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February 13, 2024

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Historic Petersburg Hotel to Receive Energy Efficiency Upgrades through Virginia Statewide Commercial Property Assessed Clean Energy Program (C-PACE)

Newport News, VA.- An historic hotel will soon see significant energy savings thanks to a loan program designed for energy efficiency upgrades. A \$2.64 million C-PACE loan financed through PACE Equity will contribute toward the renovation of a building constructed in 1915 into a Hilton Tapestry boutique hotel. The Virginia PACE Authority oversees the C-PACE program in Virginia which funds energy efficiency projects on commercial properties through low-interest loans.

The hotel will get upgraded insulation, HVAC systems, lighting and water efficiency equipment. It will also receive automated energy control systems. The annual energy savings is equivalent to that of six households and will result in \$6,000 of savings on the electric bill. The project will also create 42 jobs.



“This is the first hotel project to use the C-PACE statewide program. Paired with historic tax credits, this project demonstrates the flexibility of our program for successful results and is a double win for the property owners as well as Petersburg,” said Abby Johnson, Executive Director of the Virginia PACE Authority.



Building improvements financed using C-PACE can be completed with minimal up-front, out-of-pocket costs to property owners and can generate positive cash flow upon completion. The results may include reduced energy or other operating costs, improved business profitability, increased property value and improved resiliency to the real estate.

"Keeping energy affordable and reliable are key goals for the Commonwealth and Virginia C-PACE's program provides significant support in that effort," **said Virginia Energy State Energy Office Director Vince Maiden.** "We applaud the innovative approach toward repurposing this landmark in Petersburg."

Revised PACE legislation passed in 2022 includes financing electric vehicle charging infrastructure, environmental remediation, resiliency, renewable energy, indoor air quality and clear water projects.

"As one of the first C-PACE projects financed under Virginia's new PACE Authority guidelines, the renovation of Hotel Petersburg is a defining moment for the future of C-PACE funding in Virginia," said Beau Engman, President and founder of PACE Equity. "Our financing helped the developers not only revive an iconic historical landmark, but also helped establish Hotel Petersburg as a leader in working towards a green-built future in Virginia."

By passing ordinances for C-PACE, jurisdictions can use the VA C-PACE Program as an economic development tool for both new construction and rehabilitation of existing buildings. In addition to Petersburg, the following cities and counties have joined Virginia C-PACE: Albemarle, Chesapeake, Chesterfield, Fairfax, Harrisonburg, Henrico, Hopewell, Loudoun, Prince William, Richmond, Shenandoah, and Virginia Beach. To participate, commercial lending institutions must be registered with the Program. The Program currently has nineteen registered lenders.

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Virginia PACE is an innovator in the PACE marketplace, advising localities on establishing and developing C-PACE programs, opening up new markets for institutional investors, and educating contractors, financial institutions, and property owners on the business case for C-PACE. To learn more about C-PACE, and find program guidance, forms and the application process, visit: <https://virginiapace.com/>.

Virginia Energy leads the Commonwealth to a reliable and responsible energy future. The agency is home to the State Energy Office which supports informed decision making by providing data, information and analyses to stakeholders that are responsible for the development and maintenance of the Commonwealth's energy system. To learn more about Virginia Energy visit: <https://energy.virginia.gov/>



For more information about Petersburg visit: <http://www.petersburg-va.org/126/Economic-Development>

PACE Equity has funded Commercial Property Assessed Clean Energy projects since 2014 in innovative, never-before-seen ways, with better financing for better buildings. PACE Equity has closed C-PACE projects across the U.S. and enabled the energy efficient commercial development of over \$2.7 billion while eliminating over 1 million metric tons of carbon. PACE Equity offers the design and support that allow customers to intelligently meet the demands of today's consumer and tomorrow's requirements.