



## About PACE

PACE is the acronym for Property Assessed Clean Energy. But PACE stands for much more. It is a simple and effective way for county governments to create jobs, retain businesses, and keep dollars in the local economy without raising taxes – simply by helping to make commercial buildings more energy-efficient.

PACE is a government policy based on the principle that commercial energy projects – such as installing solar equipment or improving a building’s heat recovery system – are public benefits like sewers, roads, and bridges. 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.

## Benefits of PACE

PACE offers multiple benefits to a broad range of stakeholders including building owners, municipalities, mortgage holders, capital providers and energy efficiency/renewable energy contractors.

**Property owners** can lower their operating costs, improve the value and market competitiveness of their asset, and comply with local energy and building code mandates. PACE financing can provide longer terms than traditional financing, and be structured to make projects “cash-flow positive” from day one. The assessment is also transferable upon sale of the property.

**Contractors** can close projects by offering a financing option that is attractive to property owners.

**Counties** can leverage PACE for economic development. It can lower operating costs to help retain local businesses, improve the value of local building stock, reduce reliance on foreign fuels, provide more local jobs, and keep dollars in the local economy.

## The MD-PACE Program

The MD-PACE program has been designed to ease the burden of PACE administration for Counties that want offer PACE financing to their building owners.

Maryland passed policy enabling PACE to work in 2014. Since property taxes are collected at the county and city level, the law requires that local ordinances also be passed to take advantage of PACE financing. The MD-PACE program allows counties in Maryland to enter into a partnership with a state agency, the Maryland Clean Energy Center, and join a statewide, standard PACE program at no cost.

A major benefit to having a statewide administrator is that it allows participants in the PACE market to adhere to a standardized set of rules across county lines, and enables scale.

The MD-PACE program works with the county to pass their ordinance, intake and approve PACE projects, train local contractors and capital providers, establish procedures to place PACE surcharges and facilitate collections, and remit payment to capital providers.

## Eligible Buildings



COMMERCIAL



INDUSTRIAL



AGRICULTURAL



NON-PROFIT

## Eligible Measures

The scope of work for an eligible PACE project can range from 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. Counties can customize their list of eligible ECMs, but a partial list includes but is not limited to:

- solar energy equipment;
- geothermal energy devices;
- wind energy systems;
- water conservation devices not required by law;
- any construction, renovation or retrofitting of commercial property to reduce energy consumption, including, high efficiency lighting and building systems, heating ventilation
- air conditioning (HVAC) upgrades, high efficiency boilers and furnaces, high efficiency
- hot water heating systems, combustion and burner upgrades, fuel switching, heat
- recovery and steam traps, building shell or envelope improvements, fenestration
- improvements, building energy management systems, and process equipment upgrades;
- and any other improvement approved by the County PFS as a qualifying as an energy efficiency project or renewable energy project

## To Learn More...

Visit the MD-PACE website at [www.md-pace.com](http://www.md-pace.com) or [www.millenniumenergyconsultants.com](http://www.millenniumenergyconsultants.com)

Contact Millennium Energy Consultants (an Authorized MD-PACE Program Contractor) for additional information at: [info@millenniumenergyconsultants.com](mailto:info@millenniumenergyconsultants.com) or [www.millenniumenergyconsultants.com](http://www.millenniumenergyconsultants.com)



PACE Financial Servicing, LLC (PFS) was selected by the Maryland Clean Energy Center to administer the statewide MD-PACE program. PFS builds PACE programs that seamlessly connect PACE capital to interested building owners. The result is increased economic activity, reduced environmental pollution, and new jobs.

The Maryland Clean Energy Center (MCEC) is an instrumentality of the state created with an economic development mission. The mission of MCEC is to advance the adoption of clean energy solutions along with energy efficiency products, services and technologies to help create jobs.