



CITY OF HOUSTON

Sylvester Turner

Mayor

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May 13, 2019

The Honorable Chris Paddie
Chair, Committee on Energy Resources
Texas House of Representatives
P.O. Box 2910
Austin, Texas 78768-2910

Dear Chairman Paddie and Members of the Committee on Energy Resources:

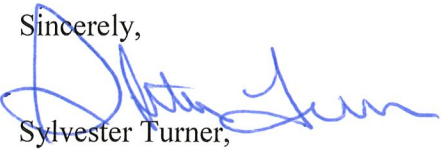
I write today to urge the Committee's passage of SB 1281. Houston was one of the first local governments to establish a PACE program following the "PACE in a Box" model. The City carefully vetted the program and appreciates the high standards recommended by the Texas business, lending, and local government participants. Houston values the free market flexibility in this program and relies on the high ethical and transparent standards for program administration. To maintain this uniform, best-practices approach, which is being copied in other parts of the country, it is critical that the Committee adopt the statewide uniform program established by SB 1281.

To date, three projects have closed in Houston for a total new investment in private infrastructure improvements of over \$3,600,000. These projects help Houston avoid over 1,700 tons of CO₂ annually, reduce use of over 3.3 kWh of electricity annually, and save 9.4 million gallons of water each year. We expect this investment to triple in the near future based on project applications recently filed. We continue to educate property owners, contractors, lenders, architects, engineers and others about the benefits of this program, for them and for our City. This outreach is essential to the development of this new program, as is uniformity.

It is important to both economic development and environmental goals that PACE programs operate under one set of uniform rules and documents. Overlapping programs with different rules make it more costly and difficult to use for property owners and for the service industries and lenders who hope to participate in property upgrade projects.

SB 1281 streamlines the program with uniform ethical administration oversight, quality controls and guidelines, while at the same time making it easier for local governments to join. The City of Houston strongly supports these goals and I urge the Committee to improve the current law by passing SB 1281.

Sincerely,


Sylvester Turner,
Mayor