

City of Salem, Massachusetts



**"Know Your Rights Under the Open Meeting Law, M.G.L. c. 30A ss. 18-25 and
City Ordinance Sections 2-2028 through 2-2033."**

The City Council Committee on Public Health, Safety and Environment co-posted with the Committee of the Whole
met in the Council Chamber on Thursday May 6, 2021 at 6:00 P.M.
for the purpose of discussing the matters(s) listed below. Notice of this meeting was posted on
April 30, 2021 at 11:57 A.M.

(This meeting is being recorded)

ATTENDANCE

ABSENT WERE: None

ALSO IN ATTENDANCE: C Madore

City of Salem: Mayor Driscoll, Jenna Ide **Mass Development:** Rob Anderson and Wendy O'Malley

SUBJECT(S)

#210 PACE Resolution

C Riccardi introduced W O'Malley from Mass Development who provided an overview of the Property Assessed Clean Energy program (PACE) - program information can also be found at: <https://www.massdevelopment.com/pace>

(PACE) for commercial buildings is a new mechanism to finance energy improvements on commercial and industrial properties in Massachusetts. To finance improvements, a property owner agrees to a betterment assessment and lien on their property, which repays the financing. PACE was passed as part of the energy legislation signed by Governor Baker in August 2016. MassDevelopment and the Massachusetts Department of Energy Resources (DOER) will administer the PACE program. Along with Admin support from the city. Existing Buildings only, Commercial not residential ; For Energy Improvements

C Dominguez asked about how businesses respond when they learn of this program. W O'Malley noted there has been a positive response and they are working to keep up the demand and have the requested Municipalities opt-in. The Business Owner does need to determine the energy savings, which can be complex. C Dominguez asked about cities that have signed on. W O'Malley noted the communities similar in size and make up to Salem.

C Dibble asked the gas line extension project that was shown in the examples; what cost to the city the PACE program may be; what the average project cost may be and what are the interest rates. W O'Malley noted the interest rates are determined between the lender and the property owner. W O'Malley noted the gas line extension was an example; if it was allowed it would be an extension off of an existing pipeline. The program must follow legislative regulations for gas lines. W O'Malley noted there is an administrative role for the municipality. There were conversations with the city administration prior to submission of the resolution. Lien Recording fees are reimbursed.

C Prosniewski asked for an average assessment betterment example. W O'Malley noted a roof replacement would be a good example, where a higher value may be assessed.

Mayor Driscoll noted they are excited about this program; Salem is working with the city of Beverly on Resilient Together and they hope to also join this program. Regarding Staff admin impact, this is similar to a TIFF, but the impact is manageable and feels worthy.

J Ide noted there have been inquiries from developers already (asking if we participated)

C Morsillo asked about outreach and who takes care of that. R Anderson noted that outreach is often joint with Mass Dev and the Municipality. He noted that the program is a great economic development tool that many companies are interested in following and committed to green energy.

C Dibble asked if this is available for new construction. W O'Malley noted this is currently only for existing buildings. New construction would need to be a Legislative change (hopefully will be in the future)

PUBLIC COMMENT

Jeff Cohen, 12 Hancock Street, Vice Chair of SERC, speaking on his own behalf - Supports this program

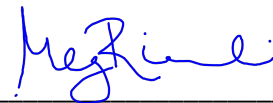
C Dibble moved to refer out to the council with a favorable recommendation. 2nd by C Dominguez.

Roll call vote

- C Dibble - Yes
- C Dominguez - yes
- C Morsillo - yes
- C Prosnewski - yes
- C Riccardi - Yes

The matter carried by a vote of 5-0

On the motion of C. Dibble the meeting adjourned at _____ 6:44 _____ P.M.



(Chairperson)