

**ORDINANCE 71249**

**BOARD BILL NUMBER 41 INTRODUCED BY: ALDERMAN JOHN COATAR/  
ALDERWOMAN CHRISTINE INGRASSIA**

1           An ordinance promoting the use of energy efficient heating through the connection to the  
2 Downtown Steam Distribution system; promoting the continual use of the Downtown Steam  
3 Distribution System for any development project occurring in Downtown St. Louis seeking  
4 Municipal Financial Incentives; prohibiting the Clean Energy Development Board of the City of  
5 St. Louis from approving financing for any project that would result in a commercial building  
6 disconnecting from or no longer using the Downtown Steam Distribution System for heat; a  
7 portion of the net profits be remitted to the SWMDC and containing a severability clause.

8           **WHEREAS**, the Property Assessment Clean Energy Act (“PACE”) program allows  
9 property owners to obtain loans through the Clean Energy Development Board to finance energy  
10 efficient and renewable energy improvements to their property and repay such loans from the  
11 savings in energy costs resulting from such improvements;

12           **WHEREAS**, PACE program enabling legislation provides that heating, ventilating, or  
13 air conditioning distribution system modifications and replacements are property improvements  
14 eligible for PACE financing;

15           **WHEREAS**, PACE financing can be utilized to connect commercial buildings to the  
16 Downtown Steam Distribution System to provide an energy efficient heating/cooling solution;

17           **WHEREAS**, the PACE program should not be used to finance the replacement of one  
18 energy efficient heating solution to another energy efficient heating solution; and

19           **WHEREAS**, the Downtown Steam Distribution System is owned by the Solid Waste  
20 Management and Development Corporation, a Missouri general not-for-profit company currently

1 managed by City officials, and the Downtown Steam Distribution System operates pursuant to  
2 a Service Agreement with the operator and owner of the Ashley Power Plant; and

3         **WHEREAS**, it is in the best interests of the City and the health, safety, and welfare of  
4 the City and its residents to promote the use of energy efficient heating through connection to  
5 the Downtown Steam Distribution System.

6 **BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:**

7 **SECTION ONE.** The following definitions shall apply in the interpretation and enforcement  
8 of this Ordinance:

9         1.         “Downtown St. Louis.” The area in the City of St. Louis described as follows:

10         Beginning at a point, said point being the intersection of the center lines of the  
11         Poplar Street Bridge and Leonor K Sullivan Blvd; thence northwardly along said  
12         centerline of Leonor K Sullivan to the point of intersection thereof with the  
13         centerline of Biddle Street; thence westwardly along said centerline of Biddle  
14         Street to the point of intersection with the centerline of Interstate 70; thence  
15         southwardly along said centerline of Interstate 70, to the point of intersection with  
16         the centerline of Cole Street; thence westwardly along said centerline of Cole  
17         Street to the point of intersection with the center of Tucker Blvd; thence  
18         southwardly along said centerline of Tucker Blvd. to the point of intersection with  
19         the centerline of Dr. Martin Luther King Blvd.; thence westwardly along said  
20         centerline of Dr. Martin Luther King Blvd. to the point of intersection with the  
21         centerline of Jefferson Avenue; thence southwardly along said centerline of  
22         Jefferson Avenue to the point of intersection with the centerline of Interstate 64;  
23         thence eastwardly along said centerline of Interstate 64, to the point of

1 intersection with Leonor K Sullivan Blvd., said point being the point of beginning,  
2 or such additional areas within 5 blocks of any location where the Downtown  
3 Steam Distribution System exists now or in the future.

4 2. "Downtown Steam Distribution System." A certain underground system of  
5 interconnected pipes, currently owned by the Solid Waste Management and Development  
6 Corporation ("SWMDC"), currently located within the Downtown St. Louis central  
7 business district utilized for the delivery of steam to buildings located in said business  
8 district.

9 3. "Municipal Financial Incentives." Any form of property tax abatement offered by or  
10 through the City, the St. Louis Development Corporation, any City agency, or any City-  
11 affiliated organization, board, or corporation, including but not limited to, tax abatement  
12 under Missouri Statutes Chapters 99, 100 and 353 and tax increment financing under  
13 Missouri Statutes Chapter 99, offered by the State of Missouri or any other party,  
14 including the City, contingent upon City approval or consent.

15 **SECTION TWO.** Any proposal or application submitted for Municipal Financial Incentives  
16 for any commercial, industrial or residential development occurring in Downtown St. Louis shall  
17 promote the continual use of the Downtown Steam Distribution System for all heating and/or  
18 steam needs (and cooling, chilled water or hot water if made available by the operator of the  
19 Downtown Steam Distribution System) to the properties, building or buildings involved in the  
20 development project for a period of not less than ten (10) years after the development project  
21 ceases to receive any Municipal Financial Incentives (unless otherwise waived by the then  
22 existing operator of the Downtown Steam Distribution System). Any proposal or application  
23 submitted for Municipal Financial Incentives for any commercial, industrial or residential

1 development occurring in Downtown St. Louis shall recommend one hundred percent (100%)  
2 of all Municipal Financial Incentives for the continual or new use of the Downtown Steam  
3 Distribution System for all heating and/or steam needs (and cooling, chilled water or hot water  
4 if made available by the operator of the Downtown Steam Distribution System) to the properties,  
5 building or buildings involved in the development project provided they enter into a contract  
6 with SWMDC for a period through 2036.

7 **SECTION THREE.** The Clean Energy Development Board of the City of St. Louis, as  
8 established by Ordinance 69056 pursuant to Sections 67.2800 to 67.2835, Revised Statutes of  
9 Missouri, shall not approve financing for any project that would result in any building or  
10 customer disconnecting from or no longer using the Downtown Steam Distribution System for  
11 heat.

12 **SECTION FOUR.** SWMDC shall require that five percent (5%) of the net profit (after recovery  
13 of all capital expenditures, if any) earned by any operator of the Downtown Steam Distribution  
14 System from any development required to use the Downtown Steam Distribution System  
15 pursuant to this Ordinance be remitted to SWMDC for the preservation, growth and development  
16 of the Downtown Steam Distribution System.

17 **SECTION FIVE.** The Sections of this Ordinance shall be severable. In the event that any  
18 section of this Ordinance is found by a court of competent jurisdiction to be invalid, the  
19 remaining sections of this Ordinance are valid, unless the court finds the valid sections of this  
20 Ordinance are so essential and inseparably connected with and dependent upon the void section  
21 that it cannot be presumed that this Board would have enacted the valid sections without the void  
22 ones, or unless the court finds that the valid sections standing alone are incomplete and are  
23 incapable of being executed in accordance with the legislative intent. The provisions of this

- 1 Ordinance hereby amend any provision of any ordinance of the City inconsistent with the terms
- 2 hereof, but only to the extent of such inconsistency.

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