

**Resolution Relating to**

**RESOLUTION \_\_\_\_\_**

IMPLEMENTATION OF A CARBON POLLUTION IMPACT FEE FOR NEW CONSTRUCTION AND LARGE EXISTING COMMERCIAL AND INDUSTRIAL BUILDINGS 50,000 SQUARE FEET OR LARGER

Sponsor(s): \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Referred to: \_\_\_\_\_  
Action: \_\_\_\_\_  
Date: \_\_\_\_\_  
Signed by Mayor: \_\_\_\_\_

**CITY OF BURLINGTON**

In the year Two Thousand Twenty-Two .....

Resolved by the City Council of the City of Burlington, as follows:

1 That WHEREAS, The City of Burlington has declared a climate emergency exists, and on September 5<sup>th</sup>,  
2 2019 the City and Burlington Electric Department issued the Net Zero Energy Roadmap (“the Roadmap”) to  
3 guide progress in reducing greenhouse gas emissions in buildings and ground transportation; and

4 WHEREAS, the Roadmap identified emissions from buildings as the second largest source of  
5 greenhouse gas emissions in the city; and

6 WHEREAS, the City enacted new ordinances in 2021 to address rental weatherization standards, and  
7 require primary renewable heating systems in new construction; and

8 WHEREAS in 2022 Burlington’s neighboring community, the City of South Burlington, adopted a  
9 similar primary renewable heating system ordinance and also include requirements for renewable domestic  
10 water heating as well, aligning the two cities in both requiring the use of renewable systems and fuels for new  
11 construction; and

12 WHEREAS, on March 2, 2021, Burlington voters approved a proposed change to the City charter that  
13 would allow the City to create policies to regulate greenhouse gas emissions in buildings, and an advisory  
14 ballot question focused on providing equity in the development of such policies; and

15 WHEREAS, on April 20, 2022, the Governor signed the charter change into law after it was approved  
16 by the Vermont Legislature; and

17 WHEREAS, on May 9<sup>th</sup>, 2022, the City Council passed a Resolution seeking policy recommendations  
18 under the charter change from Burlington Electric Department and the Department of Permitting and  
19 Inspections; and

20 WHEREAS, The Burlington Electric Department and Department of Permitting and Inspections issued  
21 an interim report July 18<sup>th</sup>, 2022, and final report December 5, 2022 to the City Council; and

22 WHEREAS, the Departments recommended proposed requirements to reduce fossil fuel use and  
23 greenhouse gas emissions in buildings, including starting in 2024 for new construction to use renewable  
24 energy systems or renewable fuels for all thermal energy uses (with the exception of using 2026 as a start date  
25 for larger multi-family buildings for domestic water heating), and for large existing buildings and City

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26 buildings to install renewable energy systems or conventional systems with renewable fuels when seeking a  
27 permit to replace a space conditioning system or domestic water heating system; and

28 WHEREAS, the Departments proposed the use of an upfront carbon pollution impact fee that would  
29 account for the environmental, health and societal impacts from greenhouse gas emissions from fossil fuel-  
30 based systems, as a means of alternative compliance for new construction buildings and large existing  
31 commercial and industrial buildings with 50,000 square feet or more of space conditioned area as one option  
32 to meet the proposed policy requirements when the building chooses to use fossil fuel systems; and

33 WHEREAS the charter change approved by voters in March of 2021 and subsequently approved by  
34 the Legislature and signed by the Governor requires the City to seek additional voter approval when it  
35 proposes to utilize a carbon impact or alternative compliance fee;

36 NOW, THEREFORE, BE IT RESOLVED that the City Council hereby requests, pursuant to the City  
37 Charter Section 48(66), that the following question be placed before the voters on the ballot of the Annual  
38 City Meeting to be held on March 7, 2023:

39 **“Shall the City Council, in order to reduce greenhouse gas emissions in the City, be authorized**  
40 **starting January 1, 2024, to implement an upfront carbon pollution impact fee in the permitting process**  
41 **that accounts for the lifetime expected greenhouse gas emissions of the fossil fuel system, with the fee**  
42 **starting at \$150 per ton and rising annually at the rate of regional inflation but capped at no more than**  
43 **a 5 percent annual increase, for: new construction buildings that install fossil fuel thermal energy**  
44 **systems instead of using renewable energy systems or renewable fuels, with the exception that the fee**  
45 **would not be implemented until January 1, 2026 for domestic water heating systems in new**  
46 **construction multi-family residential buildings with more than 4 units; and for existing commercial and**  
47 **industrial buildings 50,000 square feet or larger when the building is installing fossil fuel thermal**  
48 **energy space conditioning or domestic water heating systems instead of using renewable systems or**  
49 **renewable fuels?”**

50  
51 **The fee proceeds could support one or more of the following: capital investments in converting the**  
52 **City’s vehicle fleet to electric vehicles; a new City fund to support clean heating technology installations**  
53 **for low-income Burlington households and renters; and/or in the case of existing building payors,**  
54 **greenhouse gas emissions reductions projects at their building or facilities in Burlington.**