

April 9, 2009

H 1389. FINANCE ENERGY IMPROVEMENT WITH ASSESSMENTS. Filed 4/9/09. *TO AUTHORIZE ANY CITY TO DESIGNATE AN AREA WITHIN THE CITY WITHIN WHICH DESIGNATED AREA CITY OFFICIALS AND FREE AND WILLING PROPERTY OWNERS MAY ENTER INTO CONTRACTUAL ASSESSMENTS TO FINANCE THE INSTALLATION OF DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES OR ENERGY EFFICIENCY IMPROVEMENTS THAT ARE PERMANENTLY AFFIXED TO REAL PROPERTY.*

Amends GS Chapter 160A by adding a new Article 10B as title indicates. Authorizes the governing body of any city to designate an area within the city within which authorized city officials and property owners may enter into contractual assessments to finance the installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to real property. Requires this designation to be done through a resolution identifying the kinds of distributed generation renewable energy sources or energy efficiency improvements that may be financed, describing the boundaries of the area within which this assessment may be entered into, describing the proposed financing arrangements, stating the time and place of a public hearing on the program, and directing a city official to prepare an assessment report (containing information specified in the bill). After the public hearing, in which the assessment report shall be summarized, the city may adopt a resolution confirming the report or modifying it, or the city may abandon the program. To finance these improvements, the city may issue bonds, advance its own funds, and enter into a relationship with an underwriter or financial institution that would allow the sequential issuance of a series of bonds. The assessments and any interest and penalties on the assessments constitute a lien against the lots or parcels on which they are made, until paid. Requires the governing board to direct its clerk to record a notice of the existence and amount of each assessment. Effective July 1, 2009.

Intro. by Fisher.

GS 160A

July 6, 2009

H 1389. FINANCE ENERGY IMPROVEMENT WITH ASSESSMENTS. Filed 4/9/09. House committee substitute makes the following changes to 1st edition. Reorganizes proposed Article 10B of GS Chapter 160A. Amends proposed GS 160A-239.10 to specify that new Article 10B authorizes *cities* to establish programs to finance the installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to residential, commercial, industrial, or other real property. Lists in proposed GS 160A-239.11 (Findings) how renewable energy and energy efficiency serve the public interest.

Modifies proposed GS 160A-239.12 to provide that the governing body of any city may determine that it would be convenient, advantageous, and in the public interest to designate an area within the city, which may encompass the entire city or a lesser portion, *consisting of contiguous or non-contiguous areas*, within which authorized city officials may enter into loan agreements with property owners to be repaid through contractual assessments (was, city officials and property owners may enter into contractual assessments) to finance the installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to real property pursuant to Article 10B. Provides that the resolution required to be adopted by the governing body indicating this intention must state that a public hearing must be held (was, should be held) at which interested persons may object to or inquire about the proposed program or any of its particulars and also state the time and place of the hearing. Provides that resolutions must direct the appropriate city official to enter into consultations with the county assessor (was, county finance officer) in order to reach agreement on what additional fees will be charged for collecting (was, incorporating) the proposed contractual assessments with the ad valorem taxes (was, into the assessments of the general taxes) of the city on real property. Makes conforming and clarifying changes.

Amends proposed GS 160A-239.15 (was, GS 160A-239.14) by adding that the report containing a statement of city policies concerning contractual assessments must include criteria for determining a property owner's eligibility to participate in the program, which may include a means to determine the property owner's credit worthiness. Allows that the required plan for raising a capital amount required to pay for work performed pursuant to contractual assessments

may include amounts to be advanced by the city through funds available to it from unrestricted revenue or grant funds (was, from any source). Also requires that the plan provide for the apportionment of all or any portion of the costs incidental to the administration of (was, financing, administration, and collection of) the contractual assessment program among the consenting property owners and the city.

Makes conforming and clarifying changes throughout Article 10B.

Enacts new Article 9B in GS Chapter 153A, which contains substantively identical provisions to those in proposed Article 10B of GS Chapter 160A, to authorize counties to establish programs to finance the installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to residential, commercial, industrial, or other real property.

Changes the act's effective date to when the act becomes law (was, July 1, 2009).

Adds whereas clauses. Makes conforming changes to the title.

July 14, 2009

H 1389. FINANCE ENERGY IMPROVEMENT WITH ASSESSMENTS. Filed 4/9/09. House committee substitute makes the following changes to 2nd edition. Adds to proposed GS 160A-239.10 (related to cities) and GS 153A-210.10 (related to counties) to provide that it is the General Assembly's intent to authorize the establishment of programs to finance the *purchase and* installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to residential, commercial, industrial, or other real property.

Removes from proposed GS 160A-239.12 and GS 153A-210.12 that the governing body must determine that it would be convenient, advantageous, and in the public interest to designate an area for officials to enter into loan agreements with property owners as provided by the statute. Also makes organizational changes.

Specifies in proposed GS 160A-239.16 and GS 153A-210.16 that the required notice of hearing must be published in a newspaper having general circulation in the city or county, respectively, in which an area is being proposed for designation for three successive weeks in a newspaper that is qualified for legal advertisement in accordance with GS 1-597 and GS 1-598 [was, in the same manner provided by Rule 4(j1) of the Rules of Civil Procedure, GS Chapter 1A, for the service of a summons on a party that cannot otherwise be served].

Makes technical changes to proposed GS 160A-239.18 and GS 153A-210.18.

July 15, 2009

H 1389. FINANCE ENERGY IMPROVEMENT WITH ASSESSMENTS. Filed 4/9/09. House amendment makes the following changes to 3rd edition. Amends proposed GS 160A-239.18 (applying to cities and towns) and GS 153A-210.18 (applying to counties) to provide that a lien for a contractual assessment for renewable energy and energy efficiency improvements to real property is inferior to prior liens (was, provided for the collection of contractual assessments in the same manner and at the same time as the ad valorem taxes on real property are payable and any penalties, remedies, and lien priorities in the event of delinquency and default).

August 4, 2009

H 1389. REVOLVING LOAN FUND FOR ENERGY IMPROVEMENTS (NEW). Filed 4/9/09. Senate committee substitute deletes all provisions of 4th edition and replaces it with *AN ACT TO AUTHORIZE CITIES AND COUNTIES TO ESTABLISH LOAN PROGRAMS TO FINANCE THE INSTALLATION OF DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES OR ENERGY EFFICIENCY IMPROVEMENTS THAT ARE PERMANENTLY AFFIXED TO REAL PROPERTY*. Creates new sections GS 153A-455 and GS 160A-459.1 authorizing cities and counties to establish revolving loan funds to finance energy efficiency improvements and the purchase and installation of distributed renewable energy sources such as solar, wind, and hydropower equipment. Requires the improvement to be permanently fixed to property. Local governments may use Energy Efficiency and Conservation Block Grant funds and related

revenue for such loans. The annual interest rate on the loans may not exceed 8% and the term of the loans may not exceed 15 years. Effective when it becomes law.

September 1, 2009

SL 2009-522 (H 1389). REVOLVING LOAN FUND FOR ENERGY IMPROVEMENTS. AN ACT TO AUTHORIZE CITIES AND COUNTIES TO ESTABLISH LOAN PROGRAMS TO FINANCE THE INSTALLATION OF DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES OR ENERGY EFFICIENCY IMPROVEMENTS THAT ARE PERMANENTLY AFFIXED TO REAL PROPERTY. Summarized in *Daily Bulletin* 4/9/09, 7/6/09, 7/14/09, 7/15/09, and 8/4/09. Enacted August 26, 2009. Effective August 26, 2009.