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**\*\*\* PRESS RELEASE \*\*\***

**MAYOR LEE ANNOUNCES LAUNCH OF INNOVATIVE GREEN  
FINANCING PROGRAM FOR COMMERCIAL BUILDINGS**

*Clinton Climate Initiative Assists San Francisco in Developing GreenFinanceSF-Commercial*

**San Francisco, CA**— Today Mayor Edwin M. Lee and the San Francisco Department of the Environment (DOE) launched the groundbreaking GreenFinanceSF-Commercial program to help San Francisco businesses green their buildings, cut down on carbon emissions, save energy and create jobs in San Francisco.

The program is a Property Assessed Clean Energy (PACE) program which gives commercial property owners access to new forms of financing for the installation of energy efficiency, renewable energy, and water conservation improvements. The program directly addresses the main barriers to the implementation of energy efficiency improvements in commercial buildings – financing.

“GreenFinanceSF-Commercial is the next big step forward in San Francisco’s efforts to dramatically reduce energy use and carbon emissions,” said Mayor Lee. “We are excited about the potential to unlock an enormous amount of private investment – from a wide range of sources – and create thousands of local construction jobs. As of today, we are open for business.”

“This program will save property owners money, add property value, and put people to work” said Supervisor Eric Mar, who co-sponsored the legislation allowing for the creation of PACE programs in San Francisco.

The GreenFinanceSF Commercial program will use the “open market” PACE model, which gives commercial property owners the flexibility to hire a contractor and implement an energy efficiency retrofit or renewable energy project tailored to their property. Private investors then compete with one another to fund that project, with repayment secured through a special tax assessment levied on the property and repaid by the owner through the property tax bill. Tax assessments stay with the property, not the owner, and can extend for up to 20 years on the “payback” of the project and other factors. The City has authorized up to \$100 million in financing for the program.

“San Francisco’s 16,000 commercial buildings are responsible for half of citywide energy use and more than 25 percent of the City’s carbon footprint,” said DOE Director Melanie Nutter. “This program will help commercial owners cut energy and water consumption and contribute to greenhouse gas reduction goals.”

The program protects property owners and the existing interests of commercial mortgage lenders through stringent underwriting requirements ensuring that eligible properties are in good financial standing and that energy projects meet clear standards.

“We have taken great care to design a commercial PACE program that protects property owners and the existing interests of commercial mortgage lenders,” said Office of Public Finance Director Nadia Sesay. “Stringent underwriting requirements ensure that eligible properties are in good financial standing and that energy projects meet clear standards. Of particular note, the program requires that existing lien holders, such as the primary mortgage holder, provide written consent before a project is approved. Most important, we have designed a program that contains no exposure to the City, while furthering an important City policy objective.”

“The Low Income Investment Fund commends the City for extending innovative energy financing to nonprofit-owned community facilities, such as senior, community and child care centers. We look forward to working with the GreenFinanceSF program to help nonprofits identify green improvements and financing to save money on their utility bills, so they can dedicate more resources to their community efforts,” said Brian Prater, Managing Director for the Western Region at LIIF, a San Francisco-based national nonprofit community development financial institution that has invested \$990 million in low-income communities.

“We are excited that the PACE program from GreenFinanceSF will open up new sources of capital to building owners to enhance their assets while mitigating environmental risk,” said Vincent Siciliano, President & CEO of New Resource Bank, a San Francisco-based financial service provider to sustainable enterprises. “We look forward to doing whatever we can to support its success.”

The City and County of San Francisco contracted with Renewable Funding to assist with the design and management of the GreenFinanceSF program. Based in Oakland, Renewable Funding is the nation’s foremost expert in PACE.

“San Francisco has long been a national leader in the area of environmental protection,” said Renewable Funding President Cisco DeVries. “It’s a privilege to work with such a talented team from the City in the development of the GreenFinanceSF program.”

The Clinton Climate Initiative assisted the City with the development of the program and the “open market” PACE model.

“After several years of developing the ‘open market’ PACE model, we’re convinced that programs of this type remain one of the most sustainable ways to leverage private capital for energy efficiency investments in existing commercial buildings,” said Clinton Climate Initiative Director of Finance Scott Henderson. “San Francisco is truly forward-thinking in their resolve to launch this program. We remain committed to helping cities such as San Francisco develop game-changing models for the building retrofit market and then sharing the lessons learned from those experiences with the rest of the world.”

The GreenFinanceSF-Commercial program was developed with support from the U.S. Department of Energy and the California Energy Commission, and in collaboration with similar programs in the counties of Los Angeles, Placer and Sonoma under the auspices of the statewide “Energy Upgrade California” program.

For more information or to apply, go to [www.greenfinancesf.org](http://www.greenfinancesf.org).

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