

VILLAGE OF BROOKLYN HEIGHTS

MINUTES OF A MEETING

BUILDING COMMITTEE

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Les Foote called the **Building Committee** meeting to order on **September 3, 2019 at 7:00 pm**. The agenda is a presentation by Jennifer Kuzma of Northeast Ohio Advanced Energy District.

Present at roll call:

Mayor:	Mike Procuk
Councilman:	Les Foote
Treasurer:	Aaron Frank
Service Dir:	Ed Hatgas

Jennifer knows the Mayor from her work with the First Suburbs Consortium Group and the community of Brooklyn Heights has been a member of her organization for a long time. They came together in 1996 with concerns of Urban sprawl in the community. They have different way to work to make the community stronger. One is 'Inside Game' - it's what can we do collectively to help our day to day work, more functional, more productive, keep businesses and bring businesses to the community. Second is 'Outside Game' where they do advocacy work state wide with other cities like Cincinnati and Columbus but it's better to stay local and advocate with the land bank.

Jennifer is explaining PACE, an opportunity in northeast Ohio for ten years and wants to get the Village involved. In 2010, the First Suburbs Group was approached by a law firm out of Columbus. House Bill One passed and allowed for energy special improvement district. This allows property owners to access themselves for improvements they would like to make on their property. Today's discussion is about energy efficiency and alternative energy generated projects. PACE (Property Accessed Clean Energy) financing formed in the early 2000's. They allow the property owners to access themselves to save energy cost or create their own energy to meet their needs. There are many businesses in the area that have aging properties and this is an opportunity for them to make improvements without huge out-of-pocket expenses. Property owners can assess themselves for the life of the improvement. For example, they can replace a roof with a 20-year payment plan or solar panels with a 15-year payment plan at fixed rates. PACE eligible improvements in Ohio is anything that's going to save energy on commercial property. This advanced energy district is Ohio's first multi-jurisdictional district which was established in 2010. They can accomplish a lot by working collectively with multiple communities. They have 15 years of history working together. The staff and mayors meet on a regular basis. They have a lot of expertise in economic development, there are leaders in the municipalities and city of Cleveland. The commercial and industrial

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property owners needed a tool to help them make improvements. When this district opened they had 17 communities, 16 suburbs and the city of Cleveland.

How the process works:

- Property owners can have a site visit to review needs
- There are private funds becoming available and they would like to assist with energy-efficient projects.
- Owners can develop their project with the city and contractors and Jennifer's Agency can advise helpful resources.

Financing available through different entities:

- Regional government entity
- Local money through port authority, NOPEC
- National money – PACE Equity, Leader Capitol

As projects develop, more financing is secured as property owners and community bring the projects to the district. The district has helped several businesses with projects using PACE Financing, such as replacing roofs, skylights, LED lights, insulation, and windows. They have helped local businesses, a public Library, a wood working firm in Maple Hts, a company in Chagrin Valley, and renovation of a vacant office space in Parma Hts.

Jennifer is aiming to get the Village of Brooklyn Heights in the district. They are growing and have over \$20 million in projects in the works now. She sees potential in Brooklyn Heights and their participation in the district is free. Outer reigning suburbs pay \$5000 membership fee and \$1000 annual fee to go towards the operating costs for the district. They charge .25% on closing costs. Some cities already had energy efficient projects in the works and they tied in their assessment because they need a demonstration project to be a member so that the assessment can be on the books. The City of Cleveland had a public project, Euclid has a project along the lake front, 15 cities put a solar spot light on their city hall. The business just needs a project that has an assessment on the schedule. It does not have to be elaborate, just a small project on the books.

This year a residential program will be launched. The districts across Ohio were approached by a group called Renovate America. They provide financing for residents to take advantage of. People won't have to use their credit card or home equity loans for improvements and pay high interest rates.

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Les questioned if there are any restrictions in the terms of the type of home. He said there were programs that were considered in the past where the home had to meet specific criteria such as age of the home. Jennifer advised there are no restrictions. The financial providers are looking for borrowers to have a credit score of 620 minimum and have equity in the home. The program would also like to help the landlords make improvements on their properties as some landlords are in the business for the wrong reasons. The district would like to see them replace old drafty windows and doors and take advantage of financing available instead of paying all upfront. They pay a low interest rate, low payments for 15 years.

Les inquired if the financing is the same for commercial property. It's very similar. They work with NOPEC to get low interest rates of 3-5%.

Aaron questioned on an annual basis if there is a state or county audit. The district itself has an audit every 2 years. They work with the cities to make sure the assessment filings are up to date and make sure the funds are being applied where they are supposed to. To get in the program, the village needs a project to assess. It can be anything on city owned property.

Mayor Procuk asked if any of the Fogg buildings in the communities applied for this. They are prevalent in Brooklyn Heights and have buildings that need attention on Valley Belt. The city of Independence is working on joining the district but has to pay \$5000 membership fee. Brooklyn Heights does not have to pay a fee because they are a member of the First Suburbs. The project to start in the park would have to be an energy saving improvement such as lighting. Ed has about ten projects written up that the village can start with totaling about \$100,000 - \$150,000.

The meeting was adjourned.



Les Foote
Building Committee Chairman