**Financing the Transition to Regenerative Agriculture**

**What is C-PACE?**

Commercial property assessed clean energy (C-PACE) is a place-based financing mechanism that leverages private capital to fund an array of improvements to non-residential properties. It allows a property owner to finance the full up-front cost of eligible improvements on a property and repay the financing over an extended loan term, through a voluntary assessment.

**What kinds of sustainable agriculture improvements are eligible for PACE financing under the amendment?**

C-PACE can be used to finance improvements that are “permanently affixed” to a property, meaning that they cannot be moved, and achieve at least one of four outcomes:

1. Reduces flooding
2. Reduces water flow into waterways.
3. Reduces polluting runoff
4. Reduces topsoil loss or erosion

For example, fencing and buildings could be covered, but movable equipment like tractors or planters could not. Eligibility of proposed improvements is validated at the project level. Covered costs may include:

* Pasture establishment
* Permanent cross-fencing
* Permanent water systems
* Solar chargers
* Winter feeding structures
* Trees for agroforestry, silvopasture, or windbreaks
* Protection for young trees

**What are the benefits of C-PACE?**

C-PACE offers an advantageous financing strategy to agricultural producers:

* Can fund 100% of eligible direct project costs as well as certain project development and transaction costs.
* Extended amortization and repayment periods make loan payments affordable
* Fixed interest rates reduce risk for borrowers.
* Capital from impact investors may be offered with additional advantageous terms.
* Loans run with the land and are non-recourse against the borrower, thus reducing personal exposure for the borrower.
* Annual, or semi-annual, payments align with seasonality of agribusiness cash flows.

**How to Get Started**

Funding sustainable agriculture improvements with C-PACE involves collaboration by multiple parties, including: a landowner, a C-PACE lender, a conservation expert, and the PACE Wisconsin Program. To get started, please visit the PACE Wisconin [Project Center](https://www.pacewi.org/project-center.html) and complete a no-commitment pre-application.

For more information, please visit [pacewi.org](https://www.pacewi.org/) or contact Dan Streit ([dstreit@slipstreaminc.org](mailto:dstreit@slipstreaminc.org), 608.729.6954).