

# Proposed Uvalde County PACE Program

April 13, 2025

# TEXAS PACE AUTHORITY YOUR TRUSTED LOCAL EXPERTS IN ALL THINGS TX-PACE

- Established 2015 as 501(c)(3) public servant model serving local governments in quality control – delivering public benefit with economic development and environmental benefits
- TPA team has over 100 years of combined government service
- TPA's Board includes two former county judges, CEO of TEDC, former chair of TCEQ's two predecessor agencies, finance experts, the Dallas Fed. Reserve's Sustainability Director, and the CEO of a national chemical company
- Serving 105 Local Governments reaching 75% of the Texas population
- Facilitated more than \$500 million in private financing for new water and energy saving investment for Texas businesses and nonprofits
- Named 2023 Outstanding Nonprofit, Texas Energy Summit, Texas Capitol and 2024 Texas Impact Enterprise, SMU; TPA has been winning awards since 2016





## A SOLUTION...

## PACE = PROPERTY ASSESSED CLEAN ENERGY

- Innovative financing tool providing long term, low cost, 100% funding for
  - Energy efficiency,
  - Water conservation,
  - Distributed generation projects
- Eligible Property
  - Commercial (including non-profit)
  - Multi-family (5+ units)
  - Industrial (manufacturing/agricultural)
  - Special use (Storage, Data Center, Manufacturing)







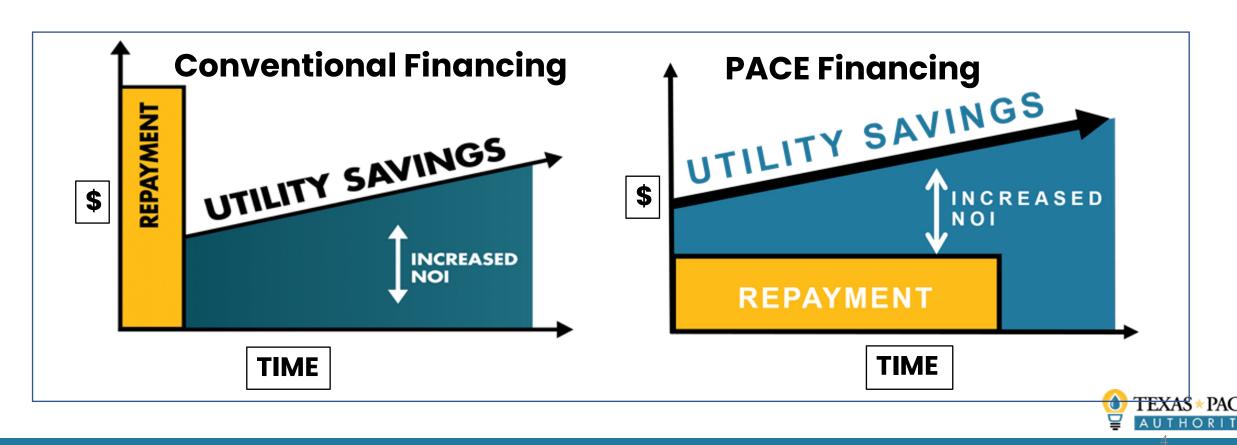






# WHY PACE?

- Improves assets budget neutral/cashflow positive
- Lowers utility usage/costs
- Increases net operating income



# WHAT PACE DOES CENTRAL PLAZA MULTIFAMILY

Temple, Bell County

#### **Assessment Total:**

\$1,025,000

#### **Measures:**

- Mechanical
- Lighting
- Building Envelope
- Roof
- Domestic water heating

#### **Annual Savings:**

Energy: 44% savings





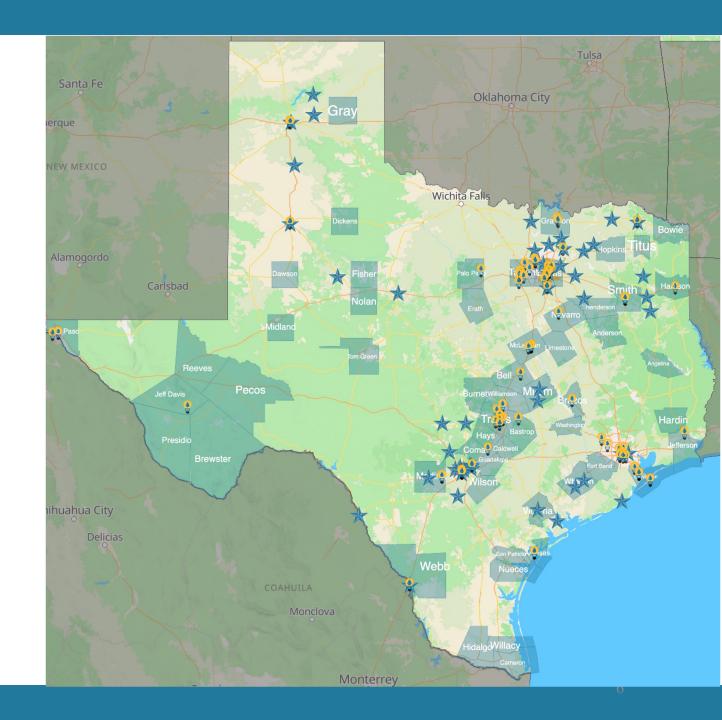
# THE GROWING TEXAS PACE MARKET

105 local PACE programs
49 Cities
55 Counties

**75%** of Texas' population covered

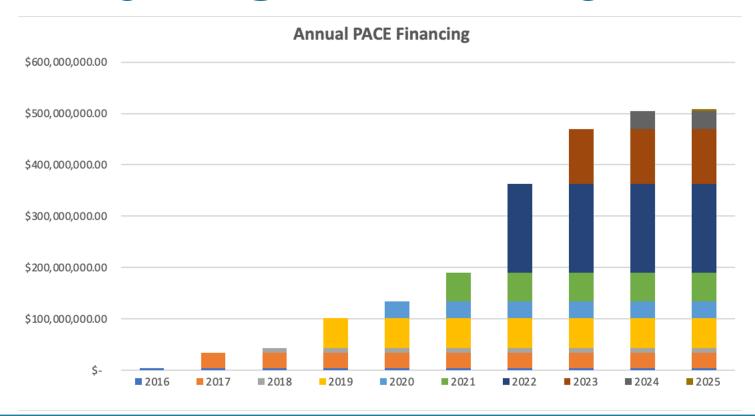
https://www.texaspaceaut hority.org/service-areas/





# TEXAS PACE BY THE NUMBERS







105

**PACE Programs** Established in Texas

92

**Projects** Completed

\$ 508,479,230

Dollars

Invested



6,474



CO2 Reduced (tonnes/yr)

47,845



83,704,778

**Energy Saved** 

(kWh/yr)

Natural Gas Saved (mmBTU/yr)

80,863



127,434,870

Water Saved (Gal/yr)

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# COMPLEMENTARY FINANCING Use TX-PACE with:



HUD and FHA multifamily programs - TPA is one of 10 national C-PACE administrators with HUD's approval



USDA REAP grants and other loan guarantees and incentives



> SBA consents to PACE for 504 and 7A loans

- 504 requires approval from appropriate SBA Commercial Loan Service Center (CLSC)
- > 7A unilateral action that does not require SBA approval
- Tax Credits: historic, LITC, new market
- Opportunity zone financing
- Local incentives
- Federal tax incentives: efficiency (179(d)), solar, etc.
- Utility incentives



# 1225 NORTH LOOP WEST

## Houston

#### **Assessment Total:**

\$1,304,352

#### **Measures:**

- HVAC
- BAS
- LED lighting

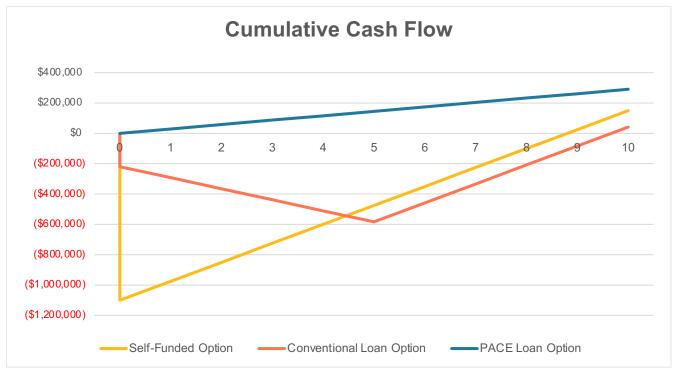
## **Utility Incentives:**

\$30,000

#### **Utility Savings:**

38% Annually







# 407 PARIS/HISTORIC POST OFFICE - Medina

# County-Castroville

#### **Project Type:**

Historic Mixed-Use

#### **Measures**

- Lighting
- > HVAC
- Envelope

#### **Assessment Total**

\$145,000

#### **Annual Utility Savings**

Electric: 22,730 kWh

Water: 19,0000 gallons





# 1303 LORENZO - Medina County-Castroville

#### **Project Type:**

Historic Mixed-Use

#### **Measures**

Lighting
HVAC
Envelope
Plumbing/Water
Conservation

**Assessment Total** \$690,000

#### **Annual Utility Savings**

Electric: 76,495 kWh

Water: 162,000 Gallons





# 1201 FIORELLA - Medina County-Castroville

#### **Project Type:**

Historic Mixed Use

#### Measures

- Lighting
- HVAC
- Envelope
- Plumbing/Water Conservation

**Assessment Total** \$390,000

#### **Annual Utility Savings**

Electric: 59,890 kWh





### **ELGIN GENERAL STORE**

### TEXAS \* PACE AUTHORITY

# Elgin, Bastrop County

#### **Assessment Total:**

\$120,000

#### **Measures:**

Solar

#### **Annual Savings:**

26%

#### **USDA REAP Grant & Oncor Incentives:**

\$62,000

1st Local Bank Funded TX-PACE Project - Frontier Bank



# R.J. LIEBE COMPANY Corsicana, Navarro County



#### **Assessment Total:**

\$325,000

#### **Measures:**

- HVAC
- Lighting

#### **Annual Savings:**

Energy: 30%

60 new, permanent Light manufacturing jobs



# PACE Act: Gov't Assessment Financing

- An assessment under this chapter may be imposed to repay the financing of qualified projects on real property located in a region designated under this chapter. LGC §399.004(a)
- "the Legislature intended to treat the [special] assessment, at least with respect to lien priority status, enforcement, and delinquencies including the recovery of costs and expenses, in a manner similar to real property taxes." -Texas Attorney General Opinion No. KP-0210 (Aug. 13, 2018)



August 13, 2018

The Honorable Doyle "Dee" Hobbs Williamson County Attorney 405 M.L.K. Street #7 Georgetown, Texas 78626 Opinion No. KP-0210

Re: Whether the contractual assessments imposed by local governments under the Property Aussessed Clean Energy Act in chapter 399 of the Local Government Code are "special assessments by the local government and treated in a similar manner as the real estate taxes on the property" (RC-0211-KP)

Sear Mr. Hobbs:

You ask whether the contractual assessments imposed by local governments under the Property Assessed Clean Energy Act ("Act") in chapter 399 of the Local Government Code are "special assessments by the local government and treated in a similar manner as the real estate taxis on the property."

The Act governs the creation of local water and energy improvement programs in designated regions. See geometally TEX, LOC, 600°T COGE §§ 399.001—1019. It undertizes cities and counties to establish a program to finance permanent improvements on privately owned commercial or industrial real property with five or more dwelling units to docrease water or energy econsumption or demand. For al. §§ 399.00(2)) (defining "qualified improvement"), 399.00(2) (actining "qualified project can be provided by a third party or the local government and is repaid through an assessment the local government imposes through a writen coertant with the owner of the property. See it §§ 399.00(4)(a), 605, 006(b), see also it §§ 399.00(6)(c) requiring the writen coentent of the meetingage lien holder). You tell us that a Texas nonprofit organization—Keeping PACE in Texas—provides "a model toolid: ... to facilitate an orderly, consistent, state-wide approach" so a program's design and implementation. See Request Letter at 2. You also tell us Williamson County has established a program based on this model. See id at 3.

Letter from Honorable Dayle "Doe" Hobbs, Williamson Cy, Adry, to Honorable Kon Paston, Tex, Adry Con, at 1 (Feb. 12, 2015), https://doesastorrecognous/agr-vipointo-interpotents-for-opinion-reg ("Reignest Letter"), nor-obs U.S. Dep's of Hono. & Urban Dev. Notice H 2017-01 (Jan. 11, 2017) (attached to request letter and on file with the Os. Comes 1 ("Dobble AC").

<sup>1</sup>Examples of clean energy improvements are energy efficient boilers, upgraded insulation, new windows and solar installations. Exhibit A at 2.



# LOCAL GOVERNMENT ADOPTION



#### **MUNICIPALITY OR COUNTY**

- 1) Public briefing/discussion (optional)
- 2) Post Report on how PACE program will work
- 3) Pass Resolution of Intent to establish PACE program
- 4) Public hearing
- 5) Pass Resolution to Establish PACE program
- 6) Select administrator











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