

ORDINANCE NUMBER 657

AN ORDINANCE OF THE BOARD OF TRUSTEES OF THE TOWN OF NEDERLAND, COLORADO, CONSENTING TO THE IMPROVEMENT OF PROPERTIES WITHIN THE TOWN BY THE COUNTY OF BOULDER, COLORADO, FOR RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY PROJECTS

WHEREAS, pursuant to the pursuant to Part 6 of Article 20 of Title 30, Colorado Revised Statutes, as amended (the “Act”), Boulder County is authorized to initiate a local improvement district for the purpose of encouraging, accommodating, and financing Renewable Energy Improvements and Energy Efficiency Improvements (“RE/EEI”) (both as defined in the Act); and

WHEREAS, the County desires to encourage, accommodate and provide financing for RE/EEI in the County (the “Project”) and accordingly expects to initiate a local improvement district to be known as Boulder County Clean Energy Options Local Improvement District (the “District”) pursuant to the Act for the purpose of accomplishing the Project, including paying all costs necessary and incidental thereto; and

WHEREAS, the Board finds that:

- Coal and natural gas are the principal sources of generation of commercial quantities of electric energy for the power grid in the western United States, and home and business consumption accounts for 73% of the overall usage of electric energy;
- Although new building codes can impact energy usage in new structures, there is a vast quantity of existing structures with many years of remaining life before replacement, and these structures are not very energy efficient by today’s standards, nor do they have renewable energy systems installed to provide some or all of their electric energy needs;
- If the United States is serious about moving away from fossil fuels in order to limit the greenhouse gas effect leading to global warming, the existing occupied building stock must be retrofitted with energy efficiency materials and modalities, and significant progress towards provision of alternative electric energy for use in these structures must take place very soon;
- Solving this problem will require creative ways of financing that will provide incentives for property owners to seek to install RE/EEI now rather than later;
- Existing homeowners, and to a certain extent business property owners, are highly leveraged on their properties currently. Even if there is equity available to further pledge for financing for RE/EEI, a declining-value

housing market would keep property owners from taking that plunge, for fear of being unable to realize sufficient resale value for these improvements;

- Since the average homeowner moves every 7-9 years, and the expected life of these improvements is 20 – 25 years, and the energy savings paybacks for at least some of these improvements will take around 20 – 25 years as well, these property owners are unlikely to undertake home equity financing that extends from 20 to 30 years;
- Boulder County and other local governments in Colorado and elsewhere have attempted to be creative in finding ways to make incentives for financing these improvements available now, and have created legal mechanisms, via Colorado House Bill 08-1350, that allow solar, wind, and other renewable energy and energy efficiency improvements to be financed by local governments with a repayment over 20 years through special assessments collected via the property tax collection system. The responsibility for repayment remains with the property, so that the property owner does not have to worry about covering the improvements costs in the resale price they get for the property. The payment responsibility remains with the person who is getting the benefit of the annual energy costs savings;
- Boulder County and other local governments will be able to offer, in part, below-market-rate financing through the creation of funding via issuance of double-tax-exempt bonds.

WHEREAS, the Board further finds it desirable to consent to the installation of such improvements through the County's program on properties within the Town where installation of improvements and participation in the program are entirely voluntary for individual property owners; and

WHEREAS, the Board finds that giving such consent to allow such participation is in the best interests of the residents and property owners of the Town.

NOW THEREFORE, BE IT ORDAINED by the Board of Trustees of the Town of Nederland, Colorado, as follows:

Section 1. The Town hereby consents, as provided in Section 30-20-603(1)(a), Colorado Revised Statutes, as amended, to renewable energy systems and energy efficiency improvements being installed upon any private property within the Town, through Boulder County's Clean Energy Options Local Improvement District, upon its formation, in order that owners of properties located anywhere within the Town may voluntarily apply to participate in the County's program.

Section 2. The officers of the Town shall take such other steps or actions necessary or reasonably required to carry out the terms and intent of this Ordinance and Consent.

Section 3. Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance, the intention being that the various sections and provisions are severable.

Section 4. Any and all Ordinances or Codes or parts thereof in conflict or inconsistent herewith are, to the extent of such conflict or inconsistency, hereby repealed; provided, however, that the repeal of any such Ordinance or Code or part thereof shall not revive any other section or part of any Ordinance or Code provision heretofore repealed or superseded.

INTRODUCED, READ AND PASSED, ADOPTED AND ORDERED PUBLISHED THIS 19TH DAY OF AUGUST, 2008.

TOWN OF NEDERLAND, COLORADO



Martin Cheshes, Mayor


ATTEST:



Christi Icenogle, Town Clerk



APPROVED AS TO FORM:



Debra S. Kalish, Town Attorney