

Set the PACE St. Louis Helps Breathe New Life into Abandoned Buildings

Closes Financing for Two Redevelopment Conversions.



4534 Olive Rendering by Acturis

Set the PACE St. Louis, the Property Assessed Clean Energy (PACE) program for the City of St. Louis, has closed financing for two redevelopments in the Central West End and Soulard neighborhoods. A project on Olive is turning a vacant warehouse and adjoining multi-family building into a mixed-use residential and commercial development. And, an old school is undergoing a transformation to new loft apartments.

"Both projects are excellent examples of creative reuse of underutilized and vacant properties. We intend for Set the PACE St. Louis to be part of more future redevelopment projects in the City of St. Louis," said Otis Williams, Executive Director of the St. Louis Development Corporation.

As more property owners and developers become aware of how to utilize the City's energy efficiency financing tool, the economic, social, and environmental impacts will multiply. "With broad usage, Set the PACE St. Louis can help buildings become more energy and water efficient, contributing to our target of reaching 25% reduction of citywide greenhouse gas emissions by 2020," said Catherine Werner, Director of Sustainability for the City of St. Louis.

Last summer, Set the PACE St. Louis announced the largest project in the nation among all PACE programs for 2015—a \$2.4M energy efficiency retrofit on the Missouri Athletic Club. With the addition of these two latest projects which include more than \$1.3M of clean energy property improvements, the program is diversifying the way this innovative financing tool can be utilized by City property owners.

4534 Olive

Located in the Central West End on Olive between Euclid and Taylor, this project by Rothschild Development Ltd. will combine a vacant warehouse and an adjoining multi-family building into a mixed-use residential and

commercial development totaling 33 residential units and three thousand square feet of retail. Upon completion, four additional stories will be added to the warehouse. The existing multifamily building will undergo historic renovation and will contain four of the project's 33 residential units. Associated Bank is the construction lender, Arcturis is the architectural firm, and Blackline Design & Construction is the general contractor. Completion of construction is planned for late this summer. PACE Equity is funding the \$600,000+ PACE-loan over 19 years to achieve this energy efficient project. Utility savings of \$1.6 million are expected, using energy efficient measures such as LED lighting, high-efficiency HVAC, and building envelope improvements.



Lafayette Loft Apartments

Located at 815 Ann Avenue in the Historic Souldard neighborhood, this project will redevelop the former Lafayette Elementary School into multifamily loft apartments. Designed by William B. Ittner, the historic Lafayette school was completed in 1907 and closed in 2004. The developer and general contractor, Advantes Group, plans to convert the classrooms into 36 loft apartments over three floors while transforming the gymnasium into covered secured parking in addition to solar-energy panels on the school building roof. Confluence Design Group is the designer for this residential conversion. Lafayette Loft Apartments is

using a \$600,000+ PACE-loan to generate an expected \$1.6 million in utility savings over the life of the 20-year loan. Energy efficiency measures include window replacements, LED lighting, building envelope improvements, and a roof replacement. In addition to financing the PACE loan, PACE Equity will also be responsible for the project governance and energy engineering. Completion is expected in fall of 2016.



About PACE financing

PACE (Property Assessed Clean Energy) is an effective way to finance energy efficiency and renewable energy upgrades to buildings. PACE can finance things such as new heating and cooling systems, lighting improvements, solar panels, water pumps, insulation and vegetative roofs and steam systems for many building types, including multi-family, industrial, retail and non-profit. PACE-funded projects make buildings more valuable and sustainable. PACE is voluntary and can finance up to 100% of a project's costs, and long-term payback of up to 20 years means most projects save money immediately for property owners and tenants. PACE financing can be utilized for new property developments as well as energy retrofits and rehabs. Because PACE is levied as a special tax assessment, the PACE "loan" is not considered debt, but rather is treated as an "off-balance sheet" payment obligation.

About Set the PACE St. Louis

Started in the summer of 2013, Set the PACE St. Louis is a part of Mayor Francis Slay's award-winning sustainability plan and provides innovative financing solutions, including PACE-financing, for City property owners to access affordable, long-term financing for clean energy upgrades to their buildings.

PACE-financing allows building owners to finance qualifying energy efficiency and clean energy improvements through a voluntary tax assessment. Property owners pay for the improvements over time and the repayment obligation transfers automatically to the next owner if the property is sold. Similar to a sewer tax assessment, capital provided under the PACE program is secured by a lien on the property, so low-interest capital can be raised from the private sector with no government financing required.