

Kandiyohi County announces new financing tool for energy efficiency & renewable energy improvements

PACE financing eliminates up-front costs and is repaid through tax assessments

FOR IMMEDIATE RELEASE

February 1, 2016, Willmar, MN – Interest in energy efficiency for buildings and adding renewable energy like solar has been growing in recent years in Kandiyohi County. A new financing tool called Property-Assessed Clean Energy, or PACE, will now help adoption of these energy technologies grow even faster.

Newly available to businesses, farms, multi-family housing, nonprofits, and places of worship in Kandiyohi County PACE provides project financing that is repaid as a separate item on property tax assessments for a set period. In this way, PACE eliminates the burden of upfront costs by providing low-cost, long-term financing.

“We’ve been hearing from businesses in Kandiyohi County that are looking for an easy way to pay for energy-saving improvements to their buildings, and PACE is an excellent tool for helping them get it done,” shared Roger Imdieke, Kandiyohi County Board Chairman.

Examples of potential building improvements that can be financed with PACE are solar arrays, HVAC upgrades, LED lighting, condensing boilers, digital controls, insulation, variable-frequency drive motors, building automation systems, and other water and energy conservation measures.

“PACE financing is different than a traditional loan and will help building owners in Kandiyohi County overcome several barriers to making energy-related building improvements,” Roger Imdieke continued. “For starters, there are no upfront costs and there is less of a reliance on credit. Also, unlike a loan, when a transfer of ownership of the property takes place, the PACE assessment obligation stays with the property, not the property owner. In addition, PACE assessments can generally be repaid over longer terms than a bank might allow.”

Kandiyohi County signed a joint powers agreement with the Saint Paul Port Authority on January 19th, 2016 authorizing the new PACE program. The Saint Paul Port Authority provides the PACE funding and administers all aspects of the program. Kandiyohi County places the assessment on the property, collects payments each year, and passes money back to the Port Authority.

If people want to learn more about PACE and take action, the Minnesota Clean Energy Resource Teams (CERTs) have an extensive resource page with program details and applications, factsheets, success stories, and frequently asked questions at <http://www.cleanenergyresourceteams.org/pace>.

