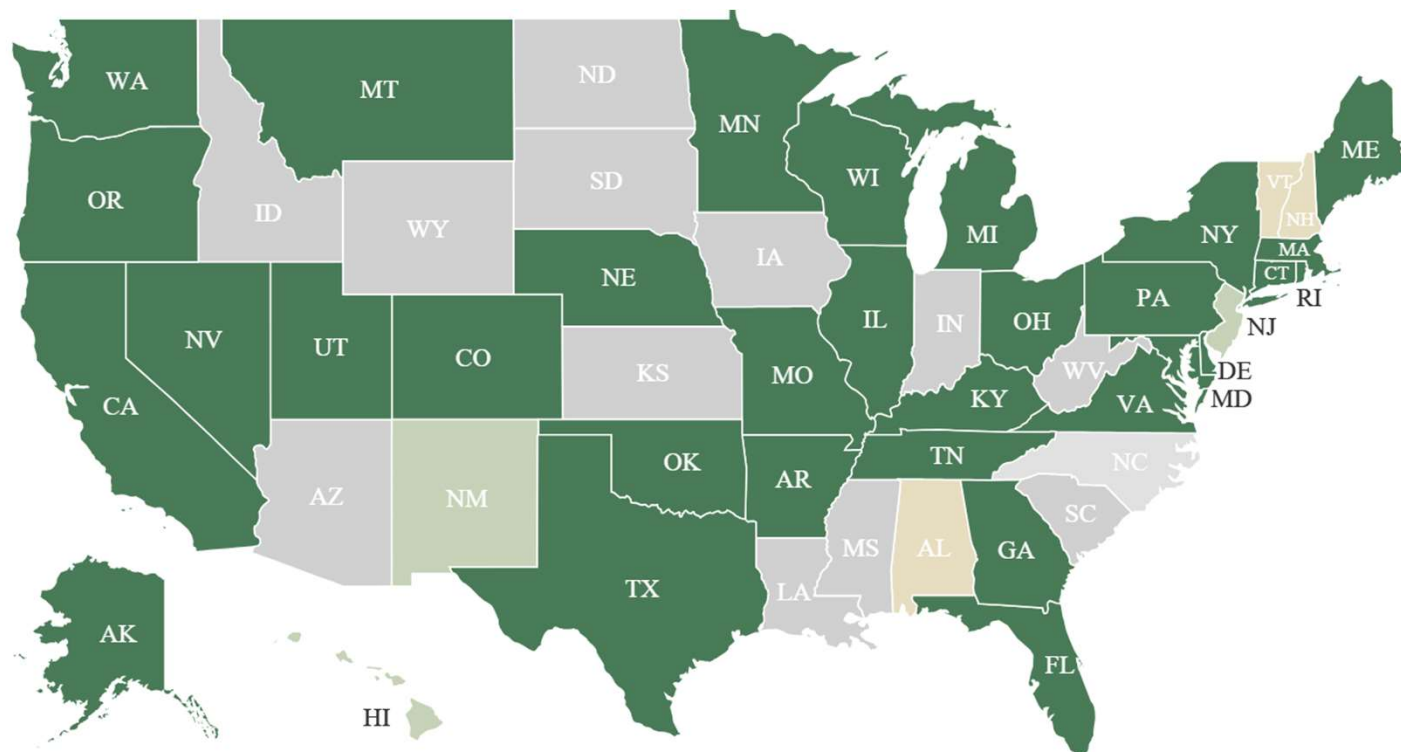
## ■ Variable Interest Rates

- Interest rates can now be **fixed or variable**
- Capital provider must notify the District by August 1<sup>st</sup> of the interest rate change and assessment payment for the following collection year



# C-PACE Nationwide

- 31 states with active programs
- 3,100+ buildings nationwide
- \$5.2 billion in C-PACE financing



■ Active program(s)

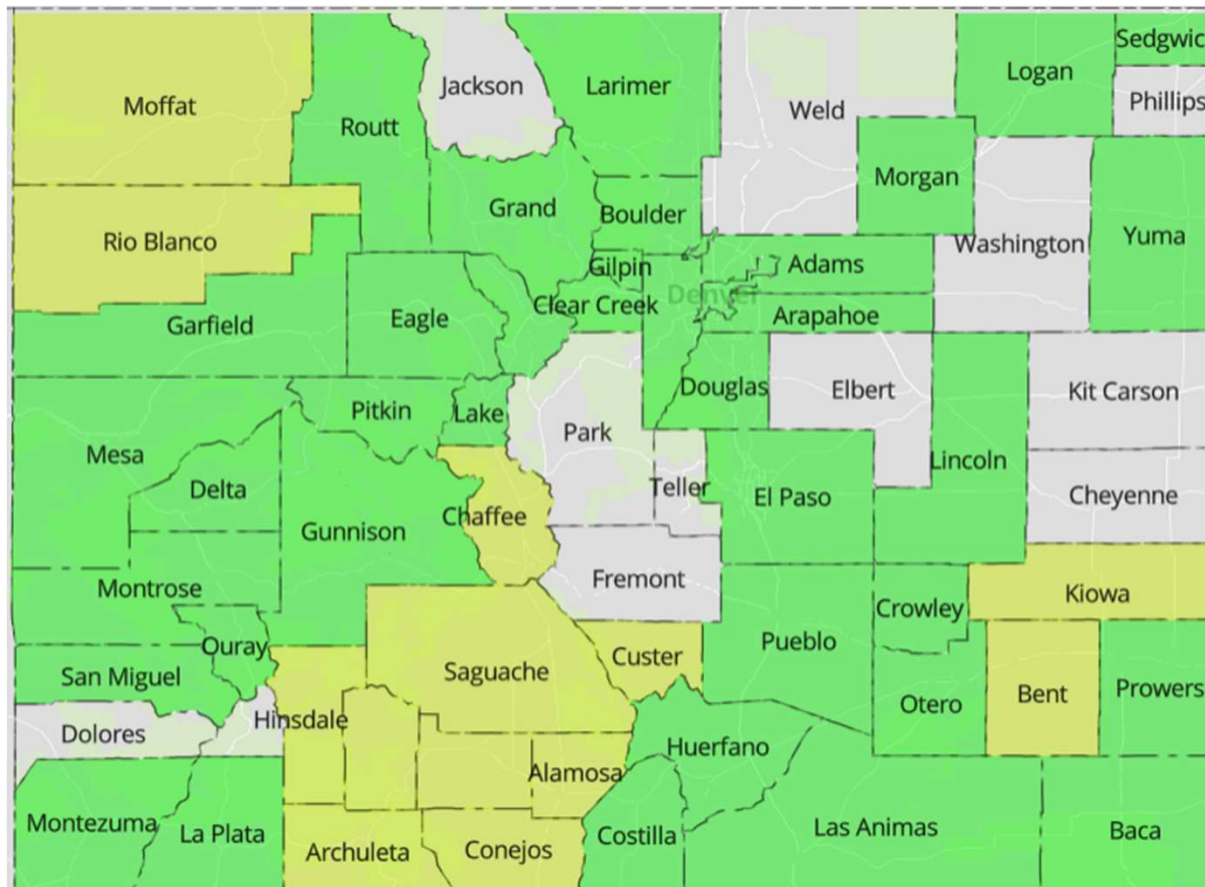
■ Program in development

■ PACE-enabled

\* Courtesy of PACENation

# Colorado C-PACE Statewide Program

- Counties must opt-in to participate in the C-PACE statewide “District”



## ■ PARTICIPATING COUNTIES:

- Adams
- Arapahoe
- Baca
- Boulder
- Broomfield
- Clear Creek
- Costilla
- Crowley
- Delta
- Denver
- Douglas
- Eagle
- El Paso
- Garfield
- Gilpin
- Grand
- Gunnison
- Huerfano
- Jefferson
- La Plata
- Las Animas
- Lake
- Larimer
- Lincoln
- Logan
- Mesa
- Montezuma
- Montrose
- Morgan
- Ouray
- Otero
- Pitkin
- Prowers
- Pueblo
- Routt
- San Miguel
- Sedgwick
- Summit
- Yuma

## ■ IN-DISCUSSION COUNTIES:

- Alamosa
- Archuleta
- Bent
- Chaffee
- Conejos
- Custer
- Hinsdale
- Kiowa
- Mineral
- Moffat
- Rio Blanco
- Rio Grande
- Saguache

- County Collection Fee:** to cover collections & remittance
  - 1% of PACE annual assessment amount

# Project Potential

**RMI report released in February 2020 – Class B/C buildings**

- **15%+ savings with bundled low- and no-cost improvements**
- **35%+ savings with capital improvements**
- **NOI increases between 2.4 to 5.6%**
- **Property value increase between \$5 and \$11 per SF**
  - **50,000 SF building: \$250,000 to \$550,000 in increased value**

**With C-PACE, there is no reason for Class B/C buildings to remain inefficient and more costly to operate**



# Project Origination Drivers

## Why owners do projects

- **Equipment needs** (failing / older equipment)
  - **Bundle projects – the bucket list (solar PV, EV charging stations)**
- **Cost savings** (\$, NOI) not Btus, kWhs or therms
- **Policy: Building Performance Standards**
  - **EUI reduction targets for covered buildings of 7% by 2026 and 20% by 2030, from a 2021 energy data baseline (50k SF+)**
  - **Energize Denver – EUI reduction targets by 2030 (25k SF+)**

# C-PACE as a Solution

- Capital improvement projects typically between \$250k to multi-million dollar projects
- Simple payback periods on average 10-20 years
- Building ownership turnover typically 5-7 years

## C-PACE financing:

- Long-term (up to 25 years) provides better cash flows
- Attached to the building (not the owner) – pass on repayment obligation
- Address needs *and* wish list items

# C-PACE Program Structure

- **C-PACE is designed as an “open source funding model”**
  - Prequalified private Capital Providers fund eligible projects
  - No public funds are used to finance projects
- **Owner may choose a preferred capital provider upfront, OR**
- **Program Administrator can review pre-approved projects with qualified capital providers to determine their funding interest**
  - Capital providers submit financing term sheets for owner decision

# Qualified Capital Providers

- 52 capital providers pre-qualified, representing multiple sectors:

- Community banks, credit unions, and PACE-specialty investors
- Serving small to large property/project sizes in both existing building & new construction





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## Section II

# Role of Key Stakeholders





# Role of Property Owner

- **Submit project application (pre-qualification submission form) to program administrator**
- **Develop project scope of work and costs with contractors**
- **Select preferred C-PACE lender**
- **Execute financing agreement with C-PACE lender**



# Role of Mortgage Holder Consent

- **C-PACE assessment requires written consent from existing mortgage holder(s) or construction lender(s)**
  - C-PACE assessment lien has priority status akin to sewer assessment
  - Liens for assessments imposed by other governmental entities have coequal priority with the District special assessment lien
  
- **Case to provide mortgage holder consent**
  - Increase owner's ability to repay mortgage (better NOI)
  - Increase building's value
  - C-PACE assessment is non-accelerating; i.e. in a default scenario only payments in arrears come due (usually less than 0.4% of building's value)

# Consenting Mortgage Holders

- **44 unique mortgage holders have consented to a C-PACE project**
- **13 mortgage holders have consented MULTIPLE times**
- **10 mortgage holders have provided C-PACE project financing**

▪ Academy Bank	1 project	▪ Frist National Bank of Hutchinson	1 project
▪ Access Point Financial	1 project	▪ First National Bank of Monument	1 project
▪ <b>Adams Bank &amp; Trust (1)</b>	1 project	▪ Great Western Bank	1 project
▪ Air Academy Federal Credit Union	1 project	▪ Guaranty Bank and Trust	1 project
▪ <b>Alpine Bank (4)</b>	5 projects	▪ iBorrow	1 project
▪ <b>ANB Bank (6)</b>	3 projects	▪ Impact Development Fund	1 project
▪ <b>Bank of Colorado (2)</b>	2 projects	▪ InBank	1 project
▪ Bank of the Ozarks	1 project	▪ Independent Bank	5 projects
▪ Bank of the West	1 project	▪ JR&B	1 project
▪ <b>Bellco Credit Union (7)</b>	5 projects	▪ Legacy Bank	1 project
▪ <b>Berkley Bank (5)</b>	2 projects	▪ LoanCore Capital	1 project
▪ Centennial Lending	1 project	▪ Midfirst Bank	4 projects
▪ Citizens State Bank	1 project	▪ Midland States Bank	1 project
▪ <b>Citywide Banks (4)</b>	3 projects	▪ Money 360 Advisors	1 project
▪ Collins Community Credit Union	1 project	▪ Mutual of Omaha	2 projects
▪ Colorado Business Bank	1 project	▪ Pacific Western Bank	1 project
▪ Colorado Historical Society	1 project	▪ Pueblo Bank and Trust	1 project
▪ <b>Colorado Structures Inc (1)</b>	2 projects	▪ Security Services FCU	1 project
▪ <b>First Bank (8)</b>	5 projects	▪ TBK Bank	1 project
▪ First Citizens Bank	1 project	▪ UMB Bank	1 project
▪ First National Bank	1 project	▪ Vectra Bank	1 project
		▪ <b>Waypoint Bank (1)</b>	2 projects
		▪ Wells Fargo	8 projects



# Consenting Senior Lenders – New Construction

- **31 unique senior lenders have consented to a new construction C-PACE project**

- **Two senior lenders have provided C-PACE project financing**

■ Access Point Financial	1 project	■ Greater Commercial Lending	1 project
■ Adams Bank and Trust	1 project	■ Greater Nevada Credit Union	1 project
■ <b>Alpine Bank (1)</b>	<b>2 projects</b>	■ Guaranty Bank and Trust	1 project
■ Bank of the Ozarks	1 project	■ iBorrow	1 project
■ Broadmark Realty	2 projects	■ InBank	1 project
■ Centennial Bank	1 project	■ Independent Bank	1 project
■ Coastal States Bank	1 project	■ Origin Bank	1 project
■ Collins Community Credit Union	2 projects	■ Pacific Coast Banker's Bank	1 project
■ Cornhusker Bank	1 project	■ Park View Financial Fund	1 project
■ Cost Fund 1	1 project	■ PCSD Resorts SB Credit Private Limited	1 project
■ Exchange Bank	1 project	■ Plains Commerce Bank	1 project
■ <b>First Bank (2)</b>	<b>4 projects</b>	■ Points West Bank	1 project
■ First National Bank of Omaha	1 project	■ Romspen	3 projects
■ First Western Trust	1 project	■ Trust of Illinois	1 project
■ Glacier Bank	1 project	■ UMB Bank	1 project
		■ Waters Edge	1 project



# Role of Capital Providers (C-PACE Lenders)

- **Conduct underwriting to assess building's financial health:**
  - **Good C-PACE candidate?** Loan-to-Value percentage (< 80% typically qualifies)
    - Outstanding mortgage value / estimated property value
  - **How much financing?** PACE-to-Value percentage (< 30% typically available)
    - Estimated project value / estimated property value
  - **Review building financials & project cash flow projections**
- **Execute financing agreement with property owner**

# Role of Contractor/Developer

- Integrate C-PACE financing in proposal & project development
- Paradigm shift:
  - **FROM:** “Old Way” - owner self-funded, short-term payback focused
  - **TO:** “New Way” - 3<sup>rd</sup> party long-term financed, cash flow focused



# Role of Program Administrator

## ■ Contractor support services

- Project economic analysis tools to optimize for C-PACE financing

## ■ Building owner support services

- Project eligibility and quality assurance review
- Mortgage holder consent and capital provider sourcing (where needed)

## ■ Capital provider support services

- Project underwriting & closing support

## ■ Program Administrator provides stakeholder tools & support services to facilitate successful transactions (no application or upfront fees required)

- Administration of the C-PACE District is designed to be self-sustaining
- Program participation fee of 2.5% of amount financed (not to exceed \$75k per project) is applied to successfully financed transactions

# Role of County

- **Counties can opt-in to C-PACE via written agreement with NEID**
  - Pass resolution
  - Sign County Participation Agreement
- **County's role is threefold:**
  - Place assessment on participating property
  - Collect assessment with property taxes
  - Remit assessment funds to NEID (county retains 1% of annual assessment payment)





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## Section III

# C-PACE Process



# C-PACE Process



# C-PACE Projects: Savings to Investment Ratio

- **Savings-to-Investment Ratio (“SIR”)**
  - “S” = projected energy cost savings over ECMs effective useful life
  - “I” = cost of equipment, installation and financing costs

$$\frac{\textit{Savings}}{\textit{Investment}} > 1$$

# SIR Calculation Example

## Savings:

Energy savings over the EUL

Recurring incentives (e.g. RECs)

Cash value of Investment Tax Credit

Cash value of MACRS depreciation

## Investment:

Installed cost net of one-time utility incentives

Loan interest (20 year term, 6.0%)

Total

	Savings	Investment
	\$720,000	
	\$0	
	\$0	
	\$0	
		\$350,000
		\$251,802
	\$720,000	\$601,802

**Savings-to-Investment Ratio (SIR):**

$$\frac{\$720,000}{\$601,802}$$

= 1.2



# EPIC™ Energy Performance Improvement Calculator

- Powerful cloud-based app for HVAC, EMS and lighting equipment replacement projects that empowers you, in real time, to:



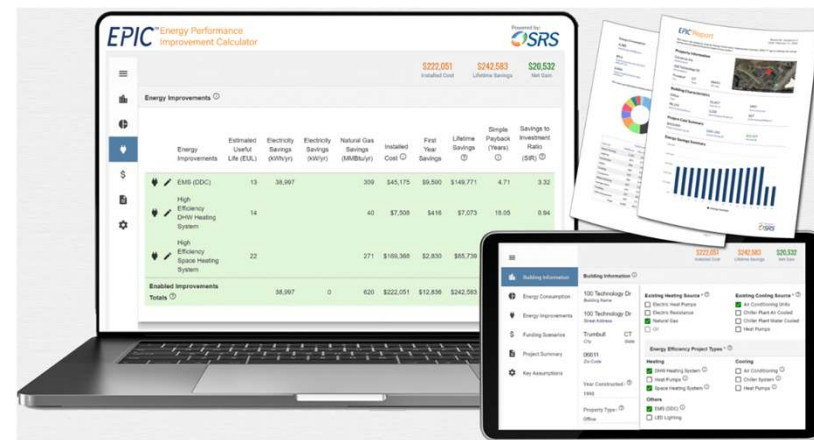
Estimate energy savings



Calculate financial impacts



Win more projects!



- Powered by SRS proprietary data, predictive analytics and proven technology from thousands of energy improvement projects conducted nationwide over the last 10 years
- Subscription-based product (not PACE-centric); **demo available upon request**



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More information at:  
[Srsworx.com](http://Srsworx.com)

# EPIC – Financial Analytics

- Owner engagement
- Make the “business case” - **compelling investment opportunity**
- Owner has the information to make a **fully-informed, expedited investment decision**
- Make your proposal **stand out** from the competition



# EPIC Enables EE + Solar PV

- New functionality: “energy efficiency first” and then “right-sizing” a solar PV system
- Determine optimized combination of EE and solar PV
- Electrification: determine upfront investment and operating cost impact
- Determine investment required to achieve net-zero carbon emissions

Energy Efficiency Project Types \* <sup>?</sup>

Like-for-Like Replacements <sup>1</sup>

*Heating*

- Heat Pumps <sup>i</sup>
- DHW Heating System <sup>?</sup>
- Space Heating System <sup>?</sup>

*Cooling*

- Heat Pumps <sup>i</sup>
- Air Conditioning <sup>?</sup>
- Chiller System <sup>?</sup>

System Conversions <sup>1</sup>

*Heating and Cooling*

- Heat Pumps <sup>i</sup>
- Variable Refrigerant Flow <sup>?</sup>

Others

- LED Lighting
- EMS (DDC) <sup>1</sup>
- Solar PV
- Windows <sup>i</sup>
- Insulation <sup>i</sup>
- Air Sealing <sup>i</sup>
- Roofing <sup>i</sup>



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## Section IV

# Program Update and Case Studies



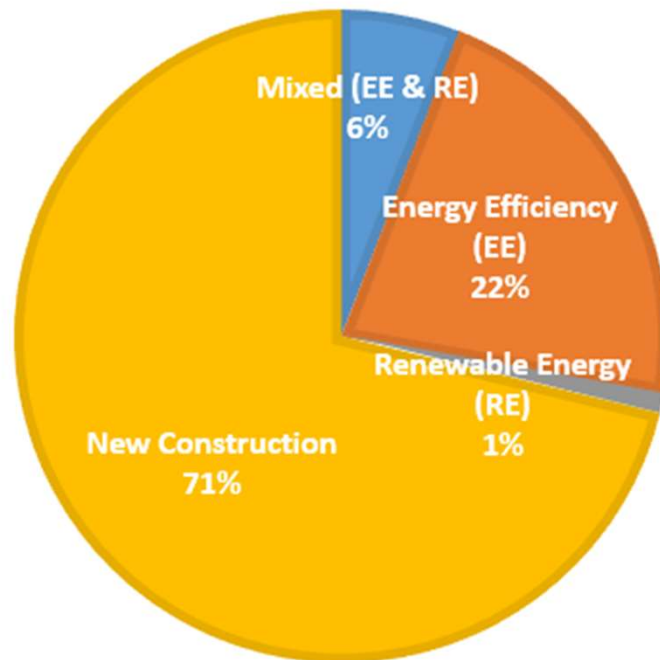


# Colorado C-PACE Projects

- C-PACE serving broad range of C&I projects: \$900K median project size
  - Building size: median 52,479 SF; smallest 1,000 SF

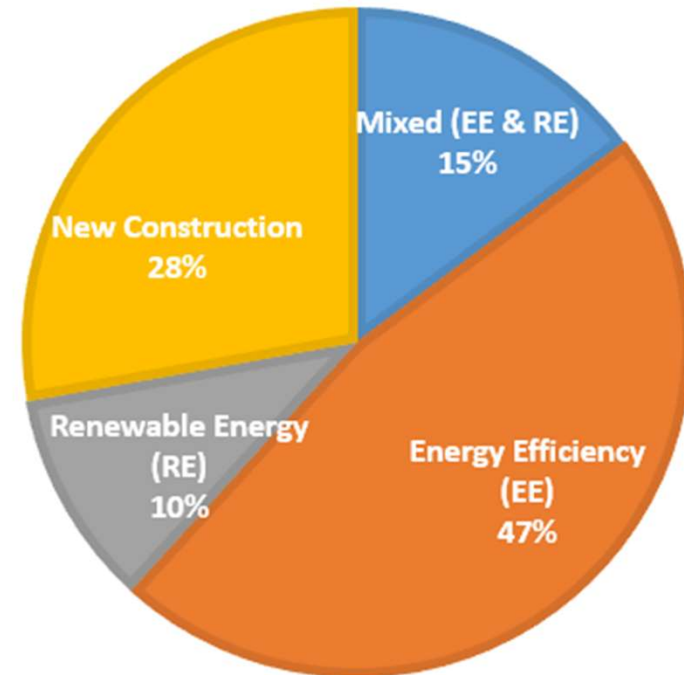
PROJECT TYPES  
(\$ FUNDED)

■ Mixed (EE & RE) ■ Energy Efficiency (EE) ■ Renewable Energy (RE) ■ New Construction



PROJECT TYPES  
(NUMBER OF PROJECTS)

■ Mixed (EE & RE) ■ Energy Efficiency (EE) ■ Renewable Energy (RE) ■ New Construction



# Colorado C-PACE Program Update

- **127 projects financed; \$261.7M in project financing**
  - 2,828 job-years created
  - 835,219 tons of lifetime GHG emissions reduction
  - \$86.7M lifetime cost savings
- **Smallest CO project: \$53K; Largest CO project: \$55.5M**
- **Average project: \$2M; Median: \$900K**
- **90 retrofits and 37 new construction projects financed**
- **39 counties participating in the program (>96% C&I bldg stock)**
- **316 registered contractors; 52 registered capital providers**





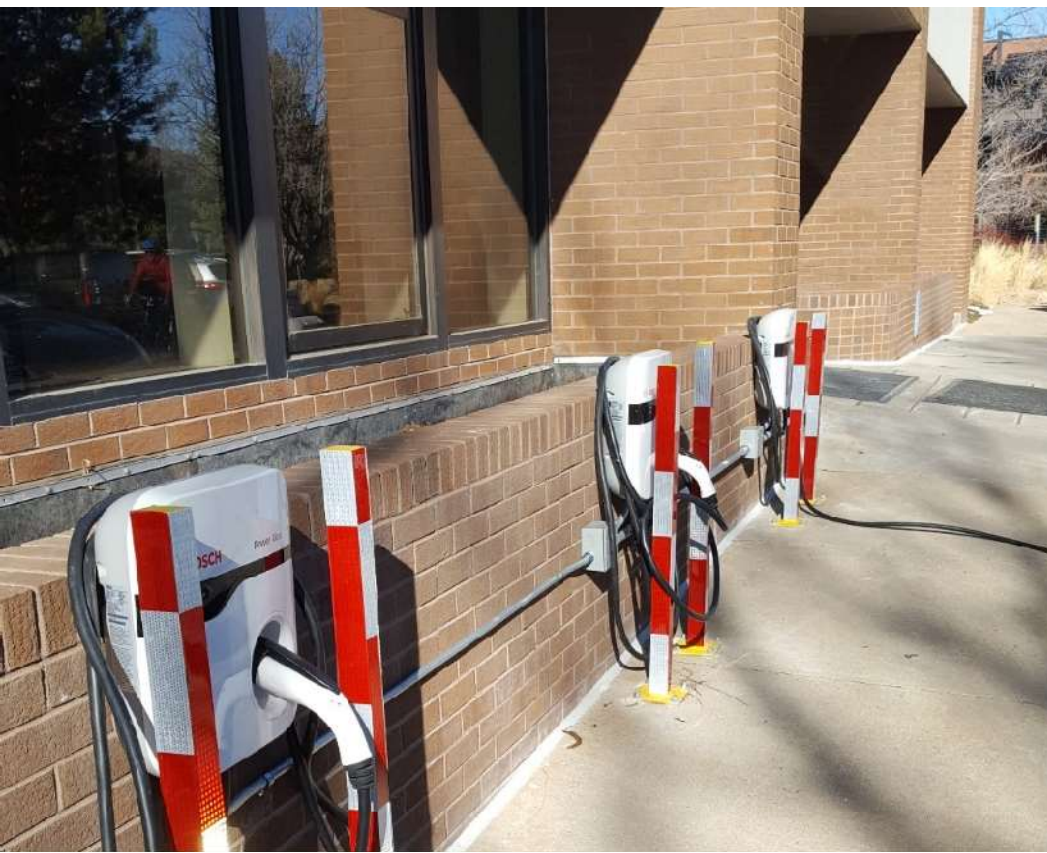
## Multi-tenant Case Study

- **Building: Multi-tenant office & warehouse**
- **Project: 100 kW Solar PV system & lighting retrofit**
- **Amount financed: \$330,928; 20-year term**
- **Savings: \$939,959 lifetime cost savings, 3,806 tons GHG**
- **Roof Replacement considered**
- **Excluded grower tenant from project**



## Small Building Case Study

- **Building: 3,938 SF dry cleaners**
- **Project: 46 kW Solar PV system**
  - **Ground and roof mount**
- **Amount financed: \$125,940; 12-year term**
- **Savings: \$369,689 lifetime cost savings; 1,528 tons GHG**
- **ITC, MACRS, SolarRewards, EnergySmart**



## Energy Efficiency & Solar PV Case Study

- **Building:** Office for digital marketing & social media firm
- **Project:** 16 kW Solar PV; RTU replacement; RTU controls; exterior lighting; roof replacement
- **Amount financed:** \$296,251; 15-year term
- **Savings:** \$289,333 lifetime cost savings; 1,869 tons GHG
- **Other measures included:** EV charging stations



## Rural Project Case Study

- **Building: Ninety-nine acre organic fruit farm**
- **Project: 26 kW Solar PV system**
- **Amount financed: \$60,420; 10-year term**
- **Savings: \$113,033 lifetime cost savings; 743 tons GHG**
- **REAP grant, ITC, MACRS**



## Rural Project Case Study

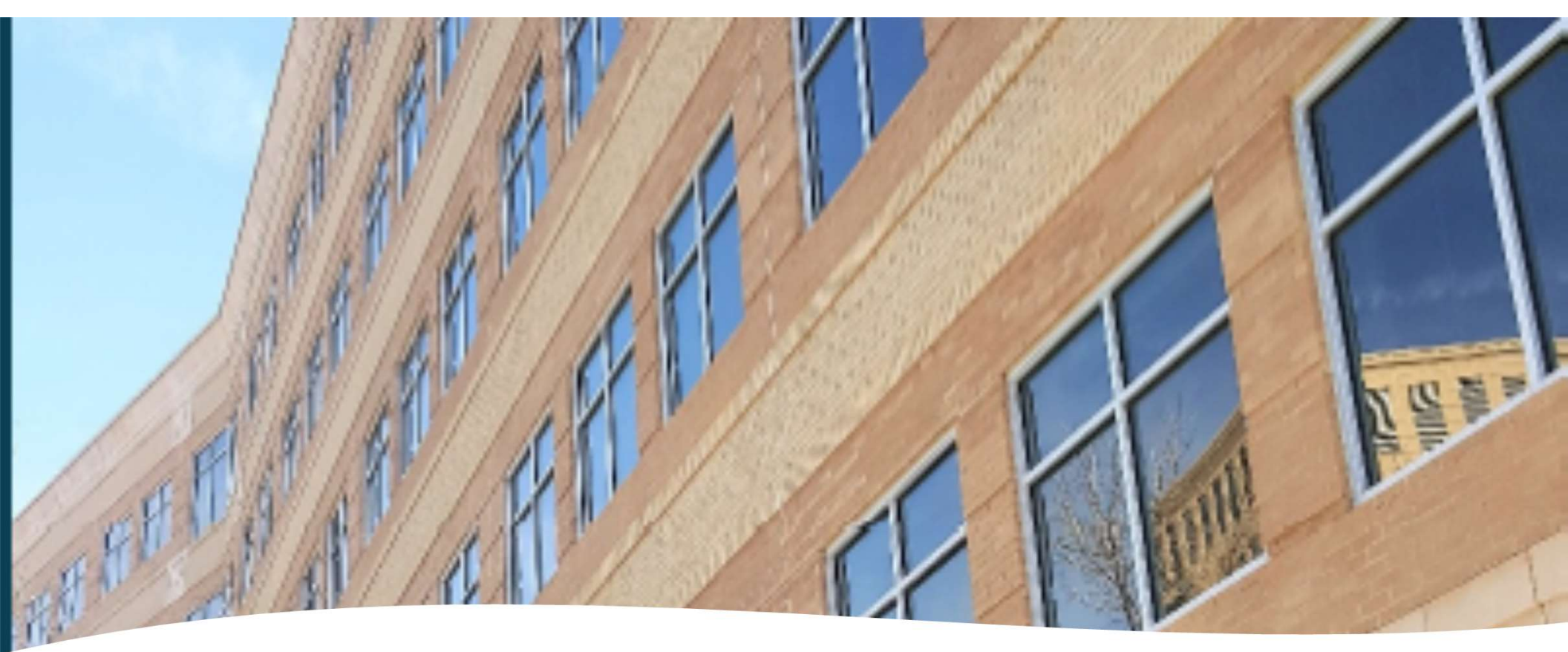
- **Building: 2,248 SF retail establishment hosting wine tasting and an art-gallery**
- **Project: 18.2 kW Solar PV system**
- **Amount financed: \$64,559; SIR 1.15, 10-year term**
- **Savings: \$102,148 lifetime cost savings; 567 tons GHG**



# Single Measure Case Study

- **CO-based family owned and operated manufacturer of mobility driving equipment**
- **Business financially constrained due to COVID and market ramifications**
- **Building: 17,000 SF Industrial building**
- **Project: Roof Replacement**
- **Amount financed: \$450,000; 25-year term**
- **Savings: \$7,178 lifetime cost savings; 26 tons GHG**





# Comprehensive Energy Efficiency Case Study

- **Facility: Two Large Commercial Office Buildings**
- **Project: Energy management system; RTU replacement; evap condensers; advanced metering (FDD); LED retrofit; water efficiency**
- **Amount financed: \$7,166,166; SIR 0.57, 20-year term**
- **Other measures included: LEED-EB**
- **37% energy reduction; 52,109 tons GHG emission reduction**



## New Construction Case Study

- **Building: Mayfly Outdoors corporate headquarters and manufacturing facility, 41,000 SF**
- **Project: Efficient VAV RTUs and split system AC, advanced controls, daylighting, process heat recovery, low LPD**
- **Amount financed: \$1,000,000, 20-year term**



# New Construction Case Study

- **Building: 26,000 SF 36-room hospitality**
- **Amount financed: \$2,800,000; 25-year term**
- **19.2% of total construction costs financed**
- **One of 12 hospitality new construction projects**
- **Improved insulation and windows, VRF fan coils units, DOAS, low-flow plumbing fixtures, low LPD**




## New Construction Case Study

- **Building: 31,451 SF hospitality**
- **Fifty-six guestroom facility with fitness room, meeting rooms, bar and restaurant, lounge and guest laundry**
- **Amount financed: \$1,636,475; 25-year finance term**
- **Built to meet the 2021 IECC (eligible for up to 35% of construction costs)**
- **As rural as it gets! (Sedgwick County, population 2,336, or five people per square mile)**

# New Construction Case Study

- Senior living facility campus, 331,000 SF
- Multifamily, rehab facility, and a chapel
- Amount financed: \$29.7M; 25-year term
- Energy cost savings: 31% over 2015 IECC
- Included high efficiency HVAC and VRF, improved insulation levels, heat recovery, low-flow plumbing, low LPD, efficient elevators





# New Construction Case Study

- **Building: 231,500 SF hospitality**
- **Residences, hotel, restaurant**
- **Amount financed: \$55.5M; 25-year finance term**
- **20% of total construction costs financed**
- **Exceed 2015 IECC by 17%**
- **Design included water source heat pumps, efficient snowmelt, heat recovery, high insulation levels, low-flow plumbing, low LPD**



## New Construction Case Study – Retroactive Financing

- **Building: 72,310 SF US Olympic Museum**
- **Amount financed: \$8,494,303; 25-year term**
- **15.5% of total construction costs financed**
- **Exceeded 2015 IECC by 6.7%**
- **Improved insulation and windows, High Efficiency Heat Pumps, low LPD**



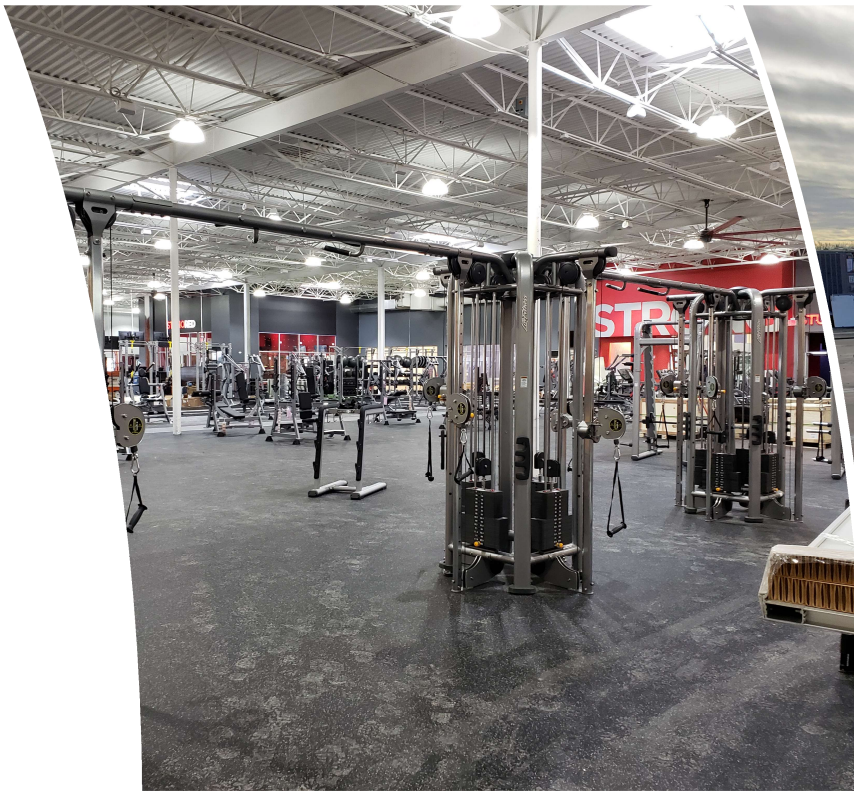
## Repeat Owner Case Study

- **Building:** 97,395 SF office building
- **Project:** BAS upgrade; VFDs; roof replacement; LED lighting
- **Amount financed:** \$626,466; 20-year term
- **Savings:** \$780,098 lifetime cost savings; 5,974 tons GHG
- **First of nine projects developed by Ogilvie Properties**



# “Gut Rehab” Case Study

- **Building: 56,586 SF  
Recreational /  
Fitness**
- **Project: windows  
and skylights; HVAC;  
destratification fans;  
LED retrofit**
- **Amount financed:  
\$1,695,315, 20-year  
term**
- **Total gut-rehab (big  
box retail)**





## “Gut Rehab” Case Study

- Transformation of the historic Knights of Pythias building into a boutique limited-service hotel (Rathbone Hotel and Parlor Bar)
- Building: 12,500 SF Hotel
- Project: Insulation, Roofing, Windows and Caulking, Elevator, Water Efficiency Fixtures, HVAC, Lighting and Electrical Upgrades
- Amount financed: \$1,650,000; 25-year term
- Savings: \$190,714 lifetime cost savings; 4,075 tons GHG



## Non-Profit Case Study

- **Building: 146,217 SF Museum**
- **Project: LED retrofit**
- **Amount financed: \$61,865; 10-year term**
- **Savings: \$229,206 lifetime cost savings; 1,085 tons GHG**
- **First non-profit to use C-PACE financing in CO**



## Non-Profit Case Study

- **Building: 120,378 SF Senior Center**
- **Project: Chiller plant retrofit, efficient HVAC equipment, exhaust fans, and LED lighting**
- **Amount financed: \$1,924,121; SIR 1.09, 20-year term**
- **Lifetime cost savings: \$3,630,209; 23,939 tons GHG**



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## Section V

# Conclusion & Next Steps



# Benefits of C-PACE

Borrowers	Mortgage Holders	Capital Providers
<ul style="list-style-type: none"><li>• Long-term financing (up to 25 years)</li><li>• No out-of-pocket (100% financing)</li><li>• Lower cost of capital</li><li>• Smaller debt service payments – help project “pencil out”</li><li>• No recourse to business owners – no personal guarantees</li><li>• Ability to hand off repayment obligation</li></ul>	<ul style="list-style-type: none"><li>• Enhancement of the value of their collateral</li><li>• Lack of C-PACE acceleration critical to risk evaluation</li><li>• Savings increase owner’s NOI</li><li>• Annual payment default typically 0.4% of building’s value</li><li>• Increasing comfort level regarding consent request</li><li>• Mortgage holders can serve as C-PACE lenders</li></ul>	<ul style="list-style-type: none"><li>• Strong loan security similar to a tax lien – senior position to other encumbrances on the property.</li><li>• Open-source funding platform – all capital providers welcome!</li></ul>

# Benefits of C-PACE

Contractors	Counties
<ul style="list-style-type: none"><li>• Another “tool” in the “tool bag” – attractive financing option different than traditional financing products.</li><li>• “Upsell” high efficiency equipment.</li><li>• Better align cashflows for long-term projects (solar PV).</li><li>• Combine multiple improvements into one package – wish list items.</li></ul>	<ul style="list-style-type: none"><li>• Voluntary financing option offered to stakeholders.</li><li>• Improve building stock – attract businesses, developers, tenants.</li><li>• Enhance the tax base due to property improvements and new construction projects.</li><li>• Boost local economic development.</li><li>• Support CAP goals and building performance standard compliance.</li></ul>



# Next Steps – Register as a Contractor

- **Submit a Contractor Registration form**
- **Attend a C-PACE contractor workshop**
- **Listed as a registered contractor on the program website**
- **Can originate and work on C-PACE financed projects**



## Colorado C-PACE Contractor Registration Form

Companies seeking to obtain CO C-PACE Registered Contractor status are required to complete the C-PACE Contractor Registration Form. Please be sure to complete all fields marked with an asterisk\*. Note that once your firm is "Registered", it will be subject to the Registered Contractors Terms and Conditions as described on page 8.

There are 3 options for completing this Contractor Registration Form:

1. The version of Adobe we have provided for this Registration has "fillable fields" which will permit the Registration to be completed electronically and filed online. If your version of Adobe has this feature enabled, this is the preferred approach  
If option 1 does not work for you, please use option 2:
2. If you can use the "fillable fields", but cannot file the form online to CO C-PACE, simply save the file on your computer and email to [kgallagher@copace.com](mailto:kgallagher@copace.com),  
If option 2 does not work for you, please use option 3:
3. Print the file, fill it out manually, scan and email to [kgallagher@copace.com](mailto:kgallagher@copace.com).

Please feel free to contact me with any questions.

Ken Gallagher  
Manager, Technical Support Services  
[kgallagher@copace.com](mailto:kgallagher@copace.com)  
P: 877.325.1882

Please visit [www.copace.com](http://www.copace.com) for resources.

[www.copace.com/resources](http://www.copace.com/resources)



# Project Start – Submit Prequalification Submission Form

- **Prequalification Submission (PQS) form – program “application”**
  - **General building information**
  - **Current mortgage and assessed or appraised value**
  - **General project SOW**
  - **Mortgage holder**
  - **Contractor/Capital provider**
- **Letter of Eligibility**
- **Schedule kickoff call**

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## Project Pre-qualification Submission Form

Welcome to Colorado C-PACE! We're delighted you're considering the C-PACE program. To get started, simply submit this completed Pre-qualification Submission Form (PQS) and any attachments to [service@copace.com](mailto:service@copace.com). Note that multifamily projects and projects that will use tax credits require additional information—see Appendices for supplemental forms.

Before you fill out this form, remember that to be eligible for the Colorado C-PACE program, a property must:

- Be located in a [participating C-PACE county](#)
- Require financing for [eligible energy improvements](#)
- Be current on property taxes and municipal assessments
- Not be in bankruptcy or mortgage default
- Be used for commercial, industrial, or agricultural purposes

Questions? Contact the Colorado C-PACE program manager via the toll-free number 877.325.1882 or [info@copace.com](mailto:info@copace.com).

### I. CONTACT INFORMATION

Name \_\_\_\_\_  
Company name \_\_\_\_\_  
Email \_\_\_\_\_  
Phone \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_  
State \_\_\_\_\_ ZIP Code \_\_\_\_\_

I am a:

Building owner  Capital provider  
 Building/property manager  Real estate developer  
 Contractor/auditor/project developer  Other: \_\_\_\_\_

Project type:

Existing building retrofit  New construction

# Contact Information

## **Tracy Phillips**

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## **Ken Gallagher**

Program Manager

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For more information visit:  
[www.copace.com](http://www.copace.com)



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# Section VI

## Resources

