



Legislation Text

File #: 110140, **Version:** 1

110140
SUBSTITUTE 1
100007
THE CHAIR

Substitute resolution approving a commercial financing strategy for the Milwaukee Energy Efficiency Program, amending the cooperation agreement with the Wisconsin Energy Conservation Corporation to administer the Milwaukee Energy Efficiency program, and accepting a subgrant up to an additional \$1,500,000 from the United States Department of Energy for the Energy Efficiency and Conservation Block Grant Better Buildings program.

This resolution approves commercial financing strategy for the Milwaukee Energy Efficiency program. Common Council Resolution File Number 100007, adopted on July 27, 2010, authorized the Department of Administration - Office of Environmental Sustainability to accept and fund an Energy Efficiency and Conservation Block Grant Better Buildings grant in the amount of up to \$20,000,000, with a minimum funding of \$12,051,372 to be applied to projects in the City of Milwaukee. The Wisconsin Energy Conservation Corporation (WECC) is administering the program as the Milwaukee Energy Efficiency (ME2) Program.

The resolution also approves an amendment to the Cooperation Agreement with the Wisconsin Energy Conservation Corporation, originally approved in Common Council File Number 10007. This amendment authorizes the City to accept up to \$1,500,000 in additional grant funds to secure Clean Energy Financing loans, pending adoption of a companion ordinance establishing the use of the tax roll to collect delinquent payments for approved Energy Efficiency loans. If a collection is not made through the tax roll, this resolution creates additional authority for a Debt Service Reserve Fund funded through the Energy Efficiency and Conservation Block Grant Better Buildings grant. The City of Milwaukee would receive these funds as an additional subgrant from WECC as Clean Energy Financing Loans are made. This ensures that a participating bank is guaranteed to receive at least one year's worth of principal and interest payments on the loan, and the City does not have any financial liability beyond the funds received through the federal grant.

Whereas, The City of Milwaukee has been awarded grant funds from the U.S. Department of Energy (DOE) to fund building energy retrofits, and these will be projects that demonstrate a sustainable business model for providing cost-effective energy upgrades for a large percentage of the residential, commercial and public buildings in throughout the City; and

Whereas, On July 27, 2010, the Common Council adopted Resolution File Number 100007, authorizing the Department of Administration - Office of Environmental Sustainability to enter into a cooperation agreement with the Wisconsin Energy Conservation Corporation (WECC) to implement the ME2 program; and

Whereas, The ME2 program is funded as part of a \$20 million U.S. Department of Energy Efficiency and Conservation Block Grant (EECBG) Better Buildings grant to WECC, with a minimum funding of \$12,051,372 for the City of Milwaukee; and

Whereas, The Common Council, through Resolution File Number 100007, reserves the right to revise the ME2 program strategies and tasks within DOE parameters, particularly as it relates to marketing and financing; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Common Council approves the ME2 Commercial Financing Plan for Energy Efficiency, a copy of which is attached to this file, and directs the Department of Administration - Office of Environmental Sustainability in coordination with the Wisconsin Energy Conservation Corporation to execute the attached plan; and be it

Further Resolved, That, with prior approval from the Department of Administration, the Wisconsin Energy Conservation Corporation may re-allocate the \$3.8 million among the three listed credit enhancements provided in the plan to meet market demand for the various instruments; and, be it

Further Resolved, That the Common Council further approves an "Amendment to the Cooperation Agreement Between the Wisconsin Energy Conservation Cooperation and the City of Milwaukee Regarding the Wisconsin Energy Efficiency Project and the Milwaukee Energy Efficiency Program", a copy of which is attached to the file; and, be it

Further Resolved, That the City Comptroller is authorized and directed to:

1. Commit funds within the Project/Grant Parent of the 2011 Special Revenue - Grant and Aid Projects fund, the following amount for the project titled Better Buildings Grant:

Project/Grant	GR0001100000
Fund	0150
Org	9990
Program	0001
BY	0000
Subclass	R999
Account	000600
Project	Grantor Share
Amount	\$1,500,000

2. Create the necessary Grant and Aid Project/Grant and Project/Grant levels budget against these Project/Grant values the amount required under the grant agreement.

; and, be it

Further Resolved, That these funds are budgeted for the Department of Administration - Office of Environmental Sustainability, which is authorized to:

1. Expend from the amount budgeted for, sums for specified purposes as indicated in the grant budget and incur costs consistent with the award date. These funds are to act as a Debt Service Reserve Fund to support Clean Energy Financing Loans.

2. Enter into subcontracts as detailed in the grant budget.

Department of Administration - Office of Environmental Sustainability

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6/1/11

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6/7/11