



Eric R. Anderberg, Chairman
Christopher B. Meister, Executive Director

COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY PROGRAM

Attracting Private Investment to Illinois and Saving Money for Illinois Counties, Cities, and Villages

The Illinois Finance Authority (“Authority”) has established a commercial Property Assessed Clean Energy (“C-PACE”) financing program for all counties, cities, and villages throughout Illinois. Local units of government, including counties, cities, and villages, may now permissively use the Authority for affordable interim funding and efficient long-term bond financing of energy efficiency, renewable energy, and water conservation projects, attracting private investment across the state.

The General Assembly has granted the Authority \$2.0 billion of bonding authorization for financing C-PACE projects. The Authority looks forward to partnering with local units of government, program administrators, and capital providers to provide the following standardized financing options in the Illinois C-PACE market:

IFIA C-PACE Warehouse Fund

- Small C-PACE projects that capital providers deem otherwise uneconomical for purposes of long-term bond financing may access interim funding by the Authority’s Warehouse Fund, utilizing balance sheet assets of the Authority to earn an approximate 200 to 300 basis point spread between the assessment contract interest rate and the Warehouse Fund interest rate (without deploying capital).
- Assessment contracts are pooled across local jurisdictions in a program administrator’s market area to achieve economies of scale in anticipation of bond financing.
- Interest Rate: Federal Reserve Bank of New York’s Daily Secured Overnight Financing Rate + 45 bps

IFIA C-PACE Bond Financing Program

- As an experienced conduit issuer of bonds, the Authority avails standardized bond documents to local units of government and program administrators that assign assessment contracts to the Authority, efficiently issuing taxable bonds to capital providers and reducing legal costs.
- Each capital provider in a program administrator’s market area has its own, distinct Master Indenture, whereby qualifying C-PACE projects are funded through Issuance Certificates.
- The Authority’s Bond Financing Program is open to all market participants. The engagement of transaction professionals is not determined by the Authority.

Stimulating Economic Development and Building Illinois’ Competitive Advantage

To increase market liquidity and create clean energy jobs in Illinois, the Authority’s strategic state-support model stimulates local economic development, including building retrofit and new construction projects. The Authority’s Warehouse Fund allows even the smallest of C-PACE projects to achieve economies of scale through the pooling of assessment contracts for bond financing, ensuring local C-PACE programs are available for every small business.

Historically, the Authority has served as the primary statewide conduit for the public financing of projects voluntarily undertaken by private borrowers (healthcare systems, educational institutions, small manufacturers, etc.). C-PACE projects financed under the corporate powers of the Authority benefit from dedicated and experienced staff focused on building Illinois’ competitive advantage.

About Illinois Finance Authority

The Authority is a body politic and corporate governed by a 15-person board appointed by the Governor and confirmed by the Senate. The Authority does not rely on State appropriation of taxpayer dollars to support its mission or operations.

For additional information, please contact the staff listed below:

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