

Order 57-10/11

Given first reading on 10/4/10

Public Hearing and Passage: 10/18/10 7-0 (Leeman, Waxman absent)

NICHOLAS M. MAVODONES (MAYOR)

KEVIN J. DONOGHUE (1)

DAVID A. MARSHALL (2)

DANIEL S. SKOLNIK (3)

CHERYL A. LEEMAN (4)

CITY OF PORTLAND

IN THE CITY COUNCIL

JOHN R. COYNE (5)

JOHN M. ANTON (A/L)

DORY RICHARDS WAXMAN (A/L)

JILL C. DUSON (A/L)

AMENDMENT TO PORTLAND CITY CODE CHAPTER 6, ARTICLE VIII PROPERTY ASSESSED CLEAN ENERGY

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:

That Chapter 6, Article VIII is hereby enacted to read as follows:

ARTICLE VIII. PROPERTY ASSESSED CLEAN ENERGY

Sec. 6-190. Purpose.

The purpose of this article is to establish a Property Assessed Clean Energy ("PACE") program to enable owners of qualifying property to access financing for energy saving improvements to their property through loan agreements with the Efficiency Maine Trust.

Sec. 6-191. Definitions.

The following words shall be defined as set forth below for use in this article.

Energy saving improvement: an improvement to qualifying property that is new and permanently affixed to qualifying property and that:

(a) Will result in increased energy efficiency and substantially reduced energy use and:

1. Meets or exceeds applicable United States Environmental Protection Agency and United States Department of Energy Energy Star program or similar energy efficiency standards established or approved by the Trust; or
2. Involves air sealing, insulating, and other energy efficiency improvements of residential, commercial

or industrial property in a manner approved by the Trust; or

(b) Involves a renewable energy installation or an electric thermal storage system that meets or exceeds standards established or approved by the trust.

PACE agreement: an agreement between the owner of qualifying property and the Trust that authorizes the creation of a PACE mortgage on qualifying property and that is approved in writing by all owners of the qualifying property at the time of the agreement, other than mortgage holders.

PACE assessment: an assessment made against qualifying property to repay a PACE loan.

PACE loan: a loan, secured by a PACE mortgage, made to the owner(s) of a qualifying property pursuant to a PACE program to fund energy saving improvements.

PACE mortgage: a mortgage securing a loan made pursuant to a PACE program to fund energy saving improvements on qualifying property.

Qualifying property: real property located in the City.

Renewable energy installation: a fixture, product, system, device or interacting group of devices installed behind the meter at a qualifying property, or on contiguous property under common ownership, that produces energy or heat from renewable sources, including, but not limited to, photovoltaic systems, solar thermal systems, biomass systems, landfill gas to energy systems, geothermal systems, wind systems, wood pellet systems and any other systems eligible for funding under federal Qualified Energy Conservation Bonds or federal Clean Renewable Energy Bonds.

Trust: the Efficiency Maine Trust established in 35-A M.R.S.A. § 10103 and/or its agent(s), if any.

Sec. 6-192. PACE program established.

The City hereby establishes a PACE program allowing owners of qualifying property located in the city who so choose to access financing for energy saving improvements to their property through PACE loans administered by the Trust or its

agent.

Sec. 6-193. PACE program financing.

- (a) The PACE program shall be financed by funds awarded to the Trust under the Federal Energy Efficiency and Conservation Block Grant (EECBG) Program and by other funds available for this purpose.
- (b) The City may from time to time amend this Article to use any other funding sources made available to it or appropriated by it for the express purpose of the PACE program, and the City shall be responsible for administration of loans made from those other funding sources.

Sec. 6-194. PACE program administration.

The Trust shall administer the PACE program for the City in accordance with a PACE administration contract between the City and the Trust, which will establish the administrative duties of the Trust including, without limitation:

- (a) The Trust will enter into PACE agreements with owners of qualifying property in the city;
- (b) The Trust, or its agent, will create and record a Notice of the PACE agreement in the Cumberland County Registry of Deeds to create a PACE mortgage;
- (c) The Trust, or its agent, will disburse the PACE loan to the property owner;
- (d) The Trust, or its agent, will send PACE assessment statements with payment deadlines to the property owner;
- (e) The Trust, or its agent, will be responsible for collection of the PACE assessments;
- (f) The Trust, or its agent, will record any lien, if needed, due to nonpayment of the assessment;
- (g) The Trust, or its agent, promptly shall record the discharges of PACE mortgages upon full payment of the PACE loan.