



# Increasing Property Values

## LOWERING COSTS OF DOING BUSINESS

The average commercial building wastes 30 percent of the energy it consumes. With energy costs on the rise—and an increasing focus on sustainability—conserving energy and reducing operating expenses remain a priority for building owners in Wisconsin.

However, longstanding barriers tend to impede investment in energy conservation building improvements. Now, there is a solution: Property Assessed Clean Energy (PACE) financing, which has been adopted in 33 U.S. states and the District of Columbia.

## WHAT IS PACE?

PACE is an innovative program that enables property owners to obtain low-cost, long-term financing for energy efficiency, renewable energy, and water conservation building improvements. Projects financed using PACE can be completed with no up-front, out-of-pocket cost to property owners and can generate positive cash flow upon completion. The term of a PACE financing may extend through the useful life of the improvement, which may be as long as 20 years or more—and can result in cost savings that exceed the amount of the PACE financing. The result is improved business profitability, an increase in property value, and enhanced sustainability.

## HOW DOES IT WORK?

PACE Wisconsin authorizes municipalities and counties to work with private sector lenders to provide upfront financing—usually for 100 percent of the cost of improvements—to property owners for qualified projects.

### Financing

Pursuant to Wisconsin Statute § 66.0627(8), PACE financing is secured through a voluntary PACE Special Charge, repayment of which can be collected on the property tax bill or directly by the PACE lender. Like property taxes, PACE financings may be transferred to the next property owner if the property is sold.



The remaining balance of the PACE financing is repaid by the subsequent owner, who continues to receive the benefits of the improvements from the PACE project.

### Projects

To take advantage of PACE Wisconsin, property owners develop qualifying energy and water conservation projects with contractors of their choice. Building owners then arrange PACE financing with a qualified PACE lender of their choice. Next, the property owner applies to PACE Wisconsin to qualify their project for PACE financing according to the program requirements. If the PACE project is approved, the PACE Commission, borrower, and PACE lender enter into a PACE financing agreement that governs the terms of the PACE Special Charge.

## WHAT IMPROVEMENTS ARE ELIGIBLE?

PACE financing can be used to fund a number of energy-saving upgrades, such as efficient lighting systems, heating and cooling systems, insulation, motors, low-flow fixtures, windows, and water pumps. Solar panels and other renewable technologies that produce energy are also eligible for PACE financing.

## WANT TO LEARN MORE?

For more information about PACE Wisconsin, please contact Jason Stringer at 608-729-6854, or email [jstringer@weccusa.org](mailto:jstringer@weccusa.org).