

## **ORDINANCE NUMBER 21-O-029**

### **AN ORDINANCE TO AMEND CHAPTER 82, TAXATION, OF THE CODE OF THE CITY OF SUFFOLK TO ADD ARTICLE XXII REGARDING SOLAR REVENUE SHARE FOR SOLAR ENERGY PROJECTS.**

BE IT ORDAINED by the Council of the City of Suffolk, Virginia, that Chapter 82, Taxation, of the Code of the City of Suffolk, Virginia, is hereby amended to add Article XXII, Solar Revenue Share for Solar Energy Projects, to read as follows:

#### **ARTICLE XXII.-SOLAR REVENUE SHARE FOR SOLAR ENERGY PROJECTS**

##### **Sec. 82-1199. - Purpose.**

- (a) The purpose of this article is to implement Code of Virginia §58.1-2636 titled “Revenue Share for Solar Energy Projects” approved by the 2020 Regular Session of the Virginia General Assembly and signed into law by the Governor, effective July 1, 2020.
- (b) Terms used in this article shall have the defined meanings found in the Code of Virginia §§58.1-2636, 58.1-3660, 58.1-3507, or 58.1-3508.6, as amended.
- (c) To the extent that the provisions of this article conflict with any other prior ordinance or provision of the Code of the City of Suffolk, Virginia, this article shall control.

##### **Sec. 82-1200. - Applicability**

- (a) This article shall apply to all solar photovoltaic (electric energy) systems except those:
  - (1) Described in Code of Virginia §§56-594, 56-594.01, or 56-594.2 or Chapters 358 and 382 of the Acts of Assembly of 2013, as amended;
  - (2) Twenty (20) megawatts or less, as measured in alternating current (AC) generation capacity, for which an initial interconnection request form has been filed with an electric utility or a regional transmission organization on or before December 31, 2018; or
  - (3) Five (5) megawatts or less, as measured in alternating current (AC) generation capacity.

- (b) This article shall not apply to any solar photovoltaic (electric energy) project for which an application was filed with the city on or before July 1, 2020, unless:
- (1) The city and the applicant or owner agree to revise any existing voluntary payment agreement, or enter into any new voluntary payment agreement, under which the applicant or owner agree to voluntarily waive a portion of the exemption from machinery and tools tax as provided in Code of Virginia §58.1-3660, as amended; and
  - (2) The city and the applicant or owner agree to substitute the amount of such voluntary payment for a similar amount of a solar energy revenue share authorized by Code of Virginia §58.1-2636.
  - (3) For purpose of this subsection, “application was filed with the city” means an applicant has filed an application for a zoning confirmation from the city for a permitted by-right use, or an application for land use approval under the city’s Unified Development Ordinance to include an application for a conditional use permit, rezoning request, site plan review, variance, building permit, application for service, or other application as set out in the city’s Unified Development Ordinance.
- (c) Nothing in this article shall preclude an applicant or owner of a solar photovoltaic (electric energy) project previously approved by the city from entering into a written agreement to submit such project to the provisions of this article.

Sec. 82-1201. - Revenue Share Rate per Megawatt and Waiver of Machine and Tool Tax.

- (a) The city hereby imposes a revenue share to be assessed at a rate of one thousand four hundred dollars (\$1,400.00) per megawatt on any solar photovoltaic (electric energy) project. The generation capacity shall be measured in alternating current (AC) generation capacity of the facility and the determination of the generation capacity shall be based on submissions by the facility owners to the interconnecting utility. The assessed rate shall correspond to future rate escalations and maximums as approved by The Virginia General Assembly and signed by the Governor of Virginia.
- (b) The exemption provided by Code of Virginia §58.1-3660, as amended, for solar photovoltaic (electric energy) projects greater than five (5) megawatts as measured in alternating current (AC) generation capacity shall be one hundred percent (100%) of assessed value.

(c) Nothing contained herein shall be construed to prevent any other tax or fee as provided by the Code of Virginia.

This ordinance shall be effective upon passage and shall not be published.

READ AND PASSED: APRIL 7, 2021

TESTE: \_\_\_\_\_  
Erika S. Dawley, MMC, City Clerk