



PAY FOR TODAY'S UPGRADES with TOMORROW'S SAVING



Property Assessed Clean Energy (PACE)



Dub Taylor, COO – Texas PACE Authority

THE PROBLEM

Property owners know they can save money over the long haul by investing in energy/water-efficient upgrades, but...

- Even modest upgrades are expensive
 - Hard to pay those upfront costs given all their other expenses
- Failing equipment is replaced on emergency, piecemeal basis at a premium cost with no systems optimization
- New construction “value engineering” targets less visible MEP
- Higher borrowing costs - increasing gaps in project capital stacks

SOLUTION: PROPERTY ASSESSED CLEAN ENERGY

*Innovative financing tool that provides **long term, low cost, 100% funding** for energy efficiency, water conservation and distributed generation projects*

- Private financing secured by a special local property assessment in place over the financing term/useful life of the improvements
 - “Like a single parcel PID”
- State Authorized – [Texas Local Government Code Chapter 399](#)
- Voluntary & Open Market
- Local Government Enabled

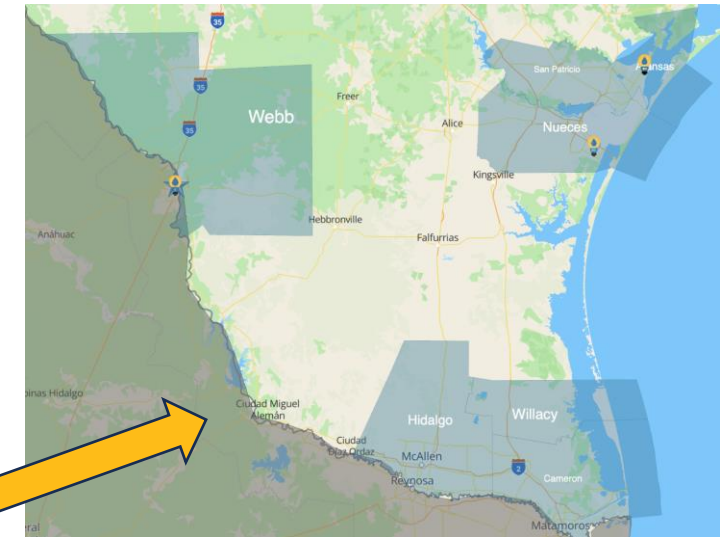
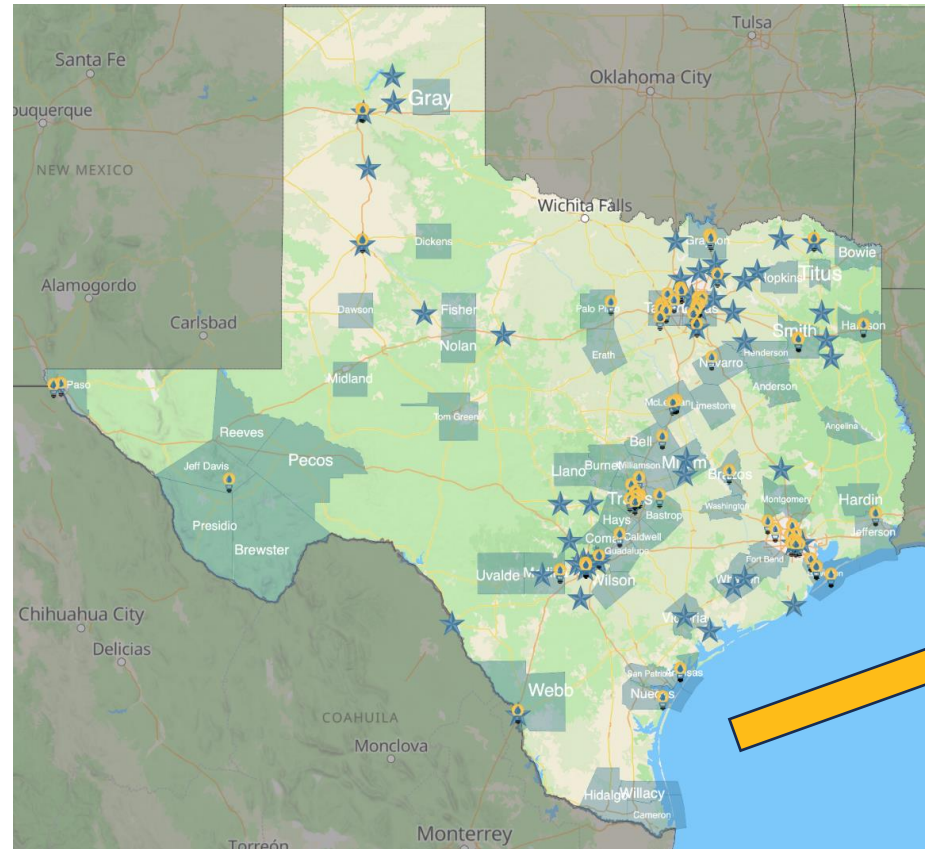
THE GROWING TEXAS PACE MARKET

www.texaspaceauthority.org/service-areas/

August 2025

109 PACE Programs
50 City - 59 County

75% of Texas' population covered



Municipalities
Counties



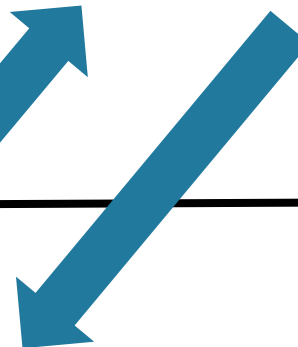
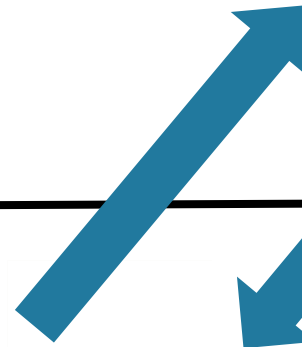
TEXAS  PACE
AUTHORITY

501(c)(3)



Governmental

Private



Capital Providers



Property Owners



Service Providers

PACE ELIGIBLE PROPERTY

➤ **Commercial**

- Retail, hospitality, mixed use, office, recreation, non-profit

➤ **Residential Multi-family**

- 5+ units
- Single family (≤ 4 units not eligible)

➤ **Industrial**

- Warehouse/distribution

➤ **Manufacturing**

➤ **Data Centers**

➤ **Agricultural**

➤ **Ground Lease & Leasehold**

PACE ELIGIBLE USES

➤ **Retrofit/Repurposing**

- New MEP systems, building envelope upgrades, water conservation, onsite generation, energy storage

➤ **New Construction/Redevelopment**

- Above code, higher performance systems

➤ **Refinancing/Recapitalization**

- Within 24 months of last PACE eligible improvement

PACE ELIGIBLE IMPROVEMENTS

Projects that reduce energy or water usage or generate power onsite

Energy

- High efficiency HVAC (AC/chillers, boilers, furnaces, air handlers)
- High efficiency lighting upgrades
- Energy management systems and controls
- Building envelope improvements
- Renewable/DG energy systems
- Mechanical system modernization
- Air cooled systems to water or geothermal cooled systems
- Fuel switching
- Combustion and burner upgrades
- Heat recovery and steam traps

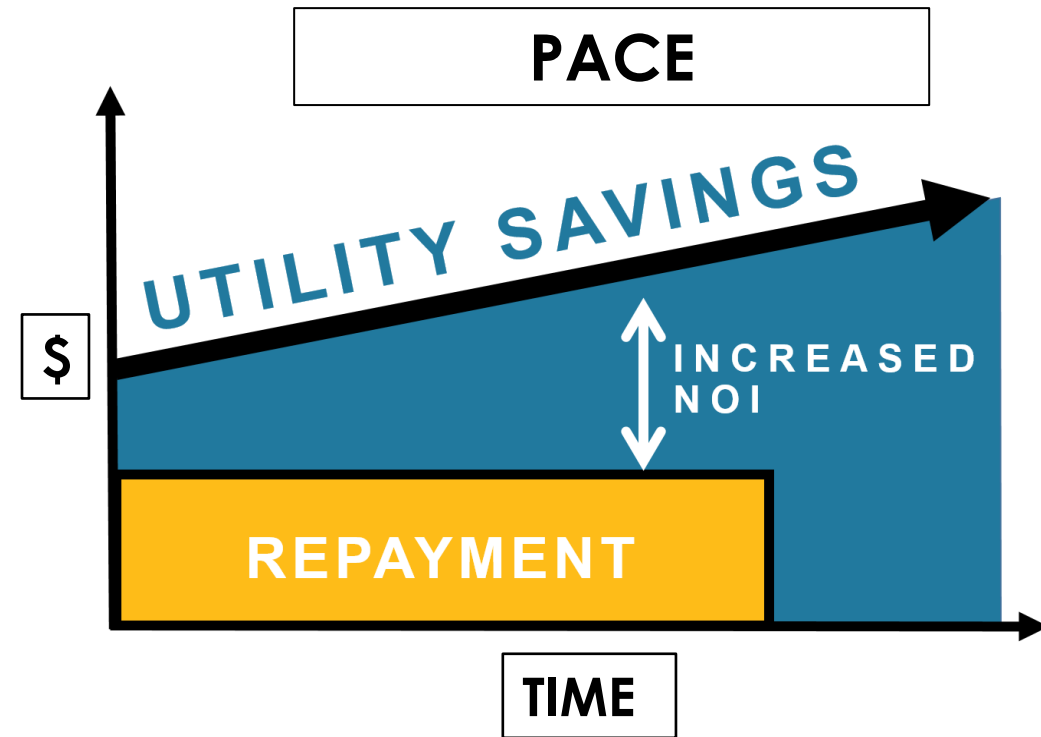
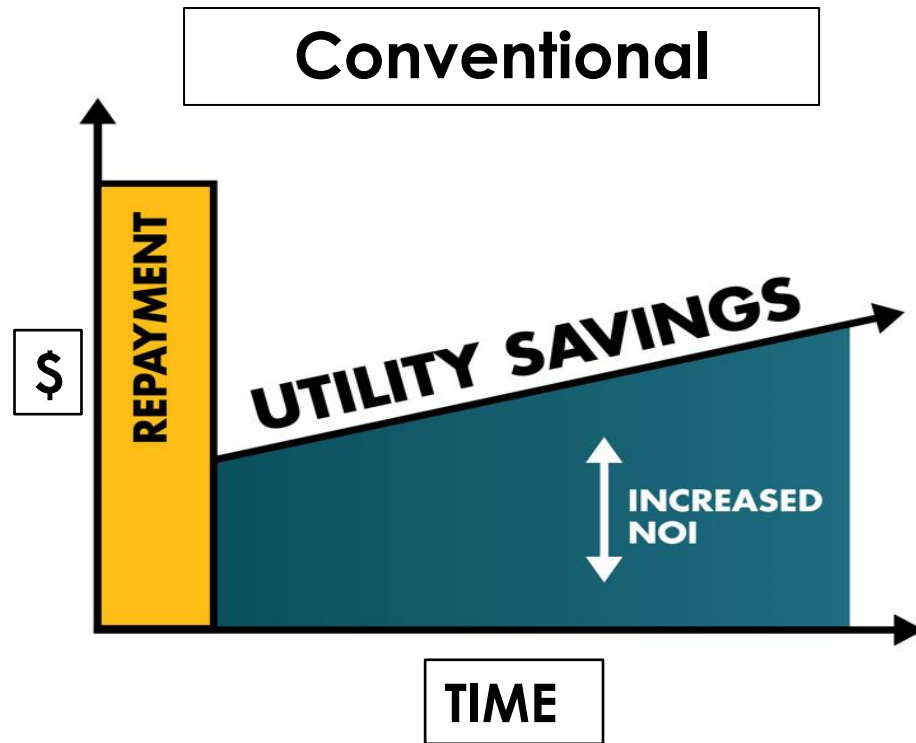
Water

- High efficiency water heating systems
- Water conservation systems
- Wastewater recovery and reuse systems
- Alternate, on-site sources of water (A/C condensate, rainwater, RO reject water, foundation drain water, etc.)
- On-site improvements to accommodate reclaimed water use
- Water management systems and controls (indoor and outdoor)
- High efficiency irrigation equipment

PROPERTY OWNER BENEFITS

“Pay for today’s upgrades with tomorrow’s savings”

- Improves assets - budget neutral/cashflow positive



PACE PROJECT IMPACTS

www.texaspaceauthority.org/project-list/



107

PACE Programs
Established in Texas



95

Projects
Completed



\$ 540,317,518

Dollars
Invested



6,887

Jobs
Created



47,790

CO2 Reduced
[tonnes/yr]



84,616,756

Energy Saved
[kWh/yr]



84,255

Natural Gas Saved
[mmBTU/yr]








134,809,870

Water Saved
[Gal/yr]

PACE PROJECT LIST

www.texaspaceauthority.org/project-list/

Photo	Project Nickname	PACE Program	Property City	Assessment Amount	Capital Provider	Property Type	Project Measures
	<u>The Welman Project - Remodel, 2025</u>	<u>Tarrant County</u>	Fort Worth	\$231,000	<u>Imperial Ridge Real Estate Capital</u>	Retail	Lighting, Building Envelope, Renewables/Distributed Generation, HVAC, Water Efficiency
	<u>Intercontinental Hotel II, 2025</u>	<u>San Antonio</u>	San Antonio	\$20,338,288	<u>Nuveen Green Capital</u>	Hospitality	Building Envelope, HVAC, Electrical, Water Efficiency
	<u>702 LLC, 2025</u>	<u>Houston, City of</u>	Houston	\$4,000,000	<u>Imperial Ridge Real Estate Capital</u>	Multifamily	Lighting, Renewables/Distributed Generation, HVAC, Water Efficiency, Building Envelope
	<u>Stella by the Bay, 2025</u>	<u>Nueces County</u>	Corpus Christi	\$7,500,000	<u>Peachtree Group</u>	Multifamily	Building Envelope, Lighting, HVAC, Water Efficiency
	<u>Crazy Water Hotel, 2025</u>	<u>Palo Pinto County</u>	Mineral Wells	\$4,500,000	<u>Counterpointe SRE</u>	Hospitality	Envelope Sealing, LED Lighting & Electrical, Low Flow Fixtures, HVAC Replacement, Elevator Replacement,

PACE PROJECTS – Medical



Clarksville General Hospital, 2023

Clarksville, City of

Clarksville

\$5,500,000

TransPecos Bank

Healthcare

Lighting, HVAC, Electrical, Building Envelope



Beaumont Behavioral Health, 2022

Jefferson County

Beaumont

\$3,965,700

Imperial Ridge Real Estate Capital

Medical

Envelope, lighting, HVAC, Water Conservation



Tyler Regional Hospital, 2022

Smith County

Tyler











\$8,500,000

Counterpointe SRE






Medical

HVAC, Interior Infrastructure, Exterior Infrastructure, Central Sterile





PACE PROJECTS - Hospitality

	Barfield Hotel, 2018	Amarillo, City of	Amarillo	\$7,347,580	Twain Community Partners II LLC	Hospitality	HVAC, LED, Envelope, Plumbing, Water Conservation Measures
	Plaza Hotel, 2019	El Paso County	El Paso	\$9,200,353	Nuveen Green Capital	Hospitality	HVAC, LED, Envelope, Elevators, Plumbing
	Kimpton Harper Hotel, 2019	Tarrant County	Fort Worth	\$5,811,875	Twain Community Partners II LLC	Hospitality	Lighting, HVAC, Domestic Water Heating
	Hilton Garden Inn, 2019	Tarrant County	Grapevine	\$6,655,000	Twain Community Partners II LLC	Hospitality	HVAC, LED, Envelope, Plumbing
	Sinclair Hotel, 2020	Tarrant County	Fort Worth	\$8,219,116	Twain Community Partners II LLC	Hospitality	HVAC, LED, Envelope, Plumbing
	Alta Frontera, 2022	Jeff Davis	Fort Davis	\$3,407,183	Nuveen Green Capital	Hospitality	Envelope, Lighting, HVAC, Plumbing and Water Conservation
	Intercontinental Hotel, 2022	San Antonio, City of	San Antonio	\$28,000,000	Nuveen Green Capital	Hospitality	Envelope, HVAC, Lighting, Plumbing & Water Conservation
	Monarch Hotel, 2023	San Antonio, City of	San Antonio	\$48,475,000	Nuveen Green Capital	Hospitality	Envelope, HVAC, Lighting, Water Conservation
	JW Marriott II, 2023	Dallas, City of	Dallas	\$13,909,789	PACE Equity LLC	Hospitality	HVAC, Electrical, Building Envelope
	Hotel Herringbone, 2024	McLennan County	Waco	\$3,271,340	PACE Equity LLC	Hospitality	Envelope, Electrical, HVAC, Water Efficiency

PACE PROJECTS – Multifamily

	Central Plaza Downtown Living, 2020	<u>Bell County</u>	Temple	\$1,025,000	<u>Petros PACE Finance Titling Trust</u>	Multifamily	LED, Envelope, Roof, Mechanical, Domestic Water Heating
	Pearl Point (Tide on 35 Apartments), Phase I, 2020	<u>Aransas County</u>	Rockport	\$4,000,000	<u>Stonehill PACE</u>	Multifamily	LED, Envelope, Water Conservation Measures
	Pearl Point (Tide on 35 Apartments), Phase II, 2021	<u>Aransas County</u>	Rockport	\$7,660,808	<u>Stonehill PACE</u>	Multifamily	LED, Envelope, Water Conservation Measures
	Bishop Canopy, 2022	<u>Dallas County</u>	Dallas	\$1,595,864	<u>Nuveen Green Capital</u>	Multifamily	Envelope, Electrical/Lighting, HVAC, Water Conservation
	Wilcox Lofts, 2023	<u>Smith County</u>	Tyler	\$1,412,500	<u>Nuveen Green Capital</u>	Multifamily	Envelope, HVAC, Lighting, Plumbing and Water Conservation

PACE PROJECTS - Recreation

	Downtown Cowtown at the Isis Theatre, 2019	<u>Tarrant County</u>	Fort Worth	\$2,383,000	<u>UMB Bank</u>	Recreation (Nonprofit)	Space Heating & Cooling, Pumps, Heat Rejection, Fans- Interior, LED, Plumbing, Water Conservation Measures
	Buddy Holly Hall, 2022	<u>Lubbock, City of</u>	Lubbock	\$20,864,230	<u>Twain Financial Partners</u>	Recreation (Nonprofit)	HVAC, Lighting, Building Envelope, Plumbing
	Racing & Altitude Trampoline Park, 2020	<u>Galveston County</u>	Texas City	\$1,060,000	<u>Nuveen Green Capital</u>	Recreation	HVAC, LED, Envelope
	Red Oak Ali's Cinema, 2022	<u>Red Oak, City of</u>	Red Oak	\$6,413,023	<u>Nuveen Green Capital</u>	Recreation	Envelope, Electrical/Lighting, HVAC, water conservation

PACE PROJECTS – Manufacturing

	Republic Elite (Trajus), 2024	<u>Harrison County</u>	Marshall	\$1,500,000.00	<u>White Oak Global Advisors LLC</u>	Industrial	HVAC, Electrical, Water Efficiency
	R. J. Liebe Athletic Lettering Company, 2017	<u>Navarro County</u>	Corsicana	\$324,560	<u>Nuveen Green Capital</u>	Industrial	HVAC, LED

PACE PROJECTS - Religious



**Congregation
Beth Israel,
2016**

Travis
County

Austin

\$446,361

Petros PACE
Finance

Religious
(Nonprofit)

Chillers, Boilers,
Window Film, BAS
Controls



**New Birth
Baptist Church,
2021**

Tarrant
County

Fort Worth

\$152,130

Nuveen Green
Capital

Religious
(Nonprofit)

Solar PV



**First UU Church,
2022**

Houston,
City of

Houston











\$488,120

Nuveen Green
Capital

Religious
(Nonprofit)

Envelope, Lighting,
HVAC, Solar

PACE PROJECTS - Retail

	Barton Creek Mall, 2016	Travis County	Austin	\$1,239,878	Petros PACE Finance	Retail	HVAC, LED, Water Conservation Measures
	Lakeline Mall, 2016	Williamson County	Cedar Park	\$765,394	Petros PACE Finance	Retail	HVAC, LED, Water Conservation Measures
	Round Rock Outlets, 2016	Williamson County	Round Rock	\$1,002,588	Petros PACE Finance	Retail	HVAC, Water Conservation Measures
	Houston Premium Outlets, 2017	Houston, City of	Cypress	\$2,185,038	Petros PACE Finance	Retail	HVAC, LED, Smart Glass, Awnings, Plumbing, Water Conservation Measures
	San Marcos Premium Outlets, 2017	Hays County	San Marcos	\$1,884,449	Petros PACE Finance	Retail	HVAC, LED, Plumbing, Water Conservation Measures
	Elgin General Store, 2018	Bastrop County	Elgin	\$120,000	Frontier Bank of Texas	Retail	Solar PV
	Mall of the Mainland, 2020	Galveston County	Texas City	\$3,840,000	Nuveen Green Capital	Retail	HVAC, LED, Envelope, Plumbing
	World Gym, 2021	Galveston County	Texas City	\$3,075,000	Greenworks Lending LLC by Nuveen	Retail	HVAC, LED, Envelope, Plumbing, Water Conservation Measures
	Vickery Blvd., 2023	Tarrant County	Fort Worth	\$280,000.00	Imperial Ridge Real Estate Capital	Retail	Building Envelope, Solar PV
	The Welman Project - Remodel, 2025	Tarrant County	Fort Worth	\$231,000	Imperial Ridge Real Estate Capital	Retail	Lighting, Building Envelope, Renewables/Distributed Generation, HVAC, Water Efficiency

PACE PROJECTS – Senior Living



**Stonecreek at
Copperfield, 2020**

Houston,
City of

Houston

\$2,800,000

Counterpointe
SRE

Multifamily
(Senior)

HVAC, Lighting,
Envelope, Domestic
Water Heating



**Grand Living at the
Grove, 2022**

Travis
County

Austin

\$12,000,000

PACE Loan
Group

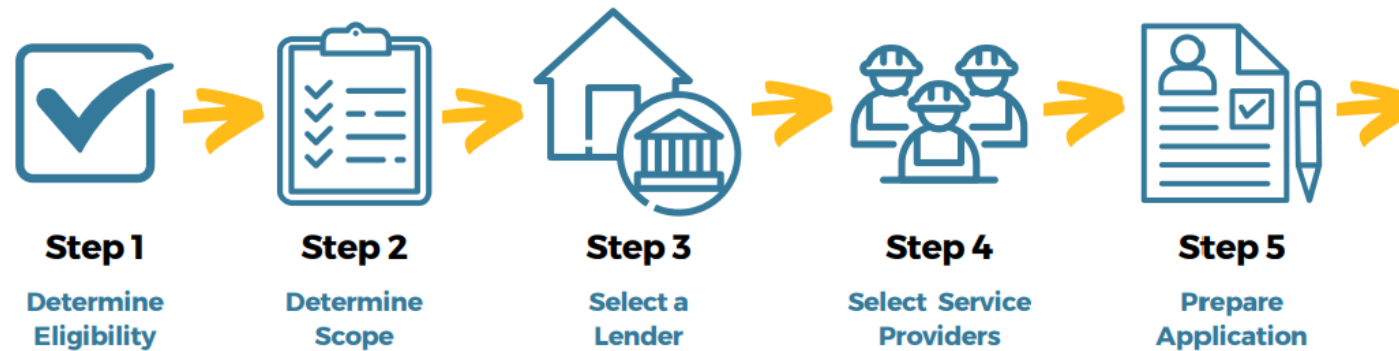
Multifamily
(Senior)

Envelope, Windows,
HVAC, Water
Conservation,
Domestic Hot Water,
Lighting, Controls

TPA's PROJECT DEVELOPMENT PROCESS

www.texaspaceauthority.org/quick-start-guide

Phase 1 Pre-Application Feasibility



Phase 2 Post-Application Execution



PACE UNDERWRITING CRITERIA

Savings to Investment Ratio (SIR)

- SIR \geq 1 required
 - Utility/Operating Savings >50% --- Financial Savings < 50%
 - Verified by Independent Third Party (Texas Licensed PE)

Loan to Value (LTV)

- PACE financing can be up to 35% of CAD-assessed property value
 - Variance for market value/as stabilized basis

Loan Term

- \leq to weighted useful life of PACE-financed measures

Mortgage Holder Consent

- Senior lender must consent to PACE assessment (non-accelerating)

PACE is a WIN-WIN-WIN (WIN-WIN)

- ✓ **Property Owners** – lower utility bills, resilience, energy/water efficiency, property value increase
- ✓ **Contractors** – project financing solution, more local hiring, best practices, keeping up with technology advancements
- ✓ **Lenders** – new loan product, steady & stable process, fully collateralized, Tax Assessment lien position, improved asset value
- ✓ **State of Texas** – water resource conservation, reduced peak demand, enhanced grid reliability, distributed generation as resilient power source, improved air quality
- ✓ **Communities** – increased economic development and jobs, improved building infrastructure, more appealing building stock and plants

RESOURCES

- **Texas PACE Authority:** www.texaspaceauthority.com
- TX-PACE Program Guide and Technical Standards
www.texaspaceauthority.org/Documents/Program%20Guide.pdf?dl=0
- Case Studies
www.texaspaceauthority.org/resources/case-studies-marketing/
- Service Provider Directory
<https://www.texaspaceauthority.org/service-provider-directory/>
- Events and Training
www.texaspaceauthority.org/event-directory

QUESTIONS?

Dub Taylor

dub@texaspaceauthority.org



www.texaspaceauthority.org