

CITY OF MILWAUKEE PACE PROGRAM

REQUEST FOR QUALIFICATIONS (RFQ) FROM INTERESTED PACE CAPITAL PROVIDERS

Purpose

The City of Milwaukee (“the City”) established a Property Assessed Clean Energy (PACE) financing program to help existing building owners make energy saving, water saving, and renewable energy upgrades to their properties within City limits. The Program also enables the adoption of these measures in new construction projects and can support the revitalization of recognized brownfield sites. Milwaukee’s PACE program improves the business case for energy efficiency and clean energy projects from the perspective of building owners while creating a secure environment for lenders. In so doing, the program helps to create local jobs, improves Milwaukee’s building stock, reduces the long-term operating expenses of buildings, and improves the environment.

The Milwaukee PACE model is designed to mobilize private capital for viable energy improvements, without the City having to issue bonds. Milwaukee PACE projects are executed under a PACE Supplemental Loan Agreement (tri-party agreement) between the building owner, City, and PACE Capital Provider. Through this arrangement, the Capital Provider issues funding to the building owner and the building owner repays the financing annually, or semi-annually via direct billing of the installment amount by the Program Administrator, on behalf of the City. The Program Administrator then remits the payments it receives to the PACE Capital Provider and the City has the power to foreclose on the property if the building owner fails to make payments.

In 2021 The City of Milwaukee contracted with Slipstream for Program Administration of PACE. Slipstream (“Program Administrator”) and the City developed updated Program Guidelines as well as the PACE Capital Provider RFQ and Agreement documents. The Milwaukee PACE program continues to operate under the authorization of [Ordinance 304-26.5](#).

Program Authorization and Policies

PACE policies in Milwaukee flow first from Wisconsin State Statute [66.0627\(8\)](#), then by City ordinance [304.26.5](#), and finally through administrative rules, approved by the City’s Environmental Collaboration Office (ECO) and documented in the City of Milwaukee PACE Program Manual, which is available to be viewed on the City of [Milwaukee PACE website](#).

The City of Milwaukee approves PACE transactions and is a signatory to the PACE Supplemental Loan Agreement only. The City’s Program Administrator manages the financing application process, as well as the processes for approving PACE Capital Providers and Installation Contractors for participation in the program.

The City and the Program Administrator seek organizations and persons interested in becoming qualified as a PACE Capital Provider (“PCP”). PACE Capital Providers are financial institutions which have received approval from the Program Administrator to provide financing for PACE projects through City of Milwaukee PACE.

A "Financial Institution" shall be any person who in the ordinary course of business extends credit based on a lien, mortgage or security interest in real property or an encumbrance of real property, or relies upon a lien, mortgage or security interest in real property or an encumbrance of real property to secure a current, contingent or future payment obligation. The term includes, but is not limited to, the following:

- 1) A bank, savings association, trust company, credit union or a subsidiary or affiliate of a bank, savings association, trust company or credit union.
- 2) A person engaged in the mortgage lending business
- 3) A person registered as a management company or unit investment trust or treated as a business development company under Wisconsin State law.
- 4) An insurance company.
- 5) A pension or employee health and welfare fund.
- 6) An association, firm, corporation, partnership, limited liability company, trust, joint venture or other legal entity engaged in construction or the development or improvement of real property.
- 7) A Federal, State or local agency, authority or an instrumentality of a government entity that is engaged in the financing or supports the financing of real estate development or the purchase or improvement of real estate.

The process for becoming a qualified PACE Capital Provider is as follows:

- 1) The interested capital provider must respond to this RFQ for consideration by the Program Administrator.
- 2) If the RFQ is approved by the Program Administrator, the Capital Provider will execute a Milwaukee PACE Capital Provider Agreement, which will be counter-signed by the Program Administrator.
- 3) Upon approval by the Program Administrator and execution of a PACE Capital Provider Agreement, the capital provider will be listed on the Milwaukee PACE website (<https://city.milwaukee.gov/bbc/services/PACE-Financing>) as a participating PACE Capital Provider. (A Capital Provider may elect to not be listed on the program website).
- 4) The Capital Provider may seek approval for a PACE financing,

RFQ Submissions:

Financial institutions must submit their RFQ submission by email to info_pace@slipstreaminc.org. Financial Institutions may also call 800.522.3014 with any questions regarding this RFQ.

There are no deadlines for interested applicants to submit an RFQ response. The Program Administrator will inform respondents of their status within two weeks of receipt of their submission. At its discretion, the Program Administrator may contact respondents to schedule an interview to resolve any questions. The PACE Capital Provider may have its status rescinded according to the terms of the PACE Capital Provider Agreement.

Please complete all applicable fields on the RFQ form. Financial institutions may attach supporting documents and additional explanations to their responses, as needed.

RFQ Responses

Company Name: _____

State in which the company is incorporated: _____

Name of Business as recorded in home state, if different: _____

Key point of contact for your institution:

Name & Title: _____

Address: _____

Telephone #: _____

Email address: _____

Principal regulator(s) of your institution. If not a regulated firm or financial institution, provide the names, titles, emails, and direct telephone numbers of three professional references for the firm or, if recently formed, for the firm's principal partners.

Name & Title: _____

Address: _____

Telephone #: _____

Email address: _____

Name & Title: _____

Address: _____

Telephone #: _____

Email address: _____

Name & Title: _____

Address: _____

Telephone #: _____

Email address: _____

Further background on your institution (including years in business and total assets) that demonstrate the capabilities and interest to provide financing for PACE projects in Milwaukee.

Personnel that can be devoted to these transactions.

Name & Title: _____

Telephone #: _____

Email address: _____

Name & Title: _____

Telephone #: _____

Email address: _____

Amount of capital your institution would be willing to provide to the City of Milwaukee PACE market. This number will be non-binding.: _____

Minimum PACE Financing amount you are willing to fund: _____

Maximum PACE Financing amount you are willing to fund: _____

Please indicate if your institution currently provides financing for PACE programs

Yes No

In which states/ programs is your institution registered as a PACE Capital Provider?

In which states/programs have you closed a PACE Financing?

The City of Milwaukee may decline to foreclose on properties that have real or perceived environmental contamination. In those case, the PACE Capital Provider may request that the City, pursuant to s. 75.106, Wis. Stats., assign the City's right to take judgment against the subject property (see Question

13 of FAQs on page 14). Based on this, are you willing to provide PACE financing for properties with real or perceived environmental contamination, such as industrial properties? Yes No