Legislation Text

File #: 80937, **Version:** 1

Fiscal Note

The proposed resolution authorizes the application for the Inflation Reduction Act low-income communities bonus credit program for the Truax Apartments Solar project. Federal revenues for Inflation Reduction Act bonus credits are budgeted in the 2024 Engineering - Facilities Management Adopted Capital Budget under the Energy Improvements program (Munis #10562). No additional appropriation required.

Title

Authorizing the City Engineer or designee to Apply to the Department of Energy for the Low-Income Communities Bonus Credit under the Inflation Reduction Act

Body

WHEREAS, the City of Madison is dedicated to creating inclusive, innovative, and thriving communities; and

WHEREAS, the City of Madison is installing about 450 kW (kilo-Watts) of solar panels across 15 buildings at the Community Development Authorities (CDA) Truax Campus in 2024; and

WHEREAS, local borrowing for the Truax Solar Project is expected to total approximately $1M after Congressionally Directed Spending and Inflation Reduction Act Base Credits are deducted; and

WHEREAS, The Inflation Reduction Act offers a Low-Income Communities Bonus Credits for certain wind and solar renewable energy projects. The credit has an annual limit of 1.8 giga-Watts (GW). Each year there will be a short window when the government accepts and reviews applications. Projects must apply and receive notice of successful bonus credit allocation before the project is put into service. Once the government has allocated all of the credits for a year the application process will be closed until the next year.

WHEREAS, the City of Madison Engineering Division staff attests to the validity and veracity of the statements and representations contained in the bonus credit application; and

WHEREAS, the City of Madison Engineering Division staff will complete all appropriate tasks as required by the Department of Energy to apply for the bonus credit; and

NOW, THEREFORE, BE IT RESOLVED, the City Engineer or designee is authorized, on behalf of the City, to apply for the bonus credit, sign all required applications and other documents on the City's behalf, and will meet the financial obligations necessary to fully and satisfactorily complete the project.

BE IT FURTHER RESOLVED, that the City Engineer or designee is authorized to submit the required documentation to the Department of Energy as required by the bonus credit application, and sign all required applications and other documents, for fiscal year 2024 and future years as appropriate.

BE IT FINALLY RESOLVED, that the City of Madison will comply with all local, state, and federal rules, regulations, and ordinances relating to this project and the bonus credit application.