



CECIL COUNTY, MARYLAND

DEPARTMENT OF FINANCE

FISCAL NOTE

SUMMARY OF LEGISLATION

SPONSOR: Council President at the request of the County Executive

BILL NO. 2018-13 – CLEAN ENERGY LOAN PROGRAM

SYNOPSIS: A bill to add new Part I, Chapter 45, Section 45-3 (Clean Energy Program), to the Finance and Taxation Ordinance, Cecil County Code, as amended; to provide for the definition of certain terms; to establish a clean energy loan program for commercial property owners; to establish the scope of and eligibility for the clean energy loan program; to provide for qualifying criteria; to establish a calculation of the clean energy surcharge, providing for a recorded notice; to provide for the collection of loan payments; to establish default procedures; to provide for financing of a loan under the clean energy program; to provide for the application of this Bill; and generally relating to the clean energy loan program and real property taxes.

FISCAL IMPACT SUMMARY: The approval of this bill will have minimal net financial impact on the County derived from the administrative fee charged to the property owner as part of the application and set up of the account with the Cecil County Department of Finance. The Director is considering a one-time .9% fee. It is impossible to determine at this time how many business will want to avail themselves of the program, or how much they will borrow to complete their energy efficient project.

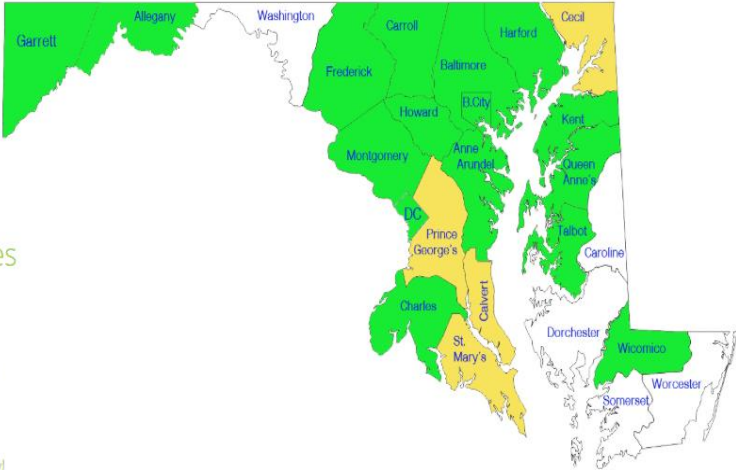
FISCAL ANALYSIS:

The Clean Energy Loan Program (PACE – Property Assessed Clean Energy) is a government policy based on the desire to incentivize community businesses to invest in energy efficient commercial energy projects. PACE authorizes counties to work with private capital providers to provide upfront financing to commercial property owners for qualifying improvement projects, and to collect the repayment through annual or semi-annual surcharges on the property's tax bill. By lowering that property's energy expenses, PACE makes the building more inviting to property owners and ultimately increases the business' value.

The Clean Energy Loan Program is currently active in 17 Counties in Maryland (see attached map). This program is at no cost to the taxpayers of Maryland. The program is completely funded through private capital. The Clean Energy Loan amount is financed over 20 years and each year the 1/20th annual payment is added to the real property tax bill. If payments are not timely paid, the payment will be collected as a tax lien through the tax sale process, and if overdue will be collected irrespective of whether real property taxes are due and owing. The County shall not incur any liability to the Clean Energy lender or others in the event of default.

WHERE IS C-PACE IN MD?

Active C-PACE program C-PACE in development



PACE Approved Counties

[Click here](#) for information about PACE in Montgomery County.

Don't see your county listed? Contact us info@md-pace.com today!