Commercial Property Assessed Clean Energy District

Meeting Date: July 11, 2018   
#: 5-2.   
Title: Commercial   
Date Submitted: June 29, 2018   
Staff Presenter: Rosemarie Russo, Sustainability Director   
Attachment(s): C-PACE Resolution, C-PACE Participation Agreement &   
Support for a National Revenue Neutral Carbon Fee Resolution   
Options: Sign the Carbon Fee Resolution or review and vote at a later meeting   
Recommended Motion: NA 

Background/Summary:: The Administration recommends that City Council   
adopt the provided Resolution relating to a C-PACE Local Entity Participation   
Agreement (the "Participation Agreement") between Moab Corporation and   
the Governor's Office of Energy Development (OED)and a resolution   
acknowledging Support of a National Revenue - Neutral Carbon Fee   
Resolution. The C-PACE resolution requests and authorizes OED to conduct a   
C-PACE program and district (the "Utah C-PACE District") and the   
Participation Agreement allows OED to offer and administer Utah C-PACE   
District within city limits and perform all of the duties described in the   
Participation Agreement. 

The City has a number of ambitious community energy, air quality and climate   
change goals. These goals include transitioning to net-100% renewable   
electricity for the entire community by 2032 along with reducing energy -   
related greenhouse gas emissions 80% by 2040.   
Over 50 % of emissions tracked in the community's annual carbon footprint   
are related to electricity and natural gas used at non-residential sites,   
including commercial and industrial properties. Reducing energy waste   
through efficiency and conservation plus the adoption of cleaner technologies   
like renewable energy and electric vehicles are all keys to mitigating carbon   
pollution. Commercial Property Assessed Clean Energy (C-PACE) financing   
was created to better connect property owners, managers and tenants

nationally with funding opportunities for onsite energy projects and can help   
advance energy goals locally in Moab and throughout Utah.   
In addition to traditional commercial and industrial property types that are   
eligible for C-PACE in Utah, multifamily rental properties with five or more   
units can also utilize the program. Financing can be leveraged for   
improvements to existing properties and also certain investments in new   
construction. For new construction, eligible improvements can be financed as   
long as the building is designed to exceed the current international energy   
conservation code required in Utah (2015 IECC, ASHRAE 90.1-2013) by at   
least 5%.

A complete list of eligible improvement types along with C-PACE   
rules and requirements are available in the User Guide' published at   
UtahCPACE.com. 

Other tangible steps for the City to move toward its energy efficiency and   
renewable energy goals is supporting regional and national efforts include our   
National Renewable Energy Lab Grant, the proposed Revenue Neutral Carbon   
Fee Resolution, and on -going Green to Gold adoption rates.   
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Utah C-PACE User Guide Version 1.0. Published May 4, 2018.   
http s: //utahcpace. com/municipalities/municipalities-how-it-works/

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RESOLUTION 31-2018   
A Resolution Concerning the Authorization of the Governor's Office of   
Energy Development (OED) to Conduct the Commercial Property   
Assessed Clean Energy District (Utah C-PACE District), within Moab as   
the Governing Body ("Governing Body") 

RECITALS   
A. Utah Code Ann. § 11-42a (2017) (the "Statute") establishes the   
GOVERNOR'S OFFICE OF ENERGY DEVELOPMENT (OED), an independent   
body corporate and politic of the State of Utah and establishes the Utah C-   
PACE District and provides for the creation of new energy improvement   
financing, which the District has named "C-PACE" or Commercial Property   
Assessed Clean Energy.

B. Pursuant to Section 11-42a-106 of the Utah Code, OED may only   
"establish and administer" the C-PACE District in the Governing Body if the   
Governing Body authorizes it do so by resolution.

C. The Governing Body wishes to authorize OED to administer projects   
through the C-PACE District in the Governing Body.

D. OED and Governing Body have agreed on the terms of the C-PACE   
Governing Body Participation Agreement in the form attached hereto (the   
"Participation Agreement").

E.. Reducing energy waste through efficiency and conservation plus the   
adoption of cleaner technologies like renewable energy and electric vehicles   
are all keys to mitigating carbon pollution. C-PACE financing was created to   
better connect property owners, managers and tenants nationally with   
funding opportunities for onsite energy projects and can help advance energy   
goals locally in Moab. 

THEREFORE, THE GOVERNING BODY RESOLVES:   
The Governor's Office of Energy Development shall be authorized to conduct   
the C-PACE District in the Governing Body in accordance with the   
Participation Agreement. 

The Governing Body hereby: (a) adopts the above recitations as findings of the   
Governing Body ; (b) authorizes the Governing Body Attorney, in consultation   
with the Chair, to make such changes as may be needed to the Participation   
Agreement in order to correct any nonmaterial errors or language that do not   
materially increase the obligations of the Governing Body; (c) authorizes the   
Chair to execute the Participation Agreement following review and approval   
by the Governing Body Attorney; and (d) authorizes the Chair, Vice Chair, or   
designee to execute any and all other necessary letters, orders, or documents   
as may be required to facilitate the successful implementation of the C-PACE   
District in the Governing Body.   
Budget Impacts: None   
  
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Clean Energy District and Revenue -Neutral Carbon Fee —Approved 

Motion and Vote: Councilmember Derasary moved to approve Proposed Resolution #31-2018 — A   
Resolution Concerning the Authorization of the Governor's Office of Energy Development to   
conduct the Commercial Property Assessed Clean Energy (C-PACE) District within Moab and Proposed Resolution 

#32-2018 — A Resolution Urging Congress to Levy a Revenue -Neutral Fee on the Carbon in Fossil Fuels. 

Councilmember Knuteson-Boyd seconded the motion. Sustainability Director Russo described the C- PACE program and noted more than 100 local governments have passed legislation in support of it. She noted several opportunities for this low -rate loan program, including affordable housing, water conservation, solar installations and more. The motion passed 4-0 aye with Councilmembers Jones, Derasary, Knuteson-Boyd and Duncan voting aye. 