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Record growth demonstrates value of C-PACE funding - by Jeffrey Diehl

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Over the last 12 months the Rhode Island Commercial Property Assessed Clean Energy (C-PACE) program facilitated a historic high of \$58.2 million in financing across nine projects, including three recent closings during the COVID-19 crisis. Recent C-PACE funding has been crucial to implementing projects in healthcare, hospitality, multifamily residential, office space, and manufacturing facilities. The projects that have utilized C-PACE over the last year created or supported 760 jobs and are projected to reduce greenhouse gas emissions by the equivalent emissions of 3,428 homes. Our growing pipeline of projects in Rhode Island reflects the national trend among building owners who increasingly recognize the value of C-PACE as a tool to improve their facilities and their balance sheets. In 2019 C-PACE investment across the US reached \$670 million, equal to 150% growth over 2018. In anticipation of another successful year we have added new staff to support growing program demand and have introduced new tools to help our partners identify worthwhile energy and cost saving projects

As Rhode Island continues to re-open its economy, maintaining healthy and energy-efficient workspaces is more important than ever. Rhode Island Infrastructure Bank's C-PACE program helps Rhode Island businesses make critical building upgrades while providing the financial flexibility to hire additional staff and pursue new opportunities. C-PACE has also been a useful tool to fill gaps in new-construction financing. Three recent new-construction projects in Rhode Island accessed nearly \$13 million in funding via C-PACE.

C-PACE finances up to 100% of energy efficiency, renewable energy, water conservation, and environmental health and safety improvements. Over the last year building owners have used C-PACE to implement a range of measures: solar panels, lighting improvements, HVAC efficiency upgrades, and high-performance building envelopes. The program has demonstrated the flexibility to accommodate any number of creative approaches to sustainability and resilience. C-PACE works for projects both large and small, from a \$100,000 solar installation to a multimillion-dollar deep energy retrofit. Over the last year both for-profit and non-profit enterprises have utilized C-PACE to capture cost savings and reduce the environmental footprint of their operations.

C-PACE financing is sourced from private capital providers with terms that can extend up to 25 years. Building owners can also use C-PACE to access funding today secured by building improvements that have already been installed, an especially helpful option to address short-term cash-flow constraints. Several C-PACE capital providers allow for the deferral of payments for up to two years, another tool to help weather an uncertain business environment.

Rhode Island Infrastructure Bank is committed to helping building owners in Rhode Island make meaningful, long-term clean energy investments by opening doors to flexible, long-term financing. We are proud of the progress the C-PACE program has already made towards this end, and we look forward to continuing our work to make Rhode Island cleaner, greener, and more efficient.

For more information contact Toby Ast, C-PACE business development manager at Rhode Island Infrastructure Bank.

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