

Legislation Text

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Urging the General Assembly of the Commonwealth of Pennsylvania to Enact Senate Bill 234 titled, “Property Assessed Clean Energy Program” (PACE).

WHEREAS, Nearly half the energy consumed in the United States and three-quarters of the electricity generated is used to operate buildings, including heating, cooling, and lighting, much of it produced by the burning of fossil fuels; and

WHEREAS, Reducing the energy demands of buildings helps to reduce the amount of fossil fuel energy required and consumed nationally. The high initial cost of energy efficient and renewable energy improvements can be a barrier to the widespread adoption of these improvements; and

WHEREAS, PACE is a financing mechanism that enables low-cost, long-term funding for energy efficiency, renewable energy, and water conservation projects. PACE financing is repaid as an assessment on the property’s regular tax bill, and is processed the same way as other local public benefit assessments. Depending on state legislation, PACE can be used for commercial, nonprofit, and residential properties; and

WHEREAS, PACE overcomes challenges that have hindered adoption of energy efficiency and related projects in the United States. It mitigates financing issues by providing 100% financing for project costs and offers a long-term repayment plan of up to twenty years, which makes longer payback projects cash flow positive and buildings more valuable; and

WHEREAS, PACE funded projects create more jobs and economic activity. A 2011 study by ECONorthwest, reports that every \$1 million in project spending results in fifteen new jobs and \$2.5 million in economic output; and

WHEREAS, PACE helps communities achieve important energy and water conservation goals. Efficiency projects upgrade old equipment which reduces energy use, while renewable projects replace fossil fuels and reduce greenhouse gas emissions; and

WHEREAS, The City of Philadelphia would benefit from PACE because it is an economic development initiative that lowers the cost of doing business in our community. It encourages new business owners to invest in Philadelphia, and creates jobs using the local workforce. PACE projects also have a positive impact of air quality by creating healthier and more livable neighborhoods; and

WHEREAS, Pennsylvania Senate Bill 234 creates a framework for commercial PACE funding in Pennsylvania, to provide Pennsylvania commercial property owners greater opportunity to improve their property in ways that are both fiscally and environmentally responsible; now, therefore, be it

RESOLVED, THAT THE COUNCIL OF THE CITY OF PHILADELPHIA, Does hereby urge the General Assembly of the Commonwealth of Pennsylvania to enact Senate Bill 234 titled, “Property Assessed Clean Energy Program.”

