



June 16, 2021

Chairman Joseph N. Bellino
Michigan House Energy Committee

Capital Providers

Castle Green
CleanFund
Counterpointe SRE
Dividend Finance
Greenworks Lending
Inland Green Capital
PACE Equity
PACE Loan Group
Petros PACE Finance
Stonehill
Twain Financial

Law Firms

Bricker & Eckler
Chapman and Cutler
Hirschler
Kramer Levin
Norton Rose Fulbright
Stinson
Winston & Strawn

Accounting Firms

Novogradac & Company

FinTech Partner

T REX

Service Provider

Citadel SPV

Dear Chairman Bellino and Members of the Committee:

I am testifying on behalf of the C-PACE Alliance (CPA), a coalition of major capital providers and transaction experts in the C-PACE industry, to express support for the C-PACE financing bills before the committee today. CPA includes the largest private investors and law firms that specialize in this type of financing. Our members have invested in or professionally advised on nearly all the \$2+ billion in C-PACE projects nationally. For more information, see www.c-pacealliance.com.

C-PACE is an alternative source of financing available for commercial properties (i.e., excluding 1- to 4-unit residential dwellings). Property owners can use C-PACE financing to cover 100% of the costs of projects for energy efficiency and renewable energy generation. All funding comes from the private sector. No public or taxpayer dollars are used in C-PACE financing.

We commend Michigan on enacting one of the first C-PACE programs in the country in 2010. Michigan has approved over \$36 million in clean energy projects despite the statutory restrictions that other states do not have. The purpose of the proposed legislation is to expand access to C-PACE and update Michigan law to be in line with other states' successful programs.

- More uses of C-PACE (new construction; water usage, environmental hazards, and protection against severe weather).
- More choices for owners on the financing amount (owners can determine the amount they wish to borrowing, provided the mortgage holders consent).

Expanding C-PACE financing will help spur the engineering and construction jobs that the Michigan economy will need in the aftermath of the pandemic.

Thank you for the opportunity to comment, and I am glad to address any questions from the Committee.

Sincerely yours,

Cliff Kellogg
Executive Director

