SURVEY DISCUSSION

Mid-Atlantic PACE Alliance
All-Partner Meeting
September 25, 2017
WHAT ARE WE TRYING TO ACCOMPLISH?

1. Collaboratively identify opportunities for regional harmonization.

2. Develop recommendations for program sponsors and administrators in the region.

3. Provide tools for sponsors and administrators based on these recommendations that will facilitate the growth of C-PACE programs and projects in the region.
WHAT KIND OF TOOLS?

Regional program handbook

Guidance on local ordinances.

Program marketing resources.
SURVEY RESPONSE SUMMARY

WHO RESPONDED?

- 10 PACE Administrators
- 12 Government PACE Sponsors
- 15 PACE Contractors
- 7 Virginia Local Jurisdictions
SUMMARY DRAFT RECOMMENDATIONS FOR ADMINISTRATORS

- Standardize as many C-PACE program elements as possible.
- C-PACE program implementation has universal best practices.
- C-PACE program marketing is necessary and has universal best practices.
- C-PACE participant education is necessary.
STANDARDIZE AS MANY C-PACE PROGRAM ELEMENTS AS POSSIBLE.

"ANY OPPORTUNITY TO OPT-IN VIA RIDER WOULD SAVE A VAST AMOUNT OF TIME."

"HAVING ONE ENTITY ADMINISTERING THROUGHOUT A STATE IS FAR MORE EFFICIENT."

-PACE ADMINISTRATORS

Promote establishment of a statewide administrative structure with an opt-in or rider process for local governments.

Develop and encourage utilization template documents, such as a model ordinance and program handbook.
2. C-PACE PROGRAM IMPLEMENTATION HAS UNIVERSAL BEST PRACTICES.

- Foster a good working relationship with the program sponsor & jurisdictions.
- Work to develop real projects to help jurisdictions move forward with program adoption.
- Approach current project lenders and mortgage lenders.
- Focus on contractor trainings and establishing relationships with contractors.

- Promote an open market for capital providers.
- Promote a program model with minimal barriers to participation by all stakeholders.
- Consider supporting more comprehensive solutions that may not necessarily meet an SIR.
- Expect to request revisions to C-PACE enabling legislation as the program evolves.
3. C-PACE PROGRAM MARKETING IS NECESSARY AND HAS UNIVERSAL BEST PRACTICES.

- Seek assistance from sponsor for marketing and operations.
- Use contractors to market the program, also trade associations, capital providers, and economic development agencies

“FOCUSBING ON CONTRACTORS IS AN INITIAL WAY TO JUICE THE PIPELINE WITH LIMITED RESOURCES. CONTRACTORS ARE CONSTANTLY SELLING TO BUILDING OWNERS.”

-PACE ADMINISTRATOR
4. C-PACE PROGRAM PARTICIPANT EDUCATION IS NECESSARY.

- Develop educational tools (fact sheets, webinars).
- Develop online resources (website, videos).
- Provide networking opportunities (workshops, conferences).

"PROPERTY OWNERS FEEL LIKE PACE MIGHT BE TOO GOOD TO BE TRUE."
-PACE SPONSOR

"C-PACE DOES NOT TRANSLATE WELL ACROSS DIFFERENT PARTIES. MULTIPLE EDUCATION SESSIONS ARE NEEDED."
-PACE SPONSOR
SUMMARY DRAFT RECOMMENDATIONS FOR SPONSORS

- Utilize universal best practices for C-PACE legislation, implementation, and project development.
- Program marketing is a necessary and worthwhile investment.
- Program participant and stakeholder education is critical.
1. **C-PACE DEVELOPMENT HAS UNIVERSAL BEST PRACTICES.**

- **Define the value proposition of PACE and understand the target market.**
- **Assess demand for C-PACE financing from building owners, capital providers, and local energy advocates.**
- **Find a champion!**
- **Enlist legal assistance and expect to revise your C-PACE enabling legislation as the program evolves.**
- **Prioritize efficient processes.**
- **Include the Economic Development department early on.**
C-PACE PROGRAM IMPLEMENTATION HAS UNIVERSAL BEST PRACTICES.

"IT'S IMPORTANT TO GIVE STAKEHOLDERS CONFIDENCE IN THE PROGRAM."

- PACE ADMINISTRATOR

"DIAL-IN PROCESSES AS QUICKLY AS POSSIBLE. BALANCE THE PERCEIVED URGENCY WITH CREATING EFFICIENT PROCESSES."

- PACE ADMINISTRATOR

- Consider a competitive solicitation to select an administrator. A statewide administrative structure is preferable for efficiency and standardization.

- Consider supporting more comprehensive solutions that may not necessarily meet an SIR, enabled by a broad statement of the public purpose.

- Promote an open market for capital providers.

- Provide streamlined solutions for property owners, contractors, and capital providers participating in the program, e.g. software to quickly assess eligibility.
3. PROGRAM MARKETING IS A NECESSARY AND WORTHWHILE INVESTMENT.

"A LACK OF RESOURCES TO DEDICATE TO MARKETING AND OPERATIONS IS THE LARGEST BARRIER TO A SUCCESSFUL PROGRAM." – PACE ADMINISTRATOR

"IN TERMS OF MARKETING, C-PACE PROGRAMS SHOULD BE PICKING VERTICALS, SPECIFIC PROPERTY TYPES. BUILD AN ACTUAL BUSINESS CASE AND GO FOR IT." -PACE ADMINISTRATOR

- Actively participate / allocate staff resources to marketing efforts.
- Seek marketing dollars and assistance
- Develop a Marketing Plan.
- Enlist marketing assistance from capital providers, contractors, and other stakeholders.
- Advertise through the web.
- Develop relationships/joint marketing with utility companies.
- Host events for stakeholders.
3. C-PACE PARTICIPANT AND STAKEHOLDER EDUCATION IS NECESSARY.

- Promote education and understanding of PACE
- Host Educational Events for likely participants:
  - Building owners
  - Municipalities and counties
  - Capital providers and mortgage holders
  - Energy efficiency, renewable energy, and other contractors.

"GETTING THE WORD OUT HAS BEEN ONE OF THE LARGEST BARRIERS TO PROGRAM SUCCESS. WE ARE RUNNING THE BEST PROGRAM NO ONE HAS EVER HEARD OF."
-PACE ADMINISTRATOR

"YOU NEED A CHAMPION OR A TEAM TO UNDERSTAND THIS CONCEPT TOGETHER. IT CAN'T BE ONE PERSON."
-PACE SPONSOR
5. C-PACE PROJECT DEVELOPMENT HAS UNIVERSAL BEST PRACTICES.

- Contact other jurisdictions to learn about best practices.
- Procure or obtain technical assistance either in house or via competitive solicitation.
- Build relationships with lenders early on.
- Bring in local banks and current mortgage holders.

"ACTIVE GOVERNMENT AGENCY SPONSORSHIP CAN ENSURE A CONSISTENT, RELIABLE, REPEATABLE, AND SCALABLE PROJECT ORIGINATION AND CLOSING PROCESS."

- PACE ADMINISTRATOR
Most contractors work with multiple administrators and across multiple jurisdictions.

There is an opportunity to improve contractor satisfaction with C-PACE programs.

Project tracking could be further standardized and streamlined to build confidence in C-PACE project savings.

Word of mouth and customer referrals generate the most C-PACE projects for contractors.
SUMMARY DRAFT CONCLUSIONS

VIRGINIA JURISDICTIONS

Jurisdictions are interested in C-PACE, but cite a lack of resources and funding as a major barrier to implementation.

Jurisdictions need additional time, education, and resources before moving forward with C-PACE programs.
SPECIFIC RECOMMENDATIONS FOR MAPA

☑️ Create a toolkit for jurisdiction use.
  - "How-to-Sell PACE" guidance
  - Include qualifying questions (utility spend, building age, etc.) to help sponsors identify high value targets.
  - Better understanding of the "sweet spot" will help identify quality targets (move away from "buckshot" approach)

☑️ Create a regionally specific video on "What is PACE?" that promotes an open market approach.
  - The PACENation video provides a useful introduction for local governments, but assumes government funded programs, not an open market approach.
Provide local governments with a introductory presentation.

- Focus on "What is PACE" & answering key questions
- Create to educate other departments within a locality
- Keep it short and sweet with bullet format

Share quarterly newsletters with market progress, events, and educational resources.

Consider coordination of marketing efforts with utility companies in the region.