

# MinnPACE

Commercial Property Assessed Clean Energy (C-PACE)

MinnPACE is a game-changer for commercial property owners across the State of Minnesota. With the backing of state legislation, MinnPACE offers 100% financing for energy efficiency upgrades and renewable energy installations. Payments are rolled into a voluntary tax assessment and no payments are due until May of the following year.

## ROLES AND RESPONSIBILITIES

The Saint Paul Port Authority is the primary administrator for C-PACE financing in the State of Minnesota through its MinnPACE program. As such, joint powers agreements are in place with most counties and cities, giving MinnPACE the authority to place voluntary tax assessments on commercial properties for the repayment of qualifying investments.

## C-PACE BENEFITS

- 1 100% financing with no upfront costs (including soft costs)
- 2 Long-term, fixed-rate financing (up to 30 years)
- 3 Less energy consumption and lower utility bills (win-win)
- 4 Increased property values and enhanced marketability

- 5 Ability to pass payments onto tenants
- 6 Ability to transfer assessments to new owners in the case of a sale
- 7 Ability to pair with rebates and tax incentives to accelerate the ROI

## ELIGIBLE ENERGY IMPROVEMENTS

To qualify for a C-PACE loan, an energy audit is required to show a net reduction in energy consumption or green house gas emissions. In most cases, if the project qualifies for a utility rebate it should also qualify for the MinnPACE loan.

### Common investments include:

- Rooftops
- Building Envelopes
- Windows
- Solar
- HVAC
- Water conservation
- Boilers + Chillers
- Lighting
- Refrigeration
- Compressed Air
- EV chargers
- Climate resiliency

## QUALIFYING PROPERTIES

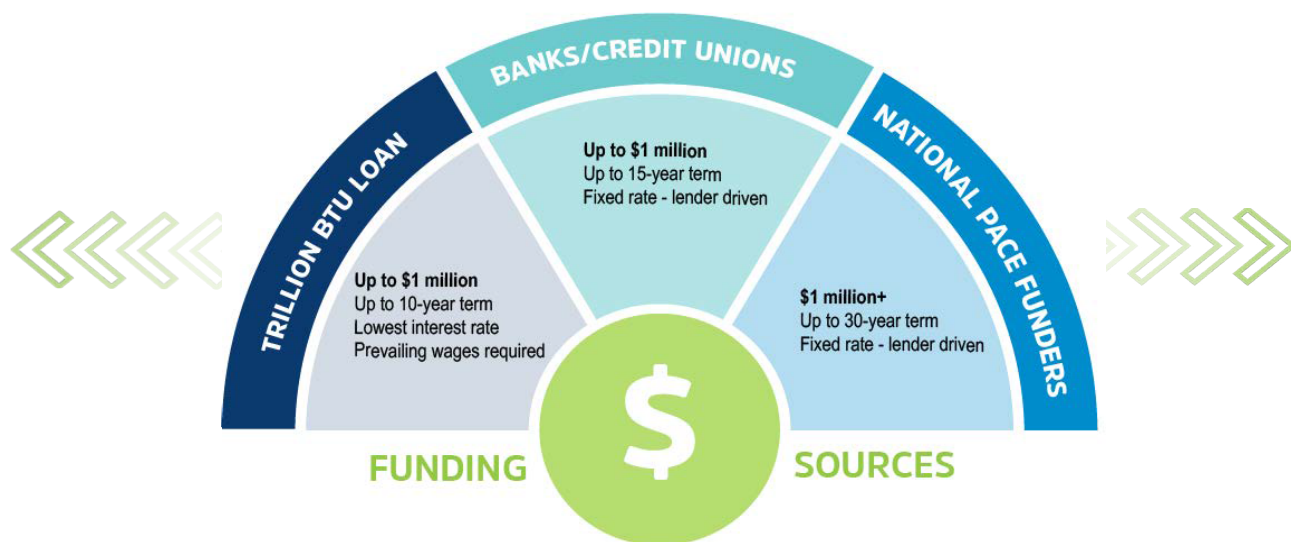
Almost any commercial property can qualify for a MinnPACE, including new construction and retrofits. Most fall into the following categories:

- Commercial Properties (retail, office, etc.)
- Farming Operations
- Industrial Properties (mfg., warehouse, etc.)
- Multifamily Housing (5+ units)
- Nonprofits



## C-PACE LENDERS

When you choose MinnPACE financing, funds can come from one of three sources: a local bank or credit union, the TrillionBTU loan program, or a national PACE funding source. You choose based on the needs of your project. No matter where the funds come from, the MinnPACE team will work your city or county to place the assessment and direct loan payments to the lender twice per year.



## WHERE TO START

1. Review eligibility by answering these questions:

Are you improving a commercial property? Are you the owner? Do you expect energy savings or a reduction in greenhouse gas omissions?

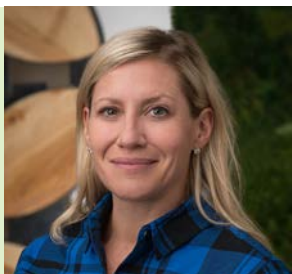
2. If yes, contact a professional contractor or energy engineer to get a project bid and move forward with an energy study.
3. Connect with MinnPACE as early in the process as possible and we will guide you through the rest of the process.

## SAVE BIG ON SOLAR

With the Inflation Reduction Act of 2022, commercial property owners now qualify for a 30% tax credit for solar projects. There is an additional 10% tax credit for installation of domestic panels and 10% for projects in low-income neighborhoods.

Tax credits can be paired with accelerated depreciation and rebates. By layering these benefits together, we have seen property owners decrease the cost of solar by as much as 70%.

Add MinnPACE to the mix, and payments stay low with a fixed rate for 10-30 years and no prepayment penalties. It is a great way to save energy and watch your profits grow.



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