

Maryland Commercial PROPERTY ASSESSED CLEAN ENERGY



Talbot County recognizes the benefits of promoting clean energy infrastructure in the community.

ABOUT C-PACE

Maryland Commercial Property Assessed Clean Energy (C-PACE) financing provides **100%** up-front capital to commercial property owners to implement building upgrades that save energy and lower operating costs. Improvements are repaid through a long-term surcharge on the property tax bill that transfers with the sale of the property.

HOW C-PACE WORKS

- Borrower plans energy project just as he/she would a typical construction job.
- Property owner uses a C-PACE provider to finance project rather than using equity and/or debt.
- C-PACE provider works with the local taxing authority to add a line item to the property's regular tax bill, in annual repayment amounts for duration of the financing.
- C-PACE repayment is collected with the property tax payment, with no additional paperwork for the property owner.
- Municipality remits the tax-assessed loan payment to the C-PACE provider.



BENEFITS OF C-PACE

Property owners can lower operating costs and improve the value and competitiveness of their asset. C-PACE financing provides longer terms than traditional financing and can be structured to make projects "cash-flow positive" from day one.

Contractors have access to the capital necessary to quickly turn proposals into funded projects. With competitive rates and terms of up to 20 years, contractors and their clients can implement larger, more comprehensive capital projects on a cash-flow positive basis.

Banks and lenders can invest with confidence to fund projects. The surcharge securing C-PACE financing has priority over other liens on the property. Therefore, the risk of loss from non-payment of a C-PACE loan is minimal.



ELIGIBLE BUILDINGS

Almost any commercial or industrial building, including offices, hotels, restaurants, farms, retail properties, warehouses, and factories, is eligible for C-PACE financing. Buildings used by non-profit organizations may also be eligible.

ELIGIBLE PROJECTS

The scope of work for an eligible C-PACE project can range from the installation of a single energy conservation measure (ECM) such as a new high efficiency boiler or a renewable energy system, to a whole building energy upgrade involving multiple, interactive ECMs.

To be eligible for a clean energy loan, the property owner must obtain an energy audit approved under program guidelines demonstrating that the projected savings from the improvements are equal to or greater than the principal and aggregate interest to be paid over the term of the loan.

Commercial property owners eligible may participate in the clean energy loan program for non-accelerating loans greater than \$25,000 for a term up to 20 years.

For more information, contact the Talbot County Department of Economic Development and Tourism at 410-770-8058 or admin@talbotworks.org.



ELIGIBLE PROJECT EXAMPLES INCLUDE:

- Solar energy equipment
- Wind
- Geothermal energy devices
- Water conservation devices
- High-efficiency lighting
- Heating/ventilation, air conditioning (HVAC) upgrades
- High-efficiency boilers and furnaces
- High-efficiency hot water heating systems
- Any other improvement approved by MD C-PACE Financial Servicing as a qualifying energy efficiency or renewable energy project.