



**COLORADO**  
Energy Office

**Please Support --- HB19-1272: Concerning Housing Authority Ability to Participate in the Colorado New Energy Improvement District Program**  
Representative Bird / Senators Winter and Priola

**Purpose:**

HB19-1272 makes additional capital available for affordable housing and other housing authority projects by allowing housing authorities to choose to participate in the New Energy Improvement District's (NEID) Commercial Property Assessed Clean Energy (C-PACE) program. Currently, affordable and other properties in which a housing authority has any interest may be excluded from the program by their inability to accept special assessments, including voluntary special assessments. HB19-1272 will expand access to capital to build new construction projects and to retrofit existing properties with improvements to offset energy and water operational costs. HB-1272 resolved the conflict, making the financing available for a greater number of projects benefiting a greater number of people in the State of Colorado.

**Value Proposition for Projects Sponsored or Supported by a Housing Authority:**

- Key Benefits
  - Requires no out of pocket costs from the property owner.
  - Provides 100% financing of energy savings improvements by private capital providers at competitive rates with repayment terms up to 25 years.
  - Results in cash flow positive projects to meet capittally intensive building modernization needs.
  - Transfers with the sale of the property, ensuring that project costs and savings are connected to repayment over the repayment period.
- Retrofitting Buildings
  - Provides long term financing for energy related improvements that can reduce the tenant utility costs and centralized operational costs.
  - Funds these cost-controlled maintenance projects without requiring up front capital.
- New Construction Projects
  - A new construction project is eligible for C-PACE financing for between 15-20% of the total eligible construction cost if the project meets or exceeds the requirements of IECC 2015 (building energy code).

**Background on the New Energy Improvement District & C-PACE:**

The NEID is a statewide, voluntary district that each county has the option to opt into via a Board of County Commission resolution. Once a county opts in, commercial building owners in that county can apply to the district to receive financing from private lenders for eligible energy and water improvements under the C-PACE statute (C.R.S 32-20- 101 et seq.). The C-PACE financing is then repaid through a voluntary special assessment that is placed on the property. This mechanism allows lenders to provide long-term financing options for commercial property owners seeking to make energy improvements.

While originally passed in 2010, the General Assembly passed SB17-171 unanimously to help ensure C-PACE operated in line with county processes. Since its passage, the NEID now has participation from 23 counties representing 71% of the eligible commercial building stock in the state. C-PACE has financed ~\$40 million across 39 projects as of March 2019.

