

WI DNR Brownfield Task Force

October 10, 2019

PACE Financing for Brownfield projects – Implementation Questions & Sample Guidelines

- Is an ordinance change required before Brownfield projects are eligible for PACE Financing in the PACE Wisconsin program according Section 66.0627(8) (PACE Financing)?
- What brownfield related project costs may be eligible for PACE Financing? Can the cost of any required monitoring be included in the PACE Financing?
- Does the task force recommend that PACE WI align any brownfield PACE Financing related approval process with the DNR brownfield review and approval process? If yes, can the task force assist with compiling documentation for appropriate guidelines to describe this process?
- Other questions/considerations?

PACE WI adopted an updated version of the program guidelines that amended the document to include brownfield redevelopment as an eligible improvement. Below is a sample of PACE WI

Brownfield Guidelines:

2.0 Definitions

This section establishes definitions of terms used in this Program Manual. ..

Brownfield – Abandoned, idle or underused industrial or commercial facilities or sites, the expansion or redevelopment of which is adversely affected by actual or perceived environmental contamination.

Brownfield Revitalization Project - Any of the following actions when taken upon commercial or industrial premises that are located on, or that constitute, brownfields, as defined in s. 238.13 (1) (a):

1. Site assessment.
2. Remediation.
3. Lead or asbestos abatement.
4. Demolition.
5. Standard site preparation actions not included in subds. 1. to 4.

4.2 Eligible PACE Projects

PACE Wisconsin supports the redevelopment of existing Eligible Properties with Energy Conservation Measures and/or through Brownfield Revitalization Projects (also referred to as “PACE Projects”). New construction PACE Projects and Retroactive PACE Projects are also eligible, but require additional verification and documentation (see additional details in [Section 4.3.4 New Construction PACE Projects](#) and [Section 4.4 Retroactive Projects](#), below). An eligible PACE Project must meet the following criteria:

- Repayment terms for PACE Financings for Brownfield Revitalization Projects are not limited by the life of the improvements and may exceed 20 years.
- In addition to, or separately from, funding the installation of ECMs, PACE Financing may be used to fund for eligible expenses for Brownfield Revitalization Projects.

4.3 Energy Assessment Requirements

An Eligible Property Owner must obtain an Energy Assessment for the PACE Project, if the PACE Project includes the installation of one, or more, ECMs. If the PACE Project includes only Brownfield Revitalization Project(s), the Applicant is encouraged to evaluate eligible clean energy improvements, but is not required to obtain an Energy Assessment.

4.7 Brownfield Revitalization Project Assessment Requirements

The PACE Wisconsin Program Administrator will review an assessment of each Brownfield Revitalization Project based on the considerations established under the applicable statute (WI Statute 238.13(3)), and as may be amended:

- (a) The potential of the Brownfield Revitalization Project to promote economic development in the area.
- (b) The level of financial commitment by the Applicant to the Brownfield Revitalization Project.
- (c) The extent and degree of soil and groundwater contamination at the project site.
- (d) The adequacy and completeness of the site investigation and remediation plan.
- (e) Any other factors considered by the corporation to be relevant to assessing the viability and feasibility of the project

PACE Projects that include only a Brownfield Revitalization Project are not required to achieve a certain Savings-To-Investment ratio and not required to obtain a Savings Guarantee.