

RESOLUTION NO. 2016-11-066R

RESOLUTION TO SUPPORT THE ESTABLISHMENT OF A PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM FOR COMMERCIAL PROPERTIES IN URBANA, ILLINOIS

WHEREAS, in 2013, Illinois ranked 4th (nationally) in carbon dioxide emissions, emitting 230 million metric tons of carbon dioxide; and

WHEREAS, commercial and industrial sectors in Illinois account for over half of the state's energy consumption total; and

WHEREAS, energy waste contributes to greenhouse gas emissions; and

WHEREAS, the Urbana Climate Action Plan (CAP) seeks to increase renewable energy purchasing and energy efficiency in Urbana; and

WHEREAS, the Urbana CAP sets goals to reduce greenhouse gasses from Urbana 25% (from 2007, the base year), by 2020 and 80% by 2050, and reductions of 15% have already been achieved by the end of 2015, including the purchase of Renewable Energy Credits; and

WHEREAS, investing in cost-effective energy efficiency and renewable energy improvements can save energy, cut utility bills, create local jobs, reduce reliance on fossil fuels and greenhouse gas emissions, and increase overall assessed property valuation; and

WHEREAS, Property Assessed Clean Energy (PACE) is a tool for financing energy efficiency and renewable energy improvements and realizing substantial energy savings and greenhouse gas reductions; and

WHEREAS, PACE financing programs are an innovative local government solution to help property owners finance energy efficiency and renewable energy improvements with private funding; and

WHEREAS, the PACE program removes many of the barriers of energy efficiency and renewable energy retrofits that otherwise exist for commercial

and industrial properties, particularly the high upfront cost of making such an investment and the long-term ability to reap the benefits of cost savings; and

WHEREAS, locally-enacted PACE programs are an exercise of the traditional authority of local governments to utilize the tax code for public benefit; and

WHEREAS, PACE creates a mechanism for property owners to take out a loan for up to 100% of the project cost from a private lender that is repaid through the property tax bill as a voluntary special assessment for up to 20 years, and the assessment stays with the property rather than the borrower and can potentially be passed on to tenants through the rent; and

WHEREAS, Urbana has the opportunity to be a leader in the state by developing an active Commercial PACE program; and

WHEREAS, SB0116 has been introduced into the state legislature to establish rules for enacting "green special service areas" that would authorize voluntary PACE special assessments.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Urbana, Illinois as follows:

Section 1.

The Mayor shall be and hereby is authorized to forward this Resolution to the Illinois General Assembly and to Governor Rauner in support of enacting into law Illinois Senate Bill No. 0116 which, if enacted, will provide for the Property Assessed Clean Energy (PACE) program which would provide for financing energy efficiency and renewable energy improvements and which would realize substantial energy savings and greenhouse gas reductions.

Section. 2.

In the event that Illinois Senate Bill No. 0116 is enacted into law, the City of Urbana shall undertake reasonable efforts to establish or otherwise join in a "green special service area" that would authorize

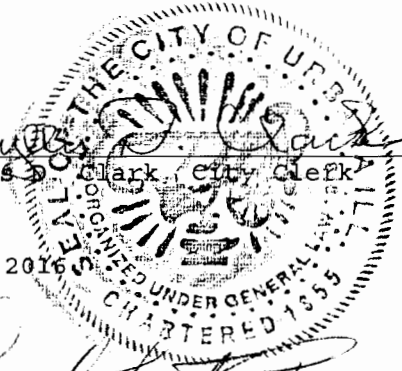
voluntary PACE special assessments for commercial property owners after state enabling legislation is passed.

PASSED BY THE CITY COUNCIL this 21st day of November, 2016.

AYES: Ammons, Brown, Jakobsson, Marlin, Roberts, Smyth

NAYS:

ABSTAINS:



Phyllis D. Clark
Phyllis D. Clark, City Clerk

Laurel Lunt Prussing
Laurel Lunt Prussing, Mayor

APPROVED BY THE MAYOR this 28th Day of November, 2016.