WHAT IS TX-PACE?

- Local adoption economic development tool - property assessment
- 100% long term, low cost private financing
- For energy efficiency, water conservation, distributed generation, and demand reduction (resiliency)
- On commercial, industrial, and multifamily (5+ units) properties

PACE in a Box model program – collaboration of 130 volunteers over 1.5 years, state-wide uniform best practices, local economic and environmental benefits for the City of Houston
Service Areas

COUNTIES

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

CITIES

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

Uniform TX-PACE programs now serve more than 42% of the population in these counties and cities.
The Houston PACE Program

- Houston City Council established program in November 2015; program live August 2016
- Texas PACE Authority selected to administer the program at no cost to the City
  - Public Service Model
  - Approves projects on an objective, transparent basis using state-wide best practices for underwriting and technical standards
- Education, outreach and training
- Funded by user fees and foundation grants
- 2017: $3.6 million in new Houston investment
City of Houston PACE

Lower your operating costs with 100% Financing for Energy and Water Efficiency in Industrial, Commercial, or Nonprofit Real Estate

To access resources to help your organization in the recovery effort following Hurricane Harvey and to help others click here.

TX-PACE is a tool for storm recovery. Click here to learn more!

Not sure if your property is within city limits?

Click here to access an interactive map of Houston's city limits.
Media

Houston EEB Video

Video Credit: Houston EEB

Key Documents

- PROGRAM USER GUIDE
  Learn about and start your own PACE project today!

- NON-PROFIT PACE FLYER
  Learn about PACE for non-profits.

- INDUSTRIAL PACE FLYER
  Learn about PACE for industrial properties.

- COMMERCIAL PACE FLYER
  Learn about PACE for commercial properties.

Houston PACE Announcement Video from August 3rd, 2016

Video Credit: Mayor Sylvester Turner Youtube Channel
Advancing Houston PACE
In 2017

- The Texas PACE Authority website and the City of Houston webpage had a combined 41,711 hits for 2017.
- Texas PACE Authority received 57 inbound inquiries for the year, including emails, website submissions, and calls.
- Texas PACE Authority participated in 84 events in Houston in 2017.
- Storm Recovery and Resiliency Initiatives
- Statewide:
  - 4 Webinars
  - 10 Service Provider Training workshops
  - TX-PACE Energy & Emissions Tracker
  - Feedback and Improvement process
# Houston PACE 2017

## Economic & Environmental Impact

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount Invested</th>
<th>Jobs Created</th>
<th>Tonnes of CO2 Reduced</th>
<th>kWh Saved</th>
<th>Gallons of Water Saved (10^3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium Outlets</td>
<td>$2,185,038</td>
<td>6.27</td>
<td>895.53</td>
<td>1,720,958.00</td>
<td>9,402.00</td>
</tr>
<tr>
<td>1225 North Loop West</td>
<td>$1,304,352</td>
<td>16.0</td>
<td>805.57</td>
<td>1,548,086.00</td>
<td>230.00</td>
</tr>
<tr>
<td>Regency Inn</td>
<td>$135,195</td>
<td>1.6</td>
<td>27.52</td>
<td>52,880</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,624,585</strong></td>
<td><strong>23.87</strong></td>
<td><strong>1728.62</strong></td>
<td><strong>3,321,924</strong></td>
<td><strong>9632.00</strong></td>
</tr>
</tbody>
</table>
Investment in Texas: 700% increase
Statewide Year to year (2016-2017)
Statewide:
Property by Project type (# of Projects)

- Commercial Retail
- Commercial Office
- Industrial
- Nonprofit
- Hotel
- Mixed Use
Case Studies
2017
Simon Property Group
6 Texas projects: City of Houston & El Paso, Hays, Travis & Williamson Counties
Assessment total: $10 Million

Measures:
- HVAC
- Lighting
- Water
1225 N Loop, Houston
Built 1984

PACE Project:

Assessment Total: $1.3 Million
Utility Incentives: $30,000
Term: 20 years
Annual Savings: 38% energy reduction

Measures:

- 2 Chillers
- Building Automation
- LED Fixture Upgrade
Measures:

- HVAC
- Lighting
- Insulation
- Roofing
- Glazing
- Plumbing
- Irrigation
- Exterior Waterproofing/Plaster

Assessment Total: $24 Million
Annual Savings: 40% energy reduction
700,000 gallons of water; 3,500 metric tons CO$_2$e
**Before**

- **Senior Debt (EB-5)** $49.5MM, 6.25%
- **Historic Tax Credits** $21.9MM, 3%
- **Mezzanine Loan** $22MM, 15%
- **Equity** $22.4M, 10%

**Weighted Average Cost of Capital** 9.29%

**After**

- **Senior Debt (EB-5)** $49.5MM, 6.25%
- **Historic Tax Credits** $21.9MM, 3%
- **PACE** $23.9MM, 6.13%
- **Equity** $22.4M, 10%

**Weighted Average Cost of Capital** 7.46%
R.J. Liebe Company
Corsicana

Measures:
- HVAC
- Lighting

Investment: $325,000
187,000 annual KWh
60 - 80 new, permanent manufacturing jobs
Houston PACE Program
2017 Annual Report

Charlene Heydinger, President
Charlene.Heydinger@KeepPACE.org
www.TexasPACEAuthority.org