

NJ Launches C-PACE Program in Early 2025: A Game-Changer for Clean Energy and Economic Growth

In early 2025, New Jersey will join 34 other states with an active Commercial Property Assessed Clean Energy (C-PACE) program. Nationwide, C-PACE programs have already driven **\$9 billion in private investment**, generated over **\$15 billion in economic development**, and created more than **100,000 job-years**.

Why C-PACE Matters

This innovative financing model enables commercial property owners to fund energy efficiency, renewable energy, and resiliency projects in both existing and new buildings using **private sector capital**.

What sets C-PACE apart is its use of a public-purpose financing mechanism—traditionally reserved for projects like sidewalks or streetlights—to fund clean energy upgrades. This allows 100% of soft and hard costs to be financed through a **special or benefit assessment** attached to the property, spread over the useful life of improvements (up to 30 years).

Who Should Take Notice?

C-PACE offers transformative opportunities for:

- **Government Leaders:** Mayors, elected officials, economic development officers, planning officers, and green team members.
- **Real Estate and Development Professionals:** Commercial property owners, developers, property managers, attorneys, architects, engineers, appraisers, and contractors.

Unmatched Benefits of C-PACE

- **Flexible Financing:** Payments transfer with the property upon sale and offer unique advantages like being **non-recourse, proratable, non-accelerable, and non-callable**.
- **Cost-Effective Capital:** C-PACE can lower a developer's overall capital costs by covering **up to 35% of the capital stack**—often at half the cost of mezzanine financing.
- **Immediate Positive Cash Flow:** Energy savings often exceed C-PACE payments, enabling retrofit projects with **no out-of-pocket costs**.

- **Long-Term Stability:** Fixed, low-interest rates and stabilized energy costs protect property owners as energy prices rise.

Developers can also refinance clean energy projects completed within the past three years, making C-PACE a true "**Swiss Army Knife**" of financing options in the commercial real estate industry.

C-PACE isn't just for commercial or industrial buildings. It's a powerful solution for:

- Non-profits
- Agricultural and medical facilities
- Multifamily housing
- Local banks seeking to incorporate sustainable lending

Municipalities Must Act to Enable C-PACE

For C-PACE to work, municipalities must **opt in by passing an ordinance** and take on the billing, collection, and remittance of payments. At scale, C-PACE attracts businesses, stimulates job growth, advances climate goals, and enhances the competitiveness of local building stock. Without proactive outreach, however, only the largest property owners and developers may hear about it.

NJPACE: Your Trusted Partner in C-PACE Success

NJPACE (New Jersey PACE) is a 501(c)(3) nonprofit that has championed C-PACE in the state since 2013. Recognized with a PACESetter Award by PACENation in 2022, we collaborate with government officials, developers, and property owners to build awareness, simplify processes, and maximize program benefits.

Contact us today to learn how C-PACE can benefit your community or business:

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C-PACE isn't just financing; it's an investment in your community's future. Let's make it happen together!

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