



CASE STUDY

Neil Kelly Building Energy and Seismic Makeover

PropertyFit financing enabled energy, water, and seismic improvements on existing office/retail

Background

Neil Kelly Company used PropertyFit commercial property assessed clean energy (CPACE) financing to implement a multitude of energy, water, and seismic improvements to its Portland, OR design center. The project solved existing structural issues and significantly reduced energy and water demand.

Project Overview

Plans to upgrade its design center inspired Neil Kelly Company to pursue a comprehensive renovation. The 70-year-old design/build home remodeling company is the first existing building retrofit to be financed through PropertyFit.

Neil Kelly's design center, showrooms, and offices occupy a 22,000 square foot North Portland building acquired in 1978. The building has expanded over time through additions and remodels, but the original structure had been left nearly untouched. The company's initial need for a new presentation kitchen snowballed into a bigger project that solved other building issues.

Nearly half of the total project cost is dedicated to the seismic upgrade, which includes updated shear walls and tie-downs, and the installation of structural reinforcement to improve safety and reduce impact in the event of an earthquake. Outdated fluorescent lighting will be upgraded to energy efficient LED technology with energy-saving control systems that will reduce lighting demand by more than 50%. Water efficiency improvements will reduce water use in the kitchen and lavatories, and HVAC upgrades will improve building comfort with an updated rooftop gas HVAC unit and a new ductless heat pump. Installation of a 30-kilowatt solar electric system is expected to offset approximately 20% of the building's electrical use.

PROJECT AT-A-GLANCE

CPACE FINANCING

\$290,000

INSTALLED MEASURES

Solar, HVAC, Domestic Hot Water, Lighting, Electric Vehicle Charging Stations, Seismic Structural Upgrades

IMPACT

Increased earthquake resilience and reduced energy/water demand

TERM

20 years

PROPERTY TYPE

Commercial office

CAPITAL PROVIDER

Prosper Portland

DEVELOPMENT TEAM

Neil Kelly, Verde Builds



These improvements are going to be transformational in the way the building works for us and significantly improve the safety and efficiency of the structure for our employees and clients. ”

– Tom Kelly

PRESIDENT | NEIL KELLY COMPANY

Neil Kelly is using its own skilled team to do much of the construction work and has engaged Verde Builds, a licensed general contractor that offers job opportunities and training for minorities and low-income people to manage the EV installation, lighting, and seismic retrofit work. Energy Trust of Oregon delivered technical services—including a solar feasibility analysis, and lighting and HVAC studies—to jumpstart the energy saving and generation analyses required for PropertyFit financing. Energy Trust also identified cash incentives to further offset project costs.

Neil Kelly turned to PropertyFit because of its long-term financing for energy efficiency, renewable energy, water conservation, and seismic projects, and the flexibility it offers property owners. Prosper Portland was able to finance the \$290,000 project internally because the building is in the City of Portland's Interstate Corridor Tax Increment District and meets Prosper Portland's social equity goals for supporting minority contractors in agency-funded projects.



Exterior of Neil Kelly Company building

Why PropertyFit?

PropertyFit provides strategic, long-term financing for energy efficiency, renewable energy, water conservation, and seismic resiliency, enabling owners of commercial, industrial, and multifamily properties to accelerate investments in building performance and unlock value. The benefits of PropertyFit CPACE financing include:

TARGETED: Specifically designed to fund building investments that are often misunderstood by traditional financing and “value-engineered out” through building design and construction.

ACCESSIBLE: Up to 100% financing, with no out-of-pocket costs or personal guarantee, and personalized support to make your project a success.

COMPETITIVE: Long-term financing that is competitively priced, fully amortized, and repaid through assessments that cannot accelerate.

TRANSFERABLE: Secured by a benefit assessment lien which automatically transfers to the new owner upon sale of the property, improving liquidity.

STRATEGIC: Turns an expense into an investment, often generating immediate cashflows, increasing the market appeal of a property, and accelerating progress toward business and environmental goals.

About PropertyFit

PropertyFit is a collaboration between Prosper Portland, Multnomah County, and Energy Trust of Oregon to support a variety of carbon reduction, water conservation, redevelopment, and economic development goals. It was created to help property owners invest in energy efficiency, renewable energy, water conservation, and seismic resiliency projects in Multnomah County.

To learn more about PropertyFit, visit propertyfitoregon.com or email us at support@propertyfitoregon.com.

