

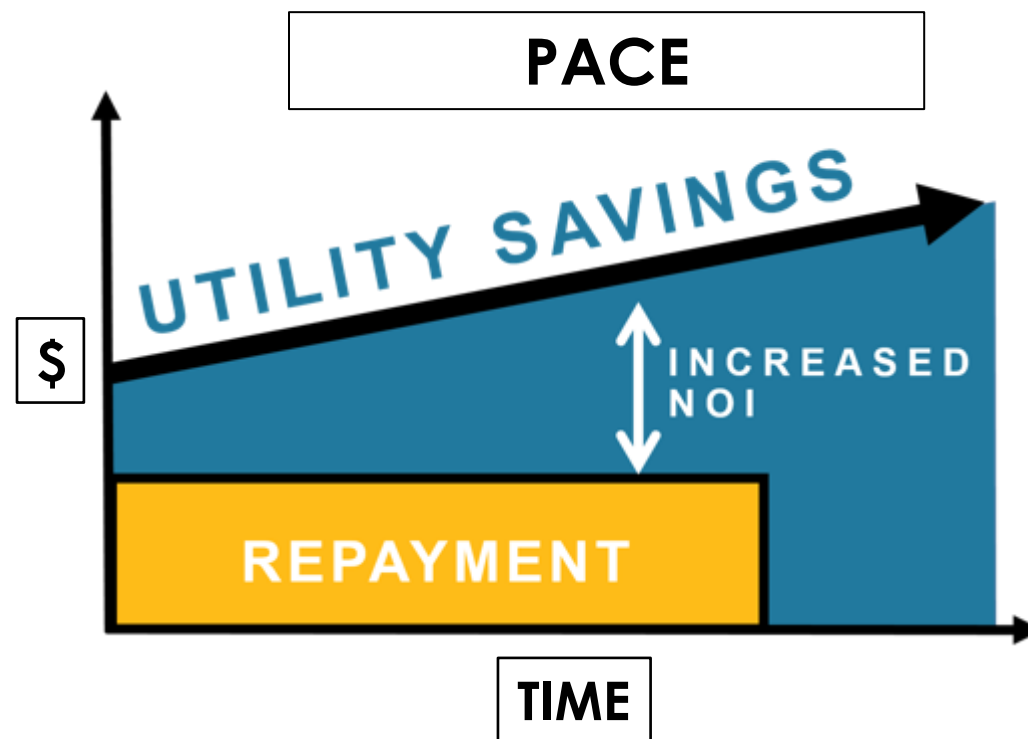
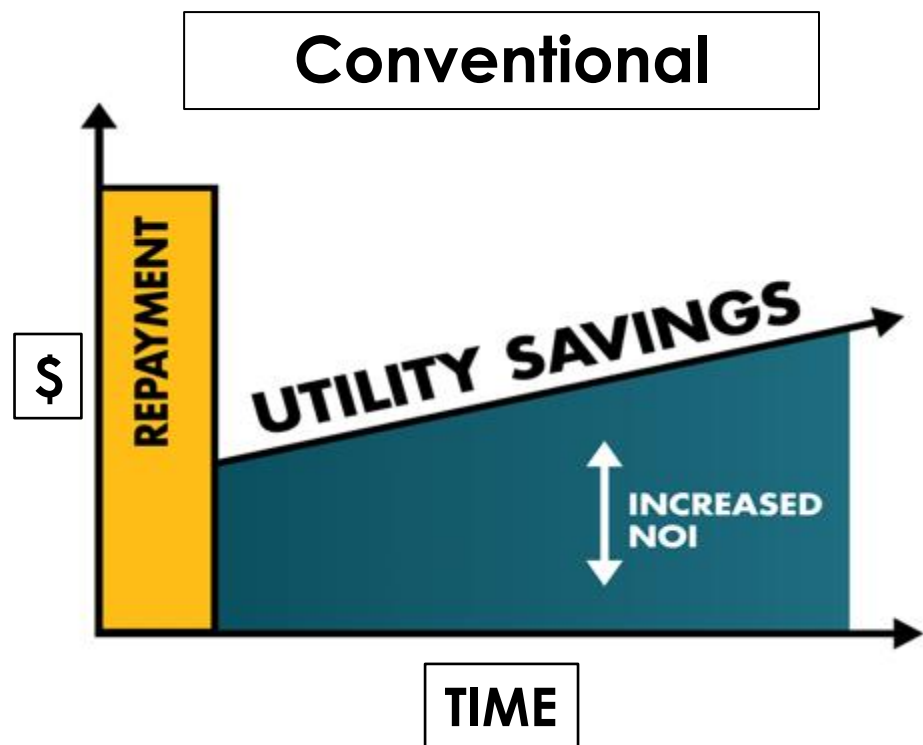
# CITY OF HOUSTON PACE PROGRAM PROGRAM OVERVIEW



City of Houston RNA  
December 14, 2021

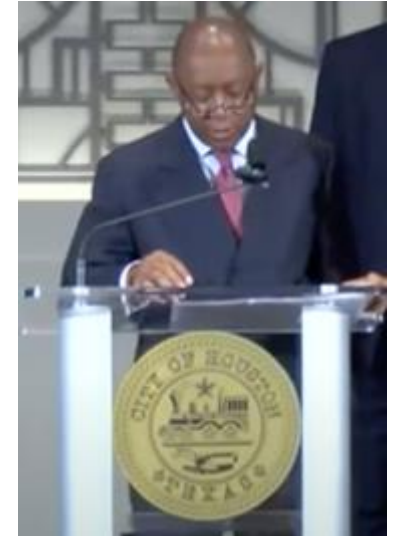
# WHY PACE?

- Improves assets – budget neutral/cashflow positive
- Lowers utility usage/costs
- Increases net operating income



# HOUSTON PACE LEADERSHIP

- Gov. Perry signs Texas PACE Act into Law June 2013
- June 2013 – March 2014 PACE in a Box model program created by more than 130 Texas stakeholder volunteers
- Houston became the first city to establish a PACE program on Nov. 4, 2015
- Program went live on August 3, 2016, with Texas PACE Authority as administer
- First project closed June 2017
- April 2020 Houston Climate Action Plan includes PACE as tool and sets goals
- After 2020 RFI, in May 2021, COH selected Texas PACE Authority for 2nd contract



# TEXAS PACE AUTHORITY (TPA)

- 501(c)(3) nonprofit organization established in 2015 to administer PACE programs as a public service
  - Highest quality best practices in administration, underwriting, and technical standards
  - Follow State-wide “PACE in a Box” model program
  - No cost to City, no staff impact, no liability to City
  - Funded by user fees and grants
  - Lowest possible cost to property owner
    - High-volume, low-cost business model
    - Commitment to continue to lower costs as TPA becomes sustainable

# HOUSTON PACE PAGE

## CITY OF HOUSTON PACE

Resolution Adopted Nov. 4th, 2015

Lower your operating costs with 100% Financing for Energy and Water Efficiency in Industrial, Commercial, or Nonprofit Real Estate

Contract document templates will be provided upon receipt of complete application submission or may also be requested [here](#).

To access resources to help your organization in the recovery effort following Hurricane Harvey and to help others [click here](#).

[TX-PACE as a Tool For Storm Recovery](#) | [TX-PACE as a Tool For Local Businesses](#)



Photo: [america.gov](#) at [en.wikipedia](#), CC0, via [Wikimedia Commons](#)

### QUICK LINKS

- [Get Started](#)
- [Find a Lender](#)
- [Find an ITPR](#)

### CASE STUDIES

- [1225 North Loop West](#)
- [- English](#)
- [- Spanish](#)



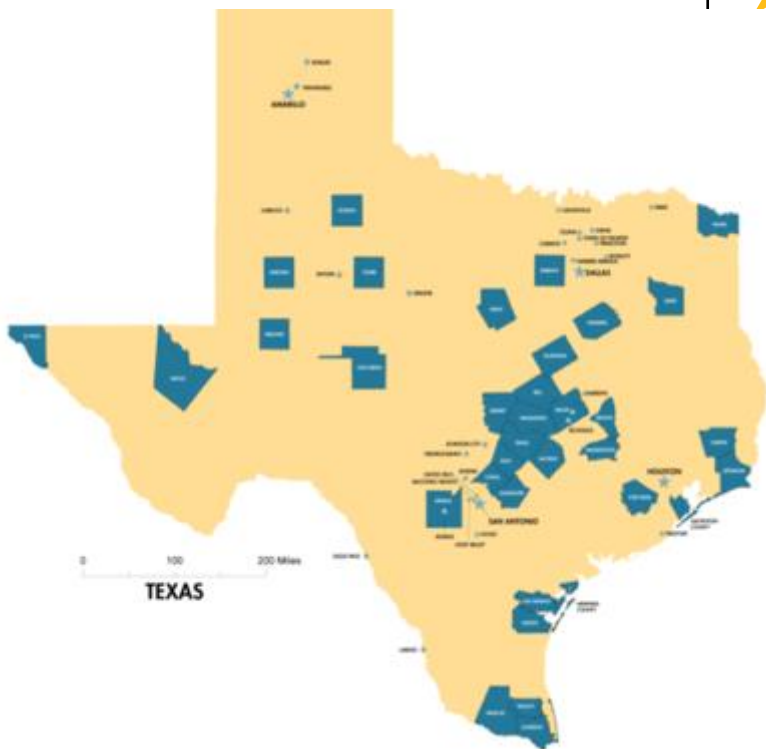
- [ABOUT](#)
- [HOW PACE WORKS](#)
- [WHO'S ELIGIBLE?](#)

PACE is 100% financing for energy and water efficiency improvements to industrial, commercial, multi-family residential, and non-profit buildings. PACE is essentially a long-term (typically 10-20 year), low-cost loan for such improvements as:

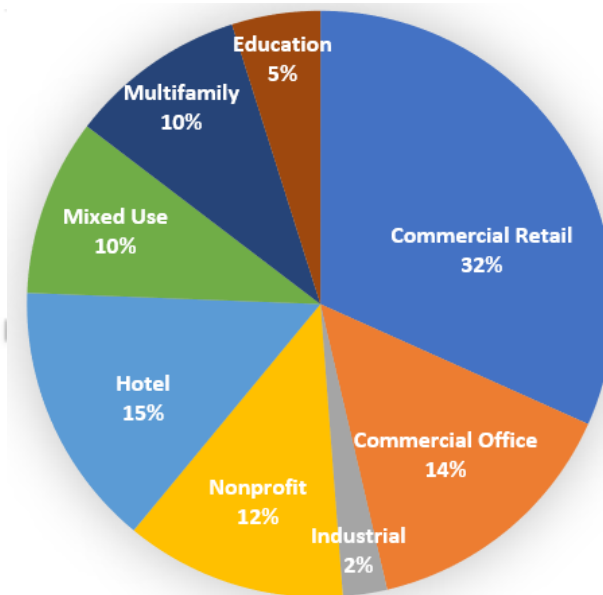
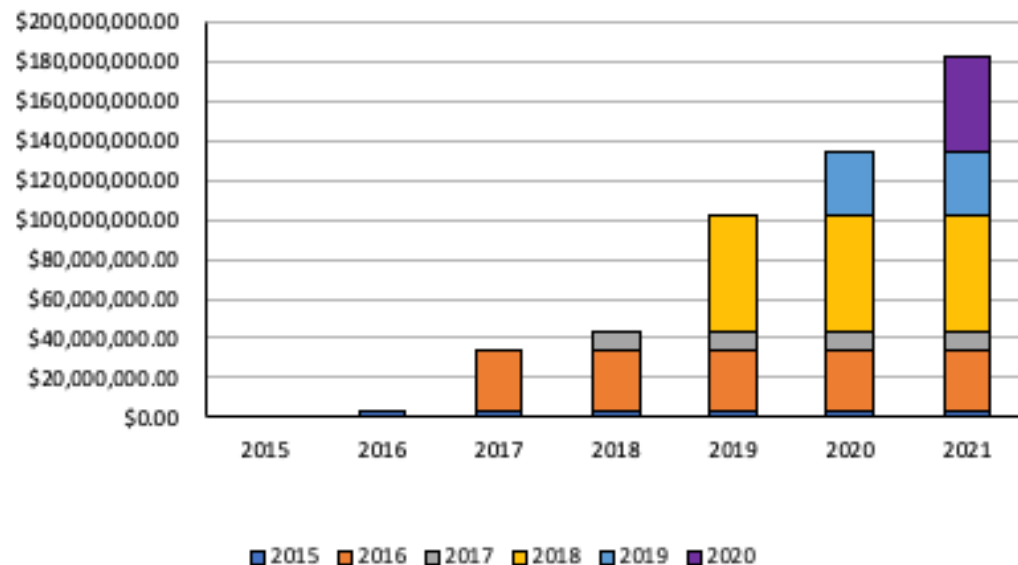
- HVAC modification or replacement
- Light fixture modifications such as LED
- Solar panels
- High-efficiency windows or doors
- Automated energy control systems
- Insulation, caulking, weather-stripping or air sealing
- Water use efficiency improvements
- Energy- or water-efficient manufacturing processes and/or equipment
- Solar hot water
- Gray water reuse
- Rainwater collection system

# TX-PACE BY THE NUMBERS

➤ \$182 million of investment to date



Annual C-PACE Financing in Texas



## MEASURE TYPE

Energy Efficiency: 55% / Water Conservation: 33% / Distributed Gen: 12%

# Houston PACE Projects



**1225 NORTH LOOP WEST**  
**\$1.3 million**



**REGENCY INN, \$135,000**



**STONECREEK AT COPPERFIELD**  
**\$1.8 million**



**HOUSTON PREMIUM OUTLETS**  
**\$2.2 million**



**PEARL MEDICAL CENTER**  
**\$21.8 million; \$3 million**



**HBDi, \$1.3 million**



**WORLD GYM, \$1 million**

# PACE is a WIN-WIN-WIN (WIN-WIN)

- ✓ **Property Owners** – lower utility bills, energy independence, energy efficiency, property value increase
- ✓ **Contractors** – source of increase in business, more local hiring, best practices, keeping up with technology advancements
- ✓ **Lenders** – new loans, steady & stable process, fully collateralized, Tax Assessment lien position, improved asset value
- ✓ **State of Texas** – reduced peak demand, enhanced grid reliability, distributed generation as resilient power source, improved air quality, water resource conservation
- ✓ **Communities** – increased economic development and jobs, improved building infrastructure, more appealing building stock and plants