

THE RADISSON HOTEL

MORE THAN \$2 MILLION IN ENERGY & WATER UPGRADES



Project Quick Stats:

PACE district: Wayne County

Property owner: Jeff Katofsky

Energy auditor: G-Energy

PACE consultant: RAHILL Capital

PACE lender: Twain Financial

Amount financed: \$2,121,278.80

Project term: 20 years

Total 20 year savings: \$3,037,312.00

Energy conservation measures: LED lights, low-flow faucets and toilets, reflective roof, efficient HVAC units and controls, pool dehumidification, walk-ins and coolers.

Impact: The project will result in major reductions in energy consumption across multiple categories, eliminating over 372 metric tons of carbon output annually.

- That's like taking 80 vehicles off the road each year!

Overview

In October 2017, the Radisson Hotel at the Detroit airport notched the largest PACE project in Michigan to date -- and the second in Wayne County in three months. Owner Jeff Katofsky and RKJ Hotel Management, LLC used more than \$2 million in PACE financing to undertake many high-efficiency energy and water upgrades, making the Radisson and its 272 rooms a model of sustainability.

Using an energy audit from G-Energy, expert PACE guidance from RAHILL Capital, and 100% financing from Twain Financial, Michigan's first PACE project at a hotel was also one of its most comprehensive. The "clean energy makeover" included LED lights, a reflective roof, low-flow faucets and toilets, HVAC systems and controls, pool dehumidification and more.

With these energy & water efficiency improvements, Mr. Katofsky and his team have created a hotel destination that is less costly to operate, more comfortable for guests, and a guidepost for other Michigan hotels and properties.



PACE Financing

Commercial building owners spend \$200 billion per year on utilities, yet 30% of this is waste. The energy projects that could make these properties efficient often require significant up-front capital and take years to achieve profitability. Commercial loans typically have a tenor of 3-5 years, making the annual repayment greater than the energy savings. PACE changes all this by allowing property owners to finance energy efficiency and renewable energy projects via a property tax special assessment.

The County's elected leaders created a countywide PACE district in December 2013 by joining the statewide Lean & Green Michigan PACE program. Since the County will enforce the PACE assessment just like any other property tax obligation, lenders feel secure in providing fixed-interest loans with terms of up to 25 years. The result is 100% financing to facilitate energy saving projects. In addition, these projects create good jobs and communities upgrade their building stock, increasing the local tax base over time.

Partners



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Lean & Green Michigan™ helps commercial, industrial and multi-family property owners take advantage of PACE to finance energy projects, eliminate waste and save money through long-term financing solutions that make energy projects profitable. Lean & Green Michigan™ is a public-private partnership that works with local governments, contractors, property owners, and lenders to invigorate Michigan's PACE statute with a market-based approach to energy finance and economic development.

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