

THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, NY 10007

FOR IMMEDIATE RELEASE: June 16, 2021

CONTACT: pressoffice@cityhall.nyc.gov, (212) 788-2958

**FIRST PACE LOAN AWARDED IN NYC TO HELP BUILDING OWNERS MEET
CARBON EMISSION TARGETS THROUGH LOW-COST FINANCING**

NEW YORK—Mayor Bill de Blasio today announced the closing of an \$89 million loan given to 111 Wall Street through the NYC Accelerator PACE Financing Program to retrofit 900,000 square feet of office space for efficiency, resiliency, and local law compliance. The project is estimated to save \$2.5 million in annual energy costs and avoid \$750,000 in annual Local Law 97 fines starting in 2030.

This innovative program, administered by the New York City Energy Efficiency Corporation (NYCEEC) on behalf of the City, will help property owners meet the City’s ambitious carbon emission targets under the Climate Mobilization Act by providing access to low-cost, long-term capital for energy efficiency and renewable energy retrofits.

“If you can retrofit a building in New York City, you can do it anywhere,” said **Mayor Bill de Blasio**. “Today, I want to send a clear message to all building owners in our five boroughs — you have a critical financial tool to redesign your properties for energy efficiency and sustainability. New Yorkers are depending on you to help us fight against the climate emergency by drastically reducing carbon emissions coming from buildings.”

“Building owners are not alone in the fight against climate change,” said **Ben Furnas, Director of the Mayor’s Office of Climate and Sustainability**. “The NYC Accelerator PACE Financing Program is an essential tool to decarbonize buildings at scale while shifting the cost burden away from property owners. Our team and partners at NYCEEC stand ready to help building owners and lenders finance green energy projects, reduce operating expenses, and meet local law requirements while cutting down on carbon emissions and improving tenants’ comfort.”

By 2030, the program is projected to create 689 green jobs and reduce 447,600 metric tons of CO₂e from our atmosphere, an equivalent of taking 97,344 passenger cars off the road for a year.

The loan allows building owners to finance up to 100% of project costs. Unlike conventional financing, loans provided through the NYC Accelerator PACE Financing Program are repaid in installments through a charge on the subject property’s tax bill. Loans are sized according to projected energy cost reductions, so building owners can begin realizing savings from day one.

The program is open to any commercial or multifamily buildings with three units or more, including tax-exempt non-profit and religious facilities, health care facilities, and industrial properties, that meet the requirements and eligibility.

NYC Accelerator Efficiency Advisors can help building owners connect with qualified lenders seeking to provide PACE financing. Financial organizations seeking to originate PACE loans can respond to the Pre-qualified Lender Request for Qualifications.

“The climate challenges our city faces in the years to come are daunting, which is why we must continue to push forward with aggressive action to help New York City property owners reduce their building's greenhouse gas emissions,” said **Buildings Commissioner Melanie E. La Rocca**. “Today's announcement shows how PACE financing remains a key element in jumpstarting energy efficiency retrofit projects throughout our city's building stock.”

“Increasing energy efficiency in buildings throughout the City is paramount in the ongoing effort to decarbonize wherever possible to combat climate change,” said **Sherif Soliman, Commissioner of the NYC Department of Finance**. “The NYC Accelerator PACE Financing Program is a creative way to assist New York City’s property owners to reduce carbon emissions through energy system upgrades and the Department of Finance is glad to play a part in the financing mechanisms by facilitating loan payments through property tax bills.”

“From towering skyscrapers to iconic brownstones, New York City has always been defined by its buildings,” said **Jainey Bavishi, Director of the Mayor’s Office of Climate Resiliency**. “To address the ongoing climate crisis, we’re working to ensure that all New Yorkers have efficient, sustainable, and resilient places to live and work. PACE financing is a proven tool for helping building owners reduce their emissions. Now, legislators in Albany should expand this program to allow it to finance climate adaptation retrofits like floodproofing and the installation of backup power systems.”

“The renovation of 111 Wall Street is particularly exciting as New Yorkers return to work and visitors return to the financial district,” said **Fred Lee, Co-CEO of NYCEEC**. “PACE allowed the development team to access additional capital by investing in long-lasting energy-efficient systems, so the project is part of the City’s pandemic recovery and energy transition.”

“There is something special about being the first C-PACE transaction completed in the Big Apple,” said **Mansoor Ghori, CEO of Petros PACE Finance**. “The fact that the first transaction shattered the record for the largest C-PACE transaction ever closed is proof of the magnitude of the City’s potential for C-PACE, and the wisdom of the Mayor and City’s leadership on climate change. We thank both the Mayor’s Office, particularly the Office of Climate & Sustainability for their support of this project and NYCEEC for their amazing partnership in this process to open this market.”

“With these improvements, 111 Wall Street will be well-positioned to meet New York City’s requirements and attract today’s tenants that seek to lease buildings with forward-thinking green designs and environmental sustainability,” said **Michael Gontar, Chief Investment Officer of Wafra Capital Partners**. “We chose to work with Petros because of their industry-leading

experience and execution capability giving us certainty of close on a C-PACE transaction of this size.”

"PACENation is thrilled to welcome New York City to the global community of cities and counties that have embraced PACE as a financing option for property owners," said **PACENation executive director Colin Bischoff**. "Over the past ten years, PACE financing has proved to be an extraordinary policy tool for creating local jobs, reducing carbon emissions and increasing resilience against extreme weather. With PACE in its quiver, New York City's buildings will be healthier, more efficient and more secure. Congratulations to all involved in the inaugural project at 111 Wall Street."

“New York City’s PACE program is a game-changer for commercial property owners who want to upgrade their property while saving energy and utility costs,” said **Cliff Kellogg, Executive Director at C-PACE Alliance**. “Commercial PACE financing is entirely privately funded and can fill a gap in the project’s financing at a lower cost than many alternatives. We congratulate the City and NYCCEEC for bringing this alternative financing to the Big Apple, the largest commercial real estate market in the country.”

“New York continues to lead by example in addressing our climate crisis,” said **Richard Yancey, FAIA, Executive Director, Building Energy Exchange**. “PACE financing will provide building owners with a critical tool to make long-term investments in upgrades that unlock deep carbon reduction and energy savings, while creating healthier places to work and live.”

“We’re thrilled to see the rollout of PACE in NYC. It’s an important tool to finance the needed decarbonization of buildings to meet our climate policy goals and help drive a green recovery,” said **John Mandyck, CEO of Urban Green Council**.

###