



Property Assessed Clean Energy (PACE)

PACE Wisconsin Overview

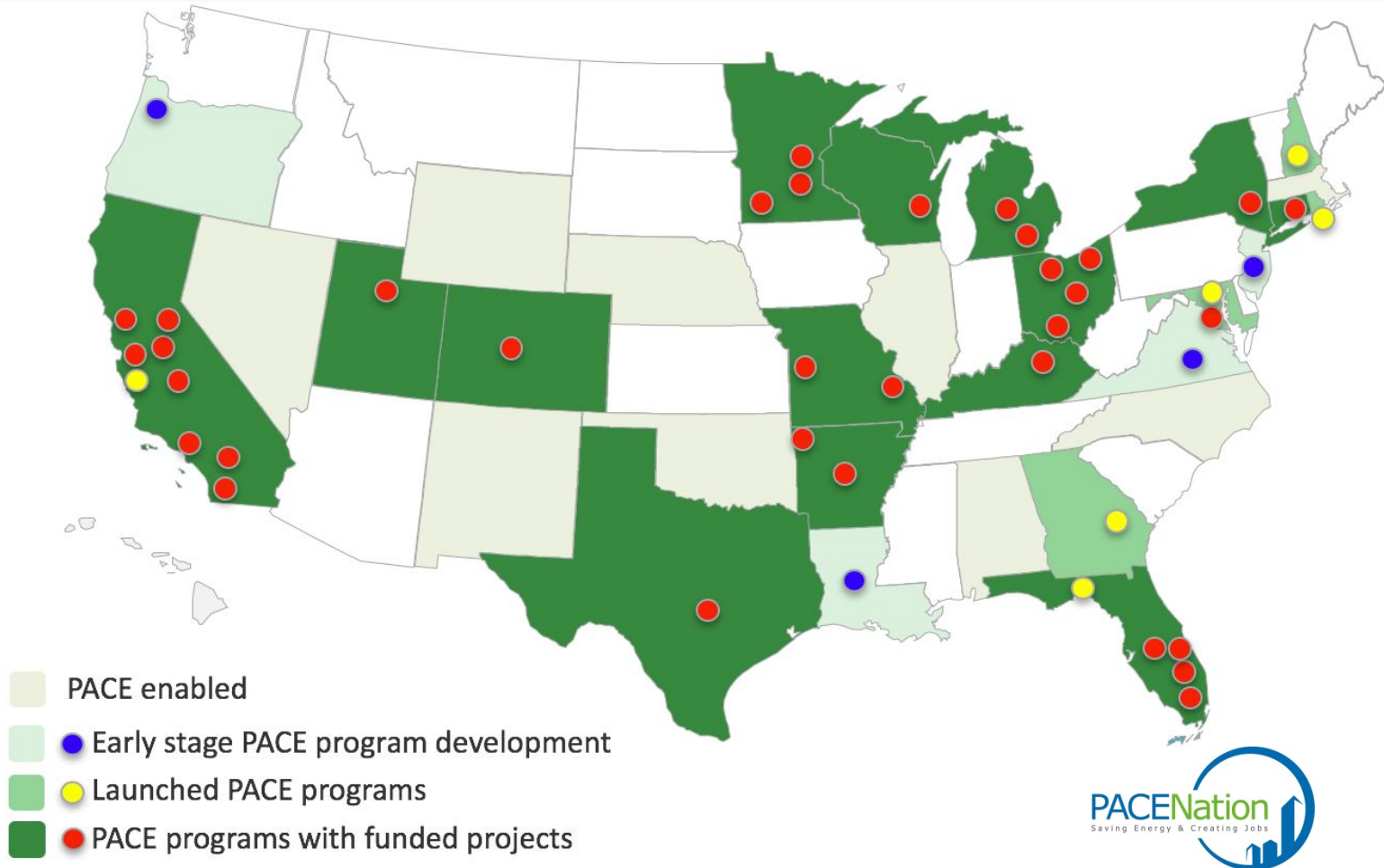
Wisconsin Counties Association and WECC EFS



Partnership

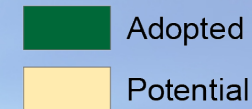


1,040 Projects - \$340 M - 4,000 Jobs



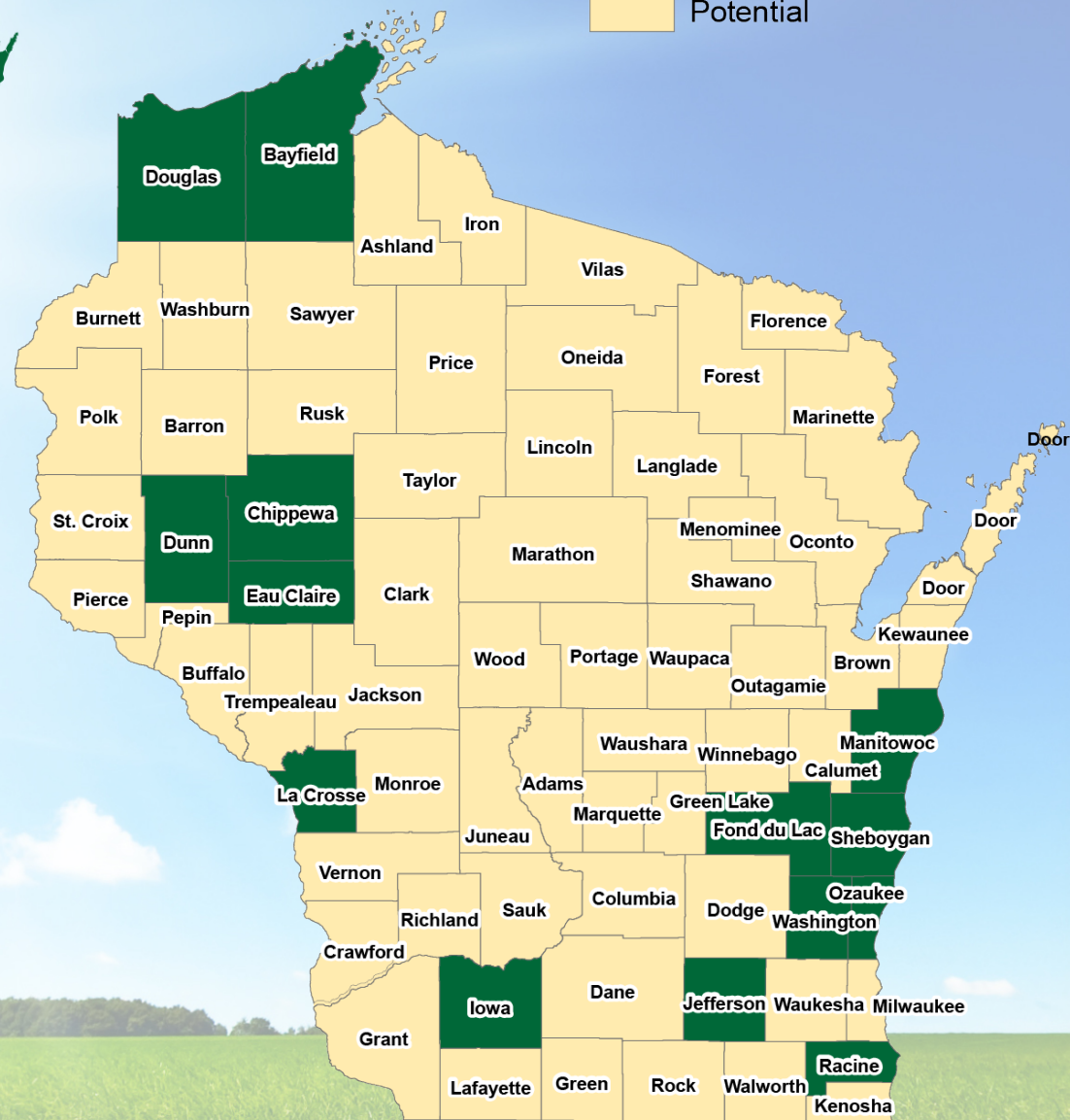


WI PACE Commission Status



Member Counties

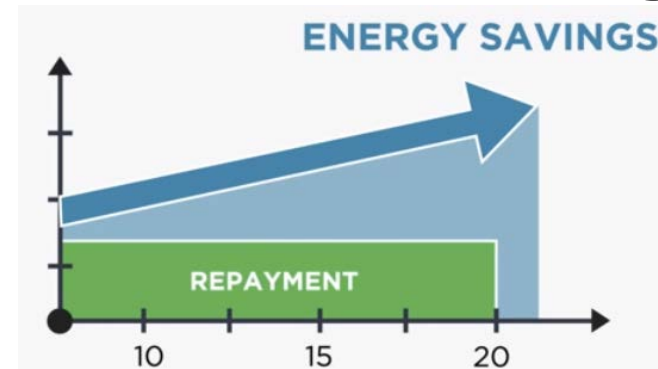
- Bayfield
- Chippewa
- Douglas
- Dunn
- Eau Claire
- Fond du Lac
- Iowa
- Jefferson
- La Crosse
- Manitowoc
- Ozaukee
- Racine
- Sheboygan
- Washington





Assists local businesses with financing

- Renewable energy
- Energy efficiency
- Water conservation



Enabled by State of Wisconsin
Legislation (Section 66.0627)



It's a loan secured by a special charge

Eligible Improvements



Boilers & Chillers



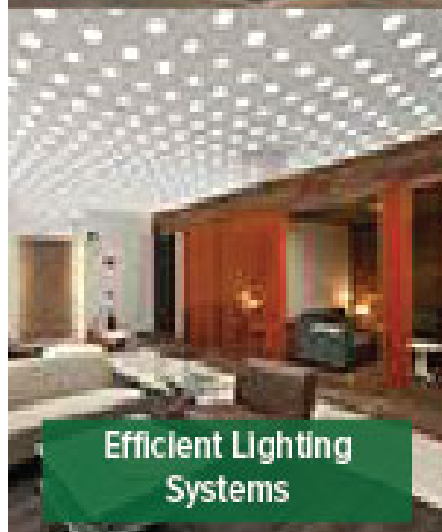
Pumps & Motors



**Automated Building
Controls**



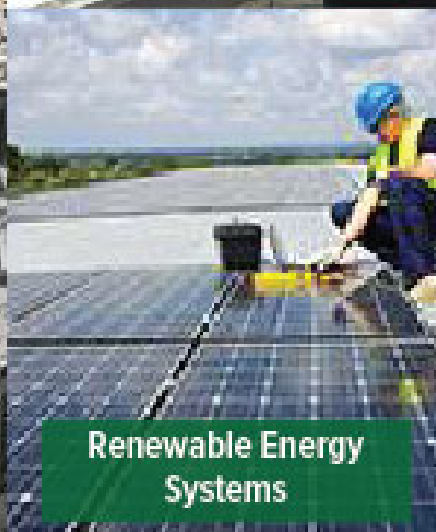
**Building Envelope
Improvements**



**Efficient Lighting
Systems**



**Heating & Cooling
System Upgrades**



**Renewable Energy
Systems**



**Hot Water Heating
Systems**

Eligible PACE Projects





Property Owners

Sample PACE Project

Eligible PACE Improvements

Boiler & HVAC

Lighting

HVAC Controls

Engineering

Total Project Cost

Cost (\$)

140,000

75,000

25,000

10,000

\$250,000



Annual Cash Flow

Utility & Operating Cost Savings (Yr 1)

\$27,500 (20% Energy Savings)

Effective Useful Life of Equipment

18 Years

Sample PACE Project

	Owner's Cash Outlay	PACE Financing
Owner's Investment	(\$250,000)	\$0
Cash Flow: Operating Cost Savings	\$27,500	\$27,500
Debt Service PMT *	\$0	\$23,089
Net Cash Flow	\$27,500	\$4,411
Cash Flow year 1	(\$222,500)	\$4,411
Payback (years)	9	NA
Internal Rate of Return (IRR)	11%	Infinite
NPV of cash flow	(\$15,475)	\$65,280



* Assumptions: Term - 18 years / Interest Rate 6.00%

Property Owners Benefit



- Financing for 100% of PACE Project cost
- Exchange Equity w/ low cost debt
- Long Repayment Periods: up to 20 years.
- Positive Cash Flow
- Increase Net Operating Income & Property Value
- Energy Savings Performance Guarantees
- Transfers to new owner upon sale
- Tenants share cost & savings

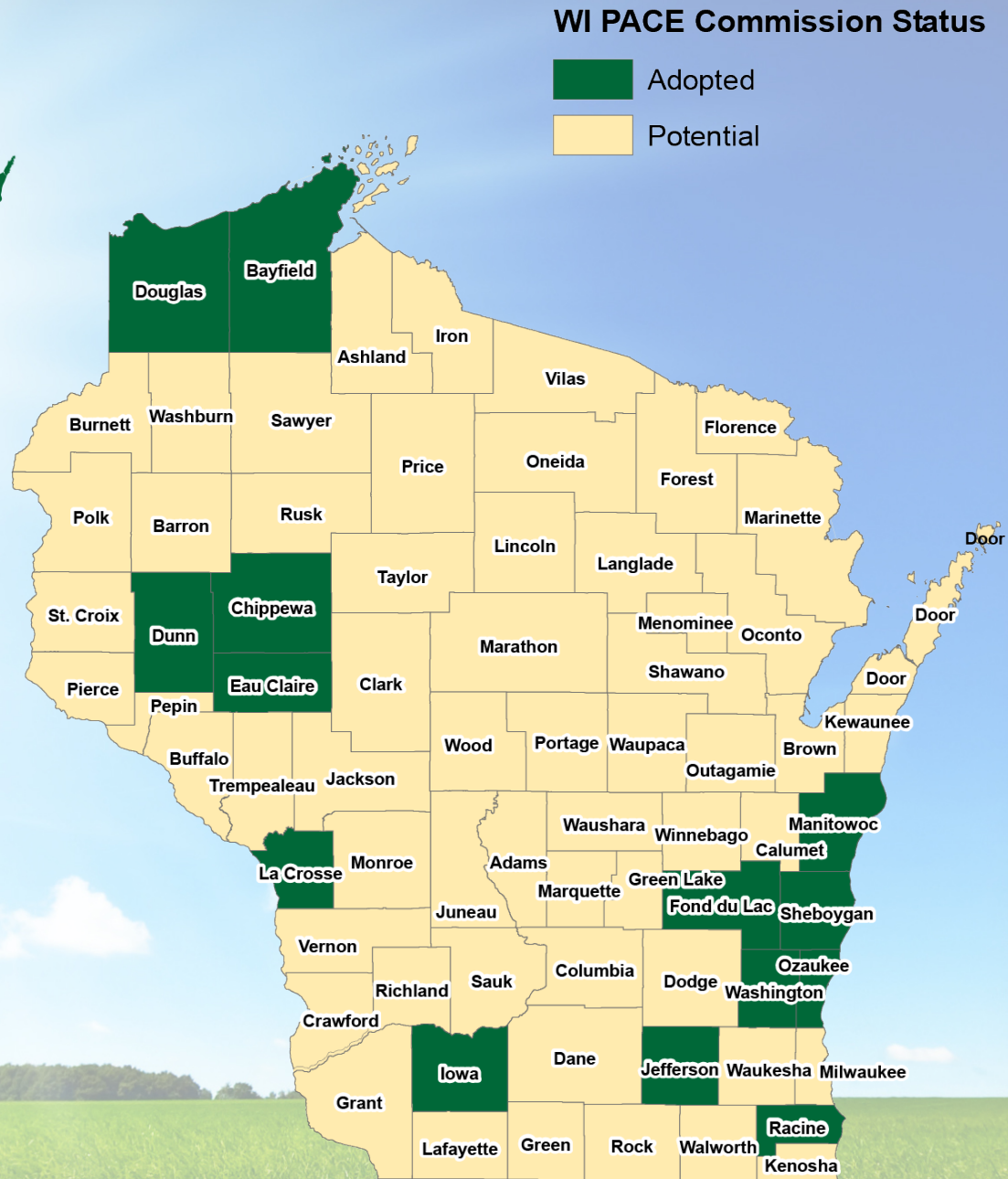


Local Governments



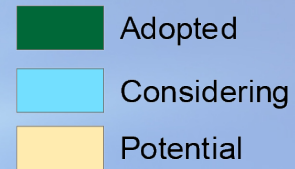
Member Counties

- ☐ Bayfield
- ☐ Chippewa
- ☐ Douglas
- ☐ Dunn
- ☐ Eau Claire
- ☐ Fond du Lac
- ☐ Iowa
- ☐ Jefferson
- ☐ La Crosse
- ☐ Manitowoc
- ☐ Ozaukee
- ☐ Racine
- ☐ Sheboygan
- ☐ Washington





WI PACE Commission Status





Stimulate – job creation and economic activity

Revitalize - building stock and improve property values

Profitable – Lowers cost of doing business and boost bottom line of local enterprises

Sustain - achieve sustainability goals

Participate - 100% voluntary, only building owners that opt in pay for the special charge.

PACE Commission Features



No Cost – PACE requires no credit exposure or general obligation funds from Member Counties.



Statewide Approach - uniform program, applied consistently, helps promote scalability by simplifying participation for stakeholders.



Single Point of Access– The 3rd party program administrator serves as the go-to contact for stakeholders who need program assistance. The administrator also ensures that projects comply with program requirements and certifies special charge repayment.



Open Market - qualified private lenders provide property owners competitive rates and financing terms. Any contractor or project developer can work on a qualified project.



Lender Consent – any existing mortgage lender(s) are required to provide consent to any PACE Loan.

PACE Commission Minimizes Risk



- Member County is not required to contribute any Capital or Operating Budget to participate.
- Third Party Program Administrator manages the PACE program, ensures project compliance and administers the Special Charge repayment.
- All PACE loans and Special Charges would require the consent of the existing mortgage holder(s), who may pay off delinquent special charges consistent with other tax delinquencies.
- Member County is not required to settle or reimburse PACE Special Charges to PACE Lenders.
- Collection and enforcement of delinquent special charges would occur pursuant to the County's pre-existing procedures.

BANK

Lenders

Participating:



PACEEquity
Renovating America the Efficient Way

Considering:



PETROS **PACE**
FINANCE



[Home](#) | [About Us](#) | [Property Owners](#) | [Local Governments](#) | [Lenders](#) | [Contractors](#) | [Project Center](#)



Is your community
participating?



PROPERTY OWNERS



LOCAL GOVERNMENT



LENDERS



CONTRACTORS



For More Information

von Briesen & Roper, s.c.

Andy Phillips

414.287.1570

aphillips@vonbriesen.com

Andy Guzikowski

414.287.1438

aguzikow@vonbriesen.com

Foley & Lardner, LLP

Lynn Parins

608.258.4339

lparins@foley.com

Wisconsin Counties Association

Jon Hochkammer

866.404.2700

hochkammer@wicounties.org

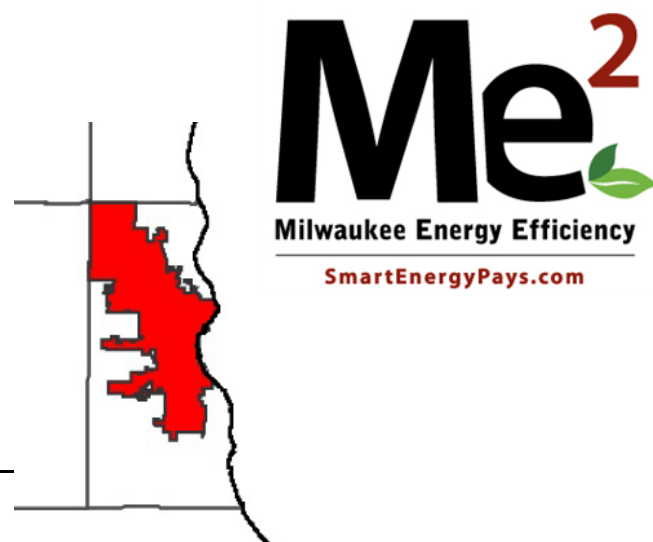
WECC EFS

Jason Stringer

608.729.6854

jstringer@weccusa.org

/ of Milwaukee





1

County adopts PACE Ordinance and becomes a Member in the Wisconsin PACE Commission.



2

Building owner engages energy engineer & contractor to develop energy cost saving project.



3

Rather than using conventional project financing, property owner uses PACE financing.



4

Owner arranges PACE financing, Program Administrator approves project and PACE Commission authorizes PACE Special Charge.



5

Building owner repays PACE Loan directly to the PACE Lender.