

City of Minneapolis

Request for Committee Action

To: Community Development & Regulatory Services
Date: 7/26/2016
Referral: N/A
From: Community Planning & Economic Development
Lead Staff: Becky Shaw
Presented by: Becky Shaw
File Type: Resolution
Subcategory: Assessment

Subject:

PACE energy financing to 861 E. Hennepin LLC located at 861 East Hennepin Avenue (Miller Bag Building).

Description:

Passage of Resolution adopting the assessment, levying the assessment and adopting the assessment role for Property Assessed Clean Energy (PACE) charges for the property set forth in Levy No. 19354.

Previous Actions:

December 6, 2013, City Council authorized entering into a Joint Powers Agreement designating Saint Paul Port Authority (SPPA) to implement and administer PACE program on behalf of the City of Minneapolis. June 9, 2015, City Council authorized the amended and restated Joint Powers Agreement with the SPPA ([15-00656](#)).

Ward/Address:

Ward 3
861 East Hennepin Avenue

Background/Analysis:

The PACE energy program allows Minneapolis businesses to finance energy efficiency improvements to their facilities through an agreement with the Saint Paul Port Authority (SPPA). Under the agreement, the SPPA provides upfront capital to finance the energy efficiency projects, which are then paid back through assessment placed on the property. Ackerberg Group (the project developer) has submitted an application for energy improvement financing on behalf of the 861 E. Hennepin project. The improvements include upgraded lighting and HVAC systems. As a result of this project, the facility will save approximately 350 MMBTUs (or \$20,000 annually) in utility costs.

The total project cost of this improvement is \$200,000. 861 E. Hennepin LLC is requesting a \$200,000 PACE assessment be placed against the property which will be paid in 30 increments over a 15 year period starting in 2017. The assessments will cover debt service payments on the loan. The project will be Levy #19354.

Financial Review:

No financial impact.

Attachments:

1. Resolution