



City of Salem

Commercial Property Assessed Clean Energy (CPACE) Program

August 25, 2025

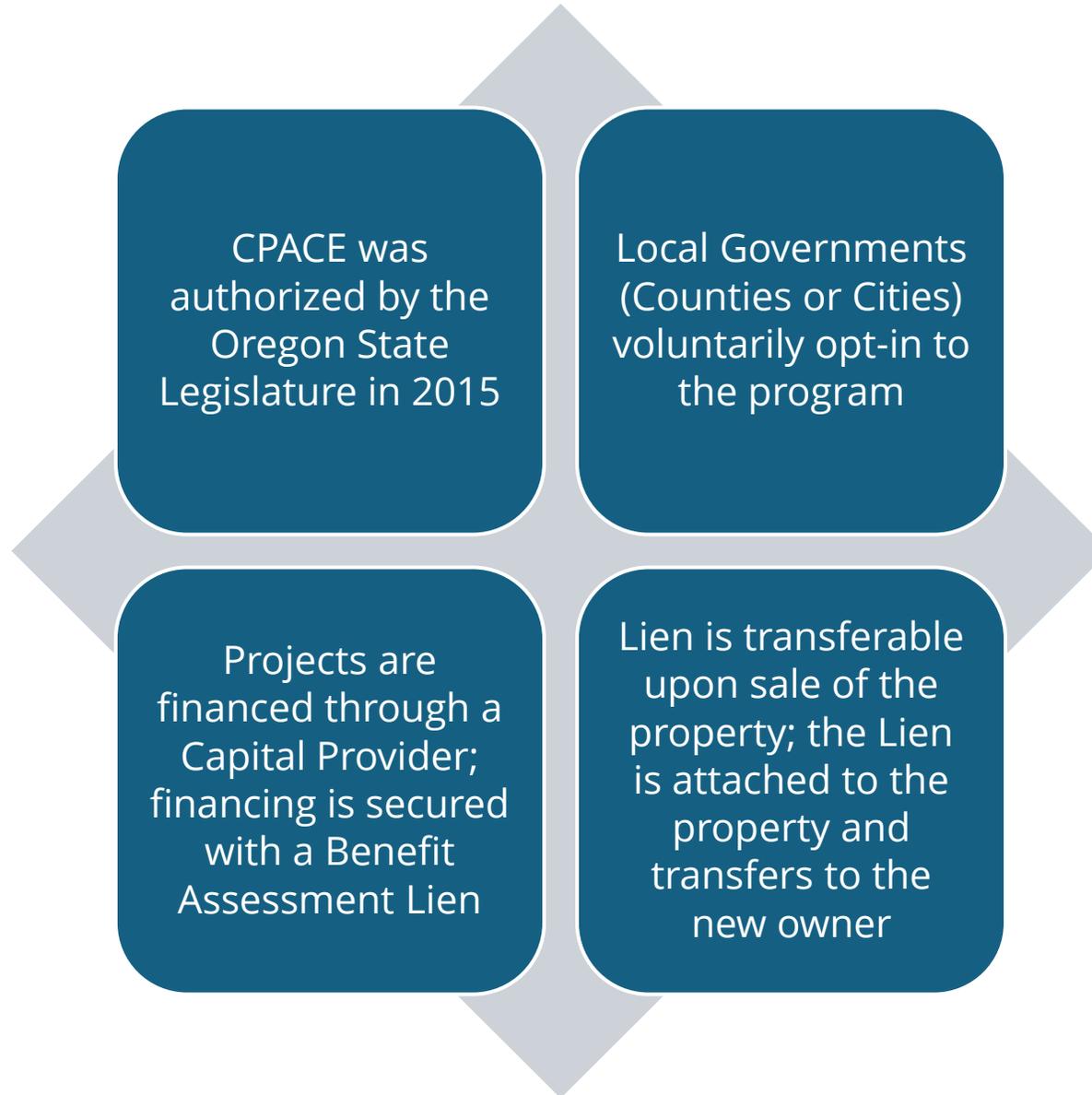


What is CPACE?

- CPACE is an innovative financing solution that makes green energy upgrades accessible and affordable for building owners.
- CPACE projects include energy efficiency, renewable energy, water conservation, and seismic rehabilitation improvements.



CPACE Structure



CSPACE Financing

Building owners work directly with Capital Providers to fund the project(s)



Financing is secured by a special assessment lien with the county



Building owner repays the Capital Provider as they would any other lender



The assessment lien structure provides benefits to the property owner and increased security to the Capital Provider

CPACE Benefits

Strategic	100% Financing	Savings	Transferable
Displaces higher cost debt in capital stack	Long term 100% financing	Energy savings offset assessment payments	Lien and assessment are attached to property not owner
Financing in lieu of mezzanine debt or equity	Terms up to 25-30 years	Lower energy costs, increase buildings' value	Automatically transfers upon building sale
Lower weighted average cost of capital	Payments spread over time = positive cash flow		

Eligible Properties

Industrial

Agricultural

Commercial

Multi-family
(5+ units)

Non-profit

Healthcare



Qualified Costs

Materials and labor necessary for improvements

Permit and inspection fees

Interest reserves

Program application and administrative fees

Capitalized interest

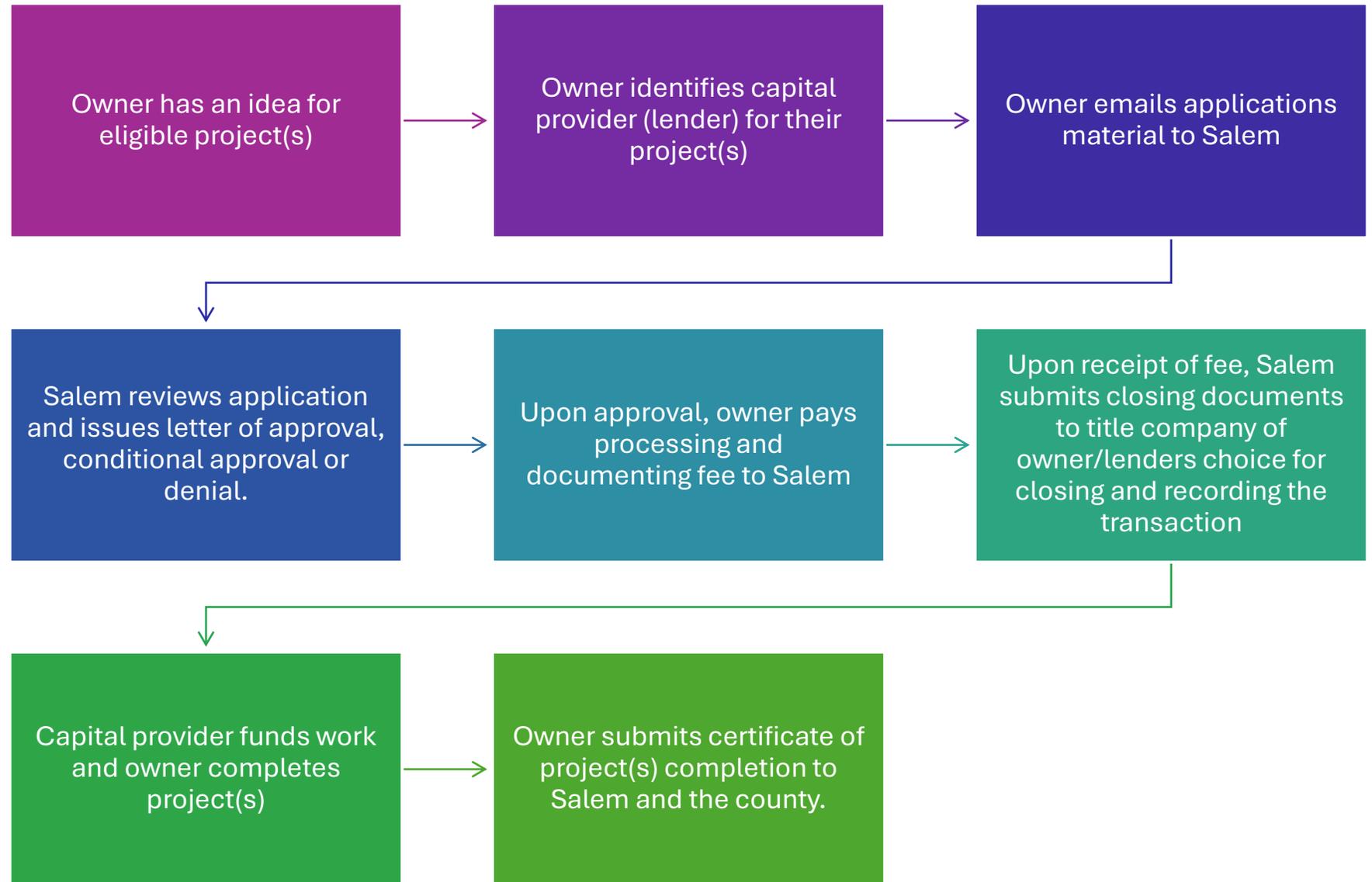
Project development, architectural and engineering fees

Third-party review including verification fees

Financing or origination fees

Escrow for prepaid Interest reserves

Process



Questions?

