

Forum hosted by the Long Island Regional Planning Council and the Suffolk County Planning Commission

Hauppauge, NY – On Monday, Rep. Steve Israel spoke about the need to expand Property Assessed Clean Energy (PACE) bond programs at a forum on financing for clean energy building retrofits hosted by the Long Island Regional Planning Council and the Suffolk County Planning Commission. A PACE bond is a small municipal bond where the proceeds are loaned to commercial and residential property owners to finance energy retrofits and who then repay their loans over 20 years via an annual assessment on their property tax bill.

“PACE bonds are an innovative way to help property owners on Long Island ‘go green.’ With a little help to finance energy efficient retrofits, home and small business owners reap an immediate savings on their monthly energy bills,” said Rep. Israel. “PACE bond programs will bring in new clean energy businesses, create jobs, reduce our dependence on foreign oil and most importantly – help property owners save money today.”

“Enabling PACE Bonds to finance clean and efficient energy retrofits is real action which can reduce Long Islander’s energy costs and carbon footprint, while creating jobs,” said Michael White, the executive director of the Long Island Regional Planning Council.

Rep. Israel introduced legislation to change the Department of Energy indirect loan guarantee program to provide 100 percent guarantees for PACE bond programs and is working with Governor Paterson to pass legislation to enable New York municipalities to implement PACE bond programs.

According to PACE Now, an independent coalition of PACE bond supporters, it is estimated that the potential for PACE bonds could exceed \$500 billion. For most energy retrofit projects, property owners can expect to see an immediate energy savings of 20 – 40 percent. PACE bonds finance energy efficiency upgrades, such as double insulated windows, as well as the installation of clean energy technologies, such as solar panels or geothermal heat pumps.

PACE bond programs are endorsed by Alliance to Save Energy, Climate Communities, National Association of Real Estate Investment Trusts (NAREIT), Natural Resources Defense Council (NRDC), Real Estate Roundtable, Solar Energy Industry Association (SEIA), Stewards for Affordable Housing for the Future (SAHF), the National Association of Homebuilders, California Energy Commission, the American Institute of Architects and Polyiso Insulation Manufacturers Association (PIMA).

There are more 150 energy efficiency financing programs in the United States, but many have limitations that include short repayment periods, high interest rates, credit requirements that do not account for energy savings, a lack of options for recent homebuyers and limited availability

for households most in need. PACE bonds have several advantages for participants over other financing options, including a longer repayment period (up to 20 years), a lien attached to the property – not the owner, reduced transaction costs, tax benefits and low interest rates.

Rep. Israel serves on the House Appropriations Subcommittee on Energy and Water. He is the co-chairman of the House Sustainable Energy and Environment Coalition.