

# Getting projects done with Property-Assessed Clean Energy (PACE) financing

Peter Lindstrom

Clean Energy Resource Teams (CERTs)

UMN Extension Regional Sustainable Development Partnerships

# Property-Assessed Clean Energy (PACE)



- A way to finance building energy efficiency, EV Charging and renewable energy upgrades
- Repaid as a separate item on the property tax bill



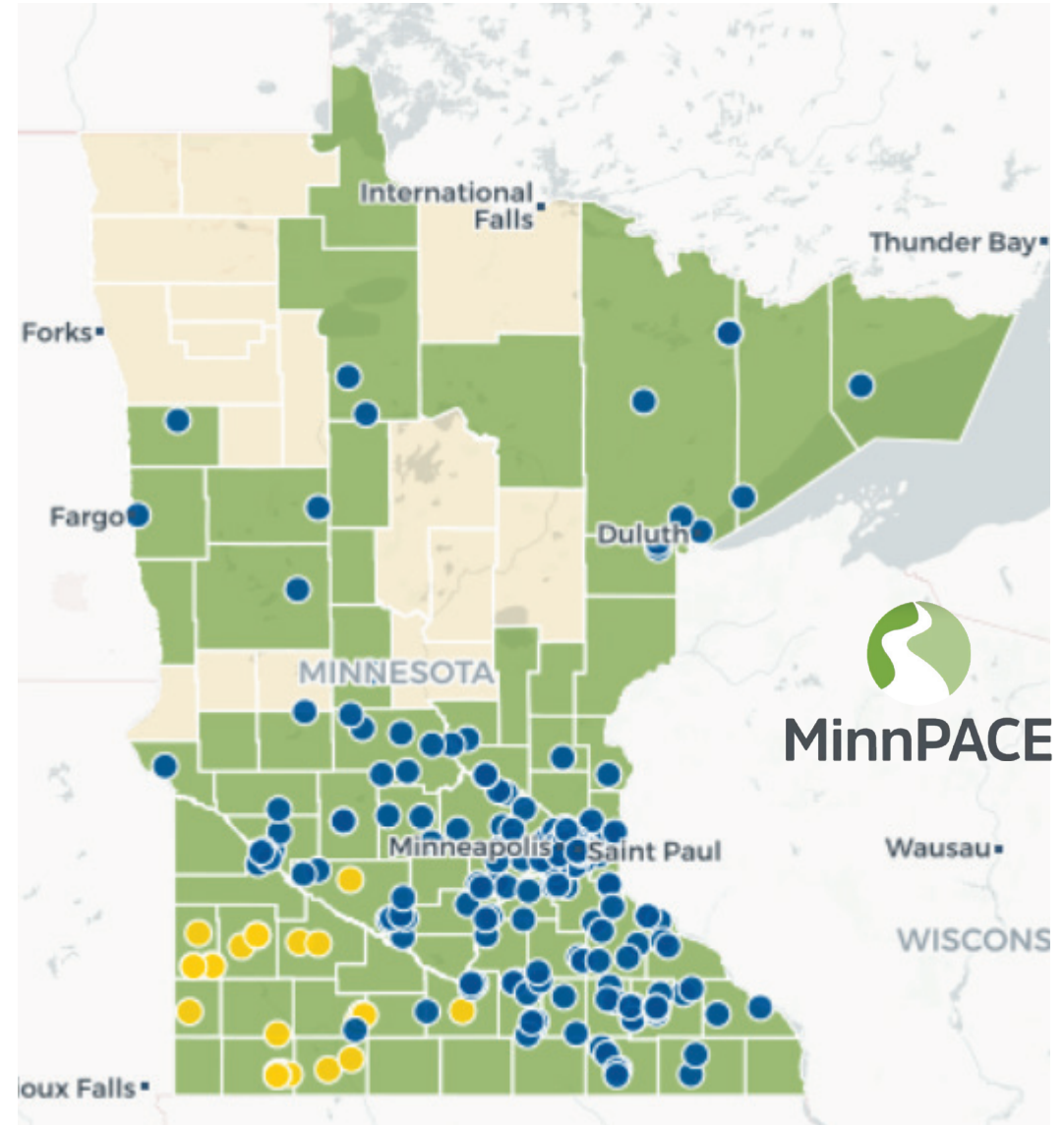
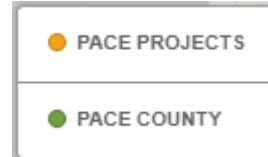
PHOTO

Solar PV at Lake County Veterinary Clinic

# PACE Counties & Projects



- 93% of the state has access to PACE financing (67 of 87 counties)
- ~300 projects at businesses, multi-family apartment buildings, nonprofits, places of worship, and others



[CleanEnergyResourceTeams.org/PACE](https://CleanEnergyResourceTeams.org/PACE)

# PACE Results



- ~300 projects
- \$125 million of project costs
- \$10 million annual savings
- 500 billion BTUs saved annually
- 2,000 jobs retained or created
- 1,300 construction jobs created



**PHOTO**  
Solar PV at Winona Rental

**The New York Times**

## *Tax Programs to Finance Clean Energy Catch On*

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By DIANE CARDWELL JUNE 21, 2013



Rick Murphy of Grandview Tire and Auto in Minnesota took advantage of a loan program that helped in financing solar panels. Jenn Ackerman for The New York Times

# Project Process



- Gov't establishes PACE
- Application submitted with energy audit, lender consent & financials
- Loan approved
- Project completed
- Savings pay for assessment (revolving loan fund)



PHOTO

Solar PV at Deneen Pottery

# Why PACE?



## FOR BUSINESS

- Lower utility expenses
- Save now, pay next year
- Pass savings & assessment to tenants
- Deferred maintenance & comfort



## FOR LOCAL GOVERNMENT

- Assist your businesses & nonprofits
- Create local clean energy jobs
- Promote sustainability

# Blue Line Travel Center

WORTHINGTON



- **Project:** Lighting
- **Cost:** \$74,000
- **Sources of Funds:**
  - RMEB PACE Program
  - Worthington Public Utilities
  - USDA REAP Grant
- **Finances:**
  - Annual Savings: \$14,000
  - Assessment: \$9,000
  - Total Net Savings: \$85,000



# Parkwood Place

## MOUNTAIN LAKE



- **Project:** Lots of efficiency measures!
- **Cost:** \$90,000
- **Sources of Funds:**
  - RMEB PACE Program
  - Mountain Lake Utility Rebates
  - USDA REAP Grant
- **Finances:**
  - Annual Savings: \$9,700
  - Assessment: \$8,700
  - Total Net Savings: \$15,000



# Hyatt House – New Construction

Rochester



- **172 Extended Stay Hotel**
- **\$4.3 million in funding from PACE Equity Group**
- **\$49 million project**
- **First Opportunity Zone to include PACE**



# Paul's Handyman Services

RED WING



- **Project:** 10 kW Solar
- **Cost:** \$34,000
- **Sources of Funds:**
  - MinnPACE Funds
  - Xcel Energy Solar\*Rewards
  - Federal Tax Credit

**“It was actually pretty easy. We sent an application in and they approved it in about a month. Honestly, it was pretty seamless” – Paul Kluesner**

# Peterson Farm

MEEKER COUNTY



- **Project:** 40 kW Solar
- **Cost:** \$174,000
- **Sources of Funds:**
  - MinnPACE Funds
  - USDA REAP Grant
- **Total Net Savings (25 yrs):**  
\$250,000+

# Cliff Dweller Hotel

COOK COUNTY



“The way I see it,  
anything you can do to  
be green and reduce  
costs is a great benefit  
for a business”

- **Todd Katzenburger, Owner**

- Project: 40kW Solar

Source of Funds

- MinnePACE
- IRRB Business Energy Retrofit Program
- Federal Tax Credits

Annual Savings: \$7,000



# Want to follow up?



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