

# Financing



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# Financing

Financing can make or break a project; providing the project ownership team and decision-makers with information about different financing options can increase the probability that a project will be implemented. Below is a non-exhaustive list of currently available resources. You can also read more about different ways to pay for [energy related building improvements here](#).

## Incentives and Rebates

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All project teams should investigate federal, state and local utility incentive programs and rebates (which can also be considered in the [financial model](#)). Certain incentives are predictable and reliable enough that they can reasonably be included in the decision making process with relatively low risk (such as incentives for lighting upgrades, for example). Specialized incentive programs for new technologies with large carbon reduction potential should also be considered as they may significantly improve the financial performance of a decarbonization solution. For example, studying and pursuing incentives associated with heat pumps may reduce the payback time or improve the NPV of heating electrification measures.

Find more information on local utility programs in the [Database of State Incentives for Renewables and Efficiency \(DSIRE\)](#).

## NY Green Bank

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**NY Green Bank (NYGB):** NY Green Bank fills gaps in the market where financing may not be available from conventional lenders due to various barriers, and offers financing for a wide variety of building decarbonization projects. The NYGB can come in at various places in the capital stack & project lifecycle, including:

- Predevelopment
- Construction/construction-to-permanent
- Term
- Mid-cycle improvement loans
- Preferred equity

NYGB also offers creating financing solutions, such as:

- On-lease financing for commercial tenant efficiency improvements
- Energy saving loans for ESCOs

- Predevelopment loans for NYCHA PACT conversions

Find more information about NYGB [here](#).

## New York Energy Efficiency Corporation

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The New York City Energy Efficiency Corporation ([NYCEEC](#)) is a clean energy and energy efficiency lender, financing a wide range of energy efficiency and clean energy technologies throughout the Northeast and Mid-Atlantic regions, including:

- Energy Efficiency
- Renewables
- Storage
- Fuel Conversions
- High Performance/Passive House Buildings

NYCEEC is also the City of New York's designated administrator of the NYC Accelerator PACE Financing program. Find more information about the [NYC Accelerator PACE Financing program here](#).

## Pace Financing

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Property Assessed Clean Energy (PACE) financing is available for commercial and multi-family building owners. Unlike conventional financing, PACE is repaid in installments through a charge on the subject property's tax bill, allowing for longer term, flexible financing. Read more about [PACE financing guidelines here](#).

- **PACE in New York City:** NYC Accelerator PACE is offered by the New York City Mayor's Office of Climate & Environmental Justice, in partnership with the New York City Energy Efficiency Corporation (NYCEEC), who oversees PACE applications and approvals of the PACE Lenders for New York City. For a list of pre-qualified PACE lenders in New York City, click [here](#).
- **PACE in New York State:** PACE financing is available through the Energy Improvement Corporation's Energize NY OPEN C-PACE program (EIC). Find more information [here](#).

## On-Lease Financing for Commercial Tenants

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Improving the energy efficiency of leased spaces in commercial buildings is key to supporting building-wide decarbonization efforts. The NY Green Bank offers an innovative financial product for commercial tenants to access financing to reduce their energy consumption, utility costs and environmental impacts. This may be achieved without upfront investment and with the potential to generate positive cash flow as soon as efficiency improvements are placed in service. Through this innovative financing option, NYGB provides funding to the commercial property owner, who can in turn offer commercial tenants financing to make energy efficiency improvements to their leased spaces. The tenants repay the building owner via an on-lease repayment mechanism. For more information, [contact NYGB](#).

