



PICKING UP THE HOUSTON PACE – PART 2

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www.TexasPACEAuthority.org

PANEL



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TX-PACE BY THE NUMBERS

To date:

\$85.2 M

Invested

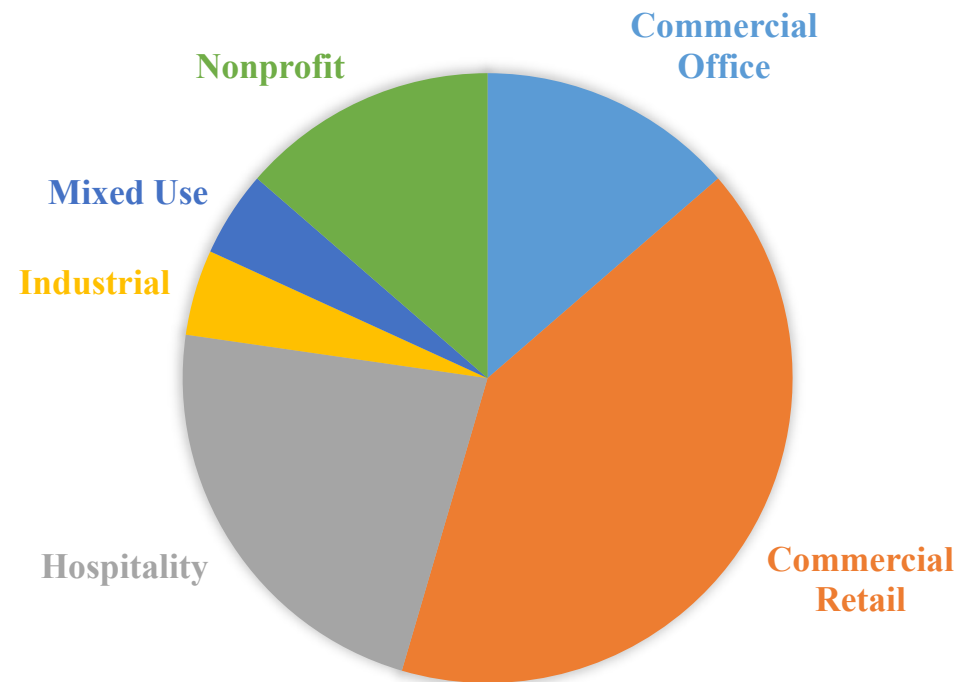
23

Total
Projects

986

Jobs Created

PROJECT BREAKDOWN



HOU-PACE BY THE NUMBERS



4

Projects
Completed



\$ 25,388,374

Dollars
Invested



342

Jobs
Created



5,541

CO2 Reduced
(tonnes/yr)



16,185,924

Water Saved
(gallons/yr)



10,274,166

Energy Saved
(kWh/yr)



3,677,000

Natural Gas Saved
(BTU/yr)



TEXAS  PACE
AUTHORITY

WHAT IS TX-PACE?

TEXAS PROPERTY ASSESSED CLEAN ENERGY

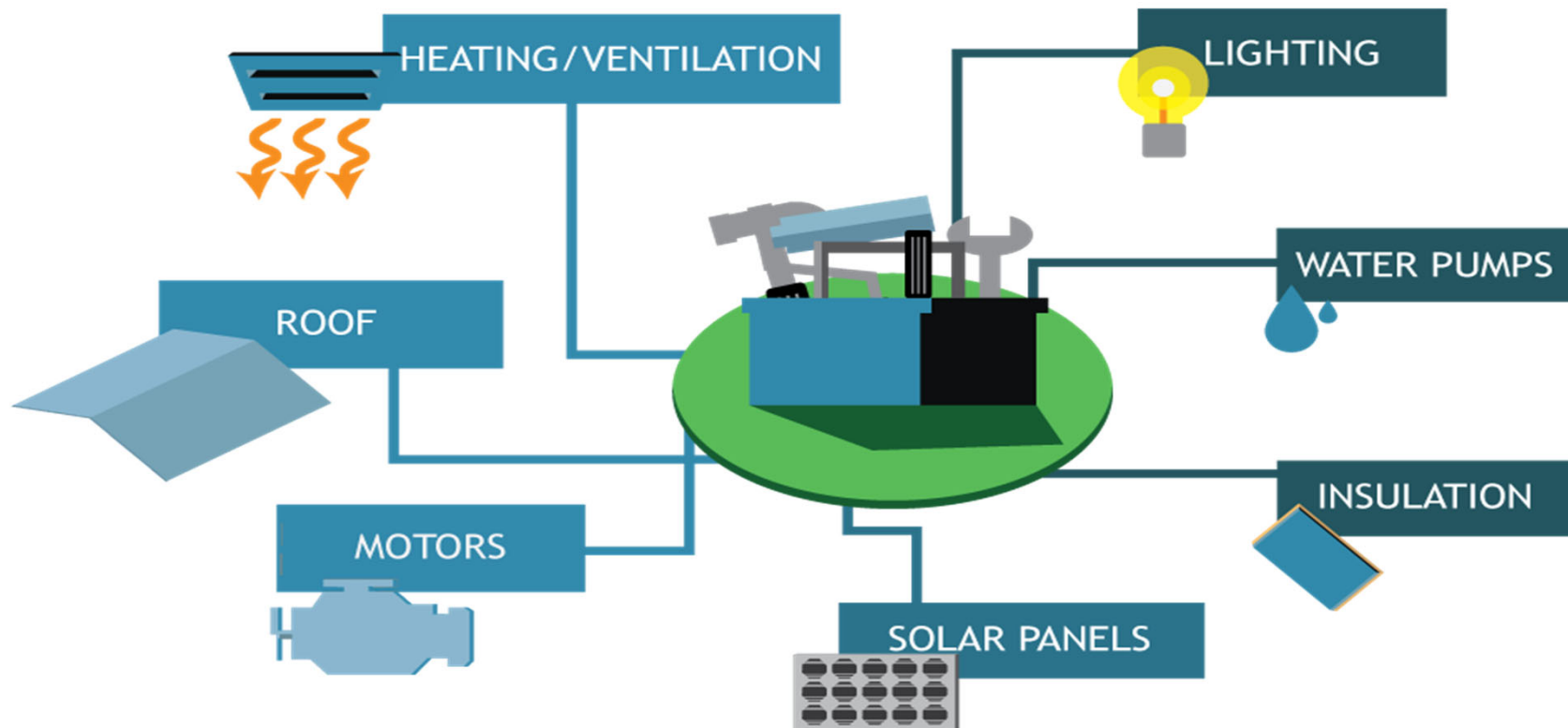
A simple way of paying for capital projects with no money out of pocket

- **What: 100% long term, low cost financing**
Energy efficiency, water conservation,
and **distributed generation/resiliency** projects
- **Where: On commercial** (non-profit, hospitality, healthcare)
industrial (manufacturing, agricultural); and
multi-family (5+units) **properties**
- **How: Repaid via special property assessment over the**
useful life of the improvements



ELIGIBLE IMPROVEMENTS

Projects that reduce energy or water usage or generate energy onsite.
Many of these measures can also make the property more resilient

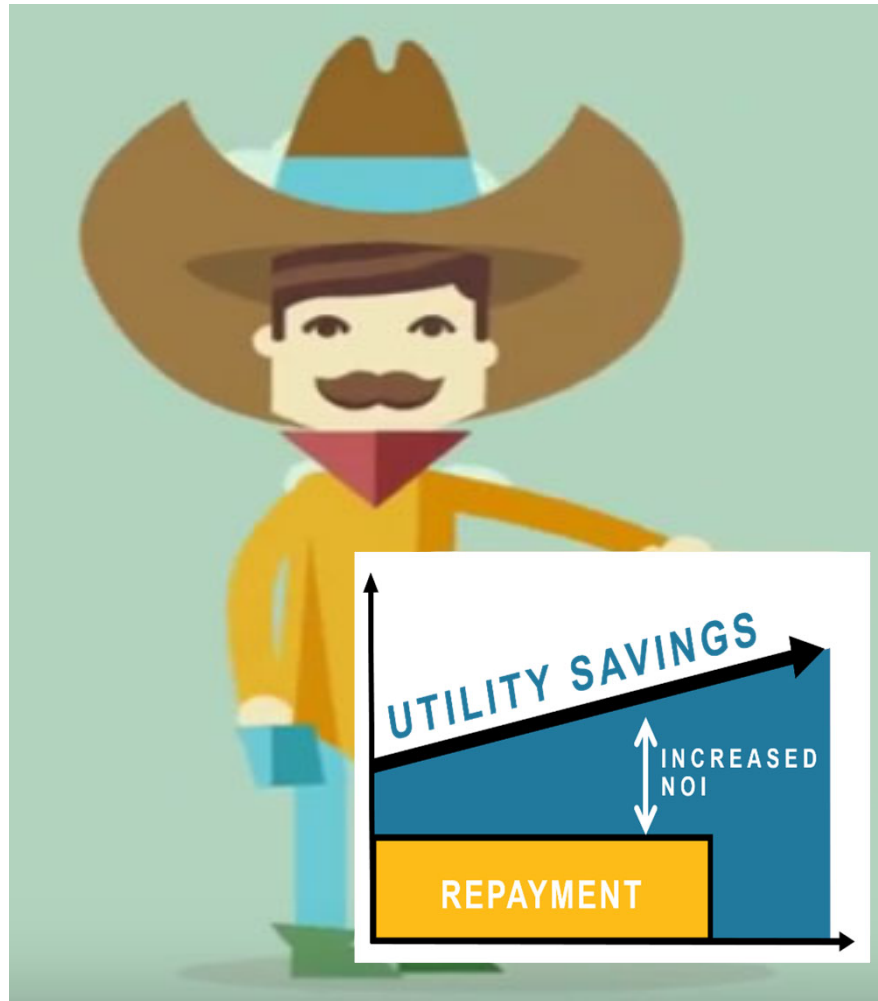


➤ **...and more!**

Image source: <http://pacenation.us/what-is-pace/>

WHY TX-PACE?

LOWER UTILITY COSTS AND INCREASE NET OPERATING INCOME

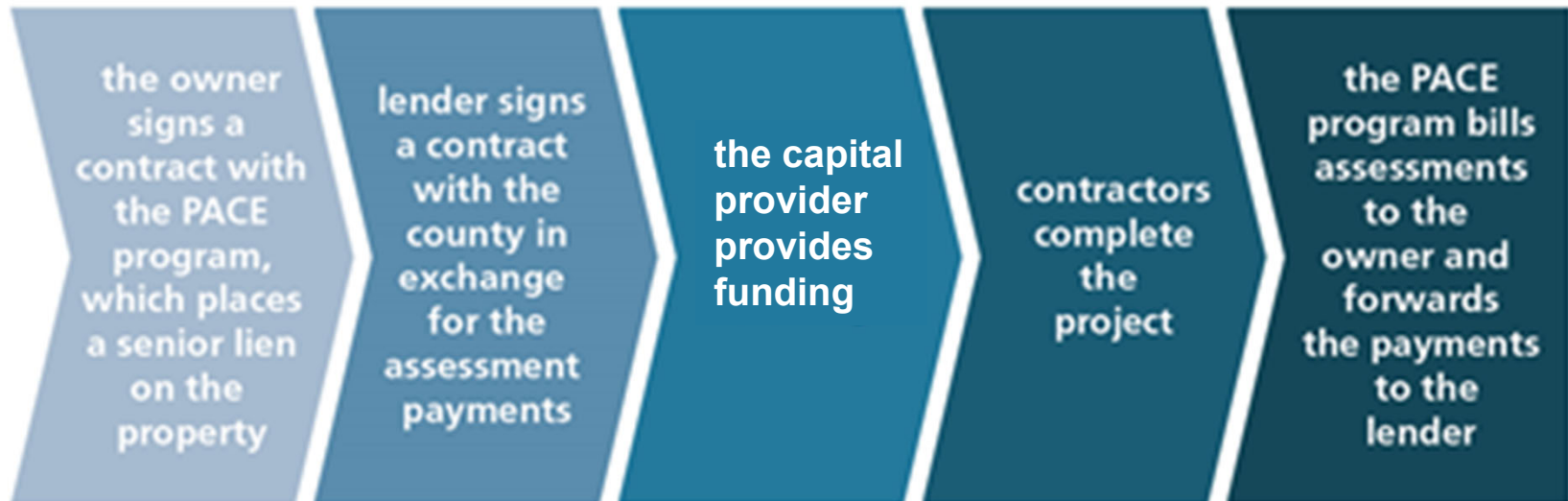


HOW TX-PACE WORKS

A Building Owner:



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



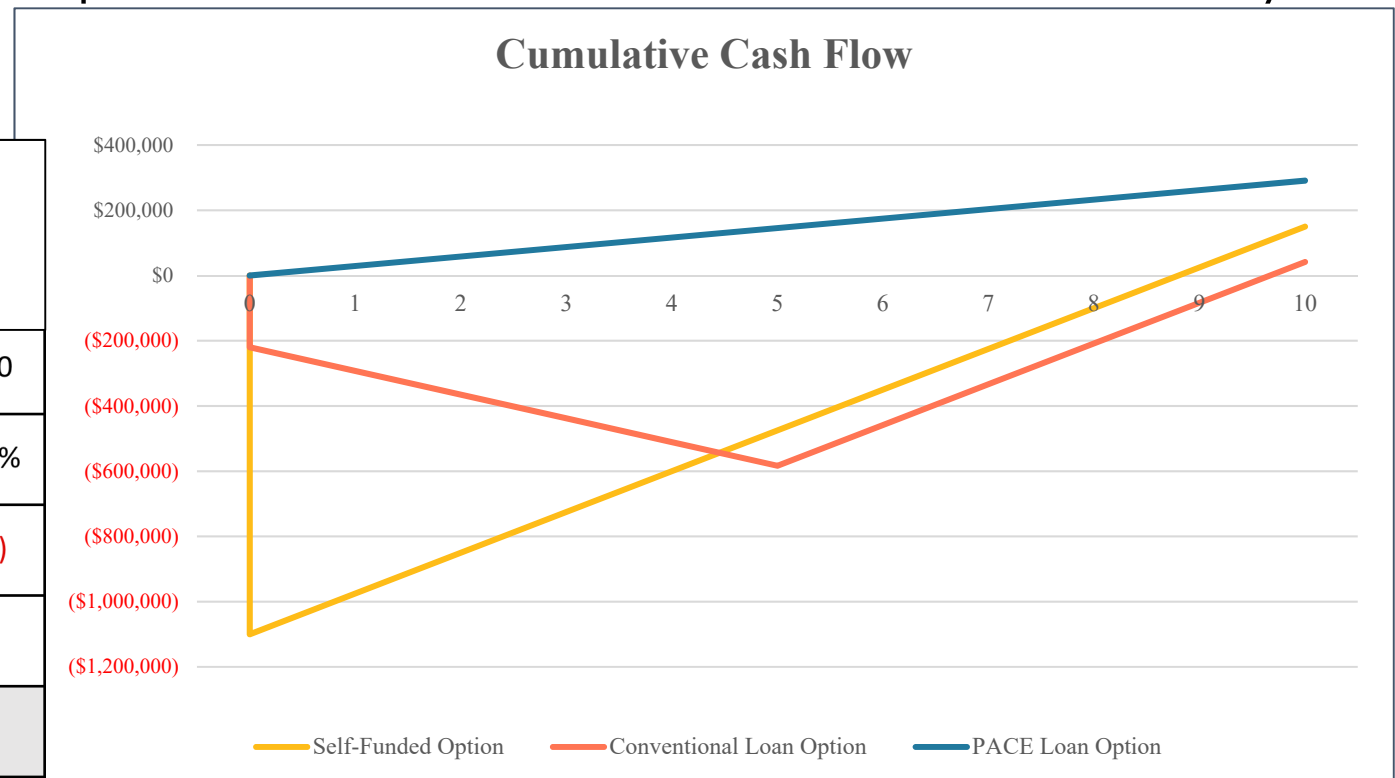
HELPS OVERCOME INVESTMENT BARRIERS

INVESTMENT BARRIER	TX-PACE SOLUTION
Upfront capital	No upfront capital needed
Insufficient payback / short ROI	Funded up to life of equipment (20 years+)
Lack of funding	100% financing – not a personal or business loan
Landlord / tenant split incentives	Can be passed to tenants
Short-term ownership	Stays with the land – transfers upon sale

FINANCIAL IMPACT OF TX-PACE

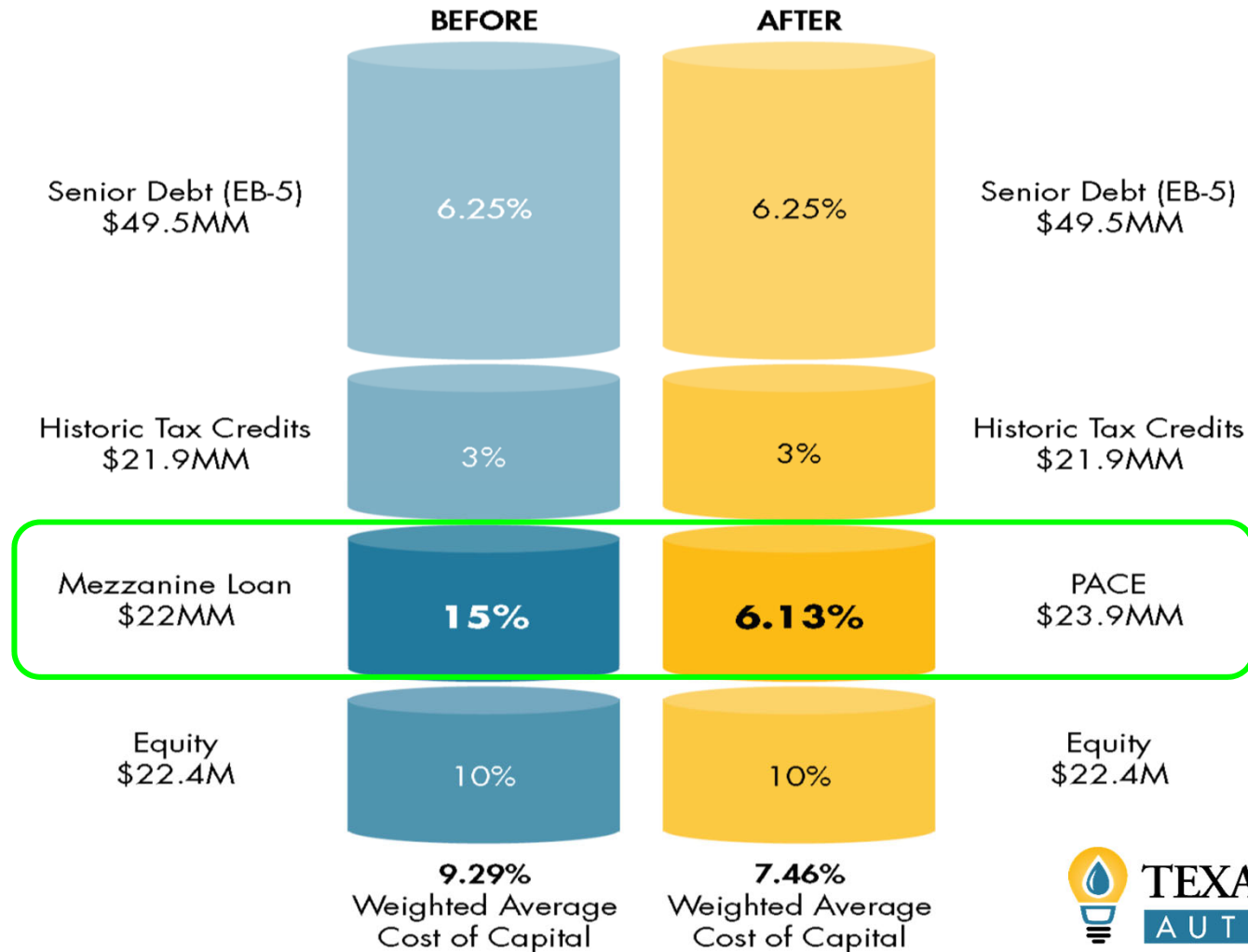
- Increase property value with no capital investment by building owner
- Generate positive cash flows immediately

Example: \$1.1M Efficiency Upgrade Savings \$125K/yr	
Project Cost	\$1,100,000
Term	20 Yrs @6%
Annual Pmt	(\$95,903)
Avg Annual Savings	\$125,000
NOI Impact	\$29,097
Value Impact (@7.5%)	\$296,629



CAPITAL STACK APPROACH: DEVELOPER

Example: \$24M Redevelopment



TX-PACE Assessments CAN Include:

- The cost of materials and labor necessary for the installation of a qualified improvement.
- Permit fees;
- Inspection fees;
- Lender's fees;
- Program application and administrative fees;
- Project development and engineering fees;
- Independent Third Party Review fees, including verification fees;
- Any other fees or costs 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; and
- Changes to the existing property that are incidental to the installation.



OFFICE

1225 North Loop West • City of Houston
HVAC • LED lighting • BAS Controls
Assessment: \$1.3 Million • Annual Savings: \$185,000



INDUSTRIAL

R.J. Liebe Company • Navarro County
HVAC • LED lighting
Assessment: \$325,000 • Annual Utility Savings: 30%



NONPROFIT

Congregation Beth Israel • Travis County
Boilers • Chillers • Window Film • BAS Controls
Assessment: \$450,000 • Annual Savings: \$40,000



RETAIL

Simon Property Group • Houston; El Paso, Travis & Williamson Counties
HVAC • Lighting • Water
Assessment: \$9 Million • Annual Savings:

TX-PACE ACROSS THE STATE

- + 40% of state population covered
- Over \$85 million of investment
- More than 975 jobs created
- 30 regions ... *and counting!*

TEXAS CITIES:

City of Amarillo	City of Houston
City of Cameron	Jacinto City
City of Corinth	Johnson City
City of Dallas	City of Panhandle
City of Farmers Branch	Town of Prosper
	City of Rockdale

TEXAS

COUNTIES:

Bastrop County
Bell County
Brazos County
Cameron County
El Paso County
Fort Bend County

Galveston County
Hays County
Hidalgo County
Jefferson County
McLennan County
Navarro County

Nueces County
Tarrant County
Tom Green County
Travis County
Willacy County
Williamson County



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RESOURCES

- **How TX-PACE works for the business community –**
<https://www.texaspaceauthority.org/wp-content/uploads/Private-Sector-092617.pdf>
- **Case Studies –**
<https://www.texaspaceauthority.org/resources/>
- **Program Guide and Technical Standards –**
<https://www.texaspaceauthority.org/Documents/Program%20Guide.pdf?dl=0>
- **TX-PACE for Disaster Recovery and Resiliency –**
https://www.texaspaceauthority.org/wp-content/uploads/Texas-PACE-Program-Provides-Businesses-another-Tool-for-Disaster-Recovery_final.pdf
- **Events and Training –**
<https://www.texaspaceauthority.org/event-directory/>
- **Newsletter –**
<https://www.texaspaceauthority.org/join-our-mailing-list/>



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