Commercial Property Assessed Clean Energy (PACE) Toolkit: Overview

The U.S. Department of Energy's (DOE) **Commercial Property Assessed Clean Energy (C-PACE or Commercial PACE) Toolkit** is an outcome of DOE's C-PACE Working Group. The C-PACE Working Group represents a three-year partnership (2018–2020) of state and local governments that worked together to learn about, launch, and refine C-PACE financing programs. By 2021, the Working Group stimulated **$70 million** in C-PACE investments among 17 State and Local Partners, exceeding a $60 million goal two years ahead of schedule.[1]

DOE's collaboration with more than 70 participants, including more than 30 state and local government participants (see map below), resulted in tools and resources to inform public-sector C-PACE program development and implementation. State and local governments can use these resources to build a foundational understanding of C-PACE, inform the decision to start a program, improve implementation, and apply C-PACE to support a range of public purpose objectives.
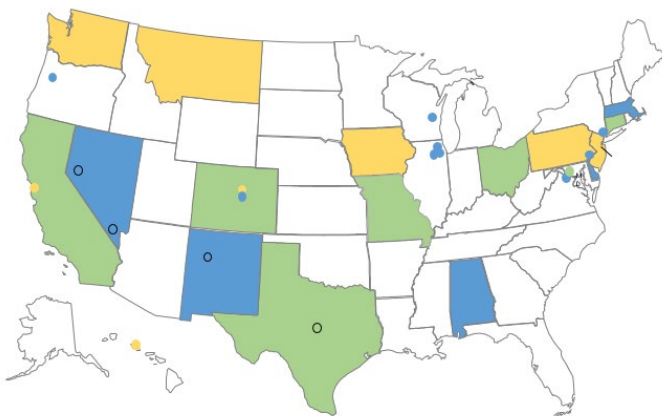
33 State and Local Participants in C-PACE Working Group

■ Partners: 17 (5 states, 12 local governments

■ Observers: 8 (5 states, 3 local governments)

■ Advisors: 8 (6 states, 2 local governments)

Why Commercial PACE Matters for State and Local Governments

C-PACE is authorized by state legislation, requires further authorization from local governments, and is a voluntary tool for financing energy efficiency, renewable energy, and resilience upgrades in commercial buildings. More than 37 states and Washington, D.C., have adopted C-PACE enabling legislation because of the opportunities for investment in local businesses, energy and cost savings, and job creation. C-PACE programs have resulted in more than $2 billion in private capital investment in commercial building upgrades in more than 20 states.[2]

State and local governments adopt C-PACE to generate jobs, stimulate economic development, and combat climate change. State and local governments can advance these public purpose objectives through C-PACE with little to no investment of public funds while being engaged and supportive of program outcomes. By leveraging DOE's tools and resources, state and local governments can make more informed decisions and ensure their C-PACE programs achieve public purpose objectives.

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[1] C-PACE Working Group Partners include Arlington County, VA; Bernalillo County, NM; Chicago, IL; Commonwealth of Massachusetts and MassDevelopment; Cook County, IL; Delaware Sustainable Energy Utility; Jefferson County, CO; Las Vegas, NV; Milwaukee, WI; New York, NY & NYCEEC; Philadelphia, PA – Philadelphia Energy Authority; Portland, OR – Prosper Portland; Reno, NV; State of Alabama; State of Nevada; State of New Mexico; Will County, IL. Find the full list of C-PACE Working Group participants at: https://www.energy.gov/eere/slsc/commercial-property-assessed-clean-energy-pace-toolkit.

[2] PACENation Market Data. Available online at: https://www.pacenation.org/pace-market-data/. (Accessed on October 20, 2021).

Introducing the Commercial PACE Toolkit

The Commercial PACE Toolkit is a 4-part compilation that any state or local government can use to navigate barriers and benefit from C-PACE financing. Toolkit resources support best practices and innovative approaches successfully used by state and local governments to establish or join a C-PACE program, implement a program and generate project uptake, and apply C-PACE to support underserved communities or advance resilience objectives.

Part 1 – C-PACE 101: Build a Foundation

Start with the basics, learn about the C-PACE financing mechanism, and get more informed about the role of the public sector. Understand the key features, stakeholders, and lessons learned from early adopters through these foundational resources:

- **C-PACE: A Fact Sheet for State and Local Governments**
  Quickly understand C-PACE with this resource for state and local governments.

- **Lessons in Commercial PACE Leadership: The Path from Legislation to Launch**
  Fast track the set-up of C-PACE programs for state and local governments by capturing the lessons learned from leaders. The report examines potential program design options and important decision points in setting up a C-PACE program, tradeoffs for available options, and experiences of stakeholders that have gone through the program development process. The resource draws on interviews with leading market actors and representatives of established programs in Texas, Connecticut, Michigan, and many others.

- **Technical Webinars to Build a Foundation**
  Hear from C-PACE experts and public-sector stakeholders in these pre-recorded webinars. Topics include:
  - Lessons in Commercial PACE Leadership: The Path from Legislation to Launch Webinar
  - C-PACE Financing Turns 10: Impacts, Challenges, and What Comes Next

Part 2 – Establish, Join, or Design a Program

Identify existing C-PACE enabling laws and programs; understand the opportunities, risks, and strategies to successfully offer a program; and leverage data to assess the energy savings opportunity at the state or local level. The following resources will inform the process of establishing or joining a program:

- **PACENation Resources**
  PACENation, a national non-profit, maintains information on C-PACE enabling legislation and programs by state in addition to many other resources. State and local governments can identify what laws and programs exist here:
  - C-PACE Legislation by State
  - C-PACE Programs by State

- **Issue Brief** – **Commercial PACE Financing and the Special Assessment Process: Understanding Roles and Managing Risks for Local Governments**
  Navigate two specific barriers local governments may face regarding C-PACE programs: (1) uncertainty about the likelihood of tax foreclosure on properties in default and risks to local governments; and (2) uncertainty about the staffing commitment associated with the special tax assessment process.

- **State and Local Coordination**
  Learn about and adopt best practices for coordinating local government and state roles.
  - C-PACE State-Local Coordination: Key Considerations for State Energy Offices
  - Mid-Atlantic PACE Alliance Regional Toolkit

- **Energy and Building Market Assessment Tool: Commercial PACE Application**
  Look up your state or local government using the Energy and Building Market Assessment Tool to access localized data and analysis related to commercial building characteristics (e.g., age, type, ownership characteristics), energy use, and energy savings potential. The information from the Tool can be used to quantify the "C-PACE opportunity" in communities and to facilitate more strategic program design and implementation.
    - Download the [Energy and Building Market Assessment Tool](#) (Excel Tool, 50 MB)
    - [User Guide](#)

- **Technical Webinars to Establish, Join, or Design a Program**
  Hear from C-PACE experts and public-sector stakeholders in these pre-recorded webinars. Topics include:
    - [Capital Provider Perspectives on C-PACE Program Design](#)
    - [C-PACE and Local Governments: Best Practices for Expanding Access](#)

Part 3 – Implement a Program and Generate Uptake

Prioritize "early wins" through completed projects and support long-term success, including demonstrated energy savings. Learn more with these resources:

- **Issue Brief – [Practices for Demonstrating Energy Savings from Commercial PACE Projects](#)**
  Understand the value proposition of conducting energy impact assessments on C-PACE programs and balance considerations associated with different methods and tools for tracking program impacts.

- **Technical Webinars to Implement a Program and Generate Uptake**
  Hear from C-PACE experts and public-sector stakeholders in these pre-recorded webinars. Topics include:
    - [Achieving Energy Savings in Commercial PACE Programs: Trends, Tools and Case Studies](#)
    - [Marketing C-PACE Internally and Externally: Understanding the Role of Government Sponsors](#)
    - [Contractors and Commercial PACE: Understanding the Value Proposition and Best Practices](#)

Part 4 – Topics of Special Interest

Get more out of C-PACE by applying it to a range of public purpose objectives including supporting underserved communities such as small and medium businesses and multifamily housing, energy-efficient new construction, and resilient buildings. Topics and resources include:

- **Serving Underserved Market Segments**
    - [Improving Access to C-PACE for Smaller Businesses: Case Studies from Three States](#)
    - *Pre-recorded Webinar*: [C-PACE for Underserved Market Segments: Small and Medium Businesses](#)
    - *Pre-recorded Webinar*: [C-PACE for Underserved Market Segments: Multifamily Housing](#)

- **C-PACE for Resilience and New Construction**
    - [Financing for Resilience with Commercial PACE](#)
    - [C-PACE Financing for New Construction](#)

Additional Resources

Resources designed to support and grow the C-PACE market are available from leading national and state-based organizations. Visit the following websites curated by C-PACE leaders to find more resources:

- [PACENation](#)
- [C-PACE Alliance](#)
- [National Association of State Energy Officials (NASEO)](#)
- [Keeping PACE in Texas (PACE in a Box)](#)

Contact Us with Questions and Feedback: stateandlocal@ee.doe.gov