

**ULI Chicago 9th Annual Vision Awards
July 11, 2024**



Program Finalist: CIRRUS Low Carbon | PACE Equity

Program Implementation Team:

- Tyler Parbs, J. Jeffers & Co
- Tricia Baker, PACE Equity
- Margaret Naczek, Punch PR

Program Description: In 2022, Milwaukee-based PACE Equity introduced CIRRUS Low Carbon, which continues to be the only financial product in the industry to both decrease the cost of capital and incentivize the reduction of a development's carbon footprint. This

groundbreaking approach encourages developers to leverage C-PACE financing with lower rates for more energy-efficient buildings, charting a practical and financially advantageous path to decarbonization. There is no cost for application, participation or verification of CIRRUS Low Carbon with developers earning a green building designation by meeting low-carbon, energy-efficient design requirements such as HVAC improvements, building envelope, solar readiness and efficient water heating. Developments are verified during the design process, so that the buildings can be marketed as low carbon during initial lease-up. PACE Equity's Low Carbon Center of Excellence helps with the building's design and efficiency choices to ensure the project meets the requirements and the developer qualifies for the rate. In 2024, PACE Equity upgraded CIRRUS Low Carbon with easier-to-reach compliance paths, easier-to-understand language, and modernized specifications, including electric vehicle readiness and low-embodied carbon concrete. The updated version allows for three optional compliance paths – a prescriptive path with a checklist of required items, a performance path using building modeling to show an 8% carbon reduction, or a Phius (passive house) certification. Since its introduction, CIRRUS Low Carbon has been awarded to 12 commercial real estate developments including Colman Yards in Rockford, Illinois. In October of 2023, PACE Equity funded \$11 million of C-PACE funding and assisted developer J. Jeffers & Co. in obtaining the CIRRUS Low Carbon Verification for the Colman Yards project. The historic redevelopment is transforming the 26-acre former Barber-Colman Campus into a luxurious mixed-use development with apartments, retail and leisure hot spots. Phase One of the redevelopment includes a 180-unit multifamily building plus 16,000 square feet of retail space, which is designed to align with PACE Equity's CIRRUS Low Carbon design specification. Colman Yards invested in energy-efficient improvements including a high performance roof, windows and walls, high efficiency HVAC, heat pumps and water heaters, and low-flow plumbing fixture. In all, the project upgrades are expected to save 21,000 metric tons of carbon, equivalent to annual emissions from 4,700 cars. The C-PACE funding combined easily with a variety of financing tools, including Historic Tax equity (34% of the capital stack), Tax Incremental Financing (11%), and a Brownfield Loan (7%) to fill out the capital stack, along with a construction loan and owner equity. By combining the capital stack of funding tools with CIRRUS Low Carbon C-PACE financing, J. Jeffers & Co. is establishing Colman Yards as a low carbon leader with immense, measurable impact.