



**FRANK WHITE, JR.**  
Jackson County Executive

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8:50am*

**MARY JO SPINO  
COUNTY CLERK**

April 20, 2021

Veto Message from the County Executive

Ordinance 5494

TO THE JACKSON COUNTY LEGISLATURE

I am returning herewith without my approval Ordinance 5494, which, most notably, designates the Show Me PACE Clean Energy District as a qualified PACE provider in the County and makes certain changes to the Greater Kansas City Clean Energy Development Board.

The Property Assessed Clean Energy, or PACE, is a program that was created by the State of Missouri in 2010. PACE allows property owners to borrow money for the purpose of making energy efficient and renewable energy improvements to their homes. Property owners repay the loan over time through a special assessment on their annual property tax bill. The program can be an attractive option for residents who lack the financial resources or adequate credit to secure a loan to invest in such improvements. Counties and municipalities may create or join PACE programs, and importantly, state statute requires that the County collect the special assessments related to the PACE program in the same manner as ad-valorem taxes.

Though the program appears to have been created with good intentions, examples of abuse have been found around the country when inadequate consumer protections are in place. It is not hard to find news stories in which low-income homeowners, often from communities of color, have been subjected to predatory lending practices as part of a PACE program that may cost them their homes. Due to these abuses, some communities, such as Los Angeles County, California, and Hillsborough County, Florida, have chosen to end their PACE programs.

On Tuesday, April 13, 2021, my office was contacted by a reporter from a non-profit national news organization regarding the PACE program in Jackson County. The news organization has been investigating PACE programs across the state and asked for my response to some of their findings. Without going into detail, the investigation has uncovered significant differences between how the program is impacting majority white and majority black areas of Jackson County.

Due to the concerns being raised across the country and the Jackson County specific findings of the news organization, my office reached out to the Legislature and we have agreed that the best course of action to take at this time is to veto Ordinance 5494. By doing so, we will allow ourselves an opportunity to review the news organization's findings, compare our program to those around the country, and analyze the County's current consumer protection requirements to determine if changes need to take place before expanding our current program.

For the foregoing reasons, Ordinance 5494 has earned my veto.

Respectfully submitted,

Frank White, Jr.  
Jackson County Executive

