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Press Release

New program finances energy projects for GT County businesses

Grand Traverse County Board approves PACE program

TRAVERSE CITY, MI – Energy projects will be more affordable in Grand Traverse County since the Board of Commissioners approved a Property Assessed Clean Energy (PACE) program that will help businesses obtain financing.

Board members unanimously approved the program at its meeting on April 30. Under a 2010 state law, PACE districts provide financial options for energy projects for commercial, industrial and multifamily properties. Grand Traverse County is now one of seven counties in the state, along with the cities of Rochester Hills and Southfield, to participate. PACE has been adopted in 31 states and Washington, D.C.

No taxpayer money is used. An eligible property owner may obtain financing from a private lender to complete certain energy projects on their property, which is then treated as a special assessment district. Companies can save money by making their properties more energy efficient. Up to 100% of the proposed energy project's cost can be covered under a PACE special assessment.

Because financing under PACE creates a special assessment district enforced by the local government, energy projects using this financing may be amortized for between 10 to 20 years, much longer than a traditional loan extended for an energy project. Creating a special assessment district means the financing will continue regardless of who owns the property. If the property is sold, the new owner would make payments on the loan.

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A business forum was held on March 14 at EPI, Inc. in Garfield Township and 40 interested individuals attended.

A wide variety of projects can be financed under PACE such as energy and water efficiency programs and renewable energy sources. Along with commercial property owners, private, nonprofit groups are eligible. Financing can be used for both existing buildings as well as new construction.

Each company will have to conduct an energy audit before seeking financing, and any program greater than \$250,000 will require the contractor to guarantee energy savings.

Lean & Green Michigan, a public-private partnership utilizing Levin Energy Partners, LLC will administer the Program. In addition, the law firm of Miller, Canfield provides legal services to those entities which join Lean & Green. Using this model means the County will incur no charges. Any fees generated by Lean & Green, Levin Energy Partners and/or Miller, Canfield for any particular PACE project are incorporated into the financing of each individual PACE Project and are not the County's responsibility. ■