



MEMORANDUM

TO: Mayor Laurel Lunt Prussing and City Council Members

FROM: William R. Gray, Public Works Director
Scott R. Tess, Environmental Sustainability Manager

DATE: November 10, 2016

RE: Sustainability Advisory Commission Request for Support of PACE Bill SB0116

Introduction

Attached to this memo is a resolution requesting the Mayor and City Council to support Illinois General Assembly Bill SB0116 approved by the Urbana Sustainability Advisory Commission on November 1, 2016. Also attached is a draft resolution in support of SB0116 from the City Council in substantially the same form as the resolution passed by the Urbana Sustainability Advisory Commission.

Background

SB0116, a bill introduced into the Illinois General Assembly, would authorize the creation of “green special services areas” enabling the exercise of what are commonly called Property Assessed Clean Energy (PACE) programs in Illinois. PACE allows energy efficiency and renewable energy improvements which meet strict qualifications including a project payback period no longer than 20 years to be repaid to the lender through a voluntary property assessment.

The expected benefits of PACE include 100% project financing from private lenders, payment terms that match projected utility bill savings, and repayment that stays with the improved property instead of the individual or business.

Recommendation

It is recommended that a RESOLUTION TO SUPPORT THE ESTABLISHMENT OF A PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM FOR COMMERCIAL PROPERTIES IN URBANA, ILLINOIS be approved.

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% by 2020 and 80% by 2050; 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 of Council this ____ day of _____, 2016.

AYES: _____

NAYS: _____

ABSTAINS: _____

Phyllis D. Clark, City Clerk.

Approved by the Mayor this _____ Day of _____, 2016.

Laurel Lunt Prussing, Mayor.



MEMORANDUM

TO: Mayor Laurel Lunt Prussing and City Council Members
FROM: William R. Gray, Public Works Director
Scott R. Tess, Environmental Sustainability Manager
DATE: November 10, 2016
RE: Regional Planning Commission Approves “A Regional Water Supply Framework”

Background

Over the course of two and half years, the Champaign County Regional Planning Commission has been working with stakeholders to create A Regional Water Supply Framework. The mission statement of the Framework reads:

“To help protect the quality and quantity of the water supply for Champaign County by fostering a shared understanding of the current status of water quality and quantity in East Central Illinois and recommending an array of informed public policies and strategies useful in achieving those policies.”

The scope of the report is primarily Champaign County and focuses on three types of actions: research, policy, and outreach. The intention of the report is to present a menu of 36 actions in support of four general recommendations that stakeholders can choose from. The four general recommendations are

- Emphasize the connectivity between surface water and groundwater.
- Prioritize research on the Mahomet Aquifer and other parts of the regional water system.
- Develop informed public policy relating to water quality and water quantity issues.
- Partner on outreach and education efforts.

The report in its entirety is available at http://www.ccrpc.org/wp-content/uploads/2016/11/Regional-Water-Supply-Framework_2016_FINAL_1108.pdf.

Environmental Sustainability Division staff intend to work with the Regional Planning Commission to implement recommendations from Framework as appropriate.

Recommendation

There is no recommendation at this time.

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

November 1, 2016

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% by 2020 and 80% by 2050; 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 ON THIS DATE OF NOVEMBER 1, 2016

that the Sustainability Advisory Commission of the City of Urbana urges the Mayor of Urbana and City Council to send a resolution of support for SB0116 to the appropriate state elected officials; and

BE IT FURTHER RESOLVED that the Sustainability Advisory Commission urges the City of Urbana to join or create a “green special service area” that would authorize voluntary PACE special assessments for commercial property owners after state enabling legislation is passed.