

Knikatnu, Inc.

165 E. Parks Hwy, Suite 201, Wasilla, Alaska 99654

February 3, 2022

House Community and Regional Affairs Committee
120 4th Street
Juneau, AK 99801

Dear Committee Members,

On behalf of Knikatnu, Inc. I respectfully ask for your support of HB227, an Act relating to municipal energy and resiliency improvement assessment programs. This bill offers thoughtful amendments to expand the scope and flexibility of existing law resulting from the passage of HB 80 in 2017 and supports broader economic development initiatives in Alaska through the Commercial Property Assessed Clean Energy (C-PACE) finance program. Among other things, this amendment authorizes financing for energy measures in new construction and for building resiliency measures.

Knikatnu, Inc. is the ANCSA Village Corporation, headquartered in Wasilla. Working together with Knik Tribe, we have provided lands and energy solutions this past year to begin the first phase of a 300 unit plus, Senior Housing Micro-Grid Community, complete with its own heating district and wastewater treatment, on KGB Road. It is our hope that this will be a model energy secure community that others will want to examine and consider. We look forward to seeing the C-PACE program open the door for many such projects.

There are active C-PACE programs in 22 states and Washington D.C. which have stimulated over two billion dollars in economic activity in the form of improved commercial building energy performance and investment. C-PACE lowers the long-term cost of doing business and reduces risk for all stakeholders in the transaction, including building owners, contractors, lenders, and local government. C-PACE projects also have a positive impact on air quality and create healthier, more livable neighborhoods. There have been no foreclosures as a result of C-PACE nationally.

I appreciate your consideration of HB227. Please feel free to reach out to me with any questions or concerns about this bill.

Sincerely,



Thomas Harris, CEO
Knikatnu, Inc.

AFFINITY HOSPITALITY

HOSPITALITY DEVELOPMENT, CONSULTING & ASSET MANAGEMENT

February 1, 2022

House Community and Regional Affairs Committee
120 4th Street
Juneau, AK 99801

Dear Committee Members,

On behalf of Affinity Hospitality I respectfully ask for your support of HB227, an Act relating to municipal energy and resiliency improvement assessment programs. This bill offers thoughtful amendments to expand the scope and flexibility of existing law resulting from the passage of HB 80 in 2017 and supports broader economic development initiatives in Alaska through the Commercial Property Assessed Clean Energy (C-PACE) finance program. Among other things, this amendment authorizes financing for energy measures in new construction and for building resiliency measures.

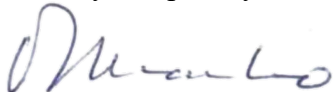
Affinity develops, acquires, and operates hotels including Home2 Suites Anchorage and Marriott Courtyard Midtown Anchorage hotel which burnt down in 2019. We are developing another Home2 Suite By Hilton in Wasilla. CPACE financing could fill the capital stack, allowing the projects to proceed which will create many jobs and benefit Alaskans for years.

There are active C-PACE programs in 22 states and Washington D.C. which have stimulated over two billion dollars in economic activity in the form of improved commercial building energy performance and investment. C-PACE lowers the long-term cost of doing business and reduces risk for all stakeholders in the transaction, including building owners, contractors, lenders, and local government. C-PACE projects also have a positive impact on air quality and create healthier, more livable neighborhoods. There have been no foreclosures as a result of C-PACE nationally.

I appreciate your consideration of HB227. Please feel free to reach out to me with any questions or concerns about this bill.

Sincerely,

Affinity Hospitality LLC



Richard D. Marko
Member Manager

KI Energy, LLC
165 E. Parks Highway, Suite 105, Wasilla, Alaska 99654

February 1, 2022

House Community and Regional Affairs Committee
120 4th Street
Juneau, AK 99801

In Re: HB 227

Dear Committee Members,

On behalf of KI Energy LLC, I respectfully ask for your support of HB227, an Act relating to municipal energy and resiliency improvement assessment programs. This bill offers thoughtful amendments to expand the scope and flexibility of existing law resulting from the passage of HB 80 in 2017 and supports broader economic development initiatives in Alaska through the Commercial Property Assessed Clean Energy (C-PACE) finance program.

KI Energy is a premier building science based company based in Alaska, providing alternative energy solutions, such as Combined Heat & Power cogeneration and energy storage, that significantly lowers long-term energy costs, increase commercial building resiliency, and in some cases, can provide energy independence. A large number of our customers wish to take advantage of C-PACE financing for their projects, and several customers wish to finance energy systems for new construction. HB 227, among other improvements to current law, would allow for financing energy measures in new construction.

There are active C-PACE programs in 22 states and Washington D.C. which have stimulated over two billion dollars in economic activity in the form of improved commercial building energy performance and investment. C-PACE lowers the long-term cost of doing business and reduces risk for all stakeholders in the transaction, including building owners, contractors, lenders, and local government. C-PACE projects also have a positive impact on air quality and create healthier, more livable neighborhoods. There have been no foreclosures as a result of C-PACE nationally.

I appreciate your consideration of HB227. Please feel free to reach out to me with any questions or concerns about this bill.

Sincerely,

Tom Benkert
Business Development Manager
KI Energy LLC
907-787-9470
tom_benkert@kienergy-ak.com



445 E 5th Avenue, Suite 201
Anchorage, AK 99501

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NorthernCompassGroup.com

February 1, 2022

House Community and Regional Affairs Committee
State Capitol
120 4th Street
Juneau, AK 99801

Dear Committee Members:

I respectfully ask for your support of HB227, an Act relating to municipal energy and resiliency improvement assessment programs. This bill offers thoughtful amendments to expand economic development in Alaska through Commercial Property Assessed Clean Energy (C-PACE).

Twenty-two states and Washington, D.C. have active C-PACE programs, which stimulated over a billion dollars in economic activity in 2021. In addition to stimulating economic development, C-PACE lowers the cost of doing business and reduces risk for all parties. C-PACE projects also have a positive impact on air quality, creating healthier, more livable neighborhoods. There have been no foreclosures as a result of C-PACE.

I am already directly participating in the C-PACE program in my business efforts to revitalize downtown Anchorage and I know other Alaskans could benefit from this program as well.

I appreciate your consideration of HB227. Please feel free to reach out to me with any questions or concerns about this bill.

Sincerely,

Mark Begich
President & CEO
Northern Compass Group LLC
Mark@NorthernCompassGroup.com



GLOBAL PACIFIC
CAPITAL

2/1/2022

House Community & Regional Affairs Committee

550 W 7th Ave, Ste 1650

Anchorage, AK 99501-3510

Dear Representative Sara Hannan,

Global Pacific Capital is a commercial real estate lending company specializing in sustainable commercial real estate including acquisition, construction, permanent and C-PACE financing with potential active projects in Anchorage. We kindly request that you place the Commercial Property Assessed Clean Energy (CPACE) legislation on the 2022 legislative session agenda. CPACE will be a critical driver to meeting net-zero carbon emissions in the emissions heavy sector of commercial & industrial buildings without requiring the use or risk of public funds. Bill sponsor Representative Calvin Schrage recently took public testimony and had conversations with the public audience through the House Energy Committee on this important piece of legislation. CPACE legislation was also presented to the House Energy Committee in January.

CPACE is a low-cost long-term financing mechanism enabling building owners to finance energy efficiency, renewable energy, water conservation, and climate resiliency projects and make repayments via a special assessment charge on their property. CPACE is funded by private investors – financial institutions like credit unions and banks – and is voluntary for property owners and for counties that choose to adopt enabling legislation and active programs. CPACE has driven over \$2 billion in investment nationally and created 24,000 jobs in local communities.

Your continuous efforts on climate, sustainability and workforce policies have illustrated the importance of how economic diversification and job creation transitioning to a clean energy economy. There are multiple benefits from CPACE that align with your priorities for Alaska. Strong CPACE programs contribute to economic development through greater purchases of supplies, equipment and services from local businesses and the hiring of labor by local construction companies. The program also provides businesses with the opportunity to save ongoing expenses, allowing dollars to be invested in other economic drivers such as hiring new employees and making capital investments.

The original CPACE statute, AS 29.55.100, was a good start in building a foundation for Alaska. As programs have started to flourish in other states, there are lessons learned that provide an opportunity to help Alaska build robust CPACE programs. Important revisions to the original CPACE legislation would include expanding the types of qualifying projects to include new construction, resilience projects and retroactively financed projects. Thirty-seven states including



GLOBAL PACIFIC
CAPITAL

Colorado, Utah, Oklahoma and Texas have passed enabling legislation, and 21 states plus Washington D.C. have active programs.

CPACE legislation presents a unique opportunity for Alaska to provide local businesses with a valuable financing tool to upgrade their properties, improve communities with economic development and address climate change at the same time. We appreciate your strong endorsement for placing this legislation on the 2022 legislative session agenda.

Sincerely,

Tom Neukranz

Managing Director

Global Pacific Capital, LLC