



Rochester Hills

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Master

File Number: 2013-0191

File ID: 2013-0191

Type: Project

Status: Public Hearing

Version: 2

Reference: 2013-0191

Controlling Body: City Council
Regular Meeting

File Created Date : 05/08/2013

File Name: PACE program

Final Action:

Title label: Request for Approval of a Resolution Establishing a Property Assessed Clean Energy (PACE) Program

Notes:

Sponsors:

Enactment Date:

Attachments: Agenda Summary.pdf, Memo Breuckman 06-14-13.pdf, Documentation Package.pdf, Resident Questions 061013.pdf, Response to Resident Questions.pdf, 052013 Agenda Summary.pdf, SUPPL Presentation.pdf, PACE Program Documentation.pdf, Act 270.pdf, 052013 Resolution.pdf

Enactment Number: RES0107-2013

Contact: PLA 656-4660

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council Regular Meeting	05/20/2013					
1	City Council Regular Meeting	05/20/2013	Adopted by Resolution				Pass
2	City Council Regular Meeting	06/24/2013					

Text of Legislative File 2013-0191

Title

Request for Approval of a Resolution Establishing a Property Assessed Clean Energy (PACE) Program

Body

Whereas, the City Council of the City of Rochester Hills, Michigan, previously has adopted a Resolution of Intent to authorize the establishment of a property assessed clean energy program (the "PACE Program") and create a PACE district pursuant to Act No. 270, Public Acts of Michigan, 2010 ("Act 270"), for the

purpose of promoting the use of renewable energy systems and energy efficiency improvements by owners of certain real property; and

Whereas, the City Council hereby finds that financing energy projects is a valid public purpose because it stimulates economic development, improves property values, reduces energy costs, reduces greenhouse gas emissions and increases employment in the City; and

Whereas, the types of energy projects, either energy efficiency improvements or renewable energy systems that may be financed under the PACE Program include: insulation in walls, roofs, floors, foundations or heating and cooling distribution systems; storm windows and doors; multi-glazed windows and doors; heat-absorbing or heat-reflective glazed and coated window and door systems; and additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption; automated energy control systems; heating, ventilating or air-conditioning and distribution system modifications or replacements; caulking, weather-stripping and air sealing; replacement or modification of lighting fixtures to reduce use of the lighting system; energy recovery systems; day lighting systems; installation or upgrade of electrical wiring or outlets to charge a motor vehicle that is fully or partially powered by electricity; measures to reduce the usage of water or increase the efficiency of water usage; any other installation or modification of equipment, devices, or materials approved as a utility cost-savings measure by the City Council; a fixture, product, device or interacting group of fixtures, or products or devices on the customer's side of the meter that use one or more renewable energy resources to generate electricity. Renewable energy resources include, but are not limited to: biomass (includes a biomass stove but does not include an incinerator or digester); solar and solar thermal energy; wind energy; geothermal energy and methane gas captured from a landfill; and

Whereas, the City Council conducted a public hearing on June 24, 2013 at 1000 Rochester Hills Drive, Rochester Hills, MI 48309 to receive comments on the proposed PACE Program, including the Report referenced in Section 9(1) of Act 270 (the "PACE Report"); and

Whereas, the City Council intends to establish a PACE Program as described in the PACE Report, so as to provide a property owner based method of financing and funds for energy projects from owner arranged financing from a commercial lender, or from amounts advanced by the City from any source permitted by law, which funds and financing shall be secured and repaid by assessments on the property benefited, with the agreement of the record owners, such that no City moneys, general City taxes or City credit of any kinds whatsoever shall be pledged, committed or used in connection with any project as required by and subject to Act 270.

Resolved, that the Rochester Hills City Council hereby establishes and approves the PACE Program for the City; and

Be It Further Resolved, that the PACE district, having the same boundaries as the City's jurisdictional boundaries, is established; and

Be It Further Resolved, that the PACE Program constitutes a valid public purpose because it stimulates economic development, improves property values, reduces energy costs, reduces greenhouse gas emissions and increases employment in the City; and

Be It Further Resolved, that the PACE Report is incorporated herein in full by reference and is approved and adopted; and

Be It Further Resolved, that the City formally joins Lean & Green Michigan and Levin Energy Partners, LLC is designated as PACE administrator to administer the PACE Program; and

Be in Further Resolved, that in accordance with the PACE Report, amendments to the PACE Program shall not require a public hearing, with the exception of amendments regarding property eligibility parameters found in paragraph 11 of the PACE Report; and

Be It Further Resolved, that in accordance with Act 270, an assessment imposed under the PACE

program, including any interest on the assessment and any penalty, shall constitute a lien against the property on which the assessment is imposed until the assessment, including any interest or penalty, is paid in full. The lien runs with the property and has the same priority and status as other property tax and assessment liens. The City has all rights in the case of delinquency in the payment of an assessment as it does with respect to delinquent property taxes. When the assessment, including any interest and penalty, is paid, the lien shall be removed from the property. The Authorized Official(s), as designated in the PACE Report, are authorized and directed to execute and deliver any special assessment agreement, document or certificate necessary or appropriate to create, establish and record an assessment under the PACE Program; and

Be It Further Resolved, that in accordance with Act 270, installments of assessments due under the PACE Program may be included in each summer tax bill issued under the General Property Tax Act, 1893 PA 206, MCL 211.1 to 211.155 ("Act 206"), and may be collected at the same time and in the same manner as taxes collected under Act 206. Alternatively, installments may be billed and collected as provided in the City's special assessment ordinance. Under owner-arranged financing, the City may impose an assessment and forward payments to the commercial lender or the record owner may pay the commercial lender directly. In all projects where the property owner will pay the installments of assessments through periodic payments to the City, the PACE special assessment agreement will provide for the City to be reimbursed for the actual costs of administering the billing and payment process; and

Be It Further Resolved, that the City may join with any other local unit of government, or with any person, or with any number or combination thereof, by contract or otherwise as may be permitted by law, for the implementation of the City's PACE Program, in whole or in part, and the Authorized Officials are authorized to execute and deliver such documents, agreements or certificates as may be necessary or advisable to permit the cooperative implementation of the PACE Program as provided by Act 270 or other applicable law; and

Be It Further Resolved, that the Authorized Official is authorized to sign necessary documents, agreements or certificates and to take all other actions necessary or convenient to implement a PACE Program consistent with the PACE Report, to the extent permitted by law and City Charter.

Be It Finally Resolved, that all resolutions and parts of resolutions inconsistent with this Resolution are repealed to the extent of such inconsistency.