§ 119-gg. Sustainable energy loan program. 1. The legislative body of any municipal corporation may, by local law, establish a sustainable energy loan program using federal grant assistance or federal credit support or monies from the state of New York or any state authority as defined by section two of the public authorities law available for this purpose.

2. Such program may make loans to the owners of real property located within the municipal corporation to finance the installation of renewable energy systems and energy efficiency improvements, related energy audits and renewable energy system feasibility studies, and the verification of the installation of such systems and improvements. No municipal corporation shall make such a loan to an owner of property that has received a loan from another municipal corporation pursuant to this article.

3. Each such local law establishing the sustainable energy loan program shall provide for the criteria for making such loans and the terms and conditions for repayment of such loans. The sustainable energy loan program shall use such lists of cost effective energy efficiency improvements for different building types as are approved by the authority.

4. The municipal corporation shall verify and report on the installation and performance of renewable energy systems and energy efficiency improvements financed by the loan program in such form and manner as the authority may establish.

5. Every loan made under the sustainable energy loan program shall be repaid over a term not to exceed the weighted average of the useful life of such systems and improvements as determined by the municipal corporation. The municipal corporation shall set a fixed rate of interest for the repayment of the principal amount of each loan at the time the loan is made.

6. a. For loans made to an owner of real property that is a commercial entity, not-for-profit organization, or entity other than an individual,

the municipal corporation shall have the authority to impose requirements on the maximum amount that may be borrowed through such loan, which may consider factors including but not limited to the property value, projected savings, project cost, and existing indebtedness secured by such property.

b. For loans made to an owner of real property who is an individual, the principal amount of each such loan, excluding interest, shall not exceed the lesser of ten percent of the appraised real property value or the actual cost of installing the renewable energy system and energy efficiency improvements, including the costs of necessary equipment, materials, and labor, the costs of each related energy audit and renewable energy system feasibility study, and the cost of verification of such renewable energy system and energy efficiency improvements.

7. No such loan shall be made for energy efficiency improvements unless determined to be appropriate through an energy audit, and no such loan shall be made for a renewable energy system unless determined to be feasible through a renewable energy system feasibility study.

8. The loan made under the sustainable energy loan program shall constitute a lien upon the real property benefitted by such loan.

9. The municipal corporation may require the loan made under the sustainable energy loan program to be repaid by the property owner through a charge on the real property benefitted by such loan. Such charge shall be on the real property and shall be levied and collected at the same time and in the same manner as municipal taxes, provided that such charge shall be separately listed on the tax bill, and provided further that in the event such charge should not be paid in a timely manner, no other municipal corporation shall be required to credit or otherwise guarantee the amount of such unpaid charge to the municipal corporation which authorized the loan, notwithstanding any provision of law to the contrary.