



February 2021

Commongrounds Cooperative

Grand Traverse County's first PACE project

Grand Traverse County's first PACE project brings a new 4-story mixed-use and energy efficient addition to the Traverse City community. Once completed in 2021, Commongrounds will serve as a collaborative space that will integrate wellness, connectivity, and culture through cooperative real estate ownership.

When planning their project, the Commongrounds team envisioned the creation of a building that could be used to not only house different sectors and community needs, but also exhibit their values for sustainability. With help from PACE, the team was able to turn vision into reality and develop a truly sustainable real estate project. The money saved by investing in sustainability can now also be used to reinvest in Commonground's core mission of meeting community needs and increasing quality of life in the Traverse City region.

With its diverse portfolio of energy conservation measures, Commongrounds showcases the range of qualifying energy saving improvements that can be included with a PACE project. Commongrounds also marks the Michigan PACE market's first ground lease PACE project, with the participation of Commongrounds Cooperative.

✓ Project Quick Stats

PACE District: Grand Traverse County

Property Owner: Commongrounds, LLC

PACE Contractor: Inhabitect, G-Energy

PACE lender: CounterpointeSRE

Amount Financed: \$1,850,000

Net Savings: \$1,959,916

Total Savings: \$2,347,357

Energy Conservation Measures:

- Roofing (14% Green, 11% Pavers, 75% Ballast)
- 30 kW solar PV
- Snow melting system
- Energy recovery ventilator
- Domestic hot water

Project Term: 25 years

Impact: The PACE project at Commongrounds is expected to save 259,834 gallons of water and 4,318 metric tons of CO₂, which is the equivalent of eliminating the energy use of 520 homes over the next 25 years!

Lean & Green Michigan

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.

Project Partners



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.

Grand Traverse County's elected leaders created a countywide PACE district in April 2014 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% up front 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.

Contact Us

info@leanandgreenmi.com
313.444.1474

500 Temple Street #6270
Detroit, Michigan 48201

