



GENERAL QUESTIONS

What are the financing parameters for the Chicago PACE program?

The Chicago PACE program facilitates financing for projects from \$100,000 to \$100 million or more in certain circumstances. The PACE assessment to value (LTV) can be no more than 25% of the assessed or appraised property value. Financing Term can be no greater than the improvement with the longest useful life up to 30 years.

What types of properties are eligible for this Program?

The program is available throughout the City. Most commercial property types are eligible including retail, office, hotel and multifamily buildings with five or more units or cooperative housing. PACE financing is not available for residential properties or condominiums.

What are the property and owner eligibility criteria for the Program?

Property and owner eligibility criteria include:

- Property owner must be the owner or owners of record
- Property and owner must be eligible to receive a property tax bill and pay property taxes to the City
- Mortgage debt, if any, on the property must be current without delinquencies
- Property owner of record may not have filed for bankruptcy in the last two years
- Property may not be an asset to a current bankruptcy
- Property owner must be current on all taxes, special assessments, water or sewer charges or other property assessed clean energy program assessments
- No notices of default or other evidence of property-based debt delinquency recorded and not cured
- No involuntary liens on the property, including, but not limited to, construction or mechanics liens, lis pendens or judgments against the record owner, environmental proceedings, or eminent domain proceedings

In addition, the Program requires the approval of all mortgage lenders and the satisfaction of City requirements such as the completion of an Economic Disclosure Affidavit, a Scofflaw check, prevailing wage and residency requirements and certain minority and woman-owned business enterprise objectives.



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What are the eligible improvements or projects?

Improvements related to the installation or modification of alternative energy projects, energy efficiency or water use improvements or a renewable energy system that generate energy, decrease energy use or decrease water consumption. Thousands of improvements are eligible for financing.

Examples of project types include but are not limited to:

- Alternative energy improvements such as motor vehicle charging stations and associated electrical infrastructure
- Energy efficiency equipment, such as HVAC, windows, doors, building envelope, cool roofs, meters, elevators, and control systems, including tenant enhancements, such as LEED or WELL certification improvements
- Water use improvements
- Renewable energy or alternative energy sources, such as solar systems, wind power and storage systems

The Program requires submission of a Technical Project Review (TPR) with certification of environmental and utility savings by a qualified professional.

What costs are eligible for financing?

Project costs can include all financing costs and all installation costs including the hard costs of the products, labor, soft costs and all related work. Soft costs may include, but are not limited to, the cost of and fees for appraisals, designs, drawings, engineering services and reports, bank fees, building permit fees, surveys, inspections and technical reviews. Eligible costs may also include the cost of pre-paid warranties and service contracts for repairs and maintenance.

How is Program financing repaid?

The property owner signs an assessment contract with the City, which provides for financing repayment through an assessment that is levied on the property that is billed and collected semi-annually in accordance with the City's property tax schedule. Program financing is repaid through your property tax bill and collected with your regular property taxes as non-ad valorem assessment.

You will see an additional line item on your property tax bill for your scheduled payment.

Why is Chicago PACE program financing different than a loan?

Unlike loans, the Chicago PACE program enables project financing through a property assessment and repayments are collected in accordance with your commercial property tax schedule. This voluntary assessment represents a senior lien on the property being improved and automatically transfers to a new property owner upon any sale of the property.

Under the Program, eligible property owners may obtain 100% financing for eligible energy projects including soft costs, the cost of the product, installation and other approved ancillary costs. There are no balloon payments and assessments are self-amortizing.



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Do leased properties or those with ground leases qualify for the Chicago PACE program?

Yes. Properties with lease agreements may qualify for the Chicago PACE program subject to proper and adequate documentation, receipt of required property authorizations and signing of all financing documents by all owners. Properties may be subject to other conditions.

Can I use my professional or do I have to select one of the Chicago PACE program Registered Professionals?

One of the benefits of the program is access to professionals in your area who have registered with Chicago PACE and understand the requirements of the program. You are welcome to refer your own professional apply to the Chicago PACE program and they may perform the work provided they are approved through the program registration process. Please refer your professional to the Professionals section of this website for registration.

Can I get help developing my project? I don't know where to start.

Loop-Counterpointe PACE has relationships with many developers, contractors, energy consultants and engineers. As the Chicago PACE program administrator, they can help so that you feel informed and confident when you are ready to undertake your project.

How do I start?

Submit an inquiry via our website to provide contact and basic property/project(s) information. A representative will contact you with further information about the Chicago PACE program and will answer your questions.

