



**Energy and Environment Committee
Regular Agenda
May 12, 2015
5:30 PM
Meeting Room 1**

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of Minutes**
 - 1. Draft Meeting Summary 04-14-2015**
Summary:
- 4. Unfinished Business**
 - A. Recycling***
 - i. Trash and Recycling Contract - Director of Public Works**
 - B. Compost and Yardwaste***
 - C. Bicycle Friendly Roads***
 - D. Electric Car Charging Stations***
- 5. New Business**
 - A. PACE Equity Presentation***
 - 1. PACE Equity Presentation**
Summary:
- 6. Business from Members**
- 7. Business from Council/Staff Liaison**
- 8. Adjourn**



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1. Call to Order

Chairman Lefton called the meeting to order at 5:34 PM.

2. Roll Call

Ben Lefton	Chairman	
Alexis Travers	Vice Chairman	
George Hall		
Sheerie Green		
Charlotte D'Alfonso	Councilman	
Andrea Muskopf	HR Asst	
Judy Sherman		
Hal Harris		
Joseph Martinich		(Absent)
Molly Hyland		(Absent)
Samuel Marquez		(Absent)

3. Approval of Minutes

1. March 10, 2015 Meeting Summary

Summary:

Committee Member Martinich motioned to amend minutes from "appoint Committee Member Lefton" and "appoint Committee Member Travers" to "elect Committee Member Lefton" and "elect Committee Member Travers". Committee Member Green seconded the motion. All were in favor.

RESULT:	APPROVED [UNANIMOUS]
AYES:	Lefton, Travers, Hall, Green, Sherman, Harris, Martinich
ABSENT:	Hyland, Marquez

4. Unfinished Business

Council Member D'Alfonso reminded everyone of the requirements under the Sunshine Law regarding email communications and that all emails are recorded by the city. She informed the Committee the emails with instructions for Staff Liaison Muskopf and Council Member D'Alfonso should be sent to Chairman Lefton. Committee members may copy Staff Liaison Muskopf and Council Member D'Alfonso on the emails to the Committee Chairman and Vice Chairman.

5. New Business

A. Recycling

The Committee discussed the city's trash and recycling contract and the city's ability to be reimbursed by the tonnage recycled by residents. The Committee discussed ways to help raise recycling tonnage including creating a "goals" sign and placing educational articles in the city's newsletter. For the next meeting, the Committee will consider ways to motivate and incentivize residents and commercial properties to increase recycling. The Committee will also consider how to create a program focused



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on commercial properties, propose the program to the City Council, and determine implement the program.

B. Compost and Yardwaste

The Committee discussed the hauling of the city's yard waste and the possibility of creating a compost selling program (i.e. collecting and selling the compost or collecting and giving compost to residents).

C. Bicycle Friendly Roads

The Committee discussed the need to educate residents about sharing the road with bicyclists. The city currently places "Share the Road" signs where possible and the Committee would like to explore additional means of education by talking to MoDOT. The Committee would like to promote commuters to ride their bikes by making the roads safer and adding bicycle stands throughout the city. Staff Liaison Muskopf will send the Committee information from the Gateway Bike Plan.

D. Electric Car Charging Stations

This item has been deferred to the June meeting.

6. Business from Members

7. Business from Council/Staff Liaison

Council Member D'Alfonso reminded the Committee that the city will be hosting the first STEAM event to celebrate the city's rich tradition in innovation in Science, Technology, Engineering, Arts, and Mathematics (STEAM) on Saturday, April 18 from 1-4 PM in the Multi-Purpose Room. The Committee will not be participating as a vendor at this year's event but will consider participating next year.

Council Member D'Alfonso reminded the Committee that the Horticulture, Ecology, and Beautification Committee will be hosting an Arbor Day event on Sunday, April 26 in Millennium Park.

Staff Liaison Muskopf informed the Committee that interviews for an intern will take place during the week of April 20 and a decision should be made within the month.

Staff Liaison Muskopf informed the Committee that Director of Public Works, Jim Heines, will be present at the May 12 meeting. Questions should be submitted to Chairman Lefton no later than May 1 to allow Mr. Heines adequate time to prepare.

Staff Liaison Muskopf informed the Committee that Anne Hill with PACE Equity and Josh Campbell with Missouri Energy Initiative will be attending the May 12 meeting to present the Committee with information regarding Missouri's Property Assessment Clean Energy (PACE) Act and to request that the city establish a new board.

8. Adjourn

Committee Member Martinich motioned to adjourn. Vice Chairman Travers seconded the motion. All were in favor. The meeting adjourned at 6:45 PM.

PACE Solution

What is PACE?

- ✓ Property Assessed Clean Energy (PACE) is an innovative way for owners to pay for upgrades to buildings
- ✓ PACE covers 100% of the improvement costs, up 20% of a buildings value, repaid through a tax assessment on the property for up to 20 years.
- ✓ PACE is modeled after methods to fund public benefits such as roads, sidewalks, and fire departments.
- ✓ PACE funding comes from private capital sources
- ✓ Funding for 2015 expected to exceed \$1B



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Where is PACE Available?



PACE Solution

PACE is a win/win for all stakeholders!

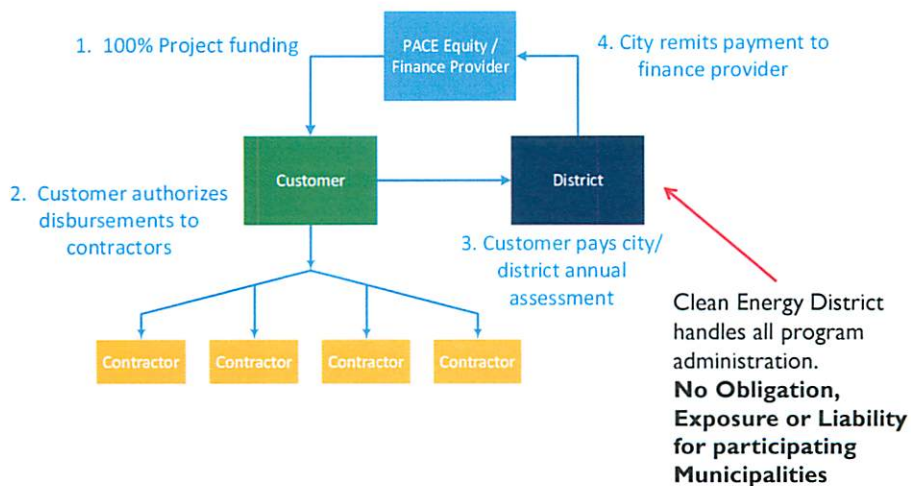
- ✓ **Property owners** see an opportunity to save money and make their buildings more valuable.
- ✓ **Private market investors** like PACE because assessment liens are a proven, strong credit.
- ✓ **Existing mortgage lenders** support projects that increase the value of their collateral.
- ✓ **Contractors** support PACE because it opens up new sales opportunities
- ✓ **Local governments** like PACE because it creates jobs and helps meet conservation goals.
- ✓ **Taxpayers** like PACE because the city takes on no liability and gets a boost in the local economy.



▶ 3

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PACE Solution Financing



▶ 4

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April 12, 2015

To: Mark Perkins, City Administrator
Cc: Economic Development Committee
Energy and Environment Committee
300 N New Ballas Rd
Creve Coeur, MO 63141

Re: Formation of Clean Energy Development Board

Background

In 2011, the 95th General Assembly of Missouri enacted §67.2800 to §67.2835, inclusive, RSMo., the “Property Assessment Clean Energy Act” (“PACE”). This legislation allows for funding of clean/renewable energy and energy efficiency improvements through a property assessment. PACE is modeled after methods to fund public benefits such as roads, sidewalks and fire departments. However PACE funding comes through private capital sources rather than government funding or taxes (see attachment A: PACE funding model).

One or more municipality may form a clean energy development board for the purpose of administering PACE programs. Multiple municipalities may participate in the same board. Additionally, each municipality may participate in multiple boards. There is no cost, liability or exposure for a municipality to form or participate in a Clean Energy Development Board.

Currently there are two existing boards in the State of MO.

1. The Clean Energy Development Board of St. Louis, administered by Energy Equity partners. This board is limited to ONLY serve St. Louis City.
2. The Missouri Clean Energy District administered by MOCEF. This board is open to any community in the state of Missouri.

In the five years since the legislation has been in place, each of boards has completed only one deal.

Current Situation

The city of Creve Coeur has not yet passed an ordinance to participate in either of the PACE boards. The city of Creve Coeur should consider offering PACE funding as a tool to its business residents. Additionally Creve Coeur should consider formation of its own board (that would be open to other municipalities as well) for the following reasons:

1. Current boards have shown ineffectiveness at completing deals (1 deal each in 5 years)
2. Lack of competition among Clean Energy Boards has led to a monopoly-like situation resulting in very high fees for the scope of work provided.
3. Creve Coeur would still have the ability to participate in the existing Missouri Clean Energy District or any subsequent board formed in Missouri.
4. The Missouri Department of Energy supports forming a new board and will release a statement to that effect.

The Missouri Energy Initiative/MEI (www.moenergy.org) and PACE Equity (www.pace-equity.com) would like to collaborate with the City of Creve Coeur to form a new board and drive economic development and energy efficiency in Creve Coeur and state wide. Creve Coeur would be the model for effective and successful PACE development in the state of Missouri.



Benefits to Creve Coeur

- No costs, liability or exposure to participate.
- Generate revenue for Creve Coeur: PACE will stimulate additional construction, resulting in more permits, more construction jobs, and increased property values.
- Attract new businesses: PACE is a helpful tool for funding development projects. Creve Coeur can market this to prospective businesses.
- Support the community commitment to Energy and Environment: PACE projects must reduce energy consumption or produce renewable energy.
- PACE funding is consistent with the City of Creve Coeur Economic Development Strategy – by encouraging growth and prosperity of existing businesses, promoting Creve Coeur to new businesses, and pursuing capital improvements that maintain the economic vitality of the community.

Responsibilities of Creve Coeur

- Pass an ordinance establishing the new clean energy development board. This board is a political subdivision of the state.
- If Creve Coeur is the only municipality participating in the board, it shall appoint members to the board – minimum of 3. MEI and PACE Equity have approached prospective board members in the public, private and non profit sectors.
- The board will provide annual reports to the city of Creve Coeur.

Board Responsibilities

- Carry out the provisions of sections §67.2800 to §67.2835
- Cover its own costs through collection of reasonable fees associated with administering the program
- Hire administrator to oversee the PACE program applications and ongoing assessments
- Provide all participating municipalities with an annual report on activities of the board.

Role of PACE Equity

PACE Equity (www.pace-equity.com) is a for profit entity that helps property owners to develop and finance PACE projects. PACE Equity works with Clean Energy Development Boards and their administrators for required project approvals.

PACE Equity has interest in more municipalities participating in the PACE programs and is also eager to see formation of an additional board in Missouri with the following guiding principles:

- Nonprofit driven low cost administration structure (MEI). Property owners must not be dis-incentivized by Board/Administrator fee structure.
- Market is open to all building owners, developers and finance providers.
- The Clean Energy Board promotes community economic development and sustainability.
- There is alignment with the interests of mortgage lenders such that every PACE assessment requires mortgage lender consent and institutional grade underwriting.

PACE Equity does not expect any preferential treatment or exclusivity with this new district.



ATTACHMENT A: PACE Funding Model

