

PACE

**Low-Cost, Long-Term
Financing
with No Upfront Costs**



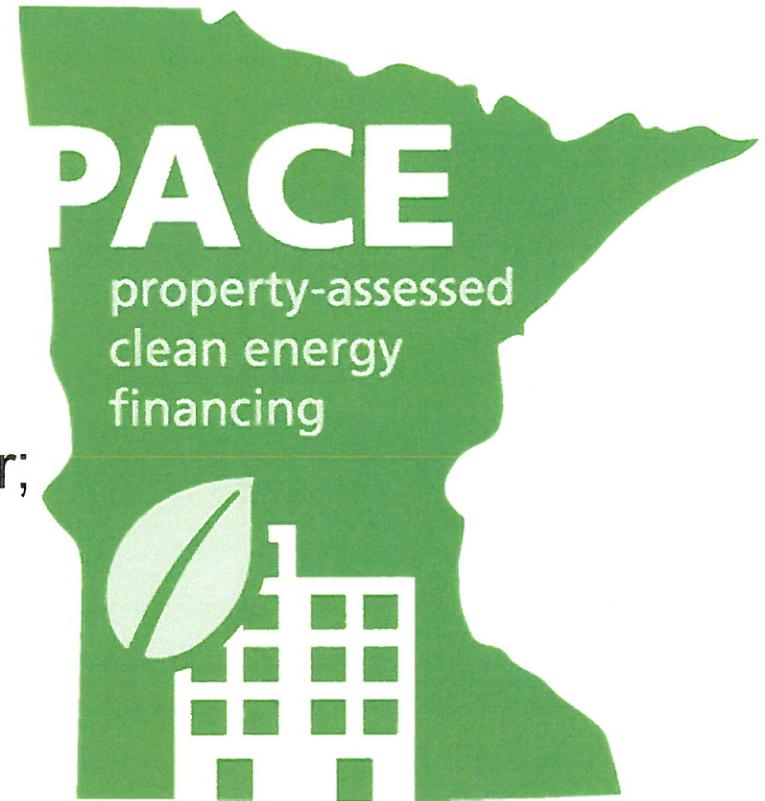
What are the Benefits of PACE Financing?

- Make needed upgrades;
- Increase occupant comfort;
- Reduce operating costs while increasing property value;
- Increase rent, decrease vacancy and attract high-quality tenants (who often pay the assessments);
- *And more....*



More Benefits!

- When sold, the assessment transfers to the new property owner;
- Low interest rates due to the high security of repayment (~5%);
- Term is often longer than a traditional bank loan; and
- PACE assessments do not require a personal guarantee.



Who Provides the Financing?

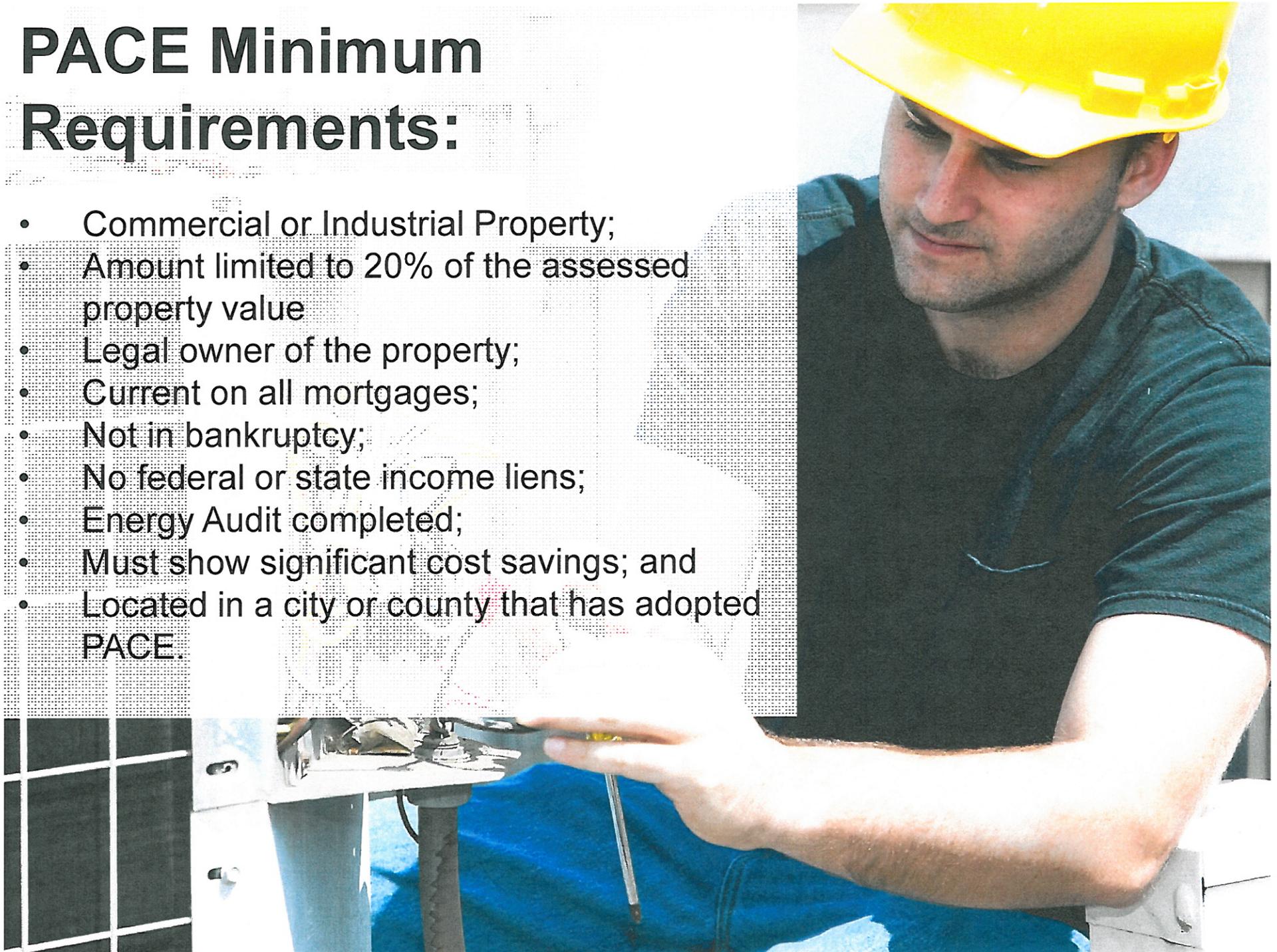
The St. Paul Port Authority



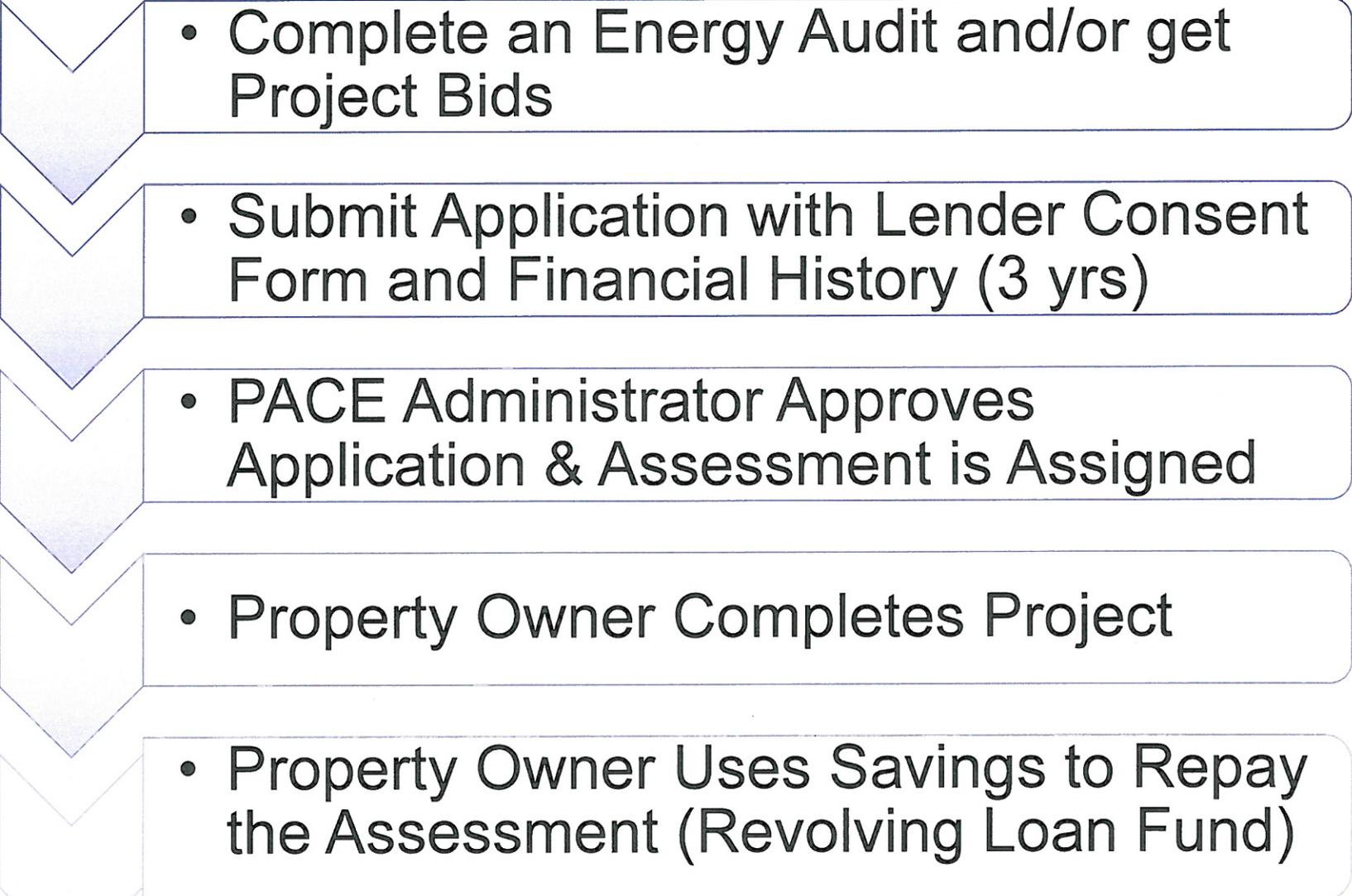
- The SPPA has executed Joint Powers Agreements with ~25 cities, counties and townships
- They have completed 30 projects totaling ~\$10 million
- Term is generally 10 year fixed financing at 4.5% interest
- The SPPA administers all aspects of the program – review applications, conduct the underwriting and manages the loan.

PACE Minimum Requirements:

- Commercial or Industrial Property;
- Amount limited to 20% of the assessed property value
- Legal owner of the property;
- Current on all mortgages;
- Not in bankruptcy;
- No federal or state income liens;
- Energy Audit completed;
- Must show significant cost savings; and
- Located in a city or county that has adopted PACE.



Project Steps

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- Complete an Energy Audit and/or get Project Bids
 - Submit Application with Lender Consent Form and Financial History (3 yrs)
 - PACE Administrator Approves Application & Assessment is Assigned
 - Property Owner Completes Project
 - Property Owner Uses Savings to Repay the Assessment (Revolving Loan Fund)

How will PACE Help our Region?

- Helps local businesses and organizations save money;
- Creates local clean energy jobs;
- Promotes community sustainability; and
- Achieves important energy and water conservation goals



Salut Bar American

Twin Cities



“The savings should pay back the investment... It’s a no-brainer.”

Alan Ackerberg,
Parasole Restaurant Group

Project: LED Lighting, Hood Vent, Controls

Cost: \$39,000

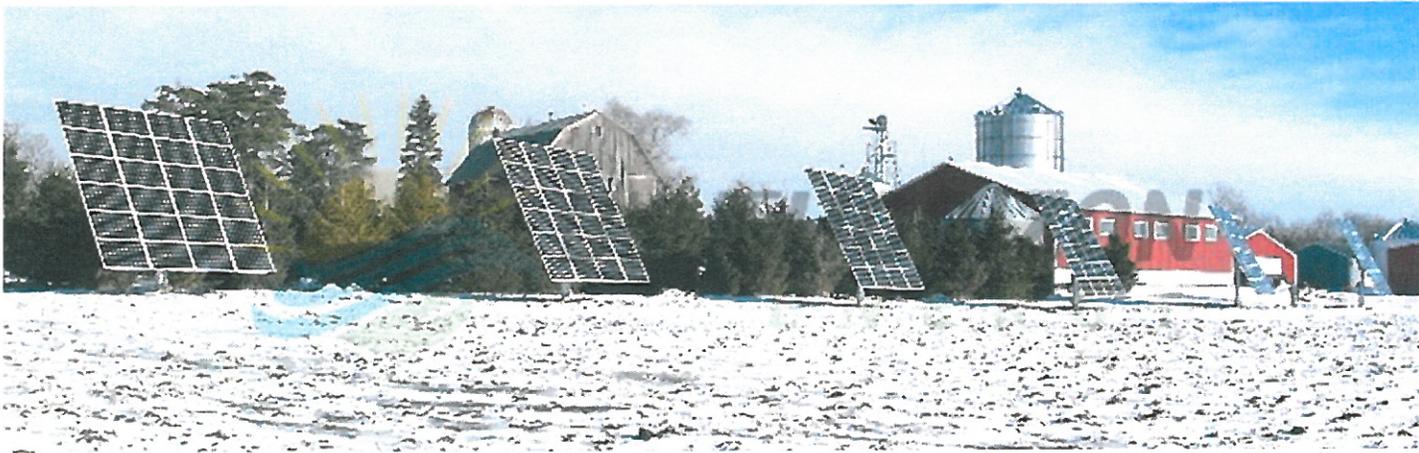
Source of Funds:
Utility Rebates
PACE

Annual Savings: \$5,500

Total Net Savings: \$15,000

Peterson Farm

Meeker County



Project: 40kw solar

Cost: \$174,000

Source of Funds:

PACE

USDA REAP Grant

Estimated Property Appreciation:
\$139,000

**Total Net Savings (25 yrs):
\$250,000+**

For Additional Information Contact:

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www.cleanenergyresourceteams.org

**For the St. Paul Port Authority PACE
Application:**

<http://sppa.com/financing-businesses>

