



**TEXAS** ★ **PACE**  
**AUTHORITY**

## **PACE FINANCING**

**PACE FUNDING FOR WATER  
EFFICIENCY IN THE ICI SECTOR**

**HIGH  
CAPITAL  
COST**

**+**

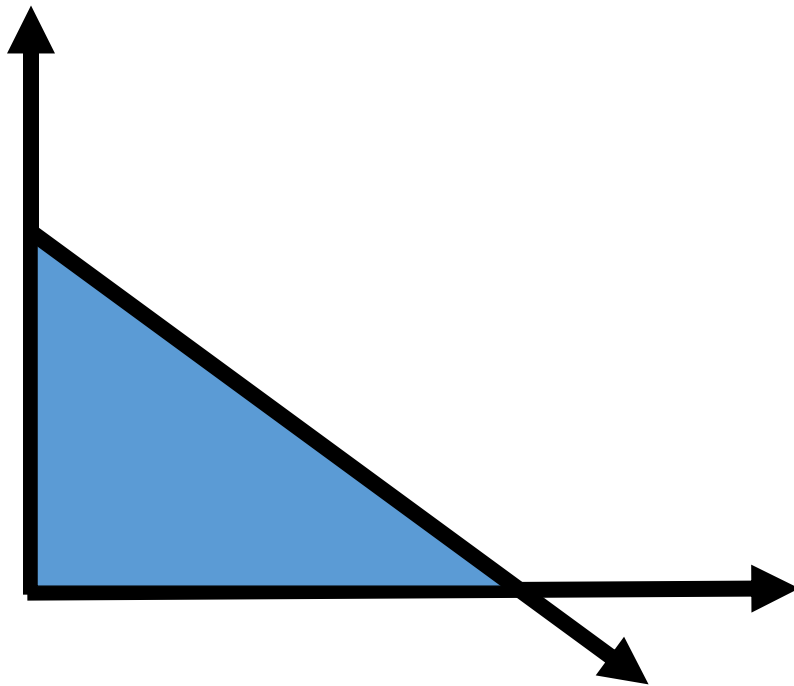
**LOW  
WATER  
PRICES**

**=**

**LONG PAYBACK**

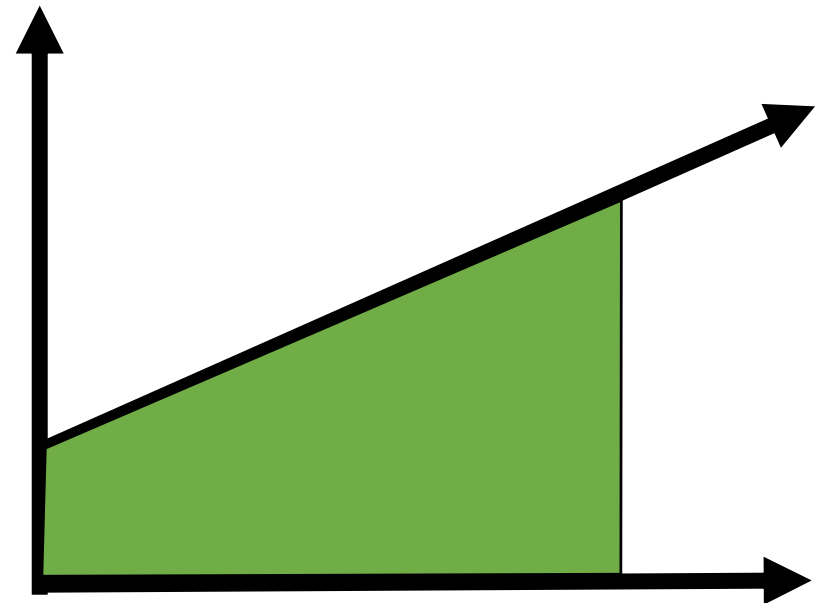
# LOWER

Utility Costs



# INCREASE

Net Operating Income



**Bottom Line: Increased Building Value**

➤ **100% LONG TERM  
FINANCING**

➤ **ENERGY AND  
WATER EFFICIENCY**

# How PACE Works

City or county  
creates type of  
assessment district



Property owners  
voluntarily sign-up  
for financing and  
install  
energy/water  
projects



Financing provided  
to property owner  
to pay for energy  
project



Property owner  
repays loan  
through property  
assessment



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# What is eligible for PACE?



# ELIGIBLE PROPERTIES

- OFFICE/RETAIL
- INDUSTRIAL
- MULTIFAMILY (5+ UNITS)
- NONPROFITS

# **NOT ELIGIBLE**

## **NEW CONSTRUCTION**

- i.e. Greenfield

## **GOVERNMENT PROPERTY**

- Includes school districts, water authorities, etc

## **SINGLE FAMILY RESIDENTIAL**

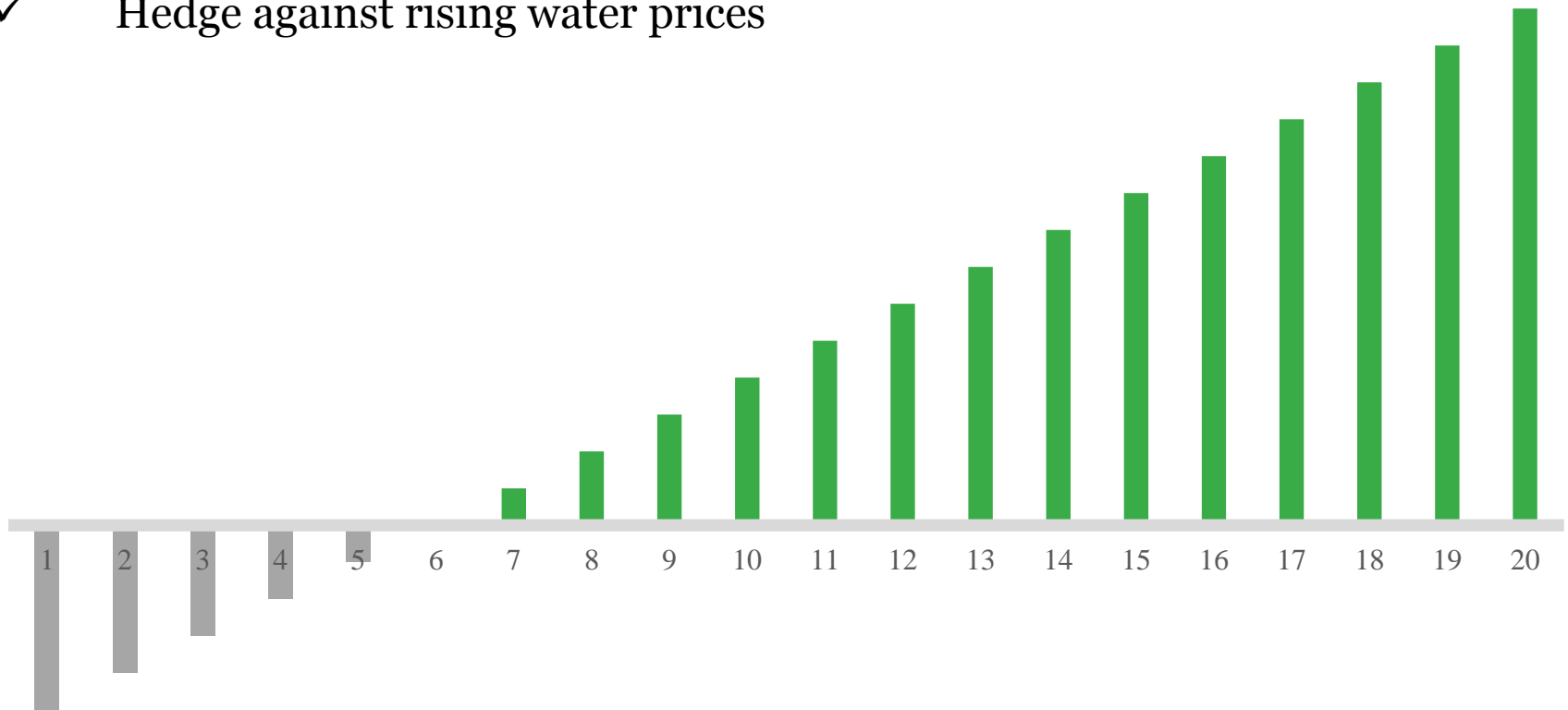


# ELIGIBLE MEASURES

- Low Water Use Irrigation
- Low Flow Water Fixtures (sinks, faucets, toilets)
- Graywater Use (i.e. “Purple Pipe”)
- Wastewater onsite reuse systems
- Water conservation equipment
- Systems to capture, treat and use other on-site sources of water (condensate, rainwater, reverse osmosis reject water, etc.)
- Replacing Grass with Artificial Turf

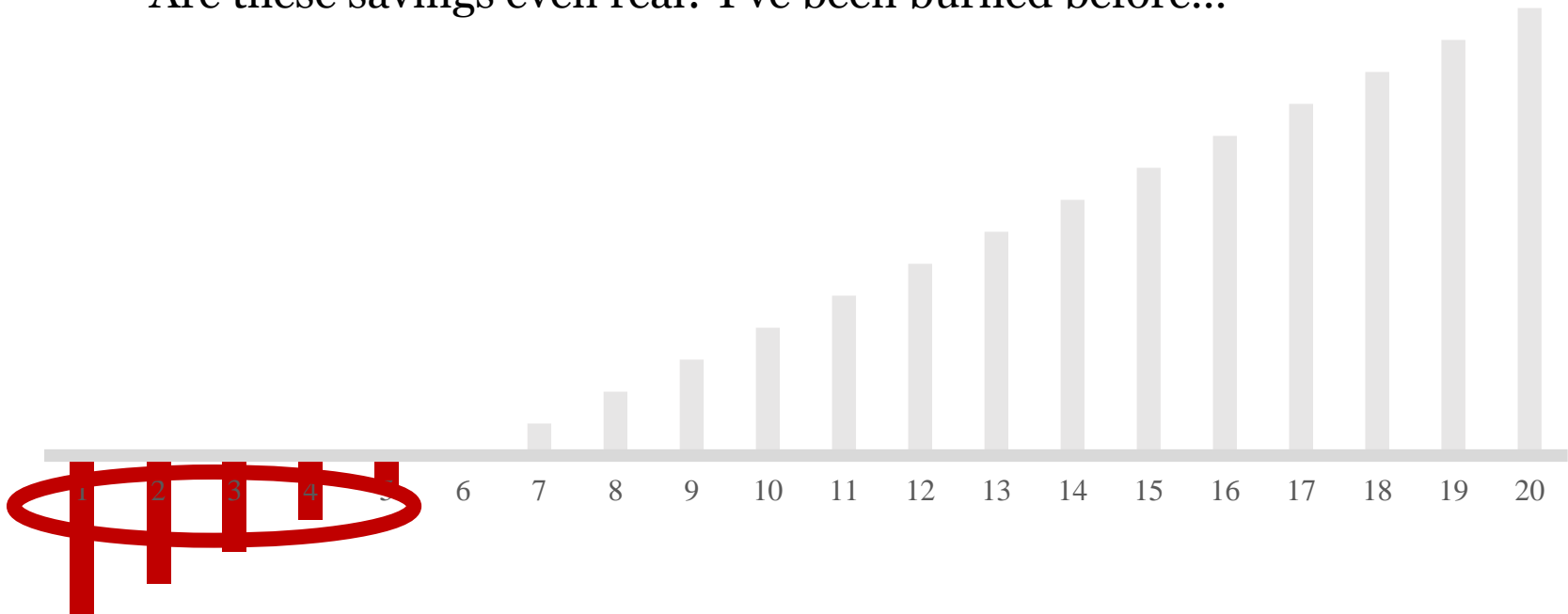
# What you PITCH

- ✓ Strong ROI – will save \$5.6M over system life
- ✓ Innovative – groundbreaking efficient technology
- ✓ 20-year warranties, proven expertise
- ✓ Hedge against rising water prices



# What the CFO/Owner HEARS...


- X Where will I get the funding?
- X What if I sell the building in 5 years?
- X We only do 3-Year payback projects
- X Good technology...but my tenant pays the utility bills
- X Are these savings even real? I've been burned before...





# OTHER CONSIDERATIONS

- **TRIPLE NET LEASE PASS-THROUGH**
- **TRANSFERS ON SALE**
- **TAX TREATMENT**
- **NO ACCELERATION ON DEFAULT**
- **NO PERSONAL GUARANTEE**
- **FUNDS AVAILABLE FOR  
CONSTRUCTION**




BARTON CREEK SQUARE

BARTON CREEK

2.4 MILLION GALLONS  
PER YEAR

ROUND ROCK  
OUTLETS



LAKELINE



COACH  
Calvin Klein  
BURBERRY  
Polo Ralph Lauren  
FREDERICK FORT

LAKELINE

# MALL UPDATES

## Measures:

- Exterior LEDs
- HVAC
- VFDs
- BAS
- Weatherization of building shell
- Low flow water fixtures

Total Project Cost: ~\$4M

Annual Savings: \$500,000



## CIELO VISTA

## HOUSTON PREMIUM OUTLETS



## SAN MARCOS OUTLETS



# Where is TX-PACE?

## ➤ **Counties:**

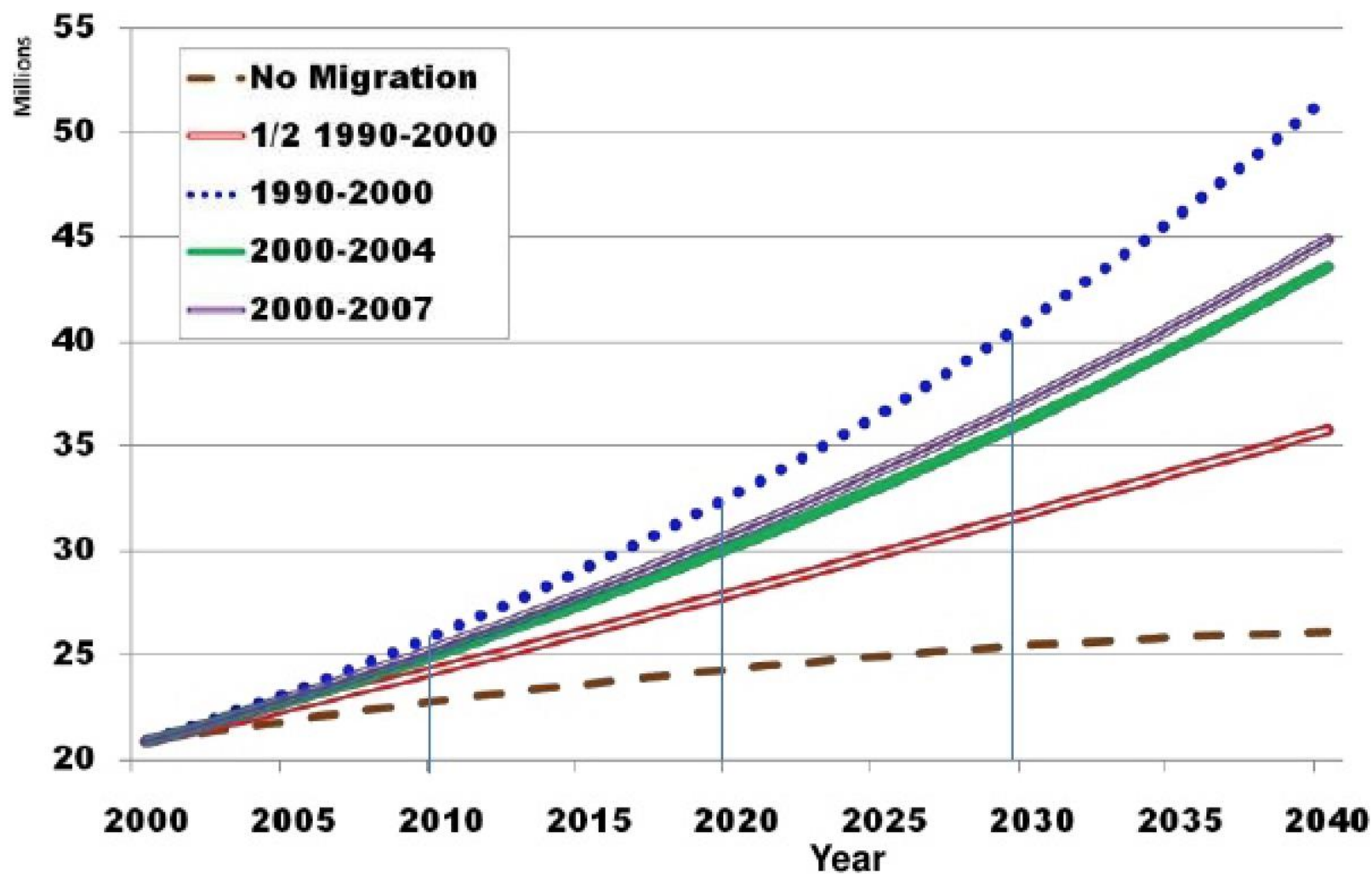
- Brazos County
- Cameron County
- El Paso County
- Fort Bend County
- Hays County
- Hidalgo County
- Jefferson County
- Navarro County
- Nueces County
- Travis County
- Willacy County
- Williamson County

➤ -Tarrant County

## ➤ **Cities:**

- City of Amarillo
- City of Dallas
- Farmers Branch
- City of Houston + ETJ

***... and more coming soon!***





# TEXAS ★ PACE AUTHORITY

**TEXAS' OPEN-MARKET  
PACE PROGRAM  
ADMINISTRATOR**

[www.TexasPACEAuthority.org](http://www.TexasPACEAuthority.org)