



For Immediate Release

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CCG PACE Funding Closes \$15 Million in C-PACE Financing for Building 57 in Philadelphia's Navy Yard

The largest C-PACE financing in Philadelphia and Pennsylvania



Philadelphia, PA The Navy Yard Building 57 ("Building 57"), home to Rhoads Industries, located at 1900 Kitty Hawk Avenue, Philadelphia, PA 19112, utilized \$15 Million of Commercial Property Assessed Clean Energy (C-PACE) capital to finance the high efficiency interior and exterior improvements incorporated into the renovation of approximately 270,000 square feet of the building.

Building 57 is a historic, heavy industrial manufacturing and testing facility located in the Philadelphia Navy Yard. Originally built in 1919 and listed on the National Register of Historic Places, Building 57 has been instrumental in the constructing, rehabilitating and modernizing of U.S. Navy Vessels. When Rhoads Industries Inc. ("Rhoads") acquired Building 57 in 2014, it required substantial rehabilitation to become a state-of-the-art manufacturing and testing facility.

The energy efficiency renovations of A & B Bays of Building 57 are being financed with private capital from CCG PACE Funding, enabled by the City of Philadelphia's C-PACE program. The program is part of

the City's plan to significantly reduce the energy usage of its buildings by making it easier for property owners to pay for energy efficiency, water conservation, and renewable energy projects.

Proceeds from the C-PACE loan funded the installation of energy efficiency measures, including high efficiency HVAC, interior LED lighting and controllers, building envelope (roof and wall) systems, and eligible design and soft costs. The energy efficiency and natural gas conservation improvements to Building 57 will help the property save approximately 19,870 metric tons of CO₂-e emissions over the life of the project, a 36% reduction in emissions above Philadelphia's energy code.

"Funding through the C-PACE program has given us the opportunity to outfit our facility in anticipation of our customers' needs," says Mike Rhoads, Vice President and fourth generation owner of Rhoads Industries. "This construction provides the capacity of an additional 140,000 square feet of heavy manufacturing space, while at the same time mitigating the drain on the City's and Navy Yard's energy infrastructure."

Kenyatta Johnson, the Councilmember who represents the Navy Yard, is "excited about C-PACE as a tool for financing energy efficiency investments and supporting the general growth we are seeing in the Navy Yard. This development is creating family-sustaining jobs which are essential to a sustainable future."



Philadelphia City Councilmember Derek S. Green (At Large) noted that "this project is a great example of the role we anticipated C-PACE would play in bringing private sector investment to our city to help businesses save money, fight climate change, improve public health and create additional jobs. Rhoads Industries has invested \$15MM in energy efficiency and as a result will be using a third less energy than the City's energy code requires, and the code is relatively rigorous."

"As the largest project to date in Pennsylvania, the Rhoads project illustrates how C-PACE can attract private capital and drive economic development in Philadelphia," said Matt Stern, Senior Director of Commercial Programs at the Philadelphia Energy Authority, which administers the Philadelphia C-PACE program. "This project creates jobs, cuts energy costs, and fights climate change. Rhoads Industries' leadership on energy efficiency serves as an important model for other industrial facilities."

"Rhoads Industries, the Philadelphia City Council, the Philadelphia Energy Authority, and the many stakeholders participating in the C-PACE financing of Building 57 should be recognized as being among the early innovators in Philadelphia and Pennsylvania to utilize the long-term, low-cost fixed rate financing that C-PACE provides. Following the Building 57 example, countless other commercial properties located throughout the region are eligible to utilize C-PACE to fund energy efficient improvements that would help to ensure their long-term financial viability while reducing their carbon footprint and creating new jobs. These win-win outcomes are exactly what the C-PACE Program was designed for" observed Paul Hoffman, Managing Director of CCG PACE Funding.

About CCG PACE Funding

CCG PACE Funding, LLC provides long-term, flexible financing to owners of large-scale commercial properties located throughout the United States that intend to utilize C-PACE financing for energy efficiency, water conservation, renewable energy, seismic and wind improvements as part of their capital stacks. The firm's C-PACE financings are individually customized to meet the needs of each stakeholder. CCG PACE Funding is affiliated with CityScape Capital Group, LLC, an entity that has over 25 years of experience funding more than \$1.6 Billion of debt and equity into highly structured transactions located throughout the country involving historic, new markets, energy and low-income housing tax credits. For additional information, please visit www.ccgpace.com.

About Philadelphia Energy Authority

The Philadelphia Energy Authority (PEA) is an independent municipal authority created in 2010 to advance energy affordability and sustainability for the City. PEA has facilitated over \$167 million in clean energy projects in Philadelphia since launching the Philadelphia Energy Campaign in 2016, creating more than 1,300 jobs. As Program Administrator, PEA reviews and approves applications, manages the billing and lien processes, engages in market education and supports the growth of the Philadelphia C-PACE program. For details, visit www.PhiladelphiaCPACE.org.

About Rhoads Industries, Inc.

Rhoads Industries, Inc. is a 125-year-old, privately held, industrial fabrication shop founded in Philadelphia that offers a total solution for industrial services and support to commercial and government customers, including the Department of Defense. Rhoads offers a diverse range of technical certifications to provide industrial services for a broad variety of heavy steel and metal fabrication projects, as well as complex precision assemblies, equipment installations and a range of maritime related services. Rhoads has become the resource for industrial maintenance, custom fabrication, and industrial installation/piping for industry leaders based on a reputation for quick response, on time delivery, ingenuity, safety, reliable performance and quality workmanship.

Rhoads is implementing a business plan with the objective of building and equipping a state-of-the-art facility to serve as the preeminent industrial enterprise in the Philadelphia Navy Yard. With the acquisition and rehabilitation of Building 57, Rhoads has created a new East Coast Water Front

operation. Rhoads has also secured a competitive position in its traditional metal fabrication and industrial services business, while expanding into the shipbuilding/ship repair and maritime services industry within the Delaware Valley and beyond. For more information, please refer to www.rhoadsinc.com.

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