



TEXAS PACE AUTHORITY

Interested in upgrading your nonprofit property with energy/water efficiency and renewable technologies but lack the needed capital?

A new financing option, PACE (Property Assessed Clean Energy), enables nonprofits to obtain affordable, long-term loans covering up to 100 percent of the cost for energy efficiency, water saving and onsite generation technologies.

PACE secures private financing for a term as long as the projected useful life of the improvements, resulting in utility cost savings that exceed the amount of the repayment.

You can modernize your nonprofit property without fear of diverting funds from your mission because if you sell the property, the PACE loan repayment obligation transfers with the property to the new owner.

The PACE statute restricts use of PACE financing on multifamily homes under 5 units and on state owned property.

Typical examples of qualified improvements:

- High efficiency chillers, boilers, and furnaces
- Mechanical system modernization
- Energy system sensors and controls
- Systems to capture, treat and use other on-site sources of water (condensate, rainwater, etc.)
- High efficiency lighting
- Water conservation equipment
- Building enclosure/envelope improvements (insulation, new windows, cool roofs, etc.)
- On site generation such as solar and CHP (resiliency benefits)
- Fuel switching
- Wastewater onsite reuse systems



NEW FINANCING OPTION FOR NONPROFIT PROPERTY OWNERS

CASE STUDIES:



CONGREGATION BETH ISRAEL SYNAGOGUE, AUSTIN, TX

The nonprofit financed a \$460,000 project which included major chiller replacements and other holistic energy saving improvements. The synagogue experienced several air conditioning outages last summer, and was continuing to expend money into cooling an uninsulated and inefficient area. As a result of PACE, the facilities have new mechanical systems which resulted in 9,000 kilowatt hour reduction in the first month of operation amounting an annual utility savings of approximately \$15,000.



FAMILY ELDERCARE, AUSTIN, TX

Family Eldercare is a Central Texas nonprofit organization that has been serving seniors and adults with disabilities for more than 30 years. It needed to increase net operating income and lower business expenses in order to provide for clients. Long Term PACE financing enabled Family Eldercare to complete comprehensive energy efficient upgrades including a new cool roof and solar panels without compromising its operating budget. This resulted in an energy reduction of approximately 20% and 140,000 kWh in electricity savings annually, leading to a positive cash flow.

"Reducing our congregation's carbon footprint and living with a lightened impact on God's earth through the vision and ingenuity of the PACE program not only makes economic sense, but also represents a sacred act of both responsibility and hope in the future"
 –Rabbi Steven Folberg of Congregation Beth Israel

THE FINANCIAL IMPACT OF NONPROFIT PACE

This example compares self funding and conventional funding with PACE financing:

- Church
- Project involves a \$450,000K replacement of chillers, boilers, controls and window film
- Annual energy and maintenance savings of \$45,000 (11.3 years simple payback)
- PACE funding available for 20 years at 6.0%.
- Conventional Funding for 5 years at 4.0% (with 20% down payment).



Financing Scenario Comparison Summary			
	Self-Funded	Conventional Loan	PACE
Out-of-Pocket Investment	(\$450,000)	(\$90,000)	\$0
Savings (First Year)	\$45,000	\$45,000	\$45,000
Annual Payment	\$0	(\$101,082)	(\$39,233)
Cash Flow Impact Year 1	(\$405,000)	(\$146,082)	\$5,767
Net Project Cash Flow Year 2	(\$360,000)	(\$202,164)	\$11,534
Years to Positive Project Cashflow	10.0	13.2	IMMEDIATE
Debt Service Over Finance Term	0	(505,411)	(784,661)

YOUR CONVENIENT PACE LOAN ASSESSMENT CAN INCLUDE:

- Cost of materials and labor necessary for the installation of a qualified improvement
- Permit fees
- Inspection fees
- Lender fees
- Program development and engineering fees
- Independent third party reviewer audit fees, including verification fees
- Any other fees or cost that may be incurred by the property owner incidental to the installation, modification or improvement
- Legal, consulting and other fees on an actual cost basis
- Changes to the existing property incidental to the installation

Contact us to discuss your potential PACE project or to learn more about establishing a PACE program in your community.



TEXAS ★ **PACE**
AUTHORITY

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