

# Garden State Commercial Property Assessed Clean Energy (C-PACE) Program

[Click Here](#) to submit a Participating Municipality Opt-in Notice

On October 9th, 2024, the Garden State C-PACE Program received approval from the NJEDA Board.

Municipalities are now able to participate in the Program. The Opt-In Ordinance and sample Program Agreement are linked on the right side of this page.

**PLEASE READ NOTE UNDER "DRAFT DOCUMENTS" SECTION.**

Note: The current Clean Energy Special Assessment program administered by the Department of Community Affairs (DCA) will stop accepting applications after the date NJEDA obtains its Board approval and publishes on its website all of the statutorily mandated items required to be published pursuant to N.J.S.A. 34:1B-278(a). Applications submitted prior to that date will be processed.

The Garden State Commercial Property Assessed Clean Energy (C-PACE) Program is a voluntary financing tool which allows qualifying commercial real property owners to access financing to undertake qualifying energy efficiency, renewable energy, water conservation, and resiliency improvements on their buildings and repay the investment through an



## PROGRAM GUIDE

- Overview
- Background
- Benefits
- Project Indication of Interest

## DRAFT DOCUMENTS

**Note:** The following documents are approved versions and final (Scroll for download):

- Board Memo
- Program Guidelines
- Supplemental Guidelines
- Opt-In Ordinance
- Program Agreement

**Disclaimer:** The Opt-in Ordinance must be adopted in the form posted as of the date the municipality submits the Opt-In Notice to the Authority. The Authority may make changes to the form without notice.

# additional charge/assessment similar to their real property tax bill.

The remainder of the documents posted here are still in DRAFT form. Final versions will be posted periodically throughout the coming weeks in order of priority.

OVERVIEW | BACKGROUND | BENEFITS

INDICATION OF INTEREST

## Garden State C-PACE Overview

The Garden State Commercial Property Assessed Clean Energy ("C-PACE") Program will provide a new form of financing for renewable energy, energy efficiency, water conservation, and certain types of resiliency-related improvements for New Jersey. The Program works by enabling eligible commercial, industrial, agricultural, and certain multi-family residential real property owners to access financing to undertake these kinds of improvements on their properties and repay the financing through the payment of an additional assessment to their municipality, similar to their real property tax. Projects financed through the Program will be secured by a special assessment lien on the improved real property. Like other benefit assessments, a C-PACE Assessment is a non-accelerating, senior lien secured by the property. The repayment obligation transfers automatically to the next owner if the property is sold and, in the event of default, only the payments in arrears are due, i.e., the underlying loan cannot be accelerated. In addition, the Program will require that any holder of a mortgage lien on the applicable property must consent to the C-PACE financing before it may be implemented.

Because the payment is secured by a senior lien, C-PACE projects are seen as less risky than typical loans, allowing capital providers to lend at lower interest rates than would otherwise be the case. Moreover, due to the security arrangements for the loan, capital providers are willing to extend loans that are longer in duration, typically tying the loan term to the expected life of the C-PACE project and its associated improvements. The longer loan terms result in lower periodic debt service payments, making it easier for energy efficiency, water conservation and renewable energy-related C-PACE projects to be cashflow- positive from the outset.

Assessments are a tool which municipalities levy on real estate parcels to serve valuable public purposes. C-PACE builds on a long history of using such assessments and serves a public purpose through reducing energy costs, stimulating the economy, potentially improving property valuation, reducing greenhouse gas emissions, and creating jobs. Over the past decade, C-PACE programs in more than two dozen states around the country have proven an effective tool to attract private capital into the renewable energy, energy efficiency, and resiliency markets.

BOARD MEMO



PROGRAM GUIDELINES



SUPPLEMENTAL GUIDELINES



## MUNICIPALITY DOCUMENTS

## PROPERTY OWNER DOCUMENTS

## CAPITAL PROVIDER DOCUMENTS

DRAFT MORTGAGE HOLDER CONSENT FORM



DRAFT TECHNICAL REVIEWER CERTIFICATION LETTER



## Informational Webinar

Informational Webinar

(4/14/2023)

[SLIDES](#) | [RECORDING](#)

Informational Webinar

(10/20/22)

[SLIDES](#) | [RECORDING](#)

## QUESTIONS?

Contact us at [gardenstatepace@njeda.gov](mailto:gardenstatepace@njeda.gov).



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