

EL PASO COUNTY PACE FOR THE BUSINESS COMMUNITY



WHAT IS THE PACE PROGRAM?

Property Assessed Clean Energy (PACE) is a proven financial tool that incentivizes Texas' property owners to upgrade facility infrastructure with little or no capital outlay. Approved by state legislation and established by El Paso County, PACE enables owners to lower their operating costs and use the savings to pay for eligible water conservation, energy efficiency, resiliency, and distributed generation projects. Owners gain access to affordable, long-term, private financing that is not available through traditional funding avenues.

Owners of eligible commercial, industrial, agricultural, nonprofit, and multifamily facilities can use El Paso County PACE to pay for property improvements including new heating and cooling systems, lighting, solar panels, water pumps, insulation, roofs, windows, and more. This program accelerates upgrade investments in existing facilities, preserving capital and credit lines and empowering owners to retain their available capital for revenue-generating items including employees, technology, products, and growth.

"The County's ability to provide cost-saving financial tools, like that of the PACE program, offers property owners the ability to upgrade and update their building systems to become responsible users of energy and water, becoming environmentally accountable and creates a win/win for our community, as it also improves their financial performance," said Hon. Ricardo Samaniego, El Paso County Judge.

El Paso County PACE answers the question, "How are we going to pay for it?" and is transforming how developers, owners, and contractors look at projects, proving that there is a clear path forward for energy efficiency, distributed generation, and water use reduction measures.

HOW DOES EL PASO COUNTY PACE WORK?

El Paso County PACE is a simple and effective program that allows owners to see an immediate increase to net operating income and find investing in efficiency a business-savvy proposition. Owners choose a private sector capital provider and voluntarily request that the local government place a senior lien on the property for the total cost of the project. The owner commits to the local government that he/she will pay the PACE assessment installments. El Paso County PACE is not a personal or business loan. It is a voluntary land-secured assessment that is paid off over time. The energy and/or water savings are structured to exceed the cost of the assessment, resulting in projects that are cash flow positive. As the assessment is tied to the property, the repayment obligation transfers to the next owner if the property is sold.

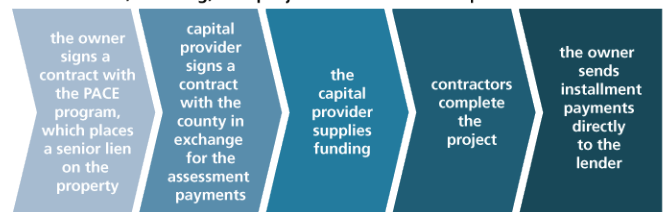
Texas PACE Authority administers the uniform "PACE in a Box" model program on behalf of local governments. This successful model is market-based and flexible, providing the lowest possible administrative cost and highest level of consumer protection, allowing owners to do business with the parties of their choosing.

How It Works

A Building Owner:



If the owner, building, and project all meet PACE requirements:



WHAT ARE THE BENEFITS OF EL PASO COUNTY PACE?

Property Owner Benefits:

Cash flow positive projects • 100% financing • Automatic transfer upon sale • Long-term financing (up to 20 years or more) • Lower energy and water costs • No personal guarantees • Competitive rates and terms • Owner retains all tax incentives • Increase property value • Preserve capital for core business • Healthier and more comfortable facilities • Reduce environmental impacts

Service Provider Benefits:

Increase local hiring • Accelerate project timelines • New market penetration • Best practices • Technology advancement improvements

Capital Provider Benefits:

Steady and stable process • Fully collateralized • Tax assessment lien position • Improve asset value • Mortgage-holder consent • Enhance customer finance position

WHAT PROPERTY TYPES AND IMPROVEMENTS ARE ELIGIBLE?

Eligible Property Types:

- Commercial
- Industrial/Manufacturing
- Multifamily housing (5+ units)
- Hospitality
- Agricultural
- Nonprofit

Eligible Improvements:

Chillers, boilers, and furnaces • HVAC, BMS, BAS, EMS controls • Lighting • Water heating systems • Energy management systems and controls • Roofing • Windows • Doors • Insulation • Elevator modernization • Pool equipment • Cogeneration or combined heat and power • Heat recovery and steam traps • Solar panels • Wind turbines • Water management systems and controls • Irrigation equipment • Rainwater collection systems • Toilets • Faucets • Greywater systems... and more!

SPOTLIGHT ON EL PASO COUNTY PACE

“We share this success in order to inspire and encourage other property owners throughout the County to address deferred maintenance issues on their properties,” notes El Paso County Judge Samaniego.

The Plaza Hotel Pioneer Park is utilizing El Paso County’s TX-PACE program to finance \$9.2 million of energy efficiency improvements. The project measures include renovations to HVAC, elevator, lighting, windows, and plumbing systems. This is the second TX-PACE project in El Paso County and the largest TX-PACE border project.



*(pictured left)
Plaza Hotel Pioneer
Park building
during renovations*

TX-PACE FACT

PACE was identified by Scientific American as one of the top 20 “world changing” ideas, because it provides a new source of property-secured financing for property retrofits that does not affect conventional lending sources and does not compete for capital with other investment opportunities.