

Chapter 602

PROPERTY ASSESSED CLEAN ENERGY

§602-1. Authority

The Town enacts this Ordinance pursuant to Public Law 2009, Chapter 591 of the 124th Maine State Legislature, "An Act To Increase the Affordability of Clean Energy for Homeowners and Businesses," also known as "the Property Assessed Clean Energy Act" or "the PACE Act" (codified at 35-A M.R.S.A. Section 10151, *et seq.*).

§602-2. Purpose

The establishment of a program to enable Damariscotta's citizens to participate in a Property Assessed Clean Energy (PACE) program so that owners of qualifying property can access financing for energy saving improvements to their properties located in the Town of Damariscotta (the Town).

§602-3. Effective Date

This Ordinance shall be effective upon adoption by the Town of Damariscotta.

§602-4. Definitions

Except as specifically defined below, words and phrases used in this Ordinance shall have their customary meanings.

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 DISTRICT: The area within which the Town establishes a PACE program hereunder, which is all that area within the Town's boundaries.

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.

PACE PROGRAM: A program established under State statute by the Trust or a Town under which property owners can finance energy savings improvements on qualifying property.

QUALIFYING PROPERTY: Real property located in the PACE district of the Town.

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. Section 10103 and/or its agent(s), if any.

§602-5. Pace Program

(a) Establishment; funding. The Town hereby establishes a PACE program allowing owners of qualifying property located in the PACE district who so choose to access financing for energy saving improvements to their property through PACE loans administered by the Trust or its agent. PACE loan funds are available from the Trust in municipalities that do all of the following:

- (1) adopt a PACE Ordinance,
- (2) adopt and implement a local public outreach and education plan,
- (3) enter into a PACE administration contract with the Trust to establish the terms and conditions of the Trust's administration of the municipality's PACE program,
- (4) agree to assist and cooperate with the Trust in its administration of the municipality's PACE program.

(b) Amendment to PACE program. In addition, the Town may from time to time amend this Ordinance to use any other funding sources made available to it or appropriated by it for the express purpose of its PACE program, and the Town shall be responsible for administration of loans made from those other funding sources.

§602-6. Conformity with the Requirements of the Trust

Standards adopted; Rules promulgated; model documents. If the Trust adopts standards, promulgates rules, or establishes model documents subsequent to the Town's adoption of this Ordinance and those standards, rules or model documents substantially conflict with this Ordinance, the Town shall take necessary steps to conform this Ordinance and its PACE program to those standards, rules, or model documents.

§602-7. Program Administration

(a) PACE Administration Contract. Pursuant to 35-A M.R.S.A. Section 10154(2)(A)(2) and (B), the Town will enter into a PACE administration contract with the Trust to administer the functions of the PACE program for the Town. The PACE administration contract with the Trust will establish the administration of the PACE program including, without limitation, that:

- (1) The Trust will enter into PACE agreements with owners of qualifying property in the Town's PACE district.
- (2) The Trust, or its agent, will create and record a Notice of the PACE agreement in the appropriate County Registry of Deeds to create a PACE mortgage.
- (3) The Trust, or its agent, will disburse the PACE loan to the property owner.
- (4) The Trust, or its agent, will send PACE assessment statements with payment deadlines to the property owner.
- (5) The Trust, or its agent, will be responsible for collection of the PACE assessments.
- (6) The Trust, or its agent, will record any lien, if needed, due to nonpayment of the assessment.
- (7) The Trust, or its agent on behalf of the Town, promptly shall record the discharges of PACE mortgages upon full payment of the PACE loan.

(b) Adoption of Education and Outreach Program. In conjunction with adopting this Ordinance, the Town shall adopt and implement an education and outreach program so that citizens are made aware of home energy saving opportunities, including the opportunity to finance energy saving improvements with a PACE loan.

(c) Assistance and Cooperation. The Town will assist and cooperate with the Trust in its administration of the Town's PACE program.

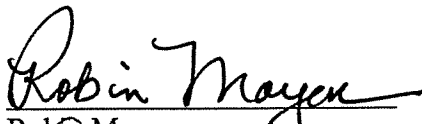
(d) Assessments Not a Tax. PACE assessments do not constitute a tax but may be assessed and collected by the Trust in any manner determined by the Trust and consistent with applicable law.

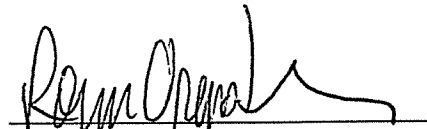
§602-8. Liability of Town Officials; Liability of Town

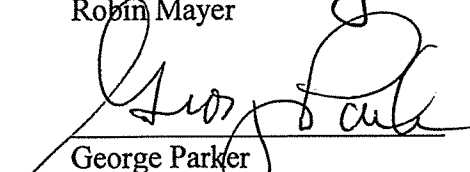
(a) Notwithstanding any other provision of law to the contrary, Town officers and Town officials, including, without limitation, tax assessors and tax collectors, are not personally liable to the Trust or to any other person for claims, of whatever kind or nature, under or related to a PACE program, including, without limitation, claims for or related to uncollected PACE assessments.

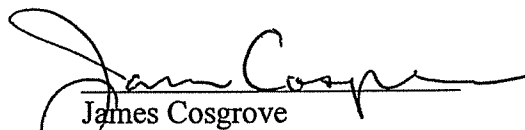
(b) Other than the fulfillment of its obligations specified in a PACE administration contract with the Trust entered into under Section 602-7(1)(A) above, the Town has no liability to a property owner for or related to energy savings improvements financed under a PACE program.

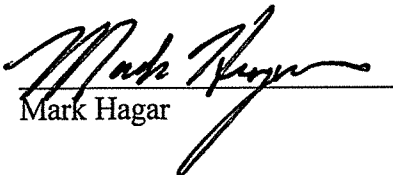
Board of Selectmen


Robin Mayer

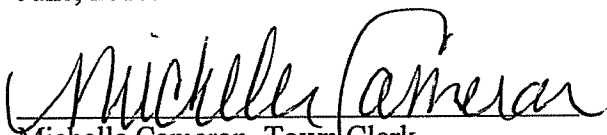

Ronn Orenstein

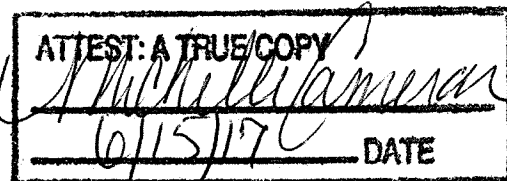

George Parker


James Cosgrove


Mark Hagar

Attest: A true copy of an ordinance entitled: "Property Assessed Clean Energy." Enacted June 14, 2017, as certified to me by the Municipal Officers of Damariscotta, Maine on the 14th day of June, 2017.


Michelle Cameron, Town Clerk
Damariscotta, Maine



Legislative History

Enacted November 16, 2011, effective November 16, 2011
Revised June 14, 2017, effective June 14, 2017