



Legislation Text

File #: 17-0031, **Version:** 1

Resolution Authorizing a Commitment to Review and Address Solar Taxation in Ann Arbor as part of an Effort to Make the City of Ann Arbor a Solar Ready Community

The following was introduced at the Energy Commission meeting of December 13, 2016.

Whereas, in December 2012, the Ann Arbor City Council passed the Climate Action Plan (CAP)22 an ambitious multi-strategy vision to reduce our community-wide emissions 8% by 2015, 25% by 2025, and 90% by 2050, relative to year 2000 baseline emissions levels; and,

Whereas, 20% of the Climate Action Plan's 2025 electrical savings goal is slated to be met with solar photovoltaics (or equivalent) (i.e., 2.4 MW installed each year, for the next ten years for a total of 24 MW); and,

Whereas, in June 2016 the City Council unanimously adopted a *Resolution Authorizing a Commitment to Making the City of Ann Arbor a Solar Ready Community* which called for the City of Ann Arbor support efforts to make the City a Solar Ready Community and the Ann Arbor City Council directs all affected city departments and agencies to adopt the Clean Energy Coalition's Solar Ready Community guidelines towards the goal of securing the designation of Solar Ready Community for the city; and,

Whereas, solar taxation, while generating operating revenue for the City of Ann Arbor, significantly reduces the economic viability of solar energy installations in the community, undermining the CAP goals; and

Whereas, solar taxation is not uniformly implemented across all Michigan communities and questions exist regarding the meaning of State Tax Tribunal findings regarding solar taxation; and,

Whereas solar users in Ann Arbor have expressed strong opinions regarding the unfairness of solar taxation and have objected to how solar taxation is interpreted and implemented in Ann Arbor;

Whereas many solar advocates are calling upon local elected officials to, *at a minimum*, support new state legislation to make solar taxation optional for local governments;

RESOLVED, The Ann Arbor City Council resolves to appoint a special Solar Taxation Subcommittee to review the Energy Commission, Renewable Energy Subcommittee Solar Taxation Report and the effect of solar taxation on the Ann Arbor Climate Action Plan, local economy and city operations budget, and recommend policy changes to the Council, City Administration and Energy Commission, as appropriate, prior to March 2017 when the new "A2 Solar for All" Energy initiative is slated to begin.