

# PACE FINANCING WITH LEAN & GREEN MICHIGAN

## What is PACE?

Property Assessed Clean Energy, or PACE, is a long-term financing tool for commercial property owners to pay for energy efficiency, water efficiency, and renewable energy upgrades. Property owners receive 100% pre-funding for energy saving upgrades on their facilities and pay the PACE loan back through a special assessment on their property taxes.

## Benefits of PACE

- Long-term financing to up to 25 years or the useful life of the project
- No upfront cost — 100% financing
- Immediate positive cash flow
- Runs with the land, transferring to subsequent owner sale of the property
- Solves split incentive problem — payments can be passed easily to tenants
- Fixed interest rate (negotiated on each deal)

## Lean & Green Michigan

Lean & Green Michigan is Michigan's PACE marketplace, growing and managing one statewide PACE program in collaboration with local governments, lenders, contractors, and property owners. Lean & Green Michigan offers PACE in forty jurisdictions representing more than 70% of all Michiganders. By joining Lean & Green Michigan, each local government is facilitating PACE financing by allowing commercial property owners to repay private lenders via a special assessment on their property tax bills. If your business or nonprofit building spends \$60,000 or more per year on utilities, it probably qualifies for PACE. Contact us to learn more.

## Why PACE?

Buildings consume 43 percent of energy in the United States and 30 percent of this consumption is wasted due to inefficiency. However, the payback period is simply too long on many energy efficiency and renewable energy measures – so businesses continue wasting energy and money! PACE solves this problem by offering long-term financing at a fixed rate, leading to no upfront cost and immediate positive cash flow.

## Eligibility for PACE?

### Qualifying properties:

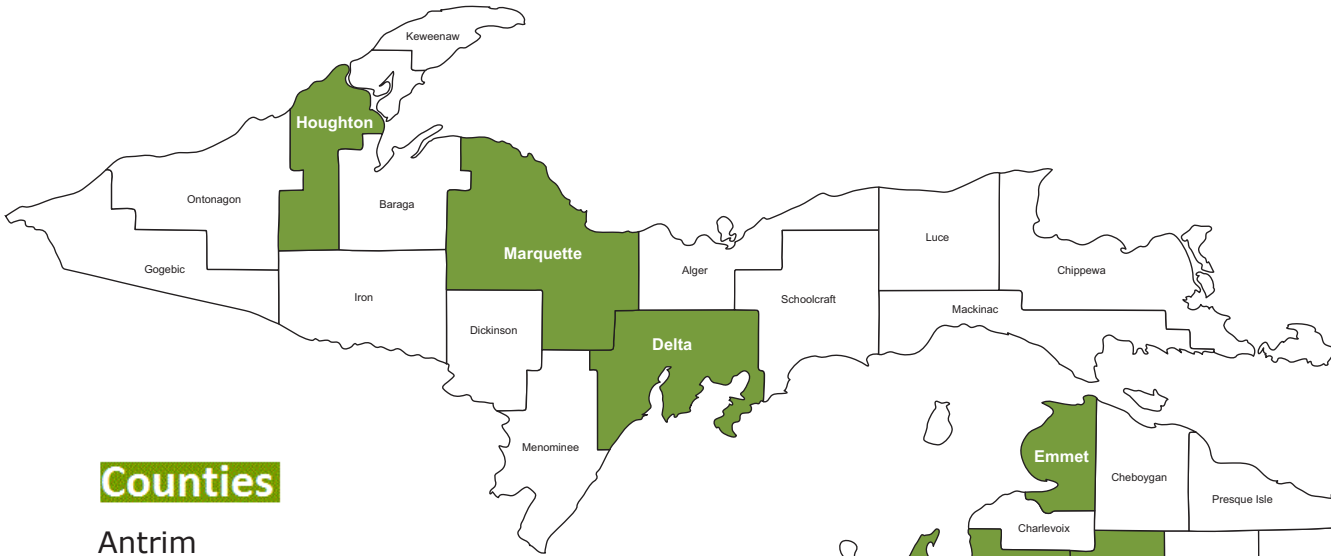
- **Commercial & industrial properties:** hotels, restaurants, office buildings & more
- Nonprofit properties: churches, private schools, cooperatives, & more

### Qualifying measures:

- **Energy efficiency:** lighting, HVAC & more
- **Water efficiency:** low flush, low flow, gray water systems & more
- **Renewable energy:** solar, CHP & more

# Lean & Green Michigan PACE Jurisdictions

March 2019



## Counties

- Antrim
- Bay
- Calhoun
- Delta
- Eaton
- Emmet
- Genesee
- Grand Traverse
- Gratiot
- Houghton
- Huron
- Ingham
- Jackson
- Kalamazoo
- Leelanau
- Macomb
- Marquette
- Midland
- Montcalm
- Oakland
- Otsego
- Saginaw
- St. Clair
- Washtenaw
- Wayne

## Cities

- Bloomfield Twp.
- Cascade Twp.
- Ferndale
- Grand Rapids
- Hartland Twp.
- Jackson
- Kentwood
- Orion Twp.
- Pleasant Ridge
- Pontiac
- Rochester Hills
- Royal Oak
- Southfield
- Troy
- Wyoming

