

# Stabilizing the Sustainability Fund

## Village of Oak Park

Derek Eder, Oak Park Village Trustee  
Feb 13, 2026

### Background and purpose

In 2022, the Village of Oak Park declared a climate emergency and passed the [Climate Ready Oak Park](#) (CROP) plan. Over 3 years later, that emergency persists, and while efforts have been made to reach the ambitious goal of a 60% reduction in greenhouse gases by 2030 and 100% by 2050, we are still not on track to meet either of these goals.

To put the scale of this goal into context, it is helpful to break it down and look at the 3 primary sources of emissions in our Village. According to our 2022 Greenhouse Gas Inventory, 38.8% comes from residential buildings, 32.9% from commercial buildings and 25.5% from transportation. According to the [2023 American Community Survey](#), 16.5% of our 23,267 households are already using electric heat. To achieve a 60% reduction for just residential properties in Oak Park, we would have to electrify 11,663 households by 2030 at a rate of 2,333 households per year.

Several new programs have been started by the Village in the past two years to help electrify and improve the efficiency of our residential and commercial buildings, including the [Climate Ready Energy Grants](#), Climate Ready Business Grants, and [Building Benchmarking](#). Our efforts are starting to show some results, but we must do much more, much faster.

These programs, especially the grants, have dramatically increased our spending in the Sustainability Fund since 2024. Since then, the current revenue sources have not been enough to keep funds replenished year to year. If Oak Park is to stay committed to sustainability and our own CROP goals, **we must treat it as a core service of the Village and find ways to fund the current spending level and expand it in future years.**

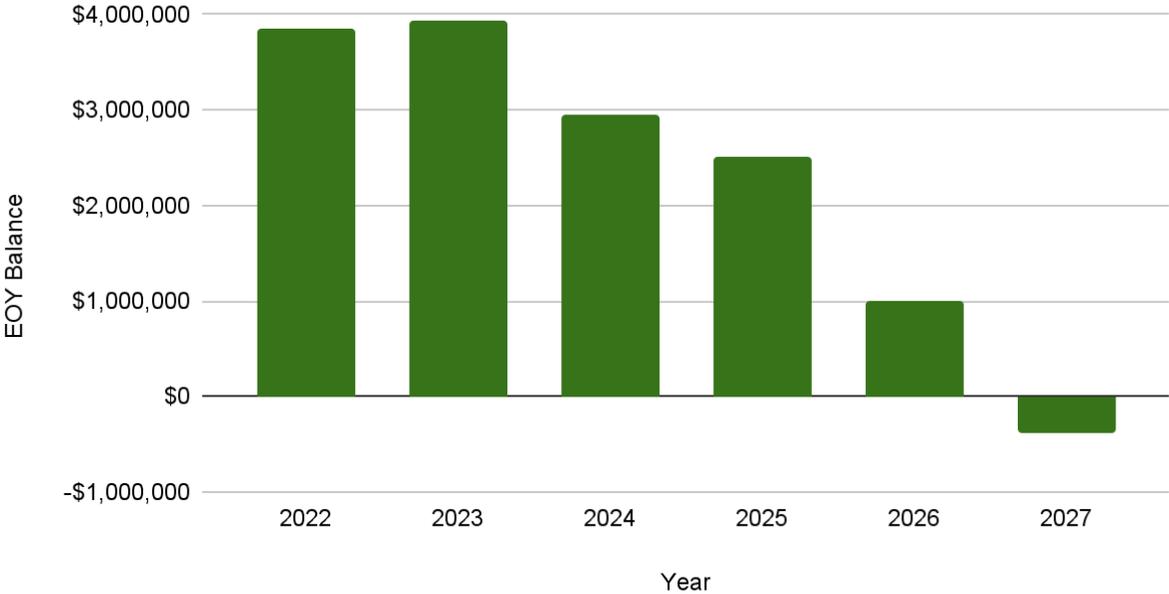
Based on past adopted budgets and presentations from Village staff, it is projected the Village of Oak Park Sustainability Fund will **run out of funds before the end of 2027** if no interventions are made.

Below is a table and chart of past and projected expenditures, revenue and available funds in the Village Sustainability Fund.

Year	Expenditures	Revenue	GF Transfer	Net	EOY Balance
2022	\$1,180,805	\$531,666	\$0	-\$649,139	\$3,849,451
2023	\$281,912	\$378,020	\$0	\$96,108	\$3,945,559
2024	\$1,347,892	\$356,000	\$0	-\$991,892	\$2,953,667
2025	\$2,008,515	\$370,000	\$500,000	-\$1,138,515	\$2,500,597
2026	\$1,783,000	\$410,000	\$250,000	-\$1,123,000	\$1,000,000
2027	\$1,783,000	\$410,000	\$0	-\$1,373,000	-\$373,000

Sustainability Fund expenditures, revenue and balance 2022-2027

### Sustainability Fund Balance



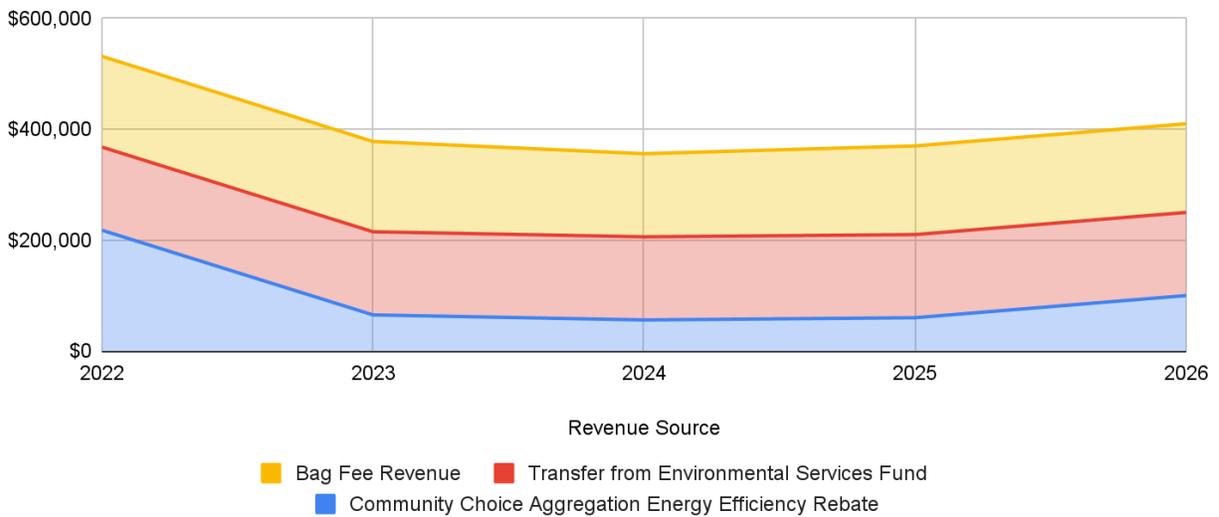
## Current revenue sources

The current revenue sources for the Sustainability Fund are the Community Choice Aggregation Energy Efficiency Rebate, Plastic Bag Fee Revenue and a Transfer from the Environmental Services Fund. These income sources are variable and not enough to keep up with our current \$1.7MM in annual Sustainability expenses, leaving a gap of about \$1.4M in revenues to replace.

Revenue Source	2022	2023	2024	2025	2026
Community Choice Aggregation Energy Efficiency Rebate	\$217,848	\$65,090	\$56,000	\$60,000	\$100,000
Transfer from Environmental Services Fund	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Bag Fee Revenue	\$163,818	\$162,930	\$150,000	\$160,000	\$160,000
<b>Total</b>	<b>\$531,666</b>	<b>\$378,020</b>	<b>\$356,000</b>	<b>\$370,000</b>	<b>\$410,000</b>

*Sustainability Fund revenues 2022-2026*

### Revenues by Source 2022-2026



# Stabilizing the Sustainability Fund

In order to fill this \$1.4M Sustainability Fund gap and grow our sustainability programs and initiatives, stable funding sources must be identified. Below are seven initiatives to stabilize the Sustainability Fund for discussion with the Village Staff and Board. The initiatives are intentionally framed at a high level, leaving details and implementation in our Staff’s capable hands once there is consensus of the Village Board. The goals of these initiatives are to treat sustainability as a core service, stabilize revenue, and incentivize pro-climate behavior by reducing waste and activities that cause pollution.

## A. Invest annually from the General Fund in Energy Efficiency Grant and Loan Programs

In 2025 and 2026, \$750,000 has been allocated in our Sustainability budget for the Energy Efficiency Grant Program, and most recently the new Energy and Multi-Family Loan programs. To reach a significant portion of the 19,439 households that still must be electrified by 2050, the Village must sustain investment in these grants and loans. To achieve this, funding from the General Fund must be allocated every year, with a focus on growing the revolving loan fund.

\$350k has been earmarked for \$10k single and multifamily building loans in 2026. These loans have no interest and are paid back over 5 years, which allows the funds to be redeployed once they are paid back. \$10k unfortunately is not enough to fully electrify most homes, limiting the impact and likelihood of hitting our emissions reduction goals.

The below table<sup>1</sup> projects \$350,000, \$1,000,000 and \$2,000,000 investments in the Energy Loan Program through 2050 for \$10k, \$25k and \$50k loan amounts:

	\$350k/year	\$1MM/year	\$2MM/year
<b>Number of 10k loans by 2050</b>	4,190	11,400	22,492
<b>% OP homes impacted</b>	21.55%	58.64%	115.71%
<b>Number of 25k loans by 2050</b>	1,676	4,560	8,997
<b>% OP homes impacted</b>	8.62%	23.46%	46.28%
<b>Number of 50k loans by 2050</b>	838	2,280	4,498
<b>% OP homes impacted</b>	4.31%	11.73%	23.14%

To fully commit to meeting our own emissions reduction goals, we must invest \$1M to \$2M in this loan program annually through 2050.

<sup>1</sup> This projection assumes 100% uptake of these loans every year and does not account for any interest earned on fund balances. Data behind these calculations [can be found here](#).

## **B. Move Office of Sustainability staff salaries to the General Fund**

Current staff salaries for the Sustainability and Resilience Office (3.5 FTE) are drawn from the Sustainability Fund. Sustainability needs to be treated as a core service, and these staff deserve to have more job stability by knowing the funding for their positions is secure. We can accomplish this by moving these salaries over to the General Fund, and reducing annual Sustainability Fund expenditures significantly.

## **C. Increase the plastic bag tax**

The City of Chicago [recently raised their plastic bag tax from 10 cents to 15 cents](#) in their 2026 budget. By following suit with our own plastic bag fee increase, Oak Park can raise additional revenue and continue to incentivise shoppers to use fewer plastic bags. The Environment and Energy Commission is researching a long term plan for plastic bag fees, which we would like to see presented to the Board.

## **D. Electric Charging Fees**

Currently all fees collected with EV charging go into the Village Parking Fund, which for 2026 is estimated to be \$40,000. This revenue should be earmarked for the Sustainability Fund and is expected to grow with higher EV adoption rates.

## **E. Increase vehicle registration fees for gas cars, reduce them for EVs**

The Village currently charges [\\$74 for Annual Vehicle Licenses](#), with a reduced fee for persons 65 years old and older. The Village could reduce or eliminate this fee for electric vehicles and increase it for gas cars. This increase could be phased in over several years and would serve as both a revenue source and an incentive for residents to buy or lease EVs.

Additionally, the Village could charge by vehicle weight, [as has been done in Paris](#), which charges an additional \$20 for heavier vehicles. This would help incentivize smaller vehicles that cause less pollution and wear on our roadways.

## **F. Increase gasoline tax**

The Village collected \$417,852 in 2024 for gasoline taxes. We have seen this revenue go down in the past 10 years with higher EV and hybrid adoption. To further incentivize EVs and raise Sustainability revenue, a percentage of that tax could be earmarked for sustainability programs.

## **G. Identify new revenues from the Water Fund**

The Village is currently engaging NewGen Strategies and Solutions to evaluate our Water and Sewer rates. Based on these findings, additional funding for Sustainability could come from a new usage rate design, using an inclining charge per unit to charge highest users more.

Although most of the funds recovered through this additional charge would likely need to be used for lead service line replacement, a percentage of the funds could be earmarked for sustainability programs annually like the Sewer Backup Protection and Climate Ready Rainscapes Grants.

## **Next steps**

I look forward to input and reflections from staff and the Village Board on the findings and recommendations from this memo. This is intended to be a first step in framing the larger conversation we are planning to have on the Sustainability Fund on March 18th. I welcome questions and other ideas to help Oak Park rise to the challenge of meeting our critical climate action goals.