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A RESOLUTION OF INTENT ESTABLISHING
THAT FINANCING OF ENERGY IMPROVEMENT PROJECTS THROUGH ASSESSMENTS
SERVES A VALID PUBLIC PURPOSE AND RELATED MATTERS
(PACE PROGRAM)

WHEREAS, [_____], a [_____] (“ _____ ”), was created as a _____ under the laws of the State of Alaska (“State”);

WHEREAS, the State Legislature enacted the Municipal Property Assessed Clean Energy Act, Alaska Statutes 29.55, as amended, restated, supplemented or otherwise modified from time to time (“PACE Act”), authorizing local governments to establish an energy improvement assessment program; and

WHEREAS, the PACE Act allows local governments to finance the installation or modification of permanent improvements, fixed to existing privately owned commercial or industrial property, to achieve reduced energy consumption or demand in areas designated by local governments; and

WHEREAS, installation or modification by property owners of energy improvement upgrades to commercial or industrial property in [_____] will serve a public purpose by reducing energy costs, stimulating the economy, improving property valuation, reducing greenhouse gas emissions and creating jobs; and

WHEREAS, the [_____], finds that it is convenient and advantageous to establish a program under the PACE Act and designate the geographic area on an [non/areawide] basis within the [_____]’s jurisdiction as an area within which [_____] and the record owners of qualified real property may participate under a program established by the PACE Act and enter into financing arrangements in connection therewith:

THEREFORE, be it resolved by the [_____] of [_____] that:

1. The Recitals to this Resolution are true and correct and are incorporated into this Resolution for all purposes.
2. For purposes of this Resolution, “PACE assessment” shall mean those assessments authorized by the PACE Act.
3. [_____] hereby determines that establishing a property assessed clean energy program and financing energy improvements through PACE assessment serves a valid public purpose by reducing energy costs, stimulating the economy, improving property valuation, reducing greenhouse gas emissions and creating jobs.
4. [_____] intends to allow privately owned commercial or industrial property owners to make contractual PACE assessment to repay financing for qualified energy improvement

projects under, and pursuant to, the terms of a municipal property assessed clean energy program subject to, and pursuant to, the PACE Act (“PACE Program”).

5. Qualified energy improvement projects under the PACE Program will include those projects which are (i) are fixed to existing privately owned commercial or industrial property, and (b) are intended to reduce energy consumption or demand, energy costs, or missions affecting local air quality, including a product, device, or interacting group of products or devices that use energy technology to generate electricity, provide thermal energy, or regulate temperature.

PACE assessment may not be imposed to repay financing of facilities for undeveloped lots or lots undergoing development at the time of an assessment.

6. To the extent permitted by law, the entire geographic area within [_____]’s] jurisdiction may be available for energy improvements under the PACE Program.
7. Financing for qualified energy improvement projects under the PACE Program will be provided by third-party capital providers under a written contract with property owners. The contracts will provide for capital providers to advance funds to property owners on such terms as are agreed between the capital providers and property owners for installation or modification of energy improvement projects, and service the debt secured by PACE assessment through the [_____]. The proposed arrangements for financing energy improvement projects may authorize property owners to (1) purchase directly the related equipment and materials for energy improvement projects; and (2) contract directly, including through lease, a power purchase agreement, or other service contract, for energy improvement projects. [_____] does not intend to finance or fund any loan under the PACE Program, rather, [_____] intends to serve only as a Program sponsor to facilitate loan repayment by including PACE assessment on real property tax bills for the improved property, and shall incur no liability for the loan.

Benefited property owners will execute written contracts with [_____] to impose a PACE Program assessment to repay financing of an energy improvement project located on such property. The contract between a property owner and [_____] will authorize [_____] to service the debt by PACE assessment for the benefit of the capital provider and enforce the PACE assessment lien as provided in AS 29.45.320 - 29.45.470 for enforcement of property tax liens. In the case of third-party capital financing of energy improvement project(s), an agreement will be entered into by [_____] and the third-party capital provider.

A person or entity that acquires property subject to an assessment under the PACE Program will assume the obligation to pay such PACE assessment.

8. Subject to law, _____ shall collect, and enforce PACE assessment in the same manner as other property tax liens.
9. The report on the proposed PACE Program, as required by AS 29.55.110, will be available for public inspection on the Internet website of [_____] and in the office of the [_____] at [_____].
10. The local official administering the PACE Program is [NAME AND TITLE] and the local assessor, who will collect the proposed PACE assessment with property taxes imposed on the assessed property is [NAME].

11. This Resolution shall become effective immediately upon its passage and approval. The [_____] will hold a public hearing on the proposed PACE Program and report.

DATED _____, Alaska, this _____ day of _____ 2020.

[INSERT APPROPRIATE SIGNATURE BLOCKS]

Resolution No. _____