

Philadelphia C-PACE



YEAR IN REVIEW 2023

Commercial Property-Assessed Clean Energy (C-PACE) financing helps commercial property owners pay for energy efficiency, water conservation, renewable energy projects, resiliency and indoor air quality projects. This innovative financing tool deploys private capital and allows borrowers to save money on utility bills and increase the health and safety of their properties, while reducing their carbon footprints.

The C-PACE statute was expanded in 2022 to include multifamily properties as eligible building types. The six projects that closed in Philadelphia in 2023 were all 100% multifamily or mixed use including multifamily, demonstrating the importance of the expanded eligibility. PEA congratulates the PA General Assembly and Philadelphia City Council for spurring \$98MM of investment that was a direct result of their legislative action.

Commercial real estate projects have stalled in the last several years due to high interest rates and banks' lending restrictions. C-PACE has played an important role in filling these gaps in capital stacks as well as helping developers invest more deeply in energy efficient construction.

The proof is in the numbers. The Philly C-PACE program reached \$200 million in closed deals at the end of 2023, doubling the total dollar volume of deals closed in just one year. And C-PACE projects are also outpacing energy code, using between 19% and 45% less energy than a code-built building. See the chart on page 4 for more details.

Michael Alhadad



ONE DEVELOPER'S C-PACE STORY

Michael Alhadad is managing member of 2008 N Broad Street LLC, the developer of a 40 unit multifamily property at 2008 N. Broad St. in North

Philadelphia, near Temple University. 2008 N. Broad Street used \$5.2MM in C-PACE financing to make investments bringing the modeled energy efficiency of the facility to 45% above the Philly energy code (see Page 3).

According to Alhadad, "C-PACE was the perfect financing tool for this project. We strive to make our buildings as energy efficient and sustainable as possible. The building is all-electric and designed to be dramatically more efficient than Philadelphia's energy building code. C-PACE allowed us to finance highly efficient HVAC units, lighting, and envelope improvements. Efficiency is the cornerstone of all our projects, which brings great benefits to the users of the buildings and contributes positively to the City and its residents. I appreciate the seamless process facilitated by the C-PACE program, making the entire experience efficient and straightforward. We look forward to continued collaboration and contributing to the City's sustainability goals.

See what C-PACE can do for you. Learn more at philadelphiapace.org

Philadelphia C-PACE



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2023 PROJECTS



HDO Architecture

SOMERSET STATION

On February 10, 2023 the Philadelphia Energy Authority, Nuveen Green Capital and Somerset Street Station LLC closed on C-PACE financing for energy efficiency and water conservation measures to be installed during the construction of a new 220-unit multifamily development located at 2200 E. Somerset Street. The planned facility is located in the Port Richmond neighborhood of Philadelphia.

Property Type: Multifamily

Financing Amount: \$17,914,777

Property Address: 2200 E. Somerset St.

Neighborhood: Port Richmond

Qualified Engineer: EE Consultants LLC

Building Measures: Building envelope, HVAC, Lighting, and water systems

Environmental Impact: Reduction of the building's lifetime carbon footprint by 22,620 metric tons of CO2 equivalent over 30 years.



Solomon Cordwell Buenz

5TH AND SPRING GARDEN

On February 28, 2023, the Philadelphia Energy Authority, Nuveen Green Capital and Spring Philadelphia Owner, LLC closed on C-PACE financing for energy efficiency and water conservation measures to be installed during the construction of a new 329-unit multifamily property with ~14,000 SF of retail located at 416-438 Spring Garden Street a/k/a 499 North 5th Street. The planned development is located in the Callowhill neighborhood of Philadelphia.

Property Type: Multifamily, retail

Financing Amount: \$40,000,000

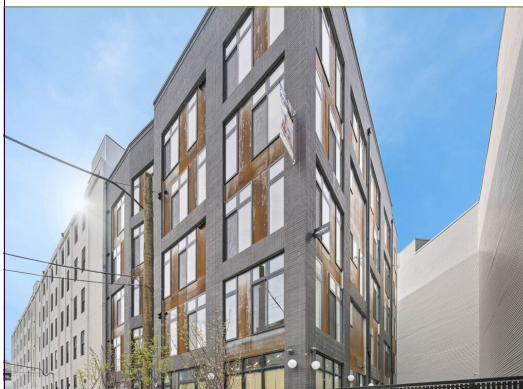
Property Address: 416-438 Spring Garden St.

Neighborhood: Callowhill

Qualified Engineer: EE Consultants LLC

Building Measures: HVAC, building envelope, lighting, low flow water measures

Environmental Impact: Reduction of the building's lifetime carbon footprint by 45,210 metric tons of CO2 equivalent over 30 years.



Ampere Capital Group

BROMLEY LOOM HOUSE

On June 2, 2023, PACE Equity, the Philadelphia Energy Authority and ACG 2315 Front, LLC, the owners of 2315-2325 N. Front Street, closed on financing for energy efficiency and water conservation measures for a newly constructed multifamily/mixed use property in East Kensington. The property is known as the Bromley Loom House. It is a 63-unit multifamily property with two commercial units.

Property Type: Mixed use, multifamily and commercial

Financing Amount: \$997,706

Property Address: 2315-2325 N. Front Street.

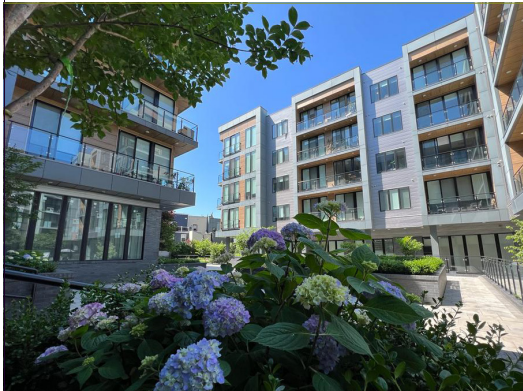
Neighborhood: East Kensington

Qualified Engineer: PACE Equity

Building Measures: HVAC, building envelope, low flow water measures and lighting

Environmental Impact: Reduction of the building's lifetime carbon footprint by 2,530 metric tons of CO2 equivalent over 30 years.

2023 PROJECTS



Palladium Group

LIBERTY SQUARE PHASE III

On August 23, 2023, the Philadelphia Energy Authority, Nuveen Green Capital and TLSIC P3, LLC and Liberty Square P3, LLC closed on C-PACE financing for energy efficiency and water conservation measures installed during the construction of Phase III of Liberty Square, a mixed use multifamily and commercial property located at 1214 & 1252 N. American Street.

Property Type: Mixed use, multifamily and commercial

Financing Amount: \$7,500,000

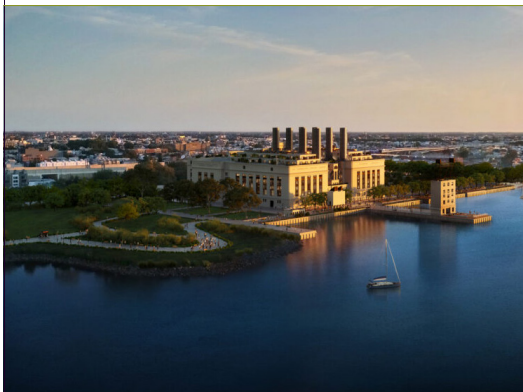
Property Address: 1214 & 1252 N. American St.

Neighborhood: Northern Liberties

Qualified Engineer: Pennoni

Building Measures: Building envelope, HVAC, Lighting, and water systems

Environmental Impact: Reduction of the building's lifetime carbon footprint by 3,632 metric tons of CO2 equivalent over 29 years.



NQS

THE BATTERY

On November 30, 2023, the Philadelphia Energy Authority, Northbridge ESG LLC, and L-A Battery QOZ LLC closed on C-PACE financing for energy efficiency and water conservation measures installed during the construction of the mixed use property located at 1325 Beach Street. Six of twelve separate condo units comprising the Battery have C-PACE assessments totaling \$26,551,233.

Property Type: Mixed use - hospitality, multifamily, retail, and commercial

Financing Amount: \$26,551,233

Property Address: 1325 Beach Street

Neighborhood: Fishtown

Qualified Engineer: EE Consultants LLC

Building Measures: HVAC, building envelope, lighting and low flow water measures

Environmental Impact: Reduction of the building's lifetime carbon footprint by 34,320 metric tons of CO2 equivalent over 25 years.



Michael Alhadad

2008 N. BROAD ST

On December 19, 2023, the Philadelphia Energy Authority, Nuveen Green Capital and 2008 N Broad Street LLC closed on C-PACE financing for energy efficiency and water conservation measures being installed during the construction of 2008 N. Broad St., a multifamily property located at 2008 N. Broad Street.

Property Type: Multifamily

Financing Amount: \$5,215,000

Property Address: 2008 N. Broad St.

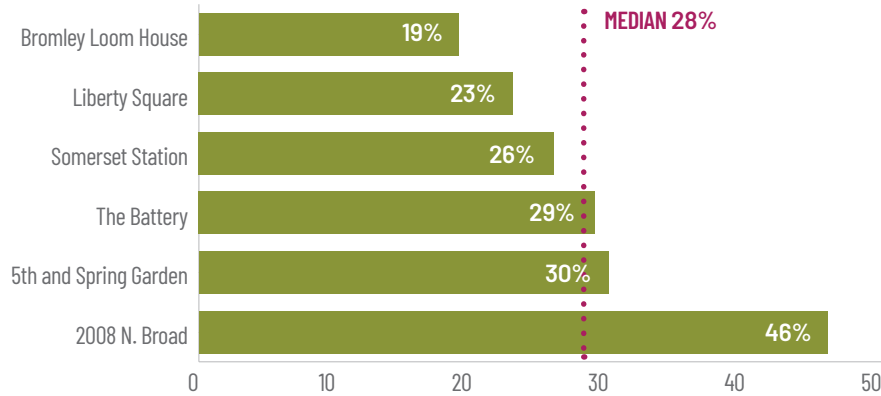
Neighborhood: North Philadelphia

Qualified Engineer: EE Consultants LLC

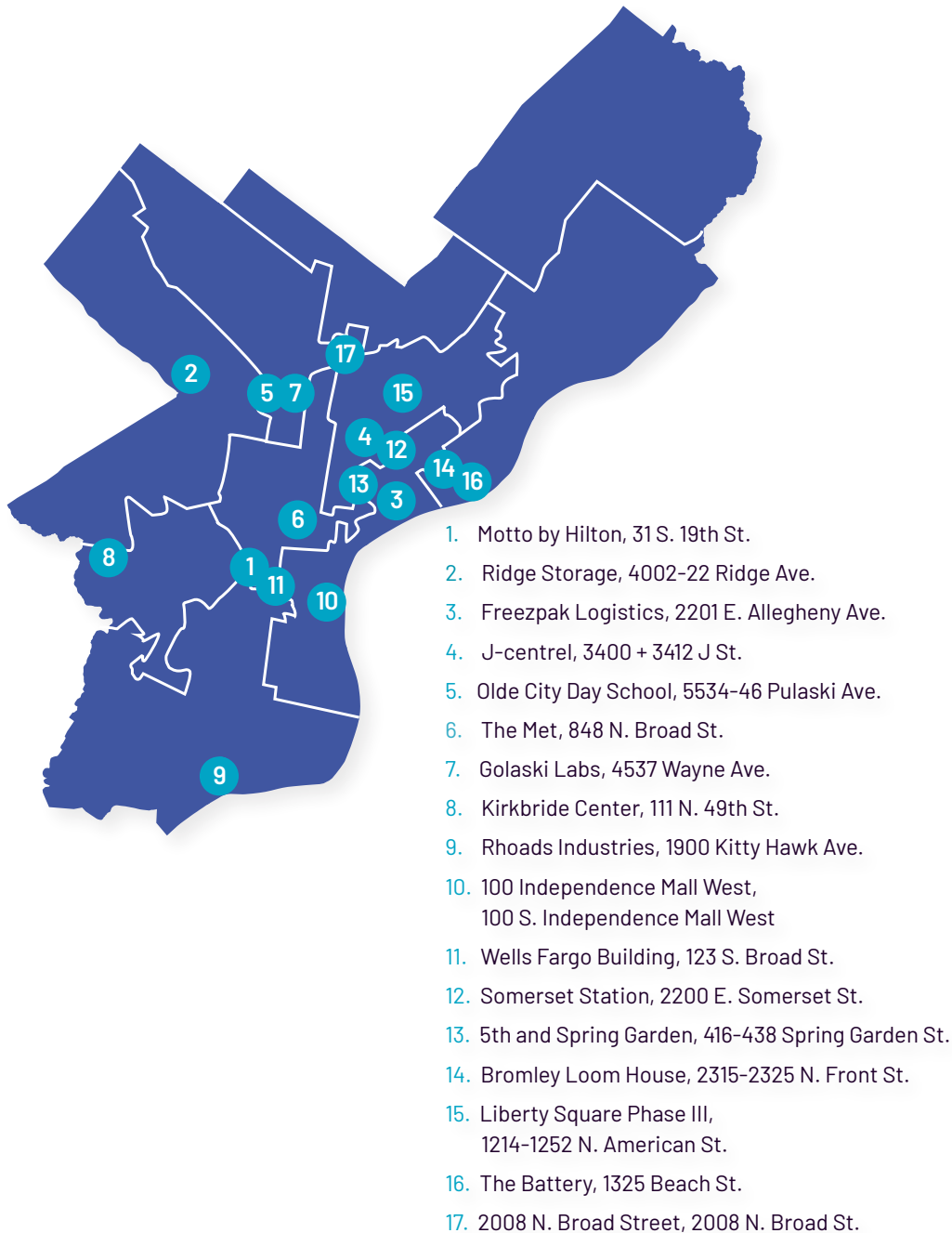
Building Measures: HVAC, building envelope, low flow water measures and lighting

Environmental Impact: Reduction of the building's lifetime carbon footprint by 2,408 metric tons of CO2 equivalent over 30 years.

MODELED ENERGY SAVINGS ABOVE IECC 2018 (PERCENT)



PROJECT LOCATIONS FOR ALL PROJECTS THROUGH 2022



CPACE INVESTMENTS 2020-2023

\$8MM
2020

\$50MM
2021

\$41MM
2022

\$98MM
2023