



ALASKA MUNICIPAL LEAGUE

RESOLUTION #2016-09

A RESOLUTION SUPPORTING THE PASSAGE OF COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (PACE) LEGISLATION AS A MEANS OF OFFERING A LOCAL OPTION FOR MUNICIPALITIES TO USE, IN ORDER TO ENCOURAGE ENERGY EFFICIENCY IMPROVEMENTS TO AND RENEWABLE ENERGY DEVELOPMENT ON COMMERCIAL PROPERTIES

WHEREAS, Property Assessed Clean Energy (PACE) is a means of financing energy efficiency upgrades or renewable energy installations for commercial buildings; and

WHEREAS, the Alaska Energy Authority, Commercial Building Energy Audit program indicates that businesses can achieve annual energy savings of approximately 30% by implementing suggested energy efficiency improvements; and

WHEREAS, PACE statutes authorize municipalities, with property tax authority, to work with private sector lenders to provide upfront financing to property owners for qualified projects; and

WHEREAS, PACE repayments are collected through placement of a voluntary assessment on a property's annual real-estate tax bill; and

WHEREAS, the term of PACE financing may extend up to 20 years, resulting in energy savings that exceed the amount of the assessment payment producing immediate positive cash flow; and

WHEREAS, PACE legislation for commercial property has been adopted in 29 states and the District of Columbia; and

WHEREAS, commercial PACE is now available in more than 1,000 municipalities in the U.S. outside of Alaska; and

WHEREAS, use of PACE in Alaska may facilitate access to private sector capital or low-cost federal funds to assist with commercial property energy improvements; and

WHEREAS, PACE legislation was introduced in the Alaska House of Representatives (HB 118) and the Alaska Senate (SB56) in 2015; and

WHEREAS, HB 118 and SB 56 would create a local option for Alaska municipalities with property tax authority to use if local elected officials believe PACE financing would be beneficial in their communities; and

WHEREAS, HB 118 progressed to the House Finance Committee and SB 56 progressed to the Senate Finance Committee during the 2015 regular legislative session; and

WHEREAS, passage of PACE legislation in Alaska could provide an important tool that assists in achieving the energy efficiency and renewable energy goals established in state law in 2010.

NOW, THEREFORE BE IT RESOLVED that the Alaska Municipal League supports the passage of commercial Property Assessed Clean Energy (PACE) legislation as a means of offering a local option for municipalities to use to encourage energy efficiency improvements to, and renewable energy development on, commercial properties; and

LET IT BE FURTHER RESOLVED that the Alaska Municipal League supports passage of SB 56 or HB 118 as a means of achieving this desired action.

PASSED AND APPROVED by the Alaska Municipal League on this 20th day of November, 2015.



Signed: _____

Bob Harcharek, President, Alaska Municipal League



Attest: _____

Kathie Wasserman, Executive Director, Alaska Municipal League