

PROMOTING SUSTAINABLE REINVESTMENT IN COMMUNITIES



The Wisconsin Green Tier Legacy Communities (GTLC), the Wisconsin Counties Association (WCA), and the League of Wisconsin Municipalities (LWM) work together to continually seek new and innovative ways to improve our communities. We are excited about the opportunity for Wisconsin to implement a statewide Property Assessed Clean Energy (PACE) program, and we invite you to join us in making this rewarding initiative a reality.

What is PACE?

Communities across the United States are taking advantage of the economic development potential offered by PACE. PACE programs stimulate local economies by funding the upfront cost of energy efficiency, renewable energy, and water conservation upgrades for commercial and industrial buildings. The result? Business owners are empowered to save energy and money, create new jobs, and support the local economy—all without taxpayer assistance.

PACE helps communities:

STIMULATE – PACE-funded projects stimulate local economies by generating new business opportunities. Jobs are created, products and services are purchased, and building owners save money on operating costs—improving the market for investment in your community.

REVITALIZE – Aging properties can be revitalized through the installation of efficient windows, lighting, heating, ventilation and air conditioning (HVAC) equipment, and more—improving the local building stock and, in turn, helping raise the value of property and the potential tax base.

SUSTAIN – Many communities have established sustainability goals, but lack the resources necessary to achieve their objectives. PACE fosters the completion of energy and water conservation projects, giving communities one more tool with which to achieve sustainability goals.

PARTICIPATE – Building owner participation in PACE is 100 percent voluntary. No property owner is obligated to take any action—only those who choose to use PACE to improve their property pay the special charge.

PACE Commission: A Unified Approach

Creating a PACE program from the ground up can be time consuming and resource-intensive. That's why—with the support of the GTLC, the WCA, and the LWM—Wisconsin counties and municipalities are uniting to form a Joint Powers Commission to collectively and efficiently administer a single statewide PACE program. The initiative seeks to establish an open market PACE program for Wisconsin communities and building owners, minimizing the investment necessary to make PACE available in each municipality.

► THE JOINT EXERCISE OF POWERS AGREEMENT

To facilitate this goal, Wisconsin counties and municipalities enter into a joint exercise of powers agreement under Wisconsin Statute § 66.0301 (the “JPA”), by which they agree to form a Wisconsin PACE Commission (the “PACE Commission”). County members agree to adopt a Model PACE Ordinance (discussed below), and to delegate to the PACE Commission the ability to impose PACE special charges according to a single, uniform statewide PACE program in the County members’ jurisdiction. Municipal members (cities,

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villages, and towns) join the Commission, participate in its governance, and agree to support the uniform statewide PACE program. The statewide PACE program is then administered by a third party, responsible for handling day-to-day PACE financing application reviews and approvals, as well as payment collections on behalf of the PACE Commission.

► THE MODEL ORDINANCE

County members agree to adopt a Model PACE Ordinance as a condition of joining the PACE Commission. Among other powers, this ordinance authorizes the County to impose a PACE special charge, collect payments for the special charge in installments, place those installments on the tax roll at its discretion, and delegate that authority to the PACE Commission.

An Efficient Solution for Your Community

- **Statewide approach** – The PACE Commission will adopt uniform standards, documents, and best practices to be applied consistently across the state. A single PACE program will promote scalability by simplifying participation for stakeholders (financial institutions, contractors, project developers, and building owners).
- **Project compliance** – Serving as an agent of the PACE Commission, the Program Administrator will maintain and enforce comprehensive program guidelines to ensure each PACE project meets the requirements of the Wisconsin PACE Statute and program goals.
- **Single point of access** – The Program Administrator serves as a single point of access for stakeholders participating in or hoping to participate in PACE. The Administrator is the go-to contact for project reviews and PACE program approvals. Current and prospective participants always know where to turn should they have any questions regarding the program.
- **Open market** – The PACE Commission will establish an “open market,” meaning any qualified lender can participate—providing property owners with access to competitive rates and financing terms. Furthermore, any contractor or project developer can work on a qualified project, fostering local business development.
- **Lender consent** – The PACE Commission will require mortgage lenders to consent to PACE loans made on properties on which they hold a lien, ensuring PACE projects receive buy-in from necessary stakeholders



while helping promote the economic viability of PACE-funded projects.

- **Low cost** – Neither credit exposure, dedication of general funds, or allocation from constricted budgets are required for local governments to implement PACE. To help promote low-cost, efficient implementation, PACE will be administered by a Wisconsin nonprofit organization which will recover its costs through completed project fees.

We Want to Hear From You!

The State of Wisconsin has adopted the necessary legislation required to implement PACE on a local level, and the PACE Commission is forming to collectively create and offer a single statewide PACE program. Now, it's up to each community to get involved! Contact any of the organizations or individuals below to help make Wisconsin's statewide PACE program a reality.

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