

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2016 Legislative Session

Resolution No. CR-66-2016

Proposed by Council Member Glaros

Introduced by Council Members Glaros, Davis, Lehman, Harrison,
Turner, Taveras and Franklin

Date of Introduction September 20, 2016

RESOLUTION

1 A RESOLUTION concerning

2 Commercial Property Assessed Clean Energy Program

3 For the purpose of requiring the County to prepare a plan for implementing a Commercial
4 Property Assessed Clean Energy Program that facilitates energy improvements and requires
5 repayment through a surcharge on the owner's property tax bill.

6 WHEREAS, Chapter 743, Laws of Maryland 2009 authorized a county or municipality to
7 enact an ordinance or resolution establishing a clean energy loan program to provide loans to
8 residential property owners, including low-income residential property owners, to finance energy
9 efficiency and renewable energy projects, and commercial property owners, to finance energy
10 efficiency projects and renewable energy projects with an electric generating capacity of not
11 more than 100 kilowatts; and

12 WHEREAS, a local clean energy loan program shall require a property owner to repay a
13 loan through a surcharge on the owner's property bill and the surcharge shall be limited to an
14 amount that allows the local government to recover the costs associated with issuing bonds to
15 finance the loan and costs associated with administering the program; and

16 WHEREAS, the ordinance or resolution enacted shall provide for specified eligibility
17 requirements and loan terms and conditions; and

18 WHEREAS, Chapter 472, Laws of Maryland 2014 authorized a private lender to provide
19 capital for a loan to a commercial property owner under a local clean energy loan program,
20 providing that with the express consent of any holder of a mortgage or deed of trust on a
21 commercial property that is to be improved through a loan under the program, a county or
22 municipality may collect loan payments owed to a private lender or to a county or municipality

1 and costs associated with administering the program, through a surcharge on the property
2 owner's property tax bill; and

3 WHEREAS, there are commercial property owners in Prince George's County that want to
4 implement energy efficient and renewable energy projects in the County but are hindered by
5 upfront costs and the lack of low cost long-term financing; and

6 WHEREAS, the State of Maryland does not have a commercial property assessed clean
7 energy ("PACE") program but there are a number of jurisdictions in other areas of the country
8 that have adopted commercial PACE programs including the District of Columbia. In 2013,
9 rather than legislating a program, Montgomery County required the County Executive to develop
10 a plan to implement a commercial PACE program by 2014 that analyzes and provides
11 recommendations on certain factors. The Montgomery County Executive delivered the plan to
12 the Montgomery County Council on May 19, 2014. Montgomery County enacted Council Bill
13 6-15 on March 31, 2015, establishing a commercial PACE program.

14 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
15 County, Maryland, that the County shall prepare a plan for implementing a Commercial Property
16 Assessed Clean Energy Program that analyzes and provides recommendations on the following
17 elements:

- 18 1) standards for eligible energy and environmental improvements;
- 19 2) energy audit or project design review requirements;
- 20 3) procedures for monitoring project progress and post-installation inspections;
- 21 4) program funding sources;
- 22 5) lending standards and priorities;
- 23 6) minimum and maximum loan amounts;
- 24 7) interest rates, terms, and conditions;
- 25 8) application procedures, including necessary supporting documents;
- 26 9) criteria for adequate security;
- 27 10) procedures to refer applicants to other public and private sources of funds and
28 incentives;
- 29 11) procedures related to decisions on loan acceptance and denial, or loan terms and
30 conditions;
- 31 12) procedures for nonpayment or default;

1
2
3
4
5

- 13) disclosure requirements for real estate transactions;
- 14) criteria for loan disbursement; and
- 15) any additional requirements necessary for program operation or security of loan funds.

BE IT FURTHER RESOLVED that the County Executive shall deliver the plan to the County Council on or before January 1, 2018.

Adopted this _____ day of _____, 2016.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Derrick Leon Davis
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council