



Legislation Text

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Fiscal Note

Of the City's \$2,384,600 direct DOE grant award of EECBG funds, a total of \$397,742 was disbursed as loans. To date, \$173,673 of that figure has been repaid by loan recipients, with an additional \$224,069 in future loan repayments expected from this grant source. These EECBG loan repayments will be available for the uses described in this Resolution.

Of the City's portion of the Better Buildings DOE grant award of EECBG funds, a total of roughly \$1.7 million remains unspent and will be available for the uses described in this Resolution.

No additional funds are being requested by this Resolution, and there is no net impact on the City levy.

Title

Authorizing the use of available federal energy funds to support and supplement existing eligible housing programs administered by the Community Development Division

Body

Following the enactment of the Federal American Recovery and Reinvestment Act of 2009 ("ARRA") the City of Madison was awarded a grant from the U.S. Department of Energy (DOE) of \$2,384,600 under the Energy Efficiency and Conservation Block Grant (EECBG) Program to support energy efficiency and conservation activities. A portion of these funds were used to make loans to residential and commercial customers to support energy improvement projects. These loans are currently within repayment status. The City may reuse loan repayments, expected to total about \$400,000, for projects and activities that support energy efficiency and conservation.

In addition to the grant described above, the DOE also made EECBG funds available to local governments through a separate competitive "Better Buildings" grant program. In April 2010, the City of Madison, along with partners Wisconsin Energy Conservation Corporation (WECC) and the cities of Milwaukee and Racine, jointly submitted a "Better Buildings" grant application to design and implement an energy market transformation program. This Wisconsin Partnership (WECC and the Cities of Madison, Milwaukee and Racine), was one of only twenty-five applicants awarded funds - a grant of \$20 million.

WECC was designated the prime administrator of the Better Buildings award and worked with Madison to help design and implement a City program - which became known as "Green Madison." The City's share of the grant was \$7.2 million. The City utilized the funds to support energy efficiency and conservation activities implemented through the Community Development Division. When the Better Buildings grant expired in 2013, a portion of these funds remained unspent. Subsequently, the DOE agreed to allow the continued use of those funds (in excess of \$1.5 million) so long as they were used in ways acceptable to that agency.

Thus, though both EECBG grant award periods have officially closed, the City retains access to these funds and may use them for energy efficiency and conservation activities in compliance with the original grant guidelines. To date, these funds have not been used.

The Community Development Division proposes to use loan repayments and remaining Better Building grant funds to supplement and support HOME, CDBG, Affordable Housing Trust Fund, and other City funded programs and projects that support energy efficiency renovations.

WHEREAS, the City of Madison has received funds from the U. S. Department of Energy, in the form of two

separate grants issued under the Energy Efficiency and Conservation Block Grant Program, to support energy efficiency and conservation activities; and,

WHEREAS, despite the formal expiration of those grants, the City retains access to about \$400,000 in loan repayment funds, and more than \$1.5 million in unused grant funds, which are available for use in support of these goals provided their use adheres to the rules and guidelines of the original grant programs; and,

WHEREAS, the City currently administers resources through the HOME, CDBG, Affordable Housing Trust Fund, and City-financed rehabilitation loan programs that can and do support investments in energy efficiency and conservation projects,

NOW, THEREFORE BE IT RESOLVED that the Mayor and the Common Council authorize the Community Development Division, in coordination with the CDBG Committee, to identify and support with EECEBG funds programs and projects that are supported with HOME, CDBG, Affordable Housing Trust Fund, and City dollars, so long as such use of EECEBG funds is in compliance with U.S. Department of Energy grant guidelines; and,

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized to execute, deliver, accept and record any and all documents and take such other actions as shall be necessary or desirable to accomplish the purpose of this resolution in a form approved by the City Attorney.