



Increase Property Values and Drive Sustainability



Illinois counties and municipalities (collectively, “Communities”) are invited to participate in the Illinois Energy Conservation Authority NFP (“IECA”) Commercial Property Assessed Clean Energy (“C-PACE”) program. The program empowers commercial building owners to save energy and money, helps Communities to create clean energy jobs and resilience, and allows local economies to flourish—all without any upfront costs or putting any general funds at risk. In fact, Communities can earn revenue from closed transactions.

What is C-PACE?

C-PACE is an innovative program that provides long-term, fixed-rate, non-recourse financing to private building owners for energy efficiency, renewable energy, water conservation, electric vehicle charging and resiliency projects (“PACE Projects”) to be installed in commercial buildings. Property owners may obtain up to 100 percent financing from private capital providers for eligible improvements such as HVAC, lighting and solar photovoltaic (PV) systems and other improvements in both existing buildings and new construction projects. C-PACE financing is currently available in 37 states, including Illinois, and has funded approximately \$2.0 billion of qualified improvements on thousands of commercial properties.

The Illinois Property Assessed Clean Energy Act, 50 ILCS 50/1 et. Seq (“PACE Act”), permits governing bodies to establish a C-PACE Program across your entire Community. C-PACE financing stimulates local economies by funding the upfront capital cost(s) for PACE Projects that may lower operating costs, generate clean energy, instill resiliency and promote water use conservation in commercial properties.

How does PACE Benefits Communities?

- **Stimulate** — C-PACE-funded projects stimulate job creation, investment in goods and services, and savings on building operating expenses.
- **Lower Cost** — C-PACE financing may reduce the building owners’ overall cost of capital to fund necessary building improvements that result in lower operating costs.
- **Revitalize** — Buildings can be revitalized and improved through the installation of efficient windows, lighting, HVAC equipment, solar PV panels and more—improving the local building stock and, in turn, helping raise the value of property and the potential tax base.
- **Sustain** — Many Communities have established sustainability goals but lack resources necessary to achieve their objectives. C-PACE fosters the completion of clean energy, resiliency and water conservation projects, helping Communities achieve their goals.
- **Additional Resource** — C-PACE is an additional financial and economic development tool available to all constituents that own commercial property within your Community. Property owners that do not have additional working capital or access to traditional lenders can use C-PACE to improve their property.

What is the IECA PACE Program?

Creating and operating a C-PACE program requires industry expertise and is time consuming and resource-intensive. To reduce the burden on Illinois Communities, IECA established the IECA PACE program (“IECA PACE”), which offers an efficient and cost-effective solution for administration of C-PACE programs in Illinois as allowed under Illinois law. IECA works with Communities to establish their programs based on a uniform set of program guidelines, reports and documents that incorporate best practices learned from many years of PACE experience.

What is Required of a Municipality to become part of the IECA C-PACE Program?

Each Illinois Community needs to pass a resolution to establish a C-PACE program and hire the IECA as the program administrator, enter into a service agreement with the IECA to administer their C-PACE program and adopt a model C-PACE Ordinance & Program Report as a condition of joining the IECA PACE program. Once a Community has opted into the IECA PACE Program, it is considered a “Participating Community.” Among other powers, this ordinance authorizes Participating Communities to enter into an Assessment Contract with a property owner to facilitate the financing of a qualified PACE Project by billing and collecting the payments for the PACE financing through the real estate tax bills and agreeing to enforce those assessments. At closing, Participating Communities assign the Assessment Contract to a private Capital Provider as security for their PACE financing of up to 100% of the cost of the PACE Project associated with the Assessment Contract.



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IECA PACE offers this generally uniform C-PACE program to all Illinois Communities as a cost-efficient way to offer the benefits of C-PACE to your Community.

Why is IECA PACE an Efficient Solution?

- **No cost to local Communities** — Participating Communities are NOT required to contribute capital, dedicate general funds, nor guarantee repayment of C-PACE assessments. IECA PACE is administered by an Illinois nonprofit organization which recovers its costs through transaction fees assessed on completed PACE Projects.
- **Open market** — IECA PACE is an “open market” program, meaning any qualified Capital Provider can participate. Open markets drive participation and provide property owners access to competitive rates and financing terms.
- **Uniform approach** — Participating Communities that offer a C-PACE program with uniform qualification requirements, standards and documentation promote scalability by simplifying participation for stakeholders (Capital Providers, Communities, contractors, project developers, and building owners).
- **Single point of access** — IECA as the Program Administrator serves as a single point of access for stakeholders to access C-PACE financing. Serving as an agent of the Participating Community, the Program Administrator maintains and enforces comprehensive program guidelines to ensure that each PACE Project meets the requirements of the PACE Act and model C-PACE Ordinance.
- **Voluntary participation** — Building owner participation in IECA PACE is 100% voluntary. No property owner is obligated to take any action—only those who choose to use C-PACE to improve their property will pay an assessment.

Any Illinois Community may elect to participate in the IECA PACE program.

What are your Next Steps?

- Contact the IECA at info@iecapace.org
- Pass resolution or ordinance to approve the IECA PACE program
- Enter into a services agreement with IECA as program administrator
- Pass the Model C-PACE Ordinance
- Generate economic development and clean energy benefits!

About IECA

The IECA, is a not-for-profit corporation that was formed out of a commitment to bring innovative PACE program administration to Illinois Communities and the Midwest region. The IECA has compiled a team of partners and advisors with deep ties to the region, and five decades of experience in serving the commercial real estate industry as well as nearly eight years of experience in PACE around the country. The IECA is uniquely positioned to assist the state of Illinois and the Midwest region in establishing successful commercial PACE (C-PACE) programs that will support greater economic development activity, as well as contribute to developing high performing buildings through the installation of energy efficiency, water conservation, resiliency and clean energy technologies.

VISIT www.iecaPACE.org FOR MORE INFORMATION
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