St. Louis County PACE Program as “Essential Public Policy” for Economic Recovery During Covid-19

Executive Summary

Identifying and advancing county policies and initiatives to promote recovery during and in the aftermath of COVID-19 is a key directive of Executive Order 16 for the St. Louis County Economic Rescue Team (“Economic Rescue Team” or “Team”). The Team has been created among other things to address “economic issues that are specific to workers and businesses in St. Louis County impacted by COVID-19,” and “to analyze potential policies concerning coordination of state and federal stimulus and other relief to recommend other actions or policies that could improve and strengthen St. Louis County’s economy.” Further, in this work, the Team “shall collaborate with St Louis County's economic development agencies and political subdivisions.”

Demonstrated Triple Bottom Line (3BL) Success

The existing St. Louis County Property Assessed Clean Energy Program, known as the “Missouri Energy Savings Program,” is one such political subdivision in the County and is poised to play a constructive role in equity, recovery, and community development in five critical areas:

1. Providing access to capital for County property owners - in particular, for economically underprivileged communities (see Fig. 1);
2. Creating good-paying local jobs in the clean energy sector such as electricians, heating and cooling technicians, carpenters, solar installers, plumbers, pipefitters, and more;
3. Developing economic opportunities for minority and women owned business enterprises through training and job creation in the building sector (see Fig. 2);
4. Saving County property owners on utility costs providing relief for lower income rate payers who pay a larger portion of their income on energy costs; and
5. Advancing sustainability attributes throughout the County's built environment — reducing climate pollution and promoting home and business indoor health and comfort.

Fig. 1 – Property Assessed Clean Energy projects are evenly distributed throughout St. Louis County and are a solution to the “access to capital” issue. PACE solves the upfront cost problem of critical property improvements and is not solely FICO-score or credit-based financing, but rather is treated as a special tax assessment that “runs with the land.” Consequently, the County PACE program has provided opportunities — where few existed prior to PACE — for economically underprivileged property owners to access affordable, long-term financing for 100% of the total costs of critical property upgrades and improvements.