

**Town of Newtown Legislative Council Regular Meeting
Wednesday, April 17, 2013
3 Primrose Street, Newtown, CT**

PRESENT: Jeff Capeci, Mary Ann Jacob, George Ferguson, Joe Girgasky, Bob Merola, Daniel Honan, Kathy Fetchick, Neil Chaudhary, Dan Wiedemann, Dan Amaral, Phil Carroll **ABSENT:** Paul Lundquist

ALSO PRESENT: First Selectman Pat Llodra, Finance Director Robert Tait, Elizabeth Stocker, Genevieve Sherman, Ed Shanley, 4 members of media, Jan Andras (Clerk)

Chairman Capeci called the meeting to order at 7:35 p.m. with the Pledge of Allegiance.

VOTER PARTICIPATION: None noted

APPROVAL OF MINUTES: Upon motion by Ms. Jacob, the minutes of the 4/3/13 meeting were unanimously approved.

COMMUNICATIONS: None noted

COMMITTEE REPORTS: Ms. Jacob reported that the Ordinance Committee met last week and continued discussion on the gun ordinance. Chief Kehoe will be talking with his department to get their thoughts and ideas to bring back to the committee. The committee hopes to have the anti-blight ordinance ready for next month.

FIRST SELECTMAN'S REPORT: Today, the Newtown Emergency Dispatch Center was recognized as Dispatch Center of the Year by APCO. Dispatcher Bob Nute was also honored as Dispatcher of the Year for his outstanding service during the 12/14 tragedy.

UNFINISHED BUSINESS:

First Selectman Salary

Mr. Ferguson moved to adjust the First Selectman Salary to \$104,484 in December 2013 and \$110,230 in December 2014. Motion seconded.

Mr. Ferguson reported that the Finance/Administration Committee reviewed the CCM report on compensation in other towns and found that the salary in Newtown was low. In 2014, the salary will be about equal with the salary of the Police Chief today. He added that this recommendation is for the position, and is not a review of the performance of the current First Selectman (otherwise, the recommendation would be for a much higher increase). The increase would not be effective until the start of the next term. The committee also recommends that we need to look at whether the First Selectman's office is adequately staffed.

MOTION UNANIMOUSLY CARRIED.

State C-PACE Program

Ms. Genevieve Sherman, Manager, Commercial and Industrial PACE, gave a presentation on Connecticut Property Assessed Clean Energy (C-PACE), a new program that is helping commercial, industrial and multi-family property owners access affordable, long-term financing for smart energy upgrades to their buildings. This is both an economic and environmental tool providing 100% upfront cash for qualifying energy improvements, but is not available for new construction.

C-PACE allows building owners to finance qualifying energy efficiency and clean energy improvements through placing a voluntary assessment on their property tax bill. Property owners pay for the improvements over time through this additional charge on their property tax bill and the repayment obligation transfers automatically to the next owner if the property is sold. Similar to a sewer tax assessment, capital provided under the C-PACE program is secured by a lien on the property, so low-interest capital can be raised from the private sector with no government financing required. (See attached brochure.)

Ms. Stocker advised that the Economic Development Commission has unanimously endorsed this project, which has no cost or liability to the town. Since this item was not posted for action on tonight's agenda, action will be taken at the next Council meeting for an agreement to go through legal review.

Report on Various Grants, including the Business Assistance Grant

Ms. Stocker distributed a fact sheet (attached) on Phase 1 of the STEAP Business Assistance Grant for businesses affected by the 12/14 tragedy. She noted that all businesses in town were eligible to apply because the tragedy had far-reaching effects, but Sandy Hook businesses were given priority. Phase 2 will be intended for business losses from 1/9 – 4/9/13 and only Sandy Hook businesses will be eligible. The EDC plans to utilize the remaining funds for marketing and business development in and for Sandy Hook Center, not just as reimbursement for lost business. The absence of the Sandy Hook School has impacted commerce in Sandy Hook Center and the EDC is working with the businesses to develop a long term solution.

Also attached is a list of active and pending grant projects.

Changes to the Newtown Business Incentive Program

Ms. Stocker distributed the EDC recommendations for Business Incentive Program Revisions. These recommendations have been reviewed by the Board of Selectmen and Board of Finance. This was not posted on the agenda as an action item so it will be taken up at the next Council meeting.

Resolution - Special Appropriation from the Sandy Hook Special Revenue Fund

This item was not posted on the agenda as an action item and will be taken up at the next Council meeting.

Transfers

These will be taken up at the next Council Meeting

Addition to Agenda – Public Building and Site Commission

Mr. Ferguson moved to add discussion of appointment of the Public Building and Site Commission as the Building Committee for Sandy Hook School. Motion seconded and unanimously carried.

Ms. Llodra advised that, by State Statute, both the Board of Selectmen and the Legislative Council must take action to appoint the PBSC as Building Committee. No action can be taken on any item added to an agenda so this will be taken up at the next Council meeting.

VOTER COMMENT: None noted

ANNOUNCEMENTS: Budget Referendum next Tuesday, April 23, 2013.

Having no further business, the meeting was adjourned at 9:30 p.m.


Jan Andras
Recording Secretary

att: C-PACE
STEAP Business Assistance Grant
Active and Pending Grant Projects

These are draft minutes and as such are subject to correction by the Legislative Council at the next regular meeting. All corrections will be determined in minutes of the meeting at which they were corrected.



C-PACE: A Clean Energy Opportunity for Commercial Buildings in Connecticut

Commercial & Industrial Property Assessed Clean Energy (C-PACE)

In 2013, Connecticut launched Commercial & Industrial Property Assessed Clean Energy or “C-PACE”, an innovative financing model that will allow building owners across the state to access cleaner, cheaper, and more reliable energy. Hundreds of millions of dollars in energy upgrades are possible in Connecticut and C-PACE will enable our state to access the private capital to finance it. C-PACE is a state-wide program administered by the Clean Energy Finance and Investment Authority (CEFIA) and any interested municipalities can opt-in through an agreement with CEFIA.

How does C-PACE financing work?

C-PACE allows interested property owners to access financing to undertake qualifying energy efficiency and clean energy improvements on their buildings and repay the investment through an additional charge (“assessment”) on their property tax bill. Similar to a sewer tax assessment, capital provided under a C-PACE program is secured by a lien on the owner’s property tax bill and paid back over time. Like other benefit assessments, C-PACE is a non-accelerating, senior lien secured by the property. The repayment obligation transfers automatically to the next owner if the property is sold. Because the payment is tied to the property tax, low interest capital can be raised from the private sector with no government financing required. This arrangement spreads the cost of clean energy improvements – such as energy efficient boilers, upgraded insulation, new windows, or solar installations – over the expected life of the measure.

How do building owners benefit?

C-PACE helps building owners minimize the investment, installation, and performance risk of energy upgrades, while they enjoy lower operating costs, improved asset value, market competitiveness, and compliance with energy mandates.

- **Lack capital for energy improvements?** C-PACE provides 100% upfront, long-term financing to property owners for qualified energy upgrades. That means no money down. Audits, construction costs and M&V can be wrapped into C-PACE financing.
- **Plan to sell building?** The C-PACE tax obligation is attached to the property and transfers to the new owner. Payments do not accelerate in case of default.
- **Insufficient payback?** The C-PACE program requires projects to be cash flow-positive. Financing is structured so that energy savings more than offset the additional property tax assessment. Deeper energy upgrades and related capital improvements are possible because the assessment is up to 20 years.
- **Uncertain of savings?** The C-PACE third party administrator reviews all projects to ensure that energy savings pay for the investment over the term of the assessment and track real vs. projected savings on an open-source data management platform.
- **Split Incentive?** As a benefit assessment repaid through the property tax bill, under typical leases C-PACE payments – as well as energy savings – can be passed along to tenants.
- **Cannot assume more debt?** As a benefit assessment repaid through the property tax bill, C-PACE is intended as an operating expense. This means owners can finance improvements while preserving capital and credit lines for core business investments.

What types of buildings are eligible?

LOCATION: The property is located within a municipality that has adopted a resolution joining the C-PACE program.

OWNERSHIP: The applicant is the legal owner of the property and all the legal owners of such property agree to participate.

PROPERTY TYPE: The property must be non-residential, or 5 or more dwelling units.

BUILDING FINANCIALS: The property must be current on property tax and assessment payments. The property owner must not have any involuntary liens, defaults, or judgments applicable to the subject property.

LENDER CONSENT: The property owner must provide evidence that the mortgage holder(s) on the property consents to the C-PACE assessment, if applicable.

What types of upgrades are eligible?

- High efficiency lighting
- Heating ventilation air conditioning (HVAC) upgrades and controls
- High efficiency chillers, boilers, furnaces and water heating systems
- Building enclosure/envelope improvements
- Building automation (energy management) systems
- Renewable energy systems

Read more about our eligibility criteria for qualifying buildings and energy upgrades at www.energizect.com/c-pace

How can I access C-PACE financing?

Choose your upgrades. Work with an energy contractor to identify projects that reduce energy use or install clean energy systems.

Submit an application online at www.energizect.com/c-pace CEFA will work with you to approve your project and secure low-cost financing.

Install project and get funding. When approved, CEFA will request a lien to be placed on your property and funding will be dispersed.

Make Payments. Repay your C-PACE financing through a line item on your property tax bill over the course of up to 20 years. If you sell the property, the assessment stays with the building

Benefits of C-PACE Financing

C-PACE financing offers a broad range of benefits to municipalities, building owners, mortgage holders, investors and energy efficiency / renewable energy contractors. A complete discussion of these benefits can be found online at www.energizect.com/c-pace

For more information contact:

Jessica Bailey
Director, Commercial and Industrial C-PACE
Clean Energy Finance and Investment Authority
jessica.bailey@ctcleanenergy.com
(860) 257-2888

www.C-PACE.com

FACT SHEET
STEAP Business Assistance Grant

First Selectman Pat Llodra requested the grant on December 28, 2012. A grant award was announced on January 8, 2013

The Newtown Economic Development Commission held a special meeting on January 10, 2013 and appointed a committee of seven to manage the grant. A decision to open the applications to all of Newtown businesses was made at the same meeting.

The STEAP Business Assistance Grant Committee met on 1/23/2013 at which time public participation occurred and Q&A followed. An application flow chart and process for the individuals reviewing the applications were approved. A deadline for applications was set for February 15, 2013.

A legal notice was published in The Bee on 1/25/2013 directing businesses to download the applications from online or pick up in the NMC. The 2/15/2013 deadline was published. The EDC also sent out an email blast to 1,194 announcing the grant, provided links for the applications, guidelines, worksheet and the deadline.

The loss period was December 14, 2012 to January 8, 2013.

A total of 34 applications were received by the deadline from Newtown Businesses who incurred economic losses due to the traffic congestion in the wake of the Sandy Hook Elementary School Shooting.

The amount of funding requested by the 34 applicants totaled \$447,197. The amount requested ranged from \$1,000 to \$47,000. The majority were for claims under \$10,000.

Twenty-one of the applications were from businesses located in Sandy Hook Center – another 3 have Sandy Hook addresses. Eleven of the applications came from businesses located on Church Hill Road/South Main Street and Mt. Pleasant Road.

The initial 20 checks were distributed on March 8th totaling \$158,927 in grant awards. The STEAP Business Assistance Committee held additional special meetings in March and April to review the applications. The EDC also held special meetings and took final award action on April 16 completing Phase I of this program.

The final tally for Phase I is as follows: 29 of the 34 applications were awarded grants for a total of \$247,839. Three applications were rejected as their documentation did not substantiate the losses claimed. Two applications were rejected for insufficient or incomplete documentation. Two additional applications were received after the deadline and no action was taken to review the applications.

Plans for the remaining funds are being developed by the EDC who has reached out to SHOP for their input and consultation. It is likely that the remaining funds will be utilized for marketing and business development in and for Sandy Hook center. The absence of the SHES in the center has impacted commerce and the EDC is working with the businesses to develop a long term solution.

Prepared by Elizabeth Stocker, AICP, Newtown
Director of Economic and Community Development
Updated April 17, 2013

Town of Newtown
Office of Economic and Community Development
Active and Pending Grant Projects
April 2013

Project Title	Funding Source	Amount of Grant Award	Award Year	Status
Newtown Parent Connection (Duplex at Fairfield Hills)	CT Dept. Social Services	\$500,000	2008	Approved for Parents Connection 12/2012
Nunnawauk Meadows Housing Rehab	HUD CDBG	\$546,000	2010	Work completed waiting for final signoff from DECD
Sandy Hook Streetscape	STEAP	\$100,000	2010	Work Underway
Fairfield Hills Streetscape/Infrastructure	STEAP	\$400,000	2011	Work Underway
Brownfields Clean-up Danbury Hall & SF Homes - Fairfield Hills	EPA	\$200,000	2012	Community Outreach Underway
Regional Brownfield Partnership - Hazardous Materials Cleanup - Batchelder	EPA/COG	\$150,000	2012	Awarded - Preliminary Research Underway
Business Assistance Program following 12/14/2012	STEAP	\$500,000	2013	Phase I completed Phase II Planning underway
Hawleyville Streetscape	STEAP	\$275,000	2013	Application submitted July 31, 2012
Borough of Newtown - Church Hill Road Sidewalk	STEAP	\$225,000	2013	Application submitted July 31, 2012
CT Main Street Investment Fund Program (Sidewalk on Church Hill Rd & Private Reimbursements)	CT OPM	\$500,000	2013	Application Submitted Sept. 28, 2012
Regional Brownfield Partnership - Hazardous Materials Cleanup or Assessments - Various Sites SH Auto & Marine/Wakins/Batchelder	RBP/COG	TBD	2013	Applications are being prepared
Total Amount (Active & Pending)		\$3,396,000		