

Virginia PACE Authority

2024-2025 Annual Report

About VPA

Who is Virginia PACE Authority?

The Virginia PACE Authority (VPA), a nonprofit 501 (c) (3) organization, continues to be the result of a dedicated Virginia-based C-PACE team committed to implementing a low-cost, attractive, and open market C-PACE program that incorporates industry best practices and promotes clean energy in the Commonwealth.

As the Program Administrator for the state of Virginia, VPA works with commercial businesses, property owners, contractors, and local governments to facilitate the financing of energy efficiency, renewable energy, environmental remediation, and resiliency projects for both new and existing buildings.

Our objectives are to promote the benefits of the C-PACE program and assist in stimulating the local economy and tax base, integrating C-PACE into the area's economic development strategy, and facilitating the increased financial and environmental performance of commercial and multifamily properties.

Mission

Our mission is to educate, promote, and facilitate clean energy and resilient solutions through the administration of C-PACE financing programs.

Accomplishments

VPA continues its leadership role and remains active and effective during the year. The program continued to grow this past year including increasing the number of jurisdictions that have enabled C-PACE and the closing of \$4.7M in C-PACE deals that added jobs and tax monies locally. VA C-PACE opened in September 2022 and as of February 28, 2025, nineteen jurisdictions had joined the statewide program with many more in the pipeline. VPA continues to be in an exciting position to expand its network of strategic partnerships, both statewide and nationally.

VPA's project pipeline continues to grow with the closing of two projects this past year in two jurisdictions, located in the City of Harrisonburg and Loudoun County. Several C-PACE Capital Providers have been particularly active in the Virginia market. Administrative staff began a series of one-on-one monthly interactions with Capital Providers to assist in working together with outreach to jurisdictions and real estate projects. This relationship building provides a positive interaction that makes the project application and closing process run more smoothly.

At the national level, VPA continues to play a valuable role in program and policy development through Abby Johnson's continued participation with the PACE Nation Board, the PACE industry's only national advocacy organization. In Virginia, Abby Johnson is a member of the Department of Housing and Community Development and Virginia Housing. These roles provide VPA with access to valuable contacts in the housing community. VPA also continues to establish regional and local partnerships that will help deliver C-PACE financing more equitably and effectively.

VPA continues to develop marketing and educational materials to promote a general understanding of C-PACE, as well as best practices in the industry. Through fact sheets and presentations, VPA continues to establish a strong foundation of informed participants, poised to increase ongoing traction for the coming year. VPA provided outreach to localities to assist in passing the C-PACE ordinance, especially in jurisdictions where Capital Providers expressed interest in potential projects that may close.

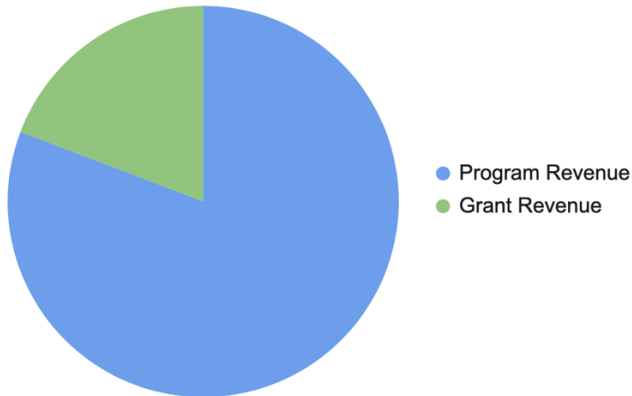
In promoting resiliency, VPA is working with localities, focusing on which C-PACE improvement/property types may resonate with their climate/economic development goals. For example, with coastal cities like Hampton, Portsmouth, and Norfolk, the ability to finance flood related prevention and adaptation measures is emphasized. Similarly, in rural localities focused on economic development, VPA stresses the flexibility of the product when developing the capital stack prior to construction. In localities with significant historical building stock (e.g., Lynchburg, Petersburg, Danville), VPA highlights how C-PACE can finance historic rehabs and environmental remediation measures like asbestos removal and lead pipe replacement.

VPA has been able to utilize the wealth of knowledge of their staff and Board, with decades of collective experience, in order to update legislation, educate C-PACE partners, and work with lenders to close projects over the past two years. As the statewide Program Administrator, VPA can provide more impact and generate more deal flow as VPA actively works to expand into new jurisdictions, through advocacy to staff and elected officials as well as provision of technical assistance. Throughout the year, VPA has also provided educational assistance at Board of Supervisor and City Council meetings throughout the state.

Finance

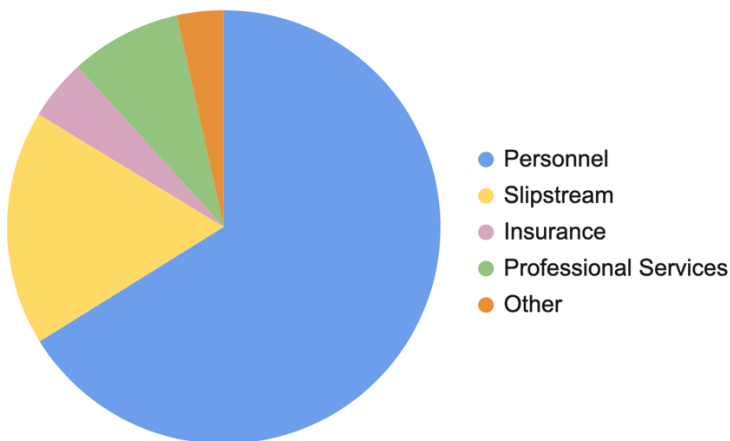
Revenue

Funding for VPA was primarily from the two closed C-PACE loans, income from the City of Hampton and Atlantic Union grants, and private loans. The C-PACE loans income of \$49,615 represented 81% of the funding for VPA.



Expenses

Company costs were divided into four categories: “in-house” consultant wages; subcontractor payments for back-end application support (Slipstream); professional services for accounting, IT, and Salesforce; and administrative costs. Personnel costs represented the bulk of the expenses at \$46,406 or 66% of total.



Goals for Next Fiscal Year

Continuing state-wide program expansion

Three localities joined the Program: Rockingham, City of Waynesboro, and the City of Winchester. Danville passed the VA C-PACE ordinance in February; however, due to outstanding documentation, the program is not yet official. These additions mean that the C-PACE program now reaches over 51% of the Commonwealth's population. Due to a strong outreach program, many more are anticipated in 2025-2026 such as Lynchburg, Madison County, and Norfolk. VPA currently maintains a pipeline of more than \$200 million of projects, ranging from multifamily to hotels. These projects typically are brought to VPA from Capital Providers or developers directly. VPA, to date, has registered twenty-seven lenders to the program, and one hundred contractors.

Assist in generating increased investor interest and closed C-PACE loans

VPA has ramped up its outreach to lenders and localities. Building off the momentum of completed projects, VPA is working to directly reach out to Capital Providers and lenders and show the value of C-PACE. These goals will have a direct impact on VPA's ability to garner more interest and build upon closing more projects as jurisdictions and C-PACE Capital Providers see the potential in the Virginia market. VPA also works with lenders and Capital Provider on outreach to localities where there are possible projects also helps drive interest in areas to enable C-PACE.

Thought leadership

At the national level, VPA's Executive Director, Abigail Johnson, serves on the Executive Committee of the Board of PACE Nation, the PACE industry's leading national advocacy organization. In this role, Ms. Johnson coordinates panels for the annual PACE Nation conference and provides insight into emerging industry trends including resiliency. In Virginia, Her role on the Boards of Virginia Housing and the Department of Housing and Community Development provides VPA the opportunity to highlight the role of C-PACE in multi-family housing financing. The VPA team continue to establish regional and local partnerships to deliver C-PACE financing education. Furthermore, VPA has identified a number of new real estate brokerage firms, service providers and registered contractors, providing new channels that amplify outreach and has established regular outreach to keep informed on where to focus VPA resources.

Projects

National ASTM Property Resiliency Group

VPA participates in a national ASTM task group to create a Property Resiliency Assessment Guide for the past two years. This Guide, published the end of 2024, serves as a basis to develop a wide range of quality C-PACE projects incorporating resiliency. VPA supported the promotion of the guide.

Resiliency

Resiliency measures for energy efficiency involve enhancing building envelopes, utilizing smart technologies, and integrating distributed energy to protect life and support the efforts of a locality to maintain critical services and lessen natural and man-made impacts. VPA continues to work with external partners to strengthen legislation, promote applicable guidelines and educate localities and developers on strategic implementation. VPA staff also continue to participate in the DCR statewide Resiliency group.

TEAM

Abby Johnson, Executive Director

Abby is Executive Director and founder of VPA. Since 2012, Abby has specialized in PACE financing, advising commercial building owners, lenders and public sector clients in PACE project and program development including crafting of PACE legislation, creating program guidelines, and launching and administering PACE programs around the country.

Ellen Dickson, Outreach and Senior Project Manager

Ellen provides outreach for property owners, developers, and other clients in the VA C-PACE Program. She also assists with business development, marketing, and fundraising. Ellen also is VPA's point person for coordinating the approval and closing of C-PACE Projects.

Joe Bianco, Chief Technical Officer (CTO)

Joe serves as CTO of VPA, responsible for outlining the company's technological vision, implementing technology strategies, and ensuring that technological resources are aligned with the company's business needs and goals.

BOARD OF DIRECTORS

Abby Johnson (President): President, Abacus Property Solutions

William Nusbaum (Secretary): Partner, Williams Mullin

Paul Brooks (Treasurer): Account Executive, Johnson Controls, Inc.

Sydney Covey: Senior Manager, Energy & Sustainability, STRUCTR Advisors

Greg Montgomery: Managing Director, Clean Source Energy, LLC

Sandi McNinch: retired General Counsel for VEDP

