



Legislation Text

File #: R-18-71, Version: 2

CITY of ALBUQUERQUE
TWENTY THIRD COUNCIL

COUNCIL BILL NO. R-18-71 ENACTMENT NO. _____

SPONSORED BY: Klarissa J. Peña

RESOLUTION

Recognizing The Commercial Property Assessed Clean Energy (C-Pace) Ordinance, Passed By The County Of Bernalillo Board Of Commissioners August 14, 2018 And Urging The New Mexico State Legislature To Adopt Statutes That Facilitate C-Pace Programs By Cities And Counties Throughout The State (Peña)

RECOGNIZING THE COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (C-PACE) ORDINANCE, PASSED BY THE COUNTY OF BERNALILLO BOARD OF COMMISSIONERS AUGUST 14, 2018 AND URGING THE NEW MEXICO STATE LEGISLATURE TO ADOPT STATUTES THAT FACILITATE C-PACE PROGRAMS BY CITIES AND COUNTIES THROUGHOUT THE STATE.

WHEREAS, encouraging the development and installation of distributed generation renewable energy sources and improvements to the energy efficiency of buildings and structures by owners of commercial real property, benefits the economic well-being and public and environmental health of Albuquerque residents and businesses; and

WHEREAS, the development and installation of distributed generation renewable energy sources and improvements to the energy efficiency of buildings and structures by owners of commercial real property provides opportunities for local economic development and jobs in the development and installation of such improvements; and

WHEREAS, the high front-end costs of renewable energy and energy efficiency improvements to real property prevents many property owners from making improvements, and many property

owners lack access to traditional financing, and it is desirable and necessary to authorize alternative financing procedures to promote the installation of the improvements; and

WHEREAS, the Renewable Energy Financing District Act, NMSA § 5-18-1 *et seq.*, (the "Act"), authorizes New Mexico municipalities to form renewable energy financing district. The Solar Energy Improvement Special Assessment Act NMSA § 5-55C-4 *et seq.*, (the "Act"), authorizes counties to pass an ordinance that creates a Solar Energy Improvement Special Assessment provision to create rules for certifying certain private banks and financing institutions as solar energy improvement financing institutions; and

WHEREAS, Property Assessed Clean Energy (Pace) is a means of financing energy efficiency upgrades or renewable energy installations for residential, commercial and industrial property owners. Through Pace legislation governments can offer a specific bond https://en.wikipedia.org/wiki/Government_bond to investors <https://en.wikipedia.org/wiki/Investors>. The proceeds of the bond can be used to provide loans to improve the energy efficiency of commercial and residential properties. Bonds can be issued by municipal financing districts, state agencies or finance companies. The Pace loan is attached to the property rather than an individual and is a nonrecourse https://en.wikipedia.org/wiki/Nonrecourse_loan loan to the borrower. The loans are repaid over the course of 5 to 25 years via an annual assessment on the property tax https://en.wikipedia.org/wiki/Property_tax bill of the improved property; and

WHEREAS, the County of Bernalillo has adopted a Commercial Property Assessed Clean Energy (C-Pace) Ordinance to facilitate loans made by qualified lenders to commercial property owners to finance renewable energy production and distribution facilities and energy efficiency improvements.

BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

Section 1. The City of Albuquerque commends and expresses its support to the County of Bernalillo for enacting the C-Pace Ordinance, so as to further the development of renewable energy within the County. This program will benefit the natural environment through improving air quality in the county, reducing household energy expenses and creating jobs for the manufacturing installation and servicing of renewable energy systems.

Section 2. The City of Albuquerque hereby respectfully urges the 2019 Session of the New Mexico Legislature to build upon the success of the Renewable Energy Financing District Act and the Solar Energy Improvement Special Assessment Act. The legislature is encouraged to enact legislation that would specifically authorize cities and counties to provide programs, such as the C-Pace programs adopted by the County of Bernalillo. Such action will further, the growth of

affordable solar, geothermal, wind, and other forms of renewable energy throughout the state for commercial and residential uses.

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