

C-PACE

Status in North Carolina and Next Steps

City of Charlotte
Office of Sustainability & Resilience
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Overview



What is C-PACE?

- Alternative financing mechanism
 - For commercial properties
 - Long-term, low-cost private capital
 - For energy efficiency, renewable energy, water conservation, and/or resilience projects
- Recently authorized in North Carolina ([SB 802](#))

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C-PACE BASICS



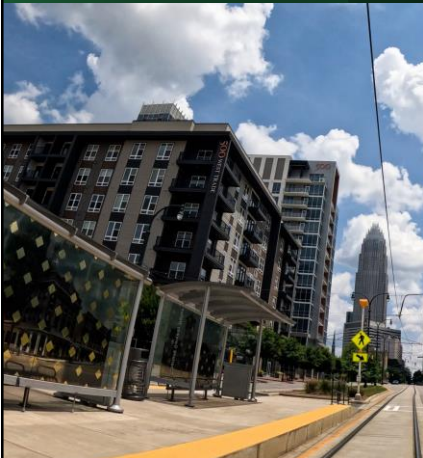
What is C-PACE?

- Commercial Property Assessed Capital Expenditure (C-PACE)
- Fully **voluntary** program
- Provides eligible property owners with access to **long-term financing from private capital providers for up to 100% of qualified improvements**
- Financed amounts are secured as a lien on the property

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C-PACE BASICS



Benefits of C-PACE

- Energy/utility bill savings
- Increased cash flows
- Enhanced building resilience
- Increased property values
- Reduced carbon emissions
- Assessments run with the property

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NC Context



Program Administration

- Economic Development Partnership of North Carolina (EDPNC) is statewide administrator
 - Accepts, reviews, and approves project applications
 - Submits documents to local government
 - Records assessment
 - Collects fees
- Local government
 - Accept approved project applications and execute related documents
 - **Cost-neutral** (reimbursed for actual & reasonable costs)
 - **No liability or financial responsibility**

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Next Steps

Steps to Authorize Locally

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C-PACE toolkit development by EDPNC

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C-PACE toolkit approval by the NC Department of Commerce

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Local governments join C-PACE program.

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Next Steps



Local Governments Joining

Steps to join

1. Pass a resolution of intent to join, setting public hearing date
2. Hold a public hearing
3. Pass a resolution to join

Context

- If a county follows these steps to join, the program is effective for all eligible properties in the county
- If a city follows the steps to join, they must also obtain a resolution of concurrence from the county in which they are located

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QUESTIONS?

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NC Context

C-PACE in North Carolina

Authorized in 2024 by [SB 802](#) with the following purpose:

“The use of a C-PACE Program creates an additional **financing mechanism** for property owners to use **private funds** to finance improvements to their eligible property, thereby **driving economic development** by creating a diversity of jobs in the resilience and clean energy sectors of the economy. The assessment requires **minimal upfront costs** and provides a **more accessible** financial mechanism to fund improvements that will **increase the tax value** of the affected properties at **minimal administrative cost to local governments**. C-PACE improvements allow property owners to save on their utility bills because the improvements lead to **energy or utility savings** and will result in **improved indoor air quality or increased resilience**, which will increase the ability of communities and local governments to respond to natural disasters and **improve public health**.”

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NC Context

Eligibility

- Privately owned real commercial property*
- Existing buildings and new construction
- Project Types
 - Energy Efficiency
 - Resiliency
 - Renewable Energy
 - Water Conservation
- Requires written consent of mortgage and lien holder(s)

*Commercial property includes commercial, industrial, agricultural, and multi-family property with five or more dwelling units. This definition is inclusive of property owned by non-profit organizations.

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National Context

2023 C-PACE Program Data*

State	# Projects	Dollar Volume
Florida	13	\$138,100,000
Kentucky	1	\$3,000,000
Tennessee	3	\$18,300,000
Virginia	2	\$11,400,000
National Total	247	\$2,116,207,886

*Select national and southeastern data from [C-PACE Alliance](#).