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Virginia's Capital Steps up the PACE by Joining Statewide Commercial Property Assessed Clean Energy Program (C-PACE)

Williamsburg, VA.- The City of Richmond, in a long-awaited process, passed the Commercial Property Assessed Clean Energy (C-PACE) loan financing program. The program allows for energy efficiency improvements to be made to commercial and industrial properties by having access to low-cost, long-term financing. Property owners may invest in energy efficiency, renewable energy and water efficiency improvements. C-PACE is administered by the Virginia PACE Authority with support from the Virginia Department of Energy (Virginia Energy).

"We are excited that Richmond has decided to opt in to the C-PACE program and it has been a long time coming. This adds an economic development tool to attract both new construction projects and also allow for improvements to existing buildings," **said Abby Johnson, Executive Director of the Virginia PACE Authority.** "Many of our lenders want to do business in Richmond and this will help bring jobs to the community. The benefits of enabling PACE allows property owners to retain savings for energy efficiency upgrades and resiliency measures resulting in direct benefits for local communities and residents."

Revised PACE legislation passed in 2022 includes financing grid resiliency projects, electric vehicle charging infrastructure, stormwater management, environmental remediation, indoor air quality and the refinancing of prior projects. By passing ordinances for C-PACE, jurisdictions can use the program as an economic development tool for both new construction and rehab of old buildings.

"Being the capital, Richmond is pivotal for business in the Commonwealth and by adding C-PACE, the city has an energy-savings options for existing and, hopefully, new businesses," **said Virginia Energy State Energy Office Director Al Christopher.** "By offering this energy efficiency financing option, Richmond is allowing them to create a path toward more affordable energy."



Building improvements financed using C-PACE can be completed with minimal up-front, out-of-pocket costs to property owners and can generate positive cash flow upon completion. The results may include reduced energy or other operating costs, improved business profitability, increased property value and improved resiliency to the real estate. C-PACE is paid through a levy on a lien and the PACE loan is repaid through the property taxes.

“I am proud to announce that C-PACE is now available to thousands of commercial business owners across the community, from multi-family housing units to mom-and-pop retailers,” **says Mayor Levar Stoney**. “The city has long supported our local businesses and this program can provide them with additional ways to achieve our shared equity and climate goals”

Council Vice President Kristen Nye says, “We have been working hard to bring this program to our community for years. This is a commonsense approach to energy efficiency that helps all of our commercial businesses take advantage of the opportunity.”

Richmond joins eight other localities who have passed the new state program. To date, these include the following cities and counties: Albemarle, Fairfax, Henrico, City of Hopewell, Loudoun, Prince William, Shenandoah and the City of Virginia Beach.

Virginia PACE is an innovator in the PACE marketplace, advising localities on establishing and developing C-PACE programs, opening up new markets for institutional investors, and educating contractors, lenders and property owners on the business case for C-PACE. To learn more about C-PACE, and find program guidance, forms and the application process, visit: <https://virginiapace.com/>.

Virginia Energy leads the Commonwealth to a reliable and responsible energy future. The agency is home to the State Energy Office which supports informed decision making by providing data, information and analyses to stakeholders that are responsible for the development and maintenance of the Commonwealth’s energy system. To learn more about Virginia Energy visit: <https://energy.virginia.gov/>

For more information about the City of Richmond visit: <https://www.richmondeda.com/>