



King County

Dow Constantine

King County Executive

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August 5, 2021

The Honorable Claudia Balducci
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Balducci:

This letter transmits a proposed ordinance and Commercial Property Assessed Clean Energy + Resiliency (C-PACER) Program Guide that, if enacted, would establish King County's C-PACER program, as allowed by Chapter 36.165 of the Revised Code of Washington. Approval of this proposed legislation will accelerate the reduction in countywide greenhouse gases by making financing for efficiency and renewable energy projects more affordable and will encourage resiliency projects to protect buildings and residents in the county from the impacts of earthquakes and other natural disasters.

Climate change is a paramount challenge with far-reaching consequences. It is a threat multiplier exacerbating inequities and intensifying natural hazards. Greenhouse gas (GHG) emissions are linked to climate change, which poses a threat to King County residents, the county's natural environment, and the county's economic security. The hazards of a major earthquake disaster also threaten King County: the 2020-2025 King County Regional Hazard Mitigation Plan states that there is up to a twenty percent chance of a major earthquake striking the region with potentially catastrophic damages in the next thirty-five years.

To address climate change and to promote the safety and well-being of King County residents, in 2019, I transmitted the 2020 Strategic Climate Action Plan (SCAP) to the King County Council. The SCAP outlines policies and investments to reduce countywide GHG emissions by fifty percent by 2030 and eighty percent by 2050, compared to a 2007 baseline. In support of these reduction goals, I committed in the SCAP to propose a C-PACER program to the King County Council no later than 2022.

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The C-PACER program will, if authorized, enable capital providers to offer low-cost, long duration loans to property owners to finance energy and resiliency projects. Building owners repay the loans through a voluntary assessment which is recorded by the county with the King County Recorder's Office.

Broad community input was sought for the development of the C-PACER program. To ensure a range of perspectives, County staff pursued varied engagement strategies and received input from local property owners, developers, capital providers, energy service companies, other businesses, County staff, and the public. The community process included many opportunities and different levels of engagement for stakeholder participation and engagement. Stakeholders, especially commercial property owners and developers, have indicated strong support for the C – PACER program, as it reduces costs to improve their facilities and reduces energy use.

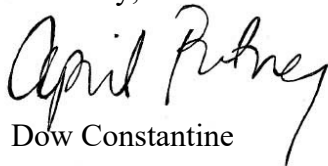
The proposed legislation will advance King County Strategic Plan Health Environment goal and its objective to reduce countywide greenhouse gas emissions by 50 percent by 2030. It supports the health and human services goal to improve the health and well-being of all people in our community. The proposed legislation also advances the County's Strategic Climate Action Plan by reducing emissions in the built environment in support of overall greenhouse gas emission reduction targets.

The C-PACER program is projected to be budget-neutral to manage for King County, as the program allows for collection of a fee to cover expenses for staff time required to process project applications and record property liens.

Thank you for your consideration of this proposed Ordinance and your continued partnership on climate action and resiliency. This moment requires more than setting ambitious goals. It requires the courage to transform entire systems to reduce the harmful effects of climate change and build a more resilient, sustainable, equitable, and prosperous King County.

If your staff have any questions, please contact Morgan Torres, Executive Climate and Energy Program Manager, (206) 263-0325.

Sincerely,



for

Dow Constantine

cc: King County Councilmembers

ATTN: Janine Weihe, acting Chief of Staff

Melani Pedroza, Clerk of the Council

Shannon Braddock, Deputy Chief of Staff, Office of the Executive

Karan Gill, Council Relations Director, Office of the Executive

Dwight Dively, Director, Office of Performance, Strategy, and Budget

Rachel Brombaugh, Director of Climate and Energy Initiatives, Office of the Executive