

PACE Frequently Asked Questions

What do local governments in Oakland County need to do to take advantage of PACE financing?

Nothing! Now that Oakland County has joined the Lean & Green Michigan PACE program, local governments don't need to take any action for businesses and nonprofits in their community to take advantage of the program.

How is PACE financing repaid?

Property owners use the money saved on their utility bills and operating costs from the PACE project to repay the loan. The property owner can pay the PACE lender directly or the property owner can pay via their property tax bill, which would require a city or township to collect the PACE payment in the same manner as property taxes and then remit the payment to the PACE lender. In most cases, the property owner will pay directly. In the case that they don't, Levin Energy Partners will help the city or township set up the collection process.

Where does the funding for the PACE program come from?

No government funds are used for PACE financing. The capital comes from private lenders specializing in PACE financing. Lean & Green Michigan maintains an active roster of lending partners and matches property owners with appropriate PACE lenders.

What property owners can use PACE financing?

PACE financing is available for commercial, industrial, multifamily, and nonprofit properties. Single family homes and government properties do not qualify.

What types of measures qualify for PACE financing?

PACE financing is for energy efficiency, water efficiency, and renewable energy measures. Nearly any upgrade that reduces utility costs and/or generates renewable energy qualifies. Everything from windows, doors, and roofs to electric vehicles, lighting, and solar.

What types of projects can qualify?

PACE works great for retrofits of already operating properties, new construction developments, and adaptive reuse projects. PACE can even be used to refinance projects that have already been completed within the last 3 years.



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When does it make sense to explore PACE for a given project?

As early as possible! PACE can have implications on how a project is designed and how it's financed, so it's best to start the conversation on PACE as early in the process as possible.

How much financing is available for an individual project?

While there are no formal limits on the size of a PACE project, there are practical ones. On the low end, PACE projects are generally larger than \$150,000. On the high end, a property could qualify for more than \$10 million in PACE financing. The size of a project is only limited by the value of the property, the potential utility savings from the project, and the existing debt on the property.

How do I know if a property owner is a good candidate for PACE financing?

The best way to determine if a property owner is a good candidate, is to ask two simple questions: Do they spend more than \$60,000 annually on utilities and is the property value higher than \$800,000? If so, there is a good chance PACE can work for them. To know for sure, contact Levin Energy Partners.

What's Lean & Green Michigan?

Lean & Green Michigan is a statewide pace program that local governments to join for free, creating one big and efficient PACE market with uniform rules. Levin Energy Partners manages Lean & Green Michigan and is the go-to place for all things related to PACE in Oakland County.

Whom do I contact to help property owners use PACE financing?

Contact Levin Energy Partners via phone at 313.444.1474 or info@levinenergypartners.com.