

ABOUT THE PACE QUICK START PROGRAM:

Property Assessed Clean Energy (PACE) is a relatively new mechanism that allows municipalities to assist property owners to invest in energy efficiency and small-scale renewable energy projects through loans that are repaid over the life of the investment through an assessment on individual property tax bills. The municipality serves as a pass-through borrower, with the entire cost of the loan and associated administrative costs paid by participating property owners.

The Quick Start initiative will provide a portfolio of financial, technical, and legal services, model documentation, community education materials, and other assistance to enable Vermont communities to have the materials and understanding they need to make an informed decision about whether they want to move forward with a PACE program in their community. **There is no commitment implied for a town to hold a vote or create a PACE district.**

VEIC will also work with towns to develop one or more structural options for smaller communities to pool PACE back office services and to raise capital. This will include identifying and evaluating different models, capital sources, and their costs, as well as the additional expenses of issuing bonds or other funding, debt service, and program administration.

Participating communities will also receive assistance in identifying characteristics of an initial loan loss reserve account, including the option of participating in a pooled account with other Vermont towns. The loan loss reserve account is necessary to protect the interests of the community in the event of a shortfall or default on the part of any PACE program participants.

VEIC will provide free consulting services and related work for the development of a PACE program, including (but not limited to):

- Evaluation of the anticipated demand for PACE, including an inventory of commercial and residential properties within the town;
- Criteria for identifying eligible properties, including guidelines for payment history of mortgage and property tax payments;
- Procedures for a property owner to enter into an agreement with the PACE district and documentation required from a property owner, prior to entering into contracts or agreements;
- Criteria and methods for calculating property value and permissible special assessments
- Identification of financing options and sources, as well as procedures for imposing special assessments for the financing of the energy improvements, including the costs of bond issuance or other funding, debt service, and administrative costs of the district;
- Development of a plan for a community education and outreach program.

In order to participate in the Quick Start program, VEIC must receive signed letters of intent by September 1, 2010.

For more information, please contact:

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