

Bill No. 7-19  
Concerning: Environmental Sustainability  
– Commercial Property Assessed  
Clean Energy Program – New  
Construction  
Revised: 5/7/2019 Draft No. 5  
Introduced: March 5, 2019  
Enacted: May 7, 2019  
Executive: May 14, 2019  
Effective: August 13, 2019  
Sunset Date: None  
Ch. 9, Laws of Mont. Co. 2019

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Councilmember Hucker  
Co-Sponsors: Councilmember Friedson, Council President Navarro, Councilmember Riemer,  
Council Vice-President Katz, Councilmembers Jawando, Rice, Glass and Albornoz

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**AN ACT** to:

- (1) expand the Commercial Property Assessed Clean Energy Program to new construction; and
- (2) generally amend County laws related to the Commercial Property Assessed Clean Energy Program and environmental sustainability.

By amending

Montgomery County Code  
Chapter 18A, Environmental Sustainability  
Sections 18A-33 and 18A-35

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*

1           **Sec. 1. Sections 18A-33 and 18A-35 are amended as follows:**

2   **18A-33. Definitions.**

3           (a) *Definitions.* In this Section, the following words have the meanings  
4           indicated:

5   \*       \*       \*

6                   *Qualified property* means any new or existing commercial real property  
7                   that meets the eligibility criteria for the Program.

8   \*       \*       \*

9   **18A-35. Eligibility.**

10           In order to be eligible for this Program, the following criteria must be met:

11   \*       \*       \*

12           (a) *Eligibility.*

13   \*       \*       \*

14                   (4) For new commercial construction, the property must be designed  
15                   to exceed the [[current]] [[County energy conservation building  
16                   code performance requirement]] energy performance required by  
17                   the County building code that is in effect at the time a property  
18                   owner applies to participate in the Program.

19                   (5) The loan amount under this Program must meet the following  
20                   criteria:

21                   (A) For existing commercial construction:

22                                   (i) The loan amount must be at least \$5,000 and[], for  
23                                   existing commercial property,]] not more than 20%  
24                                   of either the full cash value or the appraised value of  
25                                   the qualified property. [[The full cash value is  
26                                   determined by the Maryland State Department of  
27                                   Assessments and Taxation. The appraised value must

28 be determined by a Certified General Real Estate  
 29 Appraiser and must have been certified no more than  
 30 12 months before the date of the loan application.]]

31 ~~[[B)]]~~ (ii) The loan amount, together with the outstanding  
 32 balance of the mortgage or deed of trust, must be no  
 33 more than 90% of either the full cash value or the  
 34 appraised value of the qualified property.

35 (iii) The full cash value is determined by the Maryland  
 36 State Department of Assessments and Taxation. The  
 37 appraised value must be determined by a Certified  
 38 General Real Estate Appraiser and must have been  
 39 certified no more than 12 months before the date of  
 40 the loan application.

41 ~~[[C)]]~~ For new commercial construction, the maximum loan  
 42 amount must not exceed 20% of the total construction  
 43 costs.]]

44 (B) For new commercial construction:

45 (i) If a qualified property is designed to exceed the  
 46 energy performance required by the County  
 47 building code by no more than 5%, the maximum  
 48 loan amount must not exceed 15% of the full cash  
 49 value or appraised value of the qualified property.

50 (ii) If a qualified property is designed to exceed the  
 51 energy performance required by the County  
 52 building code by 5% or greater, the maximum loan  
 53 amount must not exceed 20% of the full cash value  
 54 or appraised value of the qualified property.

55                    (iii) The loan amount, together with the outstanding  
56                    balance of the mortgage or deed of trust, must be no  
57                    more than 90% of either the full cash value or the  
58                    appraised value of the qualified property.

59                    (iv) The full cash value and appraised value of the  
60                    property must be determined based on the estimated  
61                    value of the property if construction is completed.  
62                    The appraised value must be determined by a  
63                    Certified General Real Estate Appraiser and must  
64                    have been certified no more than 12 months before  
65                    the date of the loan application.

66                    \*           \*           \*

Approved:

  
\_\_\_\_\_  
Nancy Navarro, President, County Council  
5/9/19  
\_\_\_\_\_  
Date

Approved:

  
\_\_\_\_\_  
Marc Elrich, County Executive  
5/14/19  
\_\_\_\_\_  
Date

*This is a correct copy of Council action.*

  
\_\_\_\_\_  
Megan Davey Limarzi, Esq., Clerk of the Council  
5/20/19  
\_\_\_\_\_  
Date