



**City Of Richmond, Virginia
Office of the City Clerk**

Request to Withdraw Legislation

Paper Number: Ord. 2020-108

Chief Patron: Mayor Levar Stoney

Introduction Date: April 27, 2020

Chief Patron Signature:  5/20/2020

For Office Use Only

Attestation: *Candice Reid* 5/20/2020

Effective Date: _____

INTRODUCED: April 27, 2020

AN ORDINANCE No. 2020-108

To repeal Ord. No. 2019-274, adopted Nov. 12, 2019, which amended ch. 11 of the City Code by adding therein in ch. 11 a new art. VIII, consisting of new §§ 11-190—11-197, effective Jul. 1, 2020, to establish a Commercial Property Assessed Clean Energy (C-PACE) Program, for the purpose of repealing this program.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 26 2020 AT 6 P.M.

§ 1. That Ordinance No. 2019-274, adopted November 12, 2019, which amended Chapter 11 of the Code of the City of Richmond (2015) by adding therein a new article VIII, consisting of new sections numbered 11-190 through 11-197, effective July 1, 2020, be and is hereby **repealed**.

§ 2. This ordinance shall be in force and effect upon adoption.

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: April 1, 2020 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: Lenora G. Reid, Acting Chief Administrative Officer *lgr 4/6/2020*

THROUGH: Sharon Ebert, Deputy Chief Administrative Officer *[Signature]*

THROUGH: Robert C. Steidel, Deputy Chief Administrative Officer *[Signature]*

FROM: Alicia Zatcoff, Sustainability Manager *ARZ*

RE: Repeal Ord. No. 2019-274, which establishes a commercial property assessed clean energy program, effective July 1, 2020

ORD. OR RES. No. _____

PURPOSE: To Repeal Ord. No. 2019-274 amending ch. 11 of the City Code by adding therein a new art. VIII (§§ 11-190—11-197) to establish a commercial property assessed clean energy program in accordance with Va. Code §15.2-958.3, for the purpose of facilitating the development of clean energy projects.

REASON: Repeal of Ord. No. 2019-274, prior to its effective date of July 1, 2020, will facilitate the City of Richmond participating in a C-PACE program pursuant to 2020 General Assembly legislation HB 654, which will provide benefits to commercial building owners and to the City by positively impacting city budget, services, and efficiencies.

RECOMMENDATION: Repeal Ord. No. 2019-274 before its effective date of July 1, 2020.

BACKGROUND: Ord No. 2019-274, which was introduced October 14, 2019 and adopted by City Council November 12, 2019, directs the City to establish a Commercial Property Assessed Clean Energy (C-PACE) Program, effective July 1, 2020. A C-PACE program provides loans to commercial property owners for the initial acquisition and installation of clean energy, resiliency, or stormwater management improvements.

In the 2020 General Assembly session, HB 654 was passed by the House and Senate and is awaiting the Governor's signature (Action Deadline April 11, 2020). HB 654 directs the Virginia Department of Mines, Minerals and Energy (DMME) to sponsor and oversee a statewide clean energy financing program (i.e. a C-PACE Program) that enables localities to participate.

The statewide program will provide the same services to commercial property owners as those set forth in Ord. No. 2019-274. However, whereas implementation of Ord. No. 2019-274 will result in negative budgetary implications incurred by the City, opting-in to the DMME sponsored program would positively impact City budget, costs and staffing; city services and efficiencies; and existing projects. The DMME sponsored program will also provide enhanced benefits to commercial property owners in the City of Richmond. While City Administration supports the general intent of Ord. No. 2019-274, allowing for an enhanced program to be managed by DMME will provide many benefits including:

- Make program development and adoption as streamlined and inexpensive as possible
- Reduce administrative burden and resources required
- Provide uniform and streamlined underwriting procedures and standardize documentation
- Lower program loan fees
- Increase deal flow and approval rates
- Increase market awareness of C-PACE
- Accelerate adoption and growth of C-PACE
- Create consistency and simplicity in all aspects of C-PACE program

Therefore, City Administration recommends repeal of Ord. No. 2019-274 in favor of opting-in to the DMME sponsored clean energy financing program outlined in HB 654 by adopting a new model ordinance to be provided by DMME after July 1, 2020.

FISCAL IMPACT / COST: None

FISCAL IMPLICATIONS: None

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: None

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: April 27, 2020

CITY COUNCIL PUBLIC HEARING DATE: May 26, 2020

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: City Attorney's Office

AFFECTED AGENCIES: Office of Sustainability, Departments of Public Utilities, Economic Development, Finance

RELATIONSHIP TO EXISTING ORD. OR RES.: Repeal Ord. No. 2019-274

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: None

STAFF:

Alicia Zatcoff, Sustainability Manager
Office of Sustainability
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