Legislation Details (With Text)

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Title: Resolution calling upon the New York State Legislature to introduce, and the Governor to sign, legislation which would extend the current percentage amount of solar electric generating system expenditures eligible for a property tax abatement.

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12/31/2013	*	City Council	Filed (End of Session)	

Res. No. 542

Resolution calling upon the New York State Legislature to introduce, and the Governor to sign, legislation which would extend the current percentage amount of solar electric generating system expenditures eligible for a property tax abatement.

By Council Members Fidler, Dilan, Brewer, Gentile, James, Koppell, Lander, Vann, Williams, Rodriguez and Nelson

Whereas, Renewable energy is energy generated from natural resources such as sunlight, wind, rain, tides, and geothermal heat; and

Whereas, Because renewable energy is derived from emission-free sources that are essentially inexhaustible, and replenish naturally and constantly, renewable energy has the potential to play a significant role in New York City's energy supply; and

Whereas, Renewable energy comes in various forms, with mainstream forms including windpower, hydropower, biomass biofuel, geothermal, and solar energy; and

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Whereas, According to PlaNYC, a comprehensive sustainability plan released in 2007 that sets forth a strategy to reduce the City's greenhouse gas footprint, New York City receives over 6% of its electricity from the State's renewable energy resource; and

Whereas, Expanding the City's reliance on renewable energy could help secure the City's energy supply, reduce our greenhouse gas emissions, and improve air quality; and

Whereas, According to PlaNYC, of all the renewable energy sources, solar energy, which is energy from the sun, currently has the greatest potential to generate electricity within the five boroughs of New York City; and

Whereas, There are several ways to use the sun's power to generate electricity; and

Whereas, One of the most promising is called concentrating solar power, which involves using mirrors to reflect and focus the sun's rays, providing heat, which in turn helps power a generator; and

Whereas, Another is photovoltaic panels, such as the displays on the rooftops of homes and office buildings; and

Whereas, This type of energy is ideal for use in New York City because the technology to convert the sun's ray into energy is commercially available, and the City's abundant roofs offer ample space for panels; and

Whereas, While solar energy is the ideal renewable energy resource to generate electricity in the City, it is also extremely expensive because the City's tall buildings require more wires and cranes to carry equipment to rooftops, while extensive interconnection requirements and inspections can delay implementation; and

Whereas, For these reasons, in New York City, installation costs for solar energy are approximately 30 percent higher than in New Jersey and 50 percent higher than in Long Island; and

Whereas, The cost of installing solar electric generating systems depends on a number of variables, such as property size, whether the property is off-grid or on-grid, and whether the system will require a battery back-

up; and

Whereas, When all of these factors are taken into account, the cost to install a solar electric generating system can range, on average, between $15,000 and $100,000; and

Whereas, As a result, even with incentives from the federal government and the State, the installation cost of a solar generating system continues to be extremely expensive; and

Whereas, To ensure solar energy meets its long-term potential to contribute more significantly to the City's energy supply, additional financial assistance is necessary to encourage homeowners and businesses to put solar panels on their roofs, and for utilities to buy power from large displays; and

Whereas, In 2008, New York State Governor David Paterson signed into law legislation, dubbed the "Solar Electric Generating System Property Tax Abatement", that provided a tax abatement to New York City residents and business that install a solar electric generating system on their properties; and

Whereas, The Solar Electric Generating System Property Tax Abatement provides a four-year property tax abatement against "eligible solar generating system expenditures", defined as reasonable expenditures for materials, certain labor costs, assembly and original installation, architectural and design service and plans related to the construction or installation of the solar electric generating system; and

Whereas, The amount of the property tax abatement for a taxpayer depends on when the system becomes operational; and

Whereas, If the solar electric generating system is in service before January 1, 2011, the amount of the property tax abatement would be the lesser of 8 ¾ percent of eligible expenditures in each of the four years of the compliance period, or $62,500; and

Whereas, If the system is placed into service between January 1, 2011 and January 1, 2013, the amount of the property tax abatement would be the lesser of 5 percent of eligible expenditures over the four year

period, or $62,500; and Whereas, The Solar Electric Generating System Property Tax Abatement provides a great first step in underscoring the importance of taking strides to ensuring a cleaner and greener New York City; and

Whereas, As the year 2011 draws near, however, the amount of solar electric generating system expenditures that are eligible for the abatement will be reduced from of 8 ¾ percent to 5 percent for newly serviced systems; and

Whereas, As energy prices continue to soar, it is imperative that the State Legislature pass legislation that would extend the abatement amount to cover 8 ¾ percent of solar electric generating system expenditures to continue to incentivize New York City homeowners and businesses to invest in cleaner, efficient and cost effective solar power, now, therefore, be it

RESOLVED, That the Council of the City of New York calls upon the New York State Legislature to adopt, and the Governor to sign, legislation which would extend the current percentage amount of solar electric generating system expenditures eligible for a property tax abatement.

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