



PACE

PROGRAM

FOR COMMERCIAL OWNERS

a2energy is a partnership between the City of Ann Arbor and Clean Energy Coalition that aims to reduce energy use.

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saving energy. block by block.

PACE yourself. And save energy.



PROPERTY ASSESSED CLEAN ENERGY
use a voluntary special assessment to pay for energy projects.

Why PACE?

PACE financing has several potential benefits to commercial property owners over traditional loan products. Traditional financing programs are typically limited by short repayment periods, high or variable interest rates, stringent credit requirements that do not account for savings from improved energy efficiency, lack of equity and limited availability. PACE special assessments offer low fixed rates, eligibility determined by property value and longer repayment terms.

Who can apply?

The property eligibility requirements are as follows:

- Property meets the definition of commercial or industrial property
- Property is developed and within the current Ann Arbor jurisdictional boundaries
- Property title is vested in the applicant(s) without federal or state income tax liens, judgment liens or similar involuntary liens on the property
- Property owner is current on property taxes
- Property owner is current on mortgages
- Property owner is not in bankruptcy and the property is not an asset in a bankruptcy proceeding

What can PACE be used for?

Energy projects that may be eligible for PACE assessments include:

- Projects with a cost range of \$10,000 - \$350,000
 - Improvements should not exceed 20 percent of the property's State Equalized Value before energy improvements
 - Lien to value of property cannot exceed 99% of 2 times the State Equalized Value
- Energy analysis
- Insulation, weather sealing
- Efficient lighting and lighting controls
- Heating, ventilation and air-conditioning (HVAC) upgrades
- High-efficiency shower/faucet upgrades
- ENERGY STAR appliances
- Replacement of doors and windows
- Certain solar photovoltaic (electric) systems
- Wind turbine – 20kW or smaller
- Solar thermal (passive)
- Solar thermal hot water
- Ground source heat pump with a horizontal or vertical closed loop system
- Combined heat and power systems
- Biomass thermal system with appropriate installed and operated air pollution controls



No matter the season or structure, there are ways to reduce your energy use and save money. That's the PACE way.

How do I apply?

The application process consists of five basic steps: pre-application, application, review, installation and tracking. Pre-application is designed to assist the property owner in determining whether or not the property is a good candidate for a PACE assessment and the likely size of the energy project.

Please note that the Ann Arbor PACE program **requires a comprehensive energy analysis be performed prior to application submittal, unless:**

- 1) The Program Administrator determines the property is eligible for a limited energy analysis during the pre-application step.
- 2) An energy assessment meeting one of the following standards has been performed on the property:
 1. Energy analysis performed under the energy efficiency program sponsored by the Ann Arbor Downtown Development Authority.
 2. Energy analysis conducted using AHSRAE Level II or III protocols that is less than 3 years old

When do I get the funding?

At this time, the PACE program will make single disbursements of funds after the energy project has been completed.

How will I know my building is saving energy?

For measurement and verification, property owners will need to submit historical electric and natural gas usage for the pre-application step. After completion of the energy project, monthly energy use data will need to be submitted semi-annually. This will allow us to calculate the benefits of the Ann Arbor PACE program. Additionally, to provide ongoing verification of the maintenance of the improvements, property owners will be required to submit an annual certification.



For more information call 734.794-6430 x 43711.

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