



Council Meeting Staff Report

December 4, 2024

Agenda No.:	5.b.
Indexes (Council Goals):	Environmental Stewardship - Carbon-Neutral Energy Supply, DPU FY26 - 5.0 Continuously, Conscientiously, Work Toward Environmental Sustainability
Presenters:	Abbey Hayward
Legislative File:	OR1039-24a

Title

Overview of Proposed Incorporated County of Los Alamos Ordinance Regarding the Commercial Property Assessed Clean Energy (C-PACE) Program

Recommended Action

I move that the Board of Public Utilities recommend Council approve the C-PACE Ordinance.

Utilities Manager's Recommendation

The Utilities Manager recommends that the Board approve the motion as presented.

Body

The Commercial Property Assessed Clean Energy (C-PACE) Program is a financing structure enabled by state statute and local ordinance that provides eligible property owners with access to long-term fixed-rate financing for a range of energy efficiency, renewable energy, water efficiency, and resiliency improvements. The program allows local governments to secure the financing via a special improvement assessment on the improved property.

New Mexico first enacted C-PACE legislation in 2009, later followed by the Improvement Special Assessment Act enacted in 2023 via House Bill 228, which authorized counties to impose, administer and disburse special assessments to encourage the development of certain property improvements (also called C-PACE financing). Eligible properties are any privately-owned commercial, agricultural, industrial, or multi-family real property of five or more dwelling units located within the boundaries of the region (including properties owned by a nonprofit organization).

County and municipal governments must pass an ordinance opting into the statewide program in order for properties within a municipality to be eligible for program financing. Only county governments are required to pass an ordinance for properties that are not within a municipality. The Los Alamos County Attorney's Office has drafted an ordinance to be introduced into the Economic Development section of the County Code.

Bernalillo County, the City of Albuquerque, and Santa Fe County have passed ordinances. The City of Santa Fe and the counties of Taos, San Juan, Dona Ana, Sandoval, Valencia, McKinley, and Curry are working on ordinances.

Eric Christensen, with Adelante Consulting, is here to provide an overview of the C-PACE Program. Adelante Consulting is the contracted program administrator for the State of New Mexico. Council requested that the BPU and ESB review the proposed ordinance.

Alternatives

The alternative is to condition the support of the C-PACE Ordinance to County Council with concurrence of the Environmental Sustainability Board's (ESB) review and recommendation for Council's approval of the ordinance. ESB will consider this ordinance at their December 19, 2024 meeting.

Fiscal and Staff Impact

None for DPU.

Attachments

A - NM C-PACE Program Overview

B - C-PACE Program-Guidebook_NM

C - Draft C-PACE Ordinance