

PACE Program Objectives

- Increase energy efficiency and decrease energy costs through the utilization of “green energy” systems.
- Decrease energy demand.
- Reduce carbon footprint.
- Give qualifying businesses the ability to improve energy efficiency without up-front out-of-pocket expense.
- No increase in net operating costs realized throughout the repayment period.
- Increase property value.
- Promote job growth in the clean energy sector.

RURAL MINNESOTA ENERGY BOARD

Mission Statement

The Rural Minnesota Energy Board is committed to cooperating in a joint venture to provide the greatest public service benefit possible for the 18-county area encompassed by the Counties in policy, planning, management, and implementation of methods to deal with energy and transmission in rural Minnesota.

Contact Us

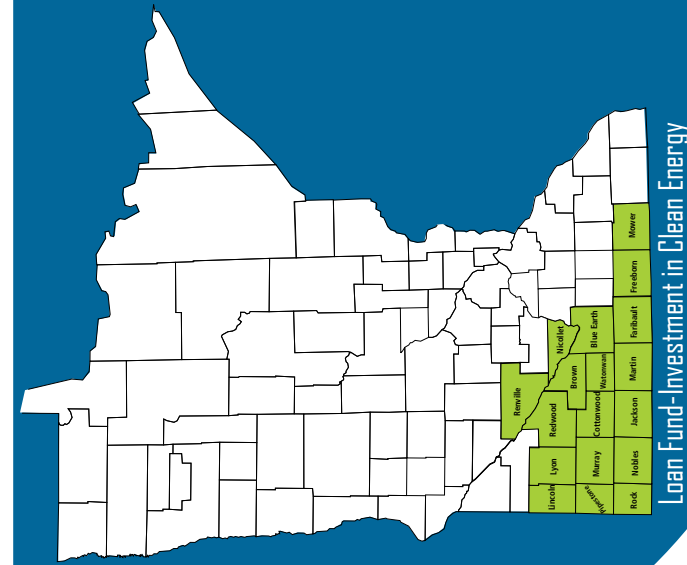
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Loan Fund-Investment in Clean Energy

RURAL MINNESOTA
ENERGY BOARD

Property
Assessed
Clean
Energy



This Program is administered by the SRDC on behalf of the Rural Minnesota Energy Board.

www.swrdc.org | f: SWRDCmn

This institution is an equal opportunity provider and employer.

6-29-2020

Property Assessed Clean Energy PACE

PACE is a **financing tool** used to assist commercial and agri-businesses with improvements to existing facilities that substantially increase energy efficiency.

Costs for the improvements are paid back through a special assessment on property taxes.

The increase in property taxes is offset by the **decrease in energy costs** so that the business sees no change in the bottom line.

PACE can assist with new construction (limitations apply), as well as renovation and retrofitting on commercial properties.

Solar and wind are eligible purposes of PACE financing.



Program Requirements

- The property must be for purposes of multi-family housing, commercial, industrial or agricultural use.
- The applicant(s) must be the legal owner of the property described in the application.
- The property must be located in the RMEB area.
- The Property owner must be current on all mortgages, must not be in bankruptcy and the property must not be an asset in a bankruptcy.
- There must be no federal or state income liens, judgment liens, or similar involuntary liens on the property.
- An Energy Audit/Assessment or Renewable Energy System Feasibility Study must be performed by a pre-approved energy auditor.

Projects could include, but are not limited to:

- LED lighting
- Improved Heating/Cooling
- Enhanced Insulation
- New Windows
- Solar

Example

Improvement Type	Operating Costs (Current)	Retrofit Costs	Operating Costs (New)	Annual Savings
Boiler System	\$39,375	\$46,000	\$17,730	\$21,645
Water Heater	\$13,230	\$22,000	\$6,024	\$7,206
Lighting	\$5,722	\$8,950	\$2,614	\$3,108
TOTALS	\$55,198	\$76,950	\$26,368	\$31,959

Loan Size

- Minimum PACE Loan: \$5,000
- Maximum PACE Loan will be lesser of:
 1. The actual cost of improvements, or
 2. Greater of 20% of the assessed property value or 20% of the appraised value.Maximum PACE loan of \$100,000.

Loan Term

- Maximum of 20 years to repay the loan.
- Loan term must not exceed the estimated life expectancy of improvement.

Interest Rates

- The interest rate is determined by the RMEB PACE Committee.

The improvements are considered a permanent fixture to the property and remain with the property through ownership changes.

