

FISCAL IMPACT NOTE

Legislation No: O-39-17

First Reader Date: 7-31-17

Note Date: 9-6-17

Legislation Title: Clean Energy Loan Program and Property Tax Surcharge

Description: For the purpose of defining certain terms; amending the scope of and eligibility for the Clean Energy Loan Program; amending qualifying criteria; establishing a calculation of the clean energy loan surcharge; providing for a recorded agreement and certain notices; and matters generally related to the Clean Energy Loan Program (PACE) and real property taxes.

Analysis of Fiscal Impact: This legislation would allow commercial property owners within the City to utilize PACE funding options in order to undertake qualifying energy efficiency and renewable energy improvements on their buildings. The financing is funded through private capital, with no cost to the City. The program will be managed through a third party, specifically Anne Arundel County, and any administrative or management expenses will be recouped through the surcharge on the owners property tax bill. The PACE program can potentially create a positive fiscal impact by providing the means to increase the property values of commercial properties, which may result in increased real property tax revenue to the City. See the staff report for a more detailed analysis on the PACE program.