



Legislation Text

File #: RES PH 25-17, **Version:** 1

Authorizing the City to accept a \$500,000 grant from the United States Department of Energy (DOE)'s Energy Future Planning Grant program for the purpose of supporting local, state, and Tribal government-led partnership efforts that will help scale local strategies that increase resiliency and improve access to affordable clean energy; and authorizing a corresponding budget amendment.

WHEREAS, the Saint Paul City Council, in recognition of the urgent need to address climate change, adopted the Climate Action and Resilience Plan (CARP) in 2019, committing to reducing citywide emissions by 20% by 2030 and achieving net-zero status by 2050; and

WHEREAS, the CARP includes the goal of reducing the energy cost burden on Saint Paul households, with the objective that no household will spend more than 4% of its income on energy costs within 10 years; and

WHEREAS, data from 2015 to 2020 shows that the median energy burden in Saint Paul averaged 2.2%, but approximately 42,000 households, primarily in ten census tracts, bear an energy burden of 4% or higher, impacting their financial stability and overall well-being; and

WHEREAS, high energy costs can exacerbate poverty, making it challenging for individuals and families to afford essential needs, such as food, education, and healthcare, thereby perpetuating the cycle of poverty; and

WHEREAS, reducing energy burden for all Saint Paul households to below 4% through energy efficiency measures, such as weatherization and solar, could save 13.5 million kWh of electricity and 1.3 million therms of natural gas annually, resulting in an average aggregate annual cost savings of \$2.4 million; and

WHEREAS, lowering the energy burden is not only a practical measure to save energy and money but also promotes social equity, ensuring that basic energy needs are affordable for everyone regardless of income level; and

WHEREAS, the Inflation Reduction Act includes many provisions to accelerate the energy transition. Because programs and tax incentives are complementary, there are unexplored opportunities to stack federal incentives in a way that maximizes funding to substantially reduce project costs for income-qualified households; and

WHEREAS, the City of Saint Paul partnered with the cities of Bloomington, Burnsville, Faribault, Hopkins, Roseville, Eagan, Eden Prairie, Edina, Fridley, La Crescent, Maplewood, Richfield, and St. Louis Park, Community Action Partnership of Ramsey & Washington Counties, Ramsey County, Midwest Tribal Energy Resources Association, and the Minnesota Department of Commerce to develop and submit a \$500,000 DOE Energy Future Planning Grant application; and

WHEREAS, the DOE has determined that Saint Paul shall receive a \$500,000 Energy Future grant to create an innovative new clean energy plan for a cold-climate residential energy transition that can be tailored to local circumstances and implemented at the community level, using new models of financing and program delivery aimed at relieving energy burden and decarbonizing the homes of lower-income residents in Saint Paul and other communities; and

WHEREAS, the City Council authorized Mayor Carter's office, on behalf of the City of Saint Paul, to apply for and execute a grant agreement as outlined in RES 23-1712; and

WHEREAS, the grant will be administered by the City's Department of Planning and Economic Development;

and

WHEREAS, the financing and spending plans have not been established for the reimbursement; and

WHEREAS, the Mayor pursuant to Section 10.07.1 of the Charter of the City of Saint Paul, does certify that there are available for appropriations funds of \$500,000 in excess of those estimated in the 2025 budget; now therefore be it

RESOLVED, by the City Council, that:

1) the City is authorized to accept the above-mentioned grant; and

2) \$500,000 is available for appropriation in the 2025 budget, and said budget, as heretofore adopted by Council, is hereby amended as outlined in the attached financial analysis, and be it further

RESOLVED, that the City Council hereby approves and authorizes City staff to take all actions necessary to carry out the activities authorized by this Resolution, including finalizing all documents and agreements, subject to approval by the City Attorney's Office, and be it finally

RESOLVED, that the proper City official(s) are hereby approved and authorized to execute any and all documents in connection with this Resolution, subject to approval by the City Attorney's Office.

See Attachment.