

*QECCB Case Study:  
St. Louis County*

*November 3, 2011*



# Overview of St. Louis County QECB

St. Louis County **SAVES**<sup>™</sup> is a \$10.4 million residential energy efficiency loan program supported by partnerships between the following organizations:

- **St. Louis County** – primary sponsor of the program with oversight on all aspects of delivery to promote energy efficiency and economic development in the community.
- **EarthWays Center, a division of Missouri Botanical Garden** – promotes sustainability through environmental education and improving the built environment; leads contractor recruitment, training, energy efficiency verification and marketing efforts for the program.
- **Abundant Power Solutions** - partners with states and municipalities to design, administer and finance energy-efficiency and renewable-energy programs.



# Overview of St. Louis County QECB

## St. Louis County resources:

- \$500,000 EECBG funds
- \$10.3 million Qualified Energy Conservation Bond allocation
- AAA bond rating

## St. Louis County program structure:

- County issued and supported
- Appropriation to annual County budget
- Required opt-in from each of 91 municipalities in St. Louis County
- 3 years to complete loans
- Green Community Program: **St. Louis County SAVES**



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## *Saint Louis County's QECB Issuance Terms*

Issuance Size	\$10,305,000
Issuance Date	May 18, 2011
Bond Security	County annual appropriation pledge with internal designation of loan proceeds as source of repayment obligation <sup>11</sup>
Bond Rating	AA+/Aa2
Effective QECB Interest Rate	0.7%
Maturity Schedule	Serial bonds with final maturity of 15 years and bonds maturing annually starting in 2013

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Rollout	Implementation Dates
Bond Issuance	May 18, 2011
Launch to Contractors	May 20, 2011
Launch to Public	May 24, 2011
Quarterly Contractor Meeting	July 8, 2011

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Loan Program Parameters	Program Requirements
<b>Residential Energy Efficiency Loans</b>	Unsecured, personal loan
<b>Eligible Properties</b>	Owner-occupied, single-family homes
<b>FICO score</b>	≥ 660
<b>Debt-to-income ratio</b>	< 45%
<b>Loan Amounts</b>	\$2,500 to \$15,000
<b>Loan Term</b>	Flexible up to 10 years
<b>Loan Rates</b>	3.5% interest rate; APR varies based on 3% loan fee and term

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- **Eligible Improvements-** Energy-saving improvements pre-qualified by the County's program, including:
  - air sealing
  - insulation
  - high efficiency HVAC
  - high efficiency water heating equipment
- **Prescriptive program** for first six months or until program reaches \$1 million in closed loans
- **Performance based**, including required audit, for remainder of program. Renewable energy systems are permitted on a case-by-case basis if an energy assessment shows that a home is energy efficient.



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*Home Owner Process (from website):*

## St. Louis County **SAVES™**: Step Up to the Plate!

### **Batter Up!**

Choose to have an energy assessment or pick from the St. Louis County **SAVES™** Eligible Improvements List.

### **1st Base**

Select a St. Louis County **SAVES™** authorized contractor to get an estimate on qualifying energy improvements.

### **2nd Base**

Apply on-line for a residential energy efficiency loan.

### **3rd Base**

Your contractor makes the energy efficiency improvements and is paid after the work is completed to your satisfaction.

### **Home Run!**

Enjoy your more comfortable home and energy savings!



# Overview of St. Louis County QECB

## Results to Date

- Almost \$1.4 million in approved loans as of October
- Engagement of Municipalities – 52 largest have opted in
- Contractor engagement – 8 training sessions, proactive marketing driving volume



The screenshot shows the Design Aire website interface. At the top right, the date "Thursday, November 3, 2011" is displayed. The Design Aire logo, "HEATING & COOLING", is on the left, and the slogan "Your Comfort is Our Business!" with the phone number "314-739-1600" is on the right. A navigation menu includes "Home", "Products", "Services", "Specials", "About Us", and "Contact Us". The main content area features a breadcrumb trail: "Home / Services / Replacement Installation / St. Louis County SAVES Program". The title "St. Louis County SAVES Program" is prominently displayed. Below it, a paragraph describes the program: "St. Louis County SAVES™ offers low interest loans to St. Louis County homeowners for upgrades that improve comfort and reduce energy costs in their homes. The loan amounts are \$2500-\$15000 with an interest rate of 3.5% and terms up to 10 years. Eligible improvements include high efficiency (minimum 90% AFUE and 14.5 SEER) HVAC equipment. This program begins May 25th. Please [contact us](#) for more information." To the right of the text is a circular award badge that says "SUPER SERVICE AWARD" and "Angle's list 2010". Below the badge is a dark blue button labeled "SCHEDULE AN APPOINTMENT". Underneath the button are three links with house icons: "Request a Service Call", "Request a Free Estimate", and "Request an Energy Audit".

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