



## **2017 Annual Report on Progress and Accomplishments – FINAL REPORT**

### **Operations:**

The Energy Improvement Corporation (EIC) is a NY State not-for-profit local development corporation whose mission is to help constituents of EIC's Member Municipalities save money and reduce energy waste by enabling energy related improvements to existing buildings through innovative community-based outreach and marketing efforts and innovative financing options.

### **BACKGROUND & MISSION**

EIC was formed on July 7, 2011, pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as a New York State Public Authority, local development corporation.

EIC's purpose and quasi-public objective is to promote the public good and thereby lessen the burdens of government in those municipalities that have joined the Corporation as members (Participating Municipalities), and to act in the public interest. The Corporation achieves this purpose by providing low-cost Property Assessed Clean Energy (PACE) financing and community-based support for energy efficiency and renewable energy upgrades for New York State residents and businesses in the Participating Municipalities as authorized in Article 5-L of the General Municipal Law ("GML") of New York State.

In furtherance of the State's energy policy to achieve statewide energy efficiency and renewal energy goals, reduce greenhouse gas emissions, mitigate the effect of global climate change, advance a clean energy economy through the deployment of renewable energy systems and energy efficiency measures, EIC is empowered by its member municipalities to provide PACE financing to property owners for the installation of renewable energy systems and energy efficiency measures. EIC has two areas of focus: (1) Energize NY ("ENY") marketing and outreach services through ENY Commercial and ENY Residential, and (2) PACE financing services for qualified properties through ENY PACE.

### **Objective:**

EIC's objective is to increase energy efficiency in buildings to reduce energy use and costs, support and develop the local economy and improve the quality of life (health, safety, comfort, Green House Gas Emissions and air quality) of community participants. EIC seeks a market transformation that dramatically increases adoption of renewable energy and building energy efficiency upgrades from a historically low baseline of less than 1% of New York buildings to a significantly higher concentration in the EIC areas of operation.

Approved by the Board on February 14, 2018

EIC will continue to increase the number of energy assessments and clean energy upgrades by:

(1) leveraging general Municipal Law Article 5-L, the State’s enabling “PACE” law, to offer ENY PACE capital to building owners to finance their energy upgrades (“ENY PACE”);

(2) engaging with commercial property owners and energy service companies to facilitate clean energy projects (“ENY Commercial”);

(3) engaging with local municipal and community leaders to launch and support clean energy programs (“ENY Member services”);

(4) deploying a tested toolkit that supports residential homeowners with building upgrades and includes a robust community-based marketing effort, web services and social media (“ENY Residential”).

Work accomplished in 2017 falls into in three general categories: 1) Increased municipal membership in EIC, 2) build out of ENY PACE, ENY Commercial, ENY Residential and 3) securing and leveraging investments and funding while securing internally generated revenues to support EIC’s continued development and expansion.

## **EC MEMBERSHIP -**

With the launch of ENY PACE in late 2014 and additional resources from the New York State Energy Research and Development Authority (“NYSERDA”) in mid-2014 and late 2015, EIC continues to respond to requests about the Corporation membership from counties and cities throughout NY State. In 2017, EIC approved adding 10 new members, bringing the total number of municipalities that have joined EIC and passed the Local Law to 47 representing 51.6% of the non-NYC population of NYS. EIC’s Municipal Membership team has segmented the list of potential members into four tiers within all regions of the State and actively talking with an additional 20 Counties and 12 Cities representing an additional 30% of the non-New York City population of NY State. EIC is seeing an acceleration in membership activity largely due to the inclusion of ENY PACE into the list of 10 High Impact Actions that NYSEDA is using to qualify municipalities for grants, membership interest has accelerated. In addition, with changes to Article 5-L signed into law in Sept, 2017, municipalities with lower credit ratings may now participate as members of EIC.

Cumulative Energize NY membership data:

- **10** new EIC members in 2017
- **48** municipalities pass local law
- **5,874,000** NYS residents in municipalities that passed Local Law to offer Energize NY
- **52.3% - percentage of non-NYC population** in municipalities that passed Local Law to offer Energize NY

**ENERGIZE NY PACE** – EIC created the NY State version of PACE financing, a transformative product that enables eligible not-for-profits and commercially owned buildings access to project financing for deep energy efficiency upgrades and renewable energy projects. To offer ENY PACE to their residents, municipalities must pass a template local law that activates Article 5-L of the NYS General Municipal Law and enables a property owner to pay for energy improvements through a special tax bill charge to the property for that purpose. This ensures access to low cost capital with up to 20-year loan terms, automatic transferability and other benefits that increase the value of the property while reducing energy costs.

EIC began offering ENY PACE to its member municipalities late in 2014 after securing a \$3 million warehouse capital line from First Niagara Bank (now Key Bank). Since energy project financings can extend up to 20 years, EIC has developed a long-term financing strategy of issuing bonds to pay off its Key Bank short-term warehouse line of credit, thereby mitigating the risk of volatile interest rate movements. In 2014, EIC retained the services of the PFM Group, a leading independent municipal financial advisory firm, to help manage these risks and develop a request for proposals (“RFP”) to seek participation by financing services provider(s) to assist EIC with final structuring and the offering of longer term bonds to replace draws made on the Key Bank (or future) lines of credit, and/or directly purchasing EIC obligations secured by the State GML Article 5-L tax charges. In April 2015, the EIC completed its agreement with Bank of America to secure an additional \$75 million of capital for projects using ENY PACE. EIC issues longer term bonds to Bank of America and uses the proceeds to pay off its obligations to First Niagara under the Warehouse Line of Credit and to finance projects needing Energize NY PACE capital. In June 2016, EIC and Key Bank renegotiated and increased the size of EIC warehouse line to \$4.675 million dollars. In February 2017, EIC issued an RFQ to identify project developers that focus on larger and more systematic clean energy project development and that wish to use ENY PACE. By the end of 2017, three developers were identified, and they began work to integrate PACE capital into their development efforts.

EIC is pleased that New York State has amended its [PACE Law](#) to make PACE financing more accessible to clean energy projects. The changes listed below (“PACE 2.0”) will expand the usefulness of ENY PACE and increase its appeal to energy efficiency and renewable energy project developers.

- 1) Amendments to Article 5-L allow the governing administrator (e.g., EIC) to determine the maximum amount of financing that would be permitted for properties that are not individually owned.
  - a. This removes the old 10% cap, which disadvantaged property owners in areas of the State that have low property values.
  - b. This enables EIC to increase the maximum amount of available PACE financing relative to a property’s value and provides more flexibility going forward.
- 2) Amendments to Article 5-L removed the requirement that the power generated from a renewable energy system be primarily used at the location where it is installed, as long as the property is owned by a commercial entity.
  - a. This could expand the benefits of solar across multiple sites owned by the same entity.
  - b. This will enable EIC to develop products, to be approved by EIC members, that distribute the benefits of energy derived from solar to those who do not have the right building type for solar or who desire to keep their property as-is (e.g., no ground mount systems).
- 3) Local Law amendments that adopt the positive savings-to-investment ratio (SIR test) used by NYSERDA in its new commercial [PACE guidelines](#) that measures savings and costs over the life of the project, rather than annually.
  - a. This change is consistent with industry standards and PACE programs in other states.
  - b. It also broadens the range of solar projects that can be financed with PACE; the availability of tax credits made it difficult to satisfy the annual cash flow standard even though the project resulted in sufficient cash flow over the life of the project.
- 4) Amendments to Article 5-L allow the use of State as well as federal sources to fund PACE reserves, which creates the opportunity for municipalities with lower credit ratings to participate in PACE.
  - a. There is a need for such a facility to accommodate all NYS municipalities with strong interest and those municipalities whose credit ratings may have dropped.

- b. EIC has received indications of interest from capital providers and multiple project developers to fund projects in lower rated municipalities.

5) Allows the PACE Charge to be placed on the tax bill at the beginning of construction, which is the norm in most PACE programs and standard practice for most project developers.

Without the availability of PACE during construction, the types of projects that can use PACE are limited to smaller projects or those projects where a 3<sup>rd</sup> party is willing to finance the cost of construction through to completion.

*Reserves* - As part of the long term financing strategy EIC has established Reserves totaling over \$1,000,000 originated from federal sources, including a \$500,000 letter of credit from NY Green Bank, which was issued to EIC to provide reserve support to protect EIC's creditors and municipal members from losses relating to financings made by EIC to property owners in municipalities with a population greater than 30,000. This Letter of Credit is valid through July 31, 2019.

At the end of 2015, the EIC established the Municipal Tax Delinquency Fund ("MTDF"), a service to provide the EIC's member municipalities with a ready source of funds during the pendency of a delinquent tax charge payment associated with an ENY financing. Participation in the MTDF is optional at the election of the municipal member and requires the municipality to sign a separate agreement governing the MTDF and pay an annual fee. The MTDF will be funded by a 0.25% fee charged on ENY financings beginning in 2016 and a \$5 million letter of credit from NY Green Bank that EIC closed at the end of 2015.

*Project List:* A total of 19 projects were closed since EIC's first project in 2015 for a total of \$2,686,000 in financed projects including upgrades to two affordable housing facilities, a community house, two religious institutions, two assisted living facilities and two small businesses. An additional 14 projects were in process as of early 2018 totaling \$6.4 million of potential projects.

**ENERGIZE NY COMMERCIAL** – Energize NY Commercial supports and provides outreach to commercial and not-for-profit property owners in member communities. The ENY Commercial team assists local property owners with navigating NYSEERDA and utility incentive programs, completing the ENY Finance pre-application and application forms, finding a certified building appraiser, securing construction loan financing, accessing qualified contracting and engineering firms and design teams, assembling required documents, obtaining lender consent, and providing third party analysis on the financial impact of the proposed project. Since late 2013, when EIC hired its first ENY Commercial employee, over 560 projects have been assisted with 19 ENY PACE financed projects and 14 currently considered active. An additional 53 projects were completed w/o ENY PACE. The mix of projects include multi-family and commercial and industrial buildings that have deferred action on energy related upgrades for years. The work being contemplated ranges from lighting and furnace upgrades to solar photovoltaic installations. In addition, ENY has offered training for contractors/energy service companies to encourage and enable better integration of PACE financing's advantages into their sales efforts. Since mid 2014, the ENY Commercial team has completed 20 trainings with over 250 energy service firms and over 300 individuals resulting in over 110 ENY Finance Partners that are now enabled to offer ENY Finance to their clients.

## Cumulative Energize NY Commercial data:

- **560** properties assisted
- **14** properties actively moving forward with clean energy upgrades worth: **\$6,400,000** in activity
- **19** closed and/or approved projects totaling \$2.686 million
- **\$5,600,000** in estimated energy cost savings
- **10092 tons** in estimated avoided CO2 emissions

## ENERGIZE NY RESIDENTIAL ANNUAL REPORT 2017



ENY Residential provides direct support to communities looking to reduce energy wasted in homes. An average New York home wastes about 30% of the energy used to heat and cool it. Methods to fix this issue are well understood, but homeowners don't know where to start and are confused by the choices of contractors, programs, and energy options. ENY Residential staff and local trusted sources help homeowners take advantage of the state's "comprehensive energy assessment" to identify where the home is wasting energy, help identify state certified energy efficiency contractors, state incentives and financing options and offers homeowners free energy coach consultations. Ultimately, homeowners throughout the community make their homes more comfortable while significantly reducing energy costs. Throughout 2017 ENY Residential operated with direct support to five communities and offered phone, application and volunteer support in 13 communities formally members of the Northern Westchester Energy Action Consortium (NWEAC) territory. In March of 2017, we launched 3 new communities in the Mid-Hudson Valley under the PON 2646 behavioral demonstration grant: Beacon, Hyde Park, and Red Hook. Since 2012 when the program launched in Northern Westchester community, ENY Residential has outperformed the regional and state in completing per capita home upgrades by almost 300%.

### *2017 ENY-Residential UPDATES:*

- Launched and began implementation of the PON 2646 Behavioral Demonstration grant in three communities, where the Energize NY Residential services are offered to homeowners as an experimental design. The communities are Beacon, Hyde Park, and Red Hook. EIC works closely with the town's Conservation Advisory Councils, community leaders, and other trusted sources, such as the Green Beacon Coalition to market the town's Energize Program.
- EIC Re-Launched an Energize Bedford Campaign in October 2017 to reignite the town's enthusiasm for energy efficiency with major support from Bedford 2020 and the Town of Bedford and local trusted sources.
- EIC's contact was signed with the City of New Rochelle in Spring 2017 and the ENYR team has delivered services to engage and educate the community about home energy efficiency. Through collaboration with the Neighborhood Associations, City of New Rochelle, New Rochelle School District, New Rochelle

Youth Soccer, New Rochelle Sustainability Committee and more, EIC's messaging is distributed throughout the community.

- In partnership with Sustainable Westchester, EIC responded to NYSERDA's RFP 3732 Clean Heating and Cooling. If awarded, EIC would begin offering residential services in two communities in Westchester County and two communities in Orange County.

2017 Energize NY Residential data:

- **116** homes upgraded
- **\$1,469,024** in local economic activity
- **18** jobs created for local economy
- **\$220,354** in cumulative annual homeowner energy cost savings
- **232.00 tons of** Annual GhG emissions avoided

Additional 2017 Data:

Web/Email Sign ups for Energize NY: 296  
Home Performance w/ Energy Star Assessments: 418  
Avg # of Home Performance Upgrades/ Month: 39  
Community Events: 63  
E-blast campaigns: 33  
E-blast recipients: 2,717  
ENY Energy Coach Visits: 13  
ENY Articles published: 5  
ENY Referrals to RUPCO: 36  
Total ENY Facebook likes: 1689 across 18 pages.  
Active ENY posts to Facebook: averaged 2 - 4 a week

Cumulative Energize NY Residential data:

- **1,305** homes upgraded
- **\$16,526,520** in local economic activity
- **293** jobs created for local economy
- **\$9,996,227** in homeowner energy cost savings
- **22,897** tons of avoided GhGs emissions

## **EIC MEMBERSHIP SERVICES - 2017 review**

EIC launched its member services effort in the second quarter of 2014. EIC's mission is to increase demand for energy efficiency and renewable energy projects, align with EIC's Members across New York State and provide community wide benefits including improved air quality, good local jobs, improved building stock and lower energy costs. Subject to sufficient funding, municipal members have access to EIC tools and staff to design a range of marketing, outreach and training programs that best match the goals and characteristics of each member community. Beyond those basic services, EIC staff can provide strategic advice on accessing and developing additional assets that further leverage ENY services (eg: leveraging unused QECB Bonding Authority). While at the broadest level, EIC provides ENY PACE, ENY Commercial and ENY Residential services, the specific services offered to property owners in each community will be driven by local economic development, energy and sustainability goals and by the availability of targeted funding streams.

EIC's mission is to increase demand for energy efficiency and renewable energy projects, align with EIC's members across New York State and provide community wide benefits including improved air quality, good local jobs, improved building stock and lower energy costs. EIC has partnered with Members to issue press releases, organize events promoting clean energy and PACE finance as well as supporting local trainings of contractors.

**Agriculture Marketing** – ENY is developing a “product” tailored to the Agriculture sector. In October, Sarah collaborated with NYSERDA and Ensave (NYSERDA's subcontractor) on co-marketing PACE with NYSERDA's free energy audit for farms, which resulted in a new NYSERDA/ENY flyer that is being used to help members reach out to this sector. Sarah also collaborated with Westchester County's Agriculture and Farmland Protection Board to put together a panel, including ENY, for its Annual Meeting on November 6. Panelists included NYSERDA, Ensave, Con Edison, and Watershed Agricultural Council, and ENY Partners/Flex Tech Consultants also attended to help answer questions.

**County of Albany** – ENY worked with the County Executive's office to help establish its approval process to satisfy underwriting restrictions on ENY projects. In September, County Executive's Policy Director spoke about PACE at the NY State Association of Counties conference. ENY met with the County Executive's office in October to discuss changes to the program (PACE 2.0) as well as using PACE to capitalize on local economic development initiatives. ENY provided an introduction for SolarGEN, which promotes PACE as part of its solar initiative, to the County Executive's office. In November, ENY sent the County the PACE 2.0 amendment package. ENY started discussions in December with the County Executive's office to do outreach focused on affordable housing, and drafted an outreach letter for the County's review.

**Broome County** – ENY collaborated with the Director of Planning throughout August and September to promote Solarize/PACE webinar, coordinate outreach to property owners for ribbon cutting of County's first PACE project, promote PACE on County website, as well as to discuss PACE 2.0 amendments. Joe Del Sindaco and Sarah Smiley attended ribbon cutting for Art Mission Theater project on September 7<sup>th</sup>, which was also attended by elected officials, the Chamber of Commerce, and Southern Tier Solar Works. Joe and Sarah also met with County Planner and County Land Bank to discuss promotion of PACE as well as changes under 2.0; and also met with Greater Binghamton Chamber of Commerce. As a result of the meeting with the Greater Binghamton Chamber of Commerce, ENY was connected to SUNY Binghamton's Office of Entrepreneurship and Innovation, which hosted a PACE presentation at a SUNY BEST event on December 7<sup>th</sup>. Attendees included an ESCO representative who expressed interest in responding to ENY's RFP, as well as an energy company interested in promoting PACE membership in Chemung County. Sarah met with Fortress Development Group on September 7<sup>th</sup> to help answer questions about the application process and connected them with Robert Fischman (Fortress subsequently submitted 13 properties for financing). Sarah had call in December with Town of Union Economic Development Director (referred by County Planner) to inform him about PACE and sent materials for him to put on website and distribute.

**City of Beacon** – Sarah, Mark, and Alice met with City Administrator in December to review PACE program and give 2.0 updates, and to update him on residential program; this helped move the 2.0 amendment process forward in the City and generated interest in serving on EIC's Board.

**City of Geneva** – Sarah spoke in September with City's Community Development Specialist to give overview of ENY and PACE updates, discuss marketing and local initiatives. Sarah sent materials for City to include on website and for distribution. Sarah also spoke with City's Communications Director about promoting PACE, and City distributed ENY flyer at local leadership conference in November, and shared it with the IDA and LDC.

**Cayuga County** – Sarah spoke with County Planner in November to give PACE update and intro call. Discussed marketing to Agriculture sector, and sent him PACE/Ag flyer to target outreach with local CCE.

**Dutchess County** – Mark and Sarah had update meeting with Planning Commissioner and Senior Planner in October. Sarah sent Ag/PACE flyer so that Commissioner could distribute it to County’s Agricultural Liaison. Mark presented at CEC Forum hosted by Dutchess County Cornell Cooperative Extension on November 1<sup>st</sup>. Sarah attended and spoke with local elected official about using PACE as economic development tool. Sarah coordinated with County Planner to get quote from County Executive to promote 1<sup>st</sup> PACE project in ENY newsletter, and discussed upcoming plan to publicize project as package of County’s environmental initiatives.

**Town of Greenburgh** – Sarah met with Planning Director in October to give overview and PACE updates. This helped Planning Director make the connection to promote PACE to Villages within the Town. He agreed to do outreach to business owners with updated material once 2.0 was up and running.

**City of Hudson** – Sarah and Mark spoke with Executive Director of Hudson Development Corporation in October to give overview of ENY and PACE updates and discussed pairing with DRI grant and waterfront redevelopment. Sarah sent follow-up materials and HDC began promoting PACE on website and as part of its e-newsletter.

**Ithaca City / Tompkins County** – Sarah and Mark spoke with County Planning Director and City’s Sustainability Coordinator in September to give PACE review and updates, and followed up with marketing materials. In October, Sarah connected with the Tompkins County Chamber of Commerce to provide them with information and materials to help market PACE. Sustainability Coordinator connected Sarah to Tier Energy Network to provide Ag/PACE material for meeting focused on energy opportunities in agriculture.

**City of Kingston** – Mark and Sarah met with Sustainability Coordinator in December to give ENY overview and PACE updates. She put us in touch with mayor’s office to coordinate a meeting to discuss pairing PACE with DRI grant.

**Madison County** – Sarah had a conference call in November with Planning Director and representative from Central NY Regional Planning and Development Board, and IDA to discuss ways to promote PACE, specifically to Ag sector. Sarah sent marketing materials, which they used to reach out to local CCE.

**Montgomery County** – Sarah had intro call with Planning Department in September, and followed up with marketing materials and collaborated on content for the County’s website. The County Executive provided a quote in ENY’s newsletter about becoming a member.

**Mount Kisco** – ENY helped connect the Village Manager to other members who had done municipal solar projects to facilitate the Village’s development of an solar RFP.

**New Rochelle** – Sarah met with City’s Planning Department to review ENY program and give PACE updates. This meeting started the process of updating the City’s website with PACE info, and set the stage for developing targeted outreach for affordable housing.

**Oneida City** – Sarah had intro/overview call with Mayor, mayor’s assistant, and City Planner in October; discussed how PACE could be used to promote the City’s economic development goals. Sarah sent follow-up

marketing materials. Sarah and Mark spoke with City Comptroller in November to discuss the process of adding a tax charge.

**Orange County** – Mark and Sarah spoke with Planning Department in September about PACE updates and ways to promote PACE, and Sarah sent follow-up materials.

**City of Schenectady** – Mark and Sarah met with Sustainability Coordinator and Mayor’s Director of Operations in October to give overview of ENY and PACE updates; discussed integrating PACE with local clean energy initiatives; sent follow-up materials.

**Suffolk County** – Mark and Sarah had call and subsequent meeting in September with Energy Coordinator to review updates to PACE and discuss strategy for moving the amendments forward. This included multiple follow-up conversations throughout November and December and resulted in the successful adoption of the amended local law by the County Legislature.

**Sullivan County** – Sarah spoke with Sustainability Coordinator in November about organizing launch events focused on agriculture and commercial business owners. Sent Coordinator ENY’s ag marketing material and presentation for her to use at an event on December 7<sup>th</sup> hosted by the County’s Cornell Cooperative Extension focused on financial opportunities for farmers.

**City of Troy** – Mark and Sarah met with Planning Department in October to give overview of ENY and PACE updates, discussed integrating with Building Code Initiatives and economic development initiatives; emailed marketing material.

**Ulster County** – Mark and Sarah met with Deputy County Executive, Economic Development Coordinator, and Environmental Coordinator in December to review ENY and give PACE updates. Discussed integrating PACE with local sustainability initiatives, and planning a promotional event. Sarah sent Ag flyer, which Economic Development Coordinator promoted on their Facebook page.

**Wyoming County** – Sarah spoke with County Planner in November about targeted outreach to Ag market. Planner coordinated call in December with solar developer to answer questions about solar for multiple land parcels; also discussed organizing an Agriculture event in March. In December, Sarah connected with NYSERDA’s

Ag outreach subcontractor Ensave to help identify property owners for event, and County Planner connected her with local CCE to continue planning event.

**Yorktown** – Sarah met with ENY volunteer and former Town Planning Board member John Flynn in December to discuss strategy of introducing PACE amendments to new administration and promoting PACE. John introduced Sarah to Planning Director, and a meeting was held on December 18<sup>th</sup>, which helped open up an outreach channel that was previously uninvolved. The Planning Department is looking into whether ENY can present at the Westchester County’s Association of Planners’ spring training conference.

**PACE 2.0 Amendments** – ENY started sending out amendment packages in November, and Sarah fielded questions and conducted follow-up throughout the end of the year. Mark spoke at the public hearings in Suffolk County (November 21), Town of Bedford (November 21), and at the Town of Ossining’s work session (December 5). Sarah spoke at the public hearing in Ossining (December 26).

ENY sent Annual Reports sent to: Albany County, City of Beacon, Broome County, Dutchess County, City of Kingston, Orange County, Suffolk County and Tompkins County. ENY answered related questions from members' tax departments.

## **BUSINESS ACTIVITIES, OPERATIONS 2017 AND 2018 OUTLOOK**

EIC's operating expenses for the year 2017 were funded primarily by grant funds that were awarded to EIC by NYSERDA to fund the expansion of ENY. Throughout 2017, EIC operated in part under the terms of the NYSERDA Existing Facilities Program ("EFP") \$975,000 grant awarded in 2014 and the \$3,000,000 Cleaner Greener Market Transformation Project" (CGC) grant awarded in 2015. NYSERDA has confirmed that it will be extending this agreement through 2018. The balance of expenses was funded through revenues earned on financing activities.

In addition, EIC continued operating another three-year agreement with NYSERDA known as "PON 2646, the NYSERDA Behavioral Demonstrations Program", whereby ENY Residential will be launching programs in three communities in the Central Hudson Utility territory demonstrating how the social norming components of the ENY Residential model affect behavior and allow for economic choices to be made related to home performance energy efficiency improvements. This contract has a value of \$480,088.

Deliverables to NYSERDA under the various grants include adding municipalities and counties to EIC's membership; the build-out of ENY Finance; supporting property owners and energy service providers; financing of multi-family, industrial and commercial projects, including affordable housing facilities, and expanding ENY Residential in the Mid-Hudson and Central Regions of the State.

As of December 31, 2017, EIC had incurred \$1,186,441 in expenses in accordance with the terms of these grants. In addition to grant revenues, EIC generated \$59,836 in internally generated revenue from financings.

EIC's mission and ultimate success will hinge on successfully moving past the current focus on grant deliverables and leveraging EIC's infrastructure, legal framework and processes to deliver finance and support services determined to be essential to the goals of EIC's members, building owner clients and stakeholders. With the changes to Article 5-L as discussed above and the 2018 launch of PACE 2.0 and other PACE products, EIC's prospects to earn revenue to support operations have improved markedly. In 2018, EIC plans on launching additional PACE products consistent with the modifications to Article 5-L. In addition, EIC will be re-launching the RFQ as discussed above and anticipates attracting additional capital paired with clean energy development projects. With increased accessibility to PACE and applicability to every county and city of NYS, Energize NY will become a major factor in increasing clean energy projects through-out NYS.