



Property Assessed Clean Energy (PACE)

Mary Freeman, Lean & Green Michigan
Doing Development in Detroit District 4
April 22, 2025





Lean & Green Michigan created and runs Michigan's PACE market



We pioneered the idea of a uniform statewide PACE market that is privately run, efficient and open to all

Lean & Green Michigan:

Creates and administers the program for each participating local government

Connects commercial property owners, private lenders and local contractors

Sees projects through from beginning to end

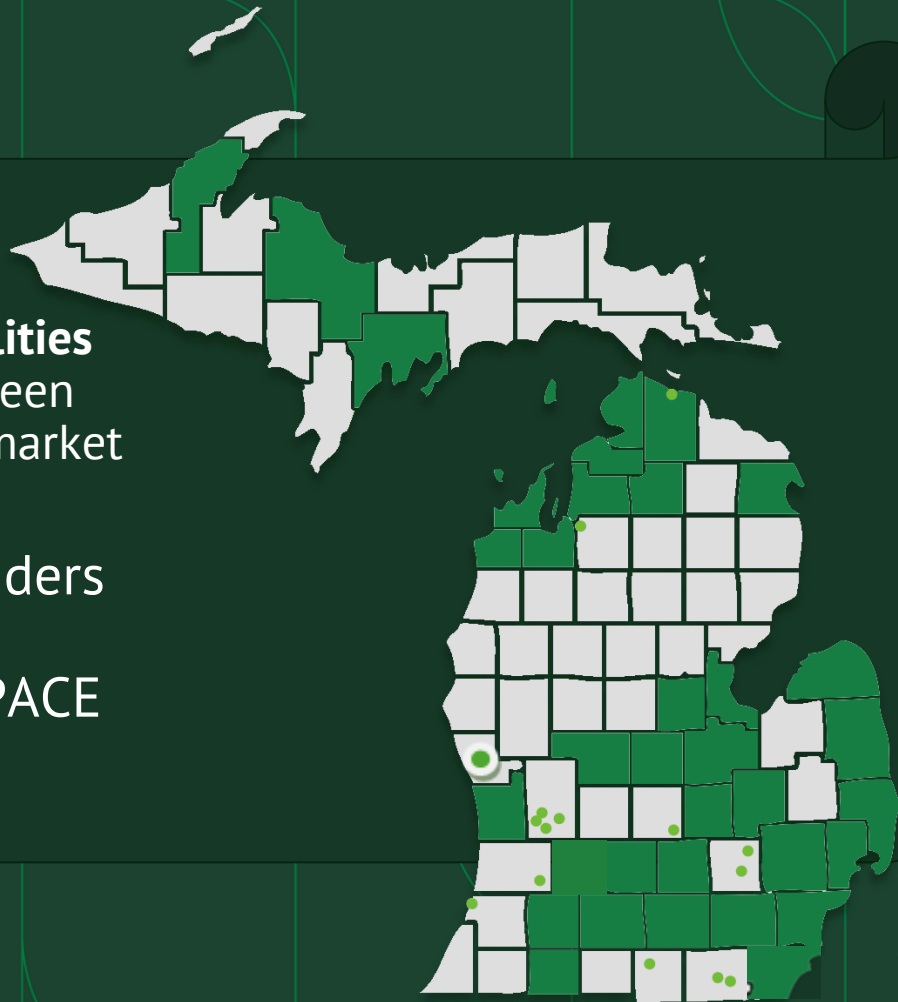
There is **no cost** to local governments

Earns money only on successfully closed projects - and our **fee is rolled into the loan**



61 Michigan municipalities
have joined Lean & Green
Michigan's statewide market

81% of Michiganders
live in a Lean &
Green Michigan PACE
district.





Eligible Properties

PACE financing in Michigan is limited to **privately owned** industrial, agricultural, or commercial properties.

- Retail
- Office
- Hospitality
- Nonprofits
- Multi-family housing with four or more units
- Senior living facilities
- Mixed-use





Benefits of PACE (a true win-win-win!)



Funding Brings in private capital for energy & water efficiency, renewable energy and enviro. hazard mitigation

Fixed Interest Rates Property owners get 100% up-front financing and long-term fixed interest rates (up to 25 yrs)



Lending Security PACE lenders get the security of a property lien created by the special assessment

Property Improvement Helps make property efficient and cost-effective for all situations: retrofits, gut rehabs & new construction

Increased Property Value Results in increased business profitability and property values, as well as improved sustainability of the real estate asset



New High Quality Jobs created for local workers



Eligible Improvements



Energy Efficiency: lighting, HVAC, windows, insulation, roofing, caulking, EV charging



Water Efficiency: stormwater recapture, low flow toilets / sinks / shower heads, greywater systems



Renewable Energy: biomass, solar or solar thermal systems, wind energy, geothermal, CHP

Environmental Hazards: mitigation of lead, PFAS and other harmful substances in drinking water and protection against effects of severe weather such as drought and flood



Anaerobic Digester Energy Systems: systems to capture methane gas





PACE as Part of a Capital Stack

PACE works in almost any complex capital stack with:

- *Utility Rebates*
- *Traditional Bank Finance*
- *Historic Tax Credits*
- *Brownfield TIF*
- *Solar Tax Credits*
- *USDA-Backed Loans*
- *HUD-Backed Housing*
- *Economic Development Incentives*

STATEWIDE MARKET DATA



87

PACE projects financed
since 2015



\$308 million

Private investment

LEAN & GREEN IMPACT

| | |
|----------------------------|---------------|
| kWh of Electricity Savings | 716,809,691 |
| Metric Tons of CO2 Savings | 1,220,148 |
| Gallons of Water Saved | 857,530,252 |
| Money Saved | \$342,000,000 |
| Jobs Created | 3,549 |





511 Woodward

Wayne County

\$2,720,090 Financed in PACE



AC Detroit at the Bonstelle

Wayne County

\$8,163,587 Financed in PACE



The Cambria Hotel Detroit

Wayne County

\$20,038,760 Financed in PACE





The Whitney

Wayne County

\$863,130 Financed in PACE



The Hazelwood Apartments

Wayne County

\$2,110,000 Financed in PACE



The Exchange

Wayne County

\$13,000,000 Financed in PACE



The Samaritan Center, Wayne County

Total Savings: \$8,209,250

Energy Conservation Measures:

- HVAC
- LED Lighting
- Water Systems
- Chillers and Boilers
- Elevators

Project Term: 25 years

\$3,268,000 Financed in PACE



Stellar Residence Inn

Grand Traverse County

\$5,307,803 Financed in PACE



Romulus Self Storage Wayne County

*District 11, Commissioner
Al Haidous*



\$1,500,000 Financed in PACE

- **Total Savings:** \$1,440,400
- **Energy Conservation Measures:**
 - HVAC
 - Building Envelope
 - Windows
 - LED Lighting
 - Plumbing
- **Project Term:** 25 years





Thank You!

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