LOCAL LAW NO. 4 of 2018

A LOCAL LAW TO ESTABLISH ENERGIZE NY BENEFIT FINANCING PROGRAM FOR OTSEGO COUNTY

Be it enacted by Otsego County as follows:

Section 1. Legislative findings, intent and purpose, authority.

A. It is the policy of Otsego County and the State of New York to achieve energy efficiency and renewable energy goals, reduce greenhouse gas emissions, mitigate the effect of global climate change, and advance a clean energy economy. Otsego County finds that it can fulfill this policy by providing property assessed clean energy financing to property owners for the installation of renewable energy systems and energy efficiency measures. This Local Law establishes a program that will allow the Energy Improvement Corporation ("EIC"), a local development corporation, acting on behalf of Otsego County, to make funds available to qualified property owners that will be repaid by such property owners through charges on the real properties benefited by such funds, thereby fulfilling the purposes of this local law and fulfilling an important public purpose.

B. Otsego County is authorized to implement this Energize NY Benefit Financing Program pursuant to Article 5-L of the New York General Municipal Law.

C. This Local Law shall be known and may be cited as the “Energize NY Benefit Financing Program Law of Otsego County”.

Section 2. Definitions

For purposes of this Local Law, and unless otherwise expressly stated or unless the context requires, the following terms shall have the meanings indicated:

Authority – The New York State Energy Research and Development Authority, as defined by subdivision two of section eighteen hundred fifty-one of the public authorities law, or its successor.

EIC – the Energy Improvement Corporation, a local development corporation, duly organized under section fourteen hundred eleven of the Not-For-Profit Corporation Law, authorized hereby on behalf of Otsego
County to implement the Energize NY Benefit Financing Program by providing funds to qualified property owners (as defined in this Local Law) and providing for repayment of such funds from monies collected by the County Treasurer and to be levied on the real property and collected in the same manner and same form as Otsego County taxes.

**Energy Audit** – A formal evaluation or “assessment” of the energy consumption of a permanent building or structural improvement to real property, conducted by a contractor certified by the Authority, or certified by a certifying entity approved by the Authority, for the purpose of identifying appropriate energy efficiency improvements that could be made to the property.

**Energy Efficiency Improvement** – Any renovation or retrofitting of a commercial building to reduce energy consumption, such as window and door replacement, lighting, caulking, weatherstripping, air sealing, insulation, and heating and cooling system upgrades, and similar improvements, determined to be cost-effective pursuant to criteria established by the Authority, not including lighting measures or commercial appliances that are not permanently fixed to real property.

**Qualified Property Owner** – An owner of commercial real property located within the boundaries of Otsego County that is determined to be eligible to participate in the Energize NY Benefit Financing Program under the procedures for eligibility set forth under this Local Law.

**Renewable Energy System** – An energy generating system for the generation of electric or thermal energy, to be used primarily at such commercial property, by means of solar thermal, solar photovoltaic, wind, geothermal, anaerobic digester gas-to-electricity systems, fuel cell technologies, or other renewable energy technology approved by the Authority not including the combustion or pyrolysis of solid waste.

**Renewable Energy System Feasibility Study** – A written study, conducted by a contractor certified by the Authority, or certified by a certifying entity approved by the Authority, for the purpose of determining the feasibility of installing a renewable energy system.

**Section 3. Establishment of an Energize NY Benefit Financing Program**

A. An Energize NY Benefit Financing Program is hereby established by Otsego County whereby EIC acting on its behalf, may provide funds to Qualified Commercial Property Owners in accordance with the procedures set forth under this Local Law, to finance the acquisition,
construction and installation of Renewable Energy Systems and Energy Efficiency Improvements and the verification of the installation of such systems and improvements.

B. The funds provided shall not exceed the lesser of ten percent of the appraised value of the real property where the Renewable Energy Systems and/or Energy Efficiency Improvements will be located, or the actual cost of installing the Renewable Energy Systems and/or Energy Efficiency Improvements, including the costs of necessary equipment, materials, and labor and the cost of verification of such systems and improvements.

Section 4. Procedures for eligibility

A. Any Commercial property owner in Otsego County may submit application to EIC on such forms as have been prepared by EIC and made available to property owners on the website of EIC and at the Otsego County offices, located at 197 Main Street, Cooperstown NY 13326.

B. Every application submitted by a commercial property owner shall be reviewed by EIC acting on behalf of Otsego County, which shall make a positive or negative determination on such application based upon the criteria for making a financing enumerated in subsection A of section 5 of this Local Law. EIC may also request further information from the property owner where necessary to aid in its determination.

C. If a positive determination on an application is made by EIC acting on behalf of Otsego County, the commercial property owner shall be deemed a Qualified Property Owner and shall be eligible to participate in the Energize NY Benefit Financing Program in accordance with the procedure set forth under section 6 of this Local Law; provided that in no case shall a property owner that has received funds from another municipal corporation for the acquisition, construction and installation of Energy Efficiency Improvements and/or Renewable Energy Systems be deemed a Qualified Property Owner.

Section 5. Application criteria

A. Upon the submission of an application, EIC acting on behalf of Otsego County, shall make a positive or negative determination on such application based upon the following criteria for the making of a financing:
1. The proposed Energy Efficiency Improvements and/or Renewable Energy Systems are determined to be cost effective by the Authority;
2. The proposed Energy Efficiency Improvements and/or Renewable Energy Systems will generate an estimated annual cost savings greater than the annual charge payments;
3. Sufficient funds are available to provide to the commercial property owner;
4. The commercial property owner is current in payments on any existing mortgage;
5. The commercial property owner is current in payments on any existing real property taxes and has been current on real property taxes for the previous three years; and
6. Such additional criteria, not inconsistent with the criteria set forth above, as Otsego County or EIC acting on its behalf, may set from time to time.

Section 6. Opt-in, Energize Finance Agreement

A. A Qualified Commercial Property Owner may participate in the Energize NY Benefit Financing Program through the execution of an Energize Finance Agreement made by and between the Qualified Property Owner and EIC, acting on the behalf of Otsego County

B. Upon execution of the Energize Finance Agreement, the Qualified Property Owner shall be eligible to receive funds from EIC acting on behalf of Otsego County, for the acquisition, construction, and installation of qualifying Renewable Energy Systems and Energy Efficiency Improvements; provided the requirements of section 7 of this Local Law have been met.

C. The Energize Finance Agreement shall include the terms and conditions of repayment set forth under section 8 of this Local Law.

Section 7. Energy audit, renewable energy system feasibility study

A. No funds shall be made available for Energy Efficiency Improvements unless determined to be appropriate through an Energy Audit as defined in Section 2.

B. No funds shall be made available for a Renewable Energy System unless determined to be feasible through a Renewable Energy System Feasibility Study as defined in Section 2.
C. The cost of such Energy Audit and/or Renewable Energy System Feasibility Study shall be borne solely by the property owner but may be included in the financed amount if the work is approved.

Section 8. Terms and conditions of repayment

The Energize Finance Agreement between the Qualified Property Owner and EIC acting on behalf of Otsego County, shall set forth the terms and conditions of repayment in accordance with the following:

A. The principal amount of the funds paid to the Qualified Property Owner hereunder, together with the interest thereon, shall be paid by the property owner as a charge on their Otsego County tax bill and shall be levied and collected at the same time and in the same manner as Otsego County property taxes, provided that such charge shall be separately listed on the tax bill. Otsego County, shall make payment to EIC or its designee in the amount of all such separately listed charges within 30 days of the Otsego County tax due date.

B. The term of such repayment shall be determined at the time the Energize Finance Agreement is executed by the property owner and EIC, provided that in no case shall the term exceed the weighted average of the useful life of the systems and improvements as determined by EIC acting on behalf of Otsego County.

C. The rate of interest for the charge shall be fixed by EIC acting on behalf of Otsego County at the time the Energize Finance Agreement is executed by the property owner and EIC.

D. The charge shall constitute a lien upon the real property benefited by the Energize NY Benefit Financing Program and shall run with the land. A transferee of title to the benefited real property shall be required to pay any future installments, including interest thereon.

Section 9. Verification and report

A. EIC shall be responsible for verifying and reporting to Otsego County on the installation and performance of Renewable Energy Systems and Energy Efficiency Improvements financed by such program.

B. Otsego County shall verify and report on the installation and performance of Renewable Energy Systems and Energy Efficiency Improvements financed by the Energize NY Benefit Financing Program in such form and manner as the Authority may establish.
Section 10. This local law shall take effect upon filing with the Secretary of State.
RESOLUTION NO. 124-20180307

RESOLUTION - ADOPTING A LOCAL LAW FOR THE YEAR 2018 (A LOCAL LAW ESTABLISHING A SUSTAINABLE ENERGY LOAN PROGRAM IN OTSEGO COUNTY)

KENNEDY, OBERACKER, FRAZIER, KOUTNIK, STAMMEL, MCCARTY

WHEREAS, there was duly presented to the Board of Representatives of the County of Otsego at a regular meeting duly held in the Meeting Room of the Board of Representatives in the Otsego County Office Building, Cooperstown, New York on November 1, 2017 a local law for the year 2017 entitled "A Local Law Establishing a Sustainable Energy Loan Program in Otsego County"; and

WHEREAS, a public hearing was duly held on the proposed Local Law in the Meeting Room of the Board of Representatives in the Otsego County Office Building, 197 Main Street, Cooperstown, New York on the 6th day of December, 2017 at 9:45 a.m., at which time all interested persons were heard; and

WHEREAS, the proposed local law was tabled after a question arose regarding the impact of the local law requiring additional information and research which question has now been answered; now, therefore, be it

RESOLVED, that a local law of the County of Otsego for the year 2018, as above set forth, be and the same is hereby adopted.
STATE OF NEW YORK: SS
COUNTY OF OTSEGO:

I, Carol D. McGovern, Clerk of the Board of Representatives of Otsego County, New York, DO HEREBY CERTIFY that I have compared the foregoing copy of resolution with the original resolution on file in my office and that the same is a true and complete copy thereof as duly adopted by said Board of Representatives while in session on the 7th day of March, 2018.

WITNESS my hand and the official seal of the Board of Representatives of Otsego County, New York, this 8th day of March, 2018.

(SEAL)

Clerk of the Board of Representatives
Otsego County, New York