Flowchart 1: PACE Program Overview

Owner initiates contact with ESCO
ESCO performs a Walk Through Audit (Ashrae Level I)

Decision to Proceed? → No

Yes →

ESCO performs an Investment Grade Audit (IGA) (Ashrae Level II), defines a final project, and calculates costs and energy savings. Cost of Audit usually rolled into project costs and funding.

Owner Contacts PACE Lender
Procures Commitment Letter (2-3 mos.). Lender may have separate underwriting guidelines.

Owner Contacts existing Lender
Seeks Lender Consent with approved form (3 Mos.)

Owner files application with City

No Consent.
PACE program is not available for Owner's property

Yes

City Approval?

No: Project does not qualify. City notifies Owner in writing.

Owner and ESCO agree to Energy Performance Contract

Owner, City and PACE Lender Sign Financing Agreement

Owner and PACE Lender Sign Loan Documents

Entire amount of principal and interest is added to the tax roll as a Special Charge to be collected in annual installments

ESCO completes construction and Lender disburses funds.

In December, annual Installment added to tax bill. Tax bill is mailed on or before the 3rd Monday of December.

Owner pays tax bill (lump sum on Jan. 31 or 10 installments)

Yes : City remits the special charges collected from Owner to PACE Lender

No : See Flowchart 2

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