Atlanta Commercial Property Assessed Clean Energy (C-PACE)

Program Guidelines

Invest Atlanta

Revised: July 2026

Table of Contents

Section 1. Executive Summary

Program Overview

The Atlanta Commercial Property Assessed Clean Energy (C-PACE) program (the Program) is a voluntary financing program established by the City of Atlanta (the "City") and implemented by the Downtown Development Authority of the City of Atlanta (the "Authority") in accordance with the laws of the State of Georgia and the City.

The Program is intended to assist owners of property within the Atlanta city limits to finance or refinance the installation of energy efficiency, water efficiency, renewable energy, and resiliency improvements as incorporated herein by this reference (the "Eligible Improvements"). Retroactive financing is allowable in a 3-year lookback period, as long as the property owner's certificate of occupancy was issued after Atlanta initially enacted the program on April 16, 2021. Property owners who voluntarily choose to participate in the Program enter into an agreement with the Authority, administratively acknowledged by the City, to repay the financing and the administrative costs of the Program through non-ad valorem special assessments added to their property tax and/or solid-waste bills (the "Assessment Contract"). There may be other types of financing available to property owners for making Eligible Improvements to their property and the Authority does not guarantee that the Program is the best financing option. Property owners should obtain professional guidance in selecting the option most appropriate for their situation.

C-PACE financing is secured by a voluntary special assessment lien on the improved property. This lien is senior to any encumbrances on the property (including mortgage debt) and is repaid over the Expected Useful Life (EUL) of the Eligible Improvements (up to 30 years). Because C-PACE financing is secured by a senior lien, low-interest capital can be raised from the private sector with little or no government financing required.

As the Program Administrator, Invest Atlanta will oversee the billing and collection of scheduled payments for all voluntary special assessment liens via annual property taxes.

Founding Legislation

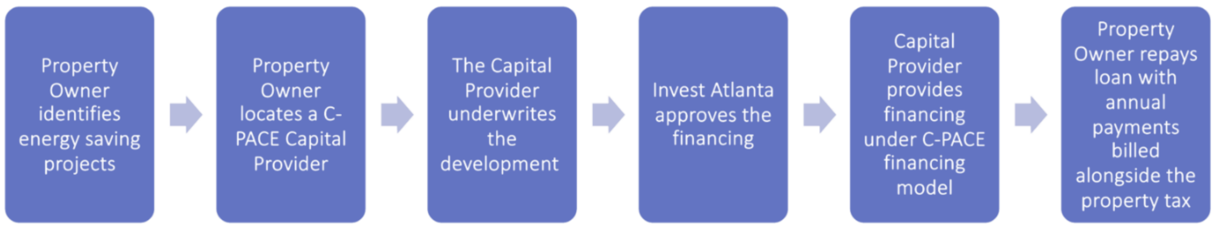
City Council Ordinances No. 12-O-1615 and No. 16-O-1431 (the "PACE Powers Ordinance"), and Resolution No. 12-R-1617, laid the preliminary groundwork for the PACE program in Georgia as early as 2012. These ordinances gave the City the power to establish one or more special districts within which commercial property owners may voluntarily consent to the installation of energy and water conservation improvements and to the imposition of a fee, tax or assessment which may be assigned through contract with the City's development authority in order to provide financing for the installation or modification of improvements that reduce energy or water consumption or produce energy from renewable resources. The PACE district was established extending across the City of Atlanta boundaries, and as of 2016, including the portions of the City in both Fulton and DeKalb counties.

Open Market Structure

The Program will utilize an Open Market structure, meaning property owners are able to bring their own private financing and no taxpayer funding will be injected into the project. Property owners and developers will utilize their own financing relationships, undergoing an underwriting process tied to the respective financing sources, to deploy capital in an efficient manner.

Capital providers interested in participating in the Program must register here.

Applicants will provide all required intake documents as outlined in Section 4 for Invest Atlanta's review before moving to the next phase of the process. The full application process can be found in Section 6.



Section 2. Benefits of C-PACE Financing

The funding of C-PACE projects facilitates the restoration of properties across the City, furthering the City's clean energy goal of 100% clean energy by 2035. Additionally, C-PACE financing promotes the creation and preservation of affordable housing, the reduction of household energy burdens for low-income renters, job creation for minority contractors, and a positive cash flow for the organization to be used for further development.

The benefits of C-PACE Financing for property owners and developments specifically include, but are not limited to:

- Up to 30-year fixed rate loan terms
- Rates can be up to 50% less than mezzanine debt
- Non-recourse financing upon completion
- One payment per year through property tax bill
- Obligation will be transferred upon sale of property to new owner
- Option for tailored step-down prepayment fees (to be arranged with lender)
- 100% financing available upfront for eligible upgrades and new construction supporting energy efficiency, water efficiency, renewable energy, and resiliency improvements

Section 3. Eligibility

The Program is available to all commercial properties within the corporate municipal limits of the City of Atlanta. In order to participate in the Program, a property owner must meet and complete the following requirements and steps:

3a. Property Eligibility

- The property to be improved with the Eligible Improvements must be within the City's corporate municipal limits. Check your location here!
- The property must not be a residential dwelling of four units or less – multi-family residential properties with five units or more are eligible.
- Eligible property types include, but are not limited to, the following: office, industrial, multifamily housing, retail, and hospitality.
- Ineligible property types include, but are not limited to, the following: single-family residential homes and government or publicly owned buildings.
- If eligibility is unclear, Invest Atlanta may require additional information and/or determine eligibility based on its reasonable discretion.

3b. Property Owner Eligibility

- Benefited property owner must not be a state, municipality, or political subdivision. If the property has a ground lease, it may still be eligible.
- Property owner must be up to date on all tax and financial payments, with no current involuntary liens on the property
- If applicable, property owner must be up to date on all financial debts with Invest Atlanta and in good standing with Invest Atlanta's compliance requirements.

3c. Eligible Improvements

- Eligible improvements include hard, soft, and associated costs connected to mechanical, electrical, plumbing, insulation, conservation, renewable energy sources, and resiliency measures. Examples include, but are not limited to, HVAC, lighting and facility controls, windows, boilers, and heating.
- Resiliency measures include Electric Vehicle (EV) infrastructure, seismic retrofits, flood mitigation, fire suppression, wind resistance, energy storage, microgrids, and backup power generation.
- C-PACE may be used to finance the installation of EV charging stations using Level 2 or Level 3 chargers. Please refer to Section 7 for additional details.
- Eligible Improvements must lower the energy consumption of the building or enable the building to produce clean energy.
- Eligible Improvements must be "permanently affixed" to the property, with the exception of district heating and cooling systems through microgrids.
- Maximum Loan-to-Value (LTV) of 25% based on the as-stabilized or as-complete property value
  - Unless a higher percentage is agreed to by any lien or mortgage holders, the amount of the C-PACE assessment and all other debt secured by the property should not exceed 80% of the as-stabilized or as-complete property value.
  - Projects requesting an LTV greater than 25% will be considered if they meet at least three of the criteria outlined in Section 4.
- If eligible improvements are not listed above, Invest Atlanta may require additional information and/or determine eligibility based on its reasonable discretion.

Section 4. Loan-to-Value (LTV) Greater than 25%

Projects requesting an LTV greater than 25% must meet at least three of the following criteria. Documentation of each criteria met must be provided and will be approved at the discretion of the Program Administrator. All projects approved for greater than 25% LTV must obtain written consent from all senior lenders and provide documentation of consent via Invest Atlanta's LTV Consent Form.

1. The property is located in a priority zone identified by the city for redevelopment, including but not limited to:
    a. Historic Preservation Zones (including properties with significant cultural, architectural, or historical value)
    b. Federal or State Opportunity Zones
    c. Urban Enterprise Zones
    d. Tax Allocation Districts
    e. Other geographic areas identified as priorities by the city's administration

2. The project involves office-to-residential conversions, in alignment with city initiatives to revitalize underutilized commercial spaces.

3. The project provides quantifiable benefits to the community, including but not limited to:
    a. Affordable housing development or preservation
    b. Inclusion of green building certifications (e.g., LEED)
    c. Supporting development in alignment with a major current event (e.g., World Cup, Olympics, Super Bowl, etc.)

4. The project demonstrates a significant positive economic impact, including but not limited to:
    a. Significant job creation through construction and/or post-conversion operations
    b. Generation of additional private or public investments in the area
    c. Direct alignment with current City of Atlanta economic development priorities

5. The project incorporates added environmental resilience components, such as climate adaptation measures (stormwater management, solar-plus-storage, etc.) or critical infrastructure improvements.

6. The borrower is a pre-approved or experienced developer with a strong record of successful project delivery, in using PACE financing or other structured financing tools.

7. The borrower offers enhanced collateral, escrow, or additional guarantees to mitigate risks associated with the higher LTV. A backup strategy for project completion is in place in case of developer default. The C-PACE lender should verify the enhanced collateral etc.

8. The project is a new construction project and demonstrates an SIR>1.

Section 5. Required Documents

Property owners must provide the following documents in order for their application to be considered complete:

1. Mortgage Holder Consent
   - Property owners must receive written consent of their existing mortgage holder(s) to participate in the Program.
   - A template Mortgage Holder Consent Form will be provided by Invest Atlanta in the Final Documentation Submission phase of the process. Other forms evidencing mortgage holder consent may be used and submitted, but it will be subject to review and approval by Invest Atlanta in its sole discretion.
2. Disclosure of Risk
   - Property owners must sign a Disclosure of Risk Form.
   - Disclosure of Risk Form will be provided by Invest Atlanta in the Application Submission phase of the process.
3. Energy Audit (ASHRAE Level II Required)
   - The Energy Audit must demonstrate a Savings-to-Investment Ratio (SIR) greater than 1. See Section 5 for additional details.
4. Property Appraisal
   - The property appraisal must have been conducted within the past 24 months from the time of application submission and will be utilized to calculate the Loan-to-Value (LTV) ratio.
   - The appraisal may take into account the expected increase in fair market value resulting from the improvements, as completed or as stabilized.

Section 6. Energy Audits & SIR

To verify compliance with Program Guidelines, all C-PACE applicants are required to provide an Energy Audit, including a commissioning plan, and a subsequent report.

6a. Energy Audits & SIR

- The Energy Audit (ASHRAE Level II Required) must be conducted by a Certified Energy Auditor, Certified Energy Manager, Certified Commissioning Agent (for multi-family residential buildings, a Multifamily Building Analyst, or a HERS Rater), or equivalent to estimate energy savings and demonstrate the projected lifetime savings from the eligible improvements. These audits are to include a road map to reach resource efficiency goals. Audits include recommendations for efficiency and conservation projects, estimated savings and return on investment. The Energy Audit should include three primary sections:
  1. Verify building's baseline energy consumption by entering one year's water and energy (power and gas) bills into Energy Star Portfolio Manager's (ESPM) free platform: https://www.energystar.gov/buildings/benchmark.

     Multiple training resources are available on the website. Provide access to the building's ESPM website, and the most current report.

2. Validate reasonableness of project energy savings and Eligible Improvements cost estimate.

   Rank by priority based on estimated cost effectiveness.

3. Confirm adequate commissioning plan is in place.

   Commissioning must have been conducted within the past 5 years by a qualified licensed Commissioning Authority (CxA). This CxA must be an independent consultant.

   Must provide Commissioning plan and Operations and Maintenance schedule.

- The energy auditor is to confirm that energy measures are properly installed once the package of Eligible Improvements is complete. Copies of executed contracts and a final report must be provided.

6b. Savings-to-Investment Ratio (SIR)

- The package of Eligible Improvement measures together must meet a Savings-to-Investment Ratio (SIR) of greater than 1, meaning that projected lifetime savings from the energy measures must exceed the total investment over the full term of the C-PACE assessment, over the average Expected Useful Life (EUL) of the measures. The SIR calculation may also include operational savings, maintenance savings, and finance savings (i.e., percent interest costs of using C-PACE vs. mezz debt).
- Any resiliency measures are **not** included in the SIR calculation. For resiliency projects, Invest Atlanta will require a feasibility study from a licensed professional engineer in the relevant field.
- **The SIR audit process is not applicable to new construction, repositioning, and gut rehab** because of the lack of a pre-improvement energy baseline against which to measure energy savings. Rather, the allowable C-PACE financing is based on the design level of energy performance exceeding the current applicable building energy code. Invest Atlanta will require a written statement from a licensed professional engineer in the relevant field confirming that all individual Eligible Improvements do in fact exceed the applicable building energy code and/or the overall energy performance of the entire building is better than what is required by code. Invest Atlanta may determine a project's eligibility at their discretion.

Invest Atlanta reserves the right to select and retain an energy auditor to conduct reviews of the technical review work performed to ensure compliance with both the program guidelines and Energy Audit standards.

Section 7. Electric Vehicle Infrastructure in C-PACE

- EV infrastructure may enhance building resilience during electricity outages and contribute to a cleaner and more efficient energy grid.
- EV charging infrastructure, which necessarily involves both mechanical and electrical upgrades, directly contributes to the modernization and decarbonization of transportation infrastructure, thereby supporting long-term urban resilience.

- By facilitating the electrification of transportation, EV chargers reduce local air pollution and greenhouse gas emissions, contributing to the City of Atlanta's broader clean energy and climate adaptation goals, including the target of achieving 100% clean energy by 2035.
- EV charging stations may also complement the deployment of renewable energy systems and energy storage - both already explicitly included in the resiliency category - by allowing excess solar generation, for example, to be stored in vehicle batteries.
- As a component of a larger demand-response strategy, EV infrastructure may also increase building resilience by reducing reliance on emissions-intensive electricity during periods of peak energy demand.

The City of Atlanta's 2025 EV Readiness Ordinance (25-O-1011) mandates the inclusion of electric vehicle infrastructure in new construction and major renovations across commercial, multifamily, and residential developments. The ordinance requires commercial and multifamily developments to include at least 20% EVSE Installed spaces (a fully installed and operable charger) and 20% EVSE Capable spaces (dedicated electrical panel capacity and installed conduit), without specifying the charger type.

Level 1 chargers are basic AC chargers that use a standard household outlet and can take 12–24 hours for a full charge. They are the minimum baseline defined because they use a standard 120-volt household outlet, which every residential property is already required to have under electrical code. They are the default starting point for EV charging, unlike specialized EV infrastructure investment like Level 2 or Level 3 charging. Level 2 chargers are AC chargers that take 4-10 hours to fully charge an EV, making it suitable for commercial, multifamily, or workplaces. Level 3 chargers are DC fast chargers that take around 30 minutes for 80% charging, making it suitable for properties with frequent visitors, retail centers, or transit hubs. Level 2 and Level 3 charging stations can be compatible with bidirectional charging, allowing two-way energy transfer between buildings, devices, and the energy grid during weather-related outages or periods of peak energy demand.

EV infrastructure may only be eligible for C-PACE financing if it incorporates Level 2 or Level 3 charging stations or other similar advanced charging technologies. Prioritizing such technology directly advances building resilience by enabling electric vehicles to store and redistribute cheap off-peak or solar energy. Invest Atlanta reserves the right to approve or deny the EV charging infrastructure as an Eligible Improvement at its own discretion. When selecting a charger type, consider its voltages, resultant charging and vehicle dwell times, and estimated upfront and operational costs.

Section 8. C-PACE Application Process

Applicants will apply through a digital landing portal. The log-in and profile created during the application will be used throughout the review process as the main portal for documentation uploads.

The Atlanta C-PACE application will require all items as outlined below in addition to any documents that may be required during the application process.

Invest Atlanta reserves the right to reject a proposed C-PACE project for failure to meet eligibility or application requirements, program guidelines, or as otherwise deemed appropriate.

Phase 1: Intake

- Eligibility Confirmation
- Invest Atlanta will reach out to the applicant within 5 business days of completing the Eligibility section of the application to schedule a 30-min phone consultation to discuss the proposed C-PACE project.

Invest Atlanta reserves the right to reduce or extend the timeframe allotted for the phone consultation, as deemed appropriate.

Phase 2: Application Submission

- Property Owner Information
- Property Information
- Project Information
- Contractor Information
- Capital Provider Information
- Submission of signed Disclosure of Risks Form
- Payment of $500 application fee (non-refundable)

Invest Atlanta reserves the right to reject a C-PACE Program application during any phase of the process for failure to meet application requirements, program guidelines, or as otherwise deemed appropriate.

Phase 3: Final Documentation Submission

A receipt of all following documents within the digital portal is required before any Atlanta C-PACE project is approved:

- Disclosure of Risks Form
- Submitted Application via the digital portal
- Mortgage Holder Consent Form
- Energy Audit (ASHRAE Level II required). For new construction, repositioning, or gut rehab, a demonstration of SIR>1 will not be required.
- Property Appraisal (must have been conducted in the past 24 months and may take into account the expected increase in fair market value resulting from the improvements, as completed or as stabilized)

Invest Atlanta, as Program Administrator, may reject documentation, request and require additional documentation during any phase of the submission process as deemed necessary.

Phase 4: Closing Documentation

Invest Atlanta, as Program Administrator, will work alongside the lender and property owner to execute any and all necessary documentation as required throughout the closing process.

Capital Providers should take note that the Program will allow for a maximum of 5 years post-closing without principal payment. Exceptions will be considered on a case-by-case basis.

Section 9. Invest Atlanta Board Approval Process

All C-PACE projects must receive Invest Atlanta Board approval prior to closing. The Invest Atlanta Board meets monthly on the 3rd Thursday of each month.

Please note that the following deadlines must be met in order for your C-PACE project to be presented to Invest Atlanta's Board for approval. Failure to meet the following deadlines will result in your project being pushed to the following Board meeting.

MONTH PRIOR TO BOARD MEETING/CLOSING:

Due Date	Item(s) Due
1st Thursday	Disclosure of Risks Form
	Energy Audit
	Appraisal
	Term Sheet
	Submitted Application & Application Fee
3rd Thursday	Draft Transaction Documents

MONTH OF BOARD MEETING/CLOSING:

Due Date	Item(s) Due
1st Thursday	Lender Consent Form
2nd Thursday	Final Transaction Documents

Board/Committee Meeting Dates:
1st Wednesday: Internal Loan & Investment Committee
Tuesday prior to Board: Finance Committee Meeting
3rd Thursday: Board Meeting

Section 10. Post-Closing Process

After the closing of the Atlanta C-PACE project, property owners will be billed for Eligible Improvements on an annual basis via their appropriate property tax bill based on the county in which the property is located. The following reports will be required (additional reporting may be requested by the Program Administrator and required as deemed necessary):

1. Construction Updates
   - Throughout the construction process, Invest Atlanta will require semi-annual updates on the construction progress until completion.
2. Certificate of Completion
   - Upon construction completion, a Certificate of Completion attesting that construction of the project has been completed (the "Certificate of Completion") must be provided to the Program Administrator.
3. Data Reporting

- Property owners are required to provide energy savings reports quarterly for the first year of the loan term and annually thereafter.

Section 11. Program Fees

The following fees are associated with an Atlanta C-PACE project:

- Application Fee - $500 (non-refundable)
- Administration Fee – 1% of total financing costs at closing (maximum $100,000)
- Servicing Fee - 30 bps of annual payment, to be added to the annual tax bill ($425 minimum)
- Fulton County Tax Collector Fee – 1% of annual payment, to be added on the annual tax bill

*If the project is in Dekalb County, then there is no annual Tax Collector Fee.

Section 12. Environmental Justice & Equal Business Opportunity (EBO)

In accordance with the pillars of Justice40, the Atlanta C-PACE program remains steadfastly focused on facilitating equitable outcomes. As of 2019, the City of Atlanta had the 4th highest energy burden in the United States, with energy burden defined as the percentage of household income spent on energy bills. The focus of the Atlanta C-PACE program reflects central goals to facilitate affordable housing creation and provide C-PACE financing in disinvested neighborhoods to reduce energy cost burdens.
Furthermore, the Program is cognizant of the City of Atlanta's Equal Business Opportunity and Equal Employment Opportunity programs and the findings, evidence, investigations, studies, and reports validating them issued in connection with the City's Equal Business Opportunity Program. Invest Atlanta acknowledges the need for increased opportunities for minority, female and disadvantaged business enterprises. Therefore, with respect to the foregoing commitment, the Program will follow the below protocols:

- The Program will comply with the Authority's stated goals for participation by minority, female and disadvantaged business enterprises in the administration and inclusion of the Authorized Contractors and any other contractors performing the work contemplated hereunder. Additionally, the Administrator agrees that no person shall be excluded from participation, denied the opportunity to compete, or otherwise discriminated against in the award or performance of any contract, subcontract, or procurement arrangement on the basis of race, color, creed, national origin, age, disability, or sex.
- Best efforts will be made by the Program to promote business opportunities for all competitive qualified business enterprises that seek to participate in work associated with the program for the retrofit market of buildings.
- The Program will support outreach efforts to provide for fair and reasonable opportunities for participation by minority, female and disadvantaged business enterprises.

Section 13. Changes in Program Terms; Severability

Invest Atlanta reserves the right to reject any and all responses, to amend the program guidelines and the process itself, or to discontinue the process at any time; however, no changes made will affect the obligation of existing C-PACE borrowers to pay for previously approved and awarded financing.

It is the applicant's responsibility to confirm and maintain copies of the latest program guidelines as updated on the Atlanta C-PACE website.