

**AGENDA AND PROPOSED ORDERS  
GORHAM TOWN COUNCIL  
REGULAR MEETING  
December 5, 2023  
6:30PM  
Burleigh Loveitt Council Chambers**

**Pledge of Allegiance to the Flag**

**Roll Call**

**Acceptance of the minutes of the November 14, 2023 Regular Town Council Meeting.**

**Open Public Communications**

**Councilor Communications**

**Department Manager Report**

**Town Manager Report**

**School Committee Report**

**Public hearing #1**

**On Item #2023-12-1**

Public hearing to hear comments on a proposal to issue a renewal liquor license to Orchard Ridge Farm. (Admin Spon.)

**Proposed**

**Order #23-173**

Ordered, that the Town Council issue a renewal liquor license to Orchard Ridge Farm, 236 Sebago Lake Road.

**Public hearing #2**

**On Item #2023-12-2**

Public hearing to hear comments on a proposal to adopt the C-PACE Ordinance. (Councilor Philips Spon.)

**Proposed**

**Order #23-174**

Ordered, that the Town Council adopt a C-PACE Ordinance as follows:

**WHEREAS**, the State of Maine authorized municipalities to establish Commercial Property Assessed Clean Energy (“C-PACE”) programs pursuant to Public Law 2021, Chapter 142 of the 130th Maine State Legislature, “An Act to Allow for the Establishment of Commercial Property Assessed Clean Energy Program,” also known as “the Commercial Property Assessed Clean Energy Act” or “the Commercial PACE Act” (codified at 35-A M.R.S. § 10201 *et seq.*); and

**WHEREAS**, the Efficiency Maine Trust promulgated a model ordinance to be adopted by municipalities who wish to establish a local C-PACE program; and

**WHEREAS**, the Town desires to adopt said model ordinance to establish a C-PACE program that will enable owners of qualifying property to access financing for energy savings improvements to their commercial properties located in the Town; and

**WHEREAS**, the C-PACE program will not adversely impact the Town financially; and

**NOW THEREFORE, BE IT ORDERED THAT THE TOWN HEREBY ADOPTS THE COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (C-PACE ORDINANCE) IN SUBSTANTIALLY THE FORM ATTACHED HERETO AND PRESENTED TO THIS MEETING.**

## **COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (C-PACE) ORDINANCE**

### **ARTICLE I**

#### **Purpose and Enabling Legislation**

##### **§ 1. Purpose.**

By and through this Ordinance, the Town of Gorham (“Town”) declares as its public purpose the establishment of a municipal program to enable its citizens to participate in a Commercial Property Assessed Clean Energy (“C-PACE”) program so that owners of qualifying property can access financing for energy savings improvements to their commercial properties located in the Town. The Town declares its purpose and the provisions of this Ordinance to be in conformity with federal and state laws.

##### **§ 2. Enabling legislation.**

The Town enacts this Ordinance pursuant to Public Law 2021, Chapter 142 of the 130th Maine State Legislature, “An Act to Allow for the Establishment of Commercial Property Assessed Clean Energy Program,” also known as “the Commercial Property Assessed Clean Energy Act” or “the Commercial PACE Act” (codified at 35-A M.R.S. § 10201 *et seq.*).

### **ARTICLE II**

#### **Title and Definitions**

##### **§ 3. Title**

This Ordinance shall be known and may be cited as “The Town of Gorham’s Commercial Property Assessed Clean Energy (“C-PACE”) Ordinance” (this “Ordinance”).

##### **§ 4. Definitions**

Except as specifically defined below, words and phrases used in this Ordinance shall have their customary meanings. As used in this Ordinance, the following words and phrases shall have the meanings indicated:

COMMERCIAL PACE or C-PACE. Means Commercial Property Assessed Clean Energy.

COMMERCIAL PACE AGREEMENT. An agreement that authorizes the creation of a Commercial PACE Assessment on Qualifying Property and that is approved in writing by all owners of the Qualifying Property at the time of the agreement and by the municipal officers of the Town.

COMMERCIAL PACE ASSESSMENT. An assessment made against Qualifying Property to finance an Energy Savings Improvement.

COMMERCIAL PACE DISTRICT. The area within which the Town establishes a Commercial PACE Program hereunder, which is all that area within the Town boundaries.

COMMERCIAL PACE LIEN. A lien, secured against a Qualifying Property that is created by a Commercial PACE Assessment.

COMMERCIAL PACE LOAN. A loan, payable through a Commercial PACE Assessment and secured by a C-PACE Lien, made to the owner(s) of a Qualifying Property pursuant to a Commercial PACE Program to fund Energy Savings Improvements.

COMMERCIAL PACE PROGRAM. A program established under this Ordinance pursuant to the Commercial PACE Act under which commercial property owners can finance Energy Savings Improvements on Qualifying Property.

ENERGY SAVINGS IMPROVEMENT. An improvement or series of improvements to Qualifying Property that are new and permanently affixed to Qualifying Property and that:

A. Will result in increased energy efficiency or substantially reduced energy use and:

(1) Meet or exceed 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) Involve weatherization of commercial or industrial property in a manner approved by the Trust; or

B. Involve a Renewable Energy Installation, an energy storage system as defined in 35-A M.R.S. § 3481(6), an electric thermal storage system, electric vehicle supply equipment or heating equipment that meets or exceeds standards established or approved by the Trust. Heating equipment that is not a Renewable Energy Installation must be heating equipment that produces the lowest carbon emissions of any heating equipment reasonably available to the property owner, as determined by the Trust, and must meet the requirements of 35-A M.R.S. § 10204 (1)(B).

QUALIFYING PROPERTY. Real commercial property in the Town that:

A. Does not have a residential mortgage;

B. Is not owned by a residential customer or small commercial customer as defined in 35-A M.R.S. § 3106(1)(C) and (D), respectively;

C. Consists of 5 or more rental units if the property is a commercial building designed for residential use;

D. Is not owned by a federal, state or municipal government or public school; and

E. Is located in a municipality that participates in a Commercial PACE Program.

REGISTERED CAPITAL PROVIDER or CAPITAL PROVIDER. An approved lender providing financing for the Energy Savings Improvements through a C-PACE Program and registered with Efficiency Maine Trust.

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, highly efficient wood heating systems, geothermal systems and wind systems that do not on average generate more energy or heat than the peak demand of the property.

TOWN. The Town of Gorham.

TRUST. The Efficiency Maine Trust established in 35-A M.R.S. § 10103 and/or its agents, if any.

### ARTICLE III

#### **Commercial PACE Program**

##### **§ 5. Program established.**

The Town hereby establishes a Commercial PACE Program allowing owners of Qualifying Property located in the Town who so choose to access financing for Energy Savings Improvements to their Qualifying Property, with such financing to be repaid through a Commercial PACE Assessment and secured by a Commercial PACE Lien. The Town may:

A. Administer the functions of the Commercial PACE Program, including, but not limited to, Commercial PACE Assessments, or designate an agent to act on behalf of the Town for such billing and collection purposes; or

B. Enter into a contract with the Trust to administer some or all functions of the Commercial PACE Program for the Town, including billing and collection of Commercial PACE Assessments, subject to the limitations set forth in Section 10205, subsection 5 of the Commercial PACE Act.

##### **§ 6. Amendment or repeal Commercial PACE program.**

The Town may from time to time amend this Ordinance to use any funding sources made available to it or appropriated by it for the express purpose of its Commercial PACE Program, and the Town shall be responsible for administration of loans made from those funding sources. The Town may also repeal this Ordinance in the same manner as it was adopted, provided, however, that such repeal shall not affect the validity of any Commercial PACE Agreements entered into by the Town prior to the effective date of such repeal, or a Commercial PACE Loan or Commercial PACE Lien arising out of such Agreements.

## **§ 7. Financing; private lenders; terms.**

C-PACE Loans may be provided by any qualified Capital Provider private lender participating in the C-PACE Program and a C-PACE Agreement may contain any terms agreed to by the lender and the property owner, as permitted by law, for the financing of Energy Savings Improvements. Unless the Town specifically designates funding sources made available to it or appropriated by it for the express purpose of its Commercial PACE Program and agrees to provide financing for Energy Savings Improvements, the Town will not finance or fund any loan under the Commercial PACE Program, and shall serve only as a program sponsor to facilitate loan repayment by including the Commercial PACE Assessment on the property tax bill for the property, and shall incur no liability for the loan.

## ARTICLE IV

### **Program Administration; No Municipal Liability**

#### **§ 8. Program Requirements and Administration**

- A. **Agreement Required.** All commercial property owners seeking financing for Energy Savings Improvements on Qualifying Property pursuant to the Commercial PACE Program must enter into a Commercial PACE Agreement, approved as to form and substance by the Town, authorizing the creation of a Commercial PACE Assessment and acknowledging the creation of a Commercial PACE Lien. A notice of the Commercial PACE Agreement will be filed in the registry of deeds, which filing will create a lien until the amounts due under the agreement are paid in full.
- B. **Underwriting Standards.** A Commercial PACE Agreement entered into pursuant to the Commercial PACE Program must satisfy the minimum underwriting requirements of the Commercial PACE Act and such additional requirements established by the Trust.
- C. **Collection of assessments.** A commercial property owner participating in the Commercial PACE Program will repay the financing of Energy Savings Improvements through an assessment on their property similar to a tax bill. A Commercial PACE Assessment constitutes a lien on the Qualifying Property until it is paid in full and must be assessed and collected by the Town or its designated agent, the Trust, or a 3rd-party administrator contracted by the Trust, consistent with applicable laws. The Town may, by written agreement, designate the applicable third-party Capital Provider as its agents for the billing and collection of Commercial PACE Assessment payments in satisfaction of the Commercial PACE Loan. Where Commercial PACE Assessment payments are received directly by the Town along with other municipal tax payments, such payments received from property owners shall first be applied to Town taxes, assessments, and charges. The Town shall have no ownership of the Commercial PACE Assessments collected except for any administrative costs provided under the Commercial PACE Program. The Town shall pay all Commercial PACE Assessment payments in any calendar month to the applicable Capital Provider or the Commercial PACE Program administrator within 30 days after the end of the month in which such amounts are collected. The Town shall have no obligation to make payments to any Capital Provider with respect to any Commercial PACE repayment amounts or loan obligations other than that portion of the Commercial PACE Assessment actually collected from a property owner for the repayment of a Commercial PACE Loan.

If the Trust or a 3rd-party administrator contracted by the Trust or an agent of the Town collects Commercial PACE Assessments on behalf of the Town, the Trust or agent shall periodically report to the Town on the status of the Commercial PACE Assessments in the Town and shall notify the Town of any delinquent Commercial PACE Assessments. Upon receiving notification from the Trust or agent of a delinquent Commercial PACE Assessment, the Town shall notify the holder of any mortgage on the property of the delinquent assessment.

D. Notice; filing. A notice of a Commercial PACE Agreement must be filed in the appropriate registry of deeds. The filing of this notice creates a Commercial PACE Lien against the property subject to the Commercial PACE Assessment until the amounts due under the terms of the Commercial PACE Agreement are paid in full. The notice must include the information required by the Commercial PACE Act.

E. Priority. A Commercial PACE Lien secures payment for any unpaid Commercial PACE Assessment and, together with all associated interest and penalties for default and associated attorney's fees and collection costs, takes precedence over all other liens or encumbrances except a lien for real property taxes of the municipality and liens of municipal sewer, sanitary and water districts. From the date of recording, a Commercial PACE Lien is a priority lien against a property, except that the priority of such a Commercial PACE Lien over any lien, except a lien for real property taxes of the Town or a lien of a municipal sewer, sanitary or water district, that existed prior to the Commercial PACE Lien is subject to the written consent of such existing lienholder.

F. Mortgage lender notice and consent. Any financial institution holding a lien, mortgage or security interest in or other collateral encumbrance on the property for which a Commercial PACE Assessment is sought must be provided written notice of the commercial property owner's intention to participate in the Commercial PACE Program and must provide written consent to the commercial property owner and Town that the borrower may participate and enroll the collateral property in the Commercial PACE Program. This written consent must be filed in the registry of deeds and must include a written acknowledgement and understanding by the financial institution holding the lien, mortgage or security interest in or other collateral encumbrance on the property as required by the Commercial PACE Act.

#### **§ 9. Collection, default; foreclosure.**

A. A Commercial PACE Assessment and any interest, fees, penalties and attorney's fees incurred in its collection must be collected in the same manner as the real property taxes of the Town. A Commercial PACE Assessment for which notice is properly recorded under this section creates a lien on the property. The portion of the assessment that has not yet become due is not eliminated by foreclosure, and the lien may not be accelerated or extinguished until fully repaid.

(1) If a Commercial PACE Assessment is delinquent or in default and the borrower or property owner is delinquent in any tax debt due to the Town, collection may occur only by the recording of liens and by foreclosure under 36 M.R.S. §§ 942 and 943. Liens must be recorded and released in the same manner as liens for real property taxes.

(2) If only a Commercial PACE Assessment is delinquent but the borrower or property owner is current on payment of all municipal taxes due to the Town, then a Commercial PACE lienholder shall accept an assignment of the Commercial PACE Lien, as provided in the written agreement between Town and the Capital Provider. The assignee shall have and possess all the same powers and rights at law as the Town and its tax collector with regards to the priority of the Commercial PACE Lien, the accrual of interest and fees and the costs of collection. The assignee shall have the same rights to enforce the Commercial PACE Lien as any private party or lender holding a lien on real property, including, but not limited to, the right of foreclosure consistent with 14 M.R.S. §§ 6203-A and 6321 and any other action in contract or lawsuit for the enforcement of the Commercial PACE Lien.

B. Judicial or nonjudicial sale or foreclosure. In the event of a judicial or nonjudicial sale or foreclosure of a property subject to a Commercial PACE Lien by a lienholder that is not a Commercial PACE lienholder, the Commercial PACE Lien must survive the foreclosure or sale to the extent of any unpaid installment, interest, penalties or fees secured by the lien that were not paid from the proceeds of the sale. All parties with mortgages or liens on that property, including without limitation Commercial PACE lienholders, must receive on account of such mortgages or liens sale proceeds in accordance with the priority established in the Commercial Pace Act and by applicable law. A Commercial PACE Assessment is not eliminated by foreclosure and cannot be accelerated. Only the portion of a Commercial PACE Assessment that is in arrears at the time of foreclosure takes precedence over other mortgages or liens; the remainder transfers with the property at resale.

C. Unless otherwise agreed upon by the Capital Provider, all payments on a Commercial PACE Assessment that become due after the date of transfer by judicial or nonjudicial sale or foreclosure must continue to be secured by a lien on the property and are the responsibility of the transferee.

D. Release of lien. The Town will discharge a Commercial PACE Lien created under the Commercial PACE Act and this Ordinance upon full payment of the amount specified in the Commercial PACE Agreement. A discharge under this subsection must be filed in the appropriate registry of deeds and must include reference to the notice of Commercial PACE Agreement previously recorded pursuant to the Commercial PACE Act and this Ordinance.

E. No Town Responsibility for Commercial PACE Assessment Payments. The Town shall not be obligated to make any Commercial PACE Assessment payment during any period in which the Town is deemed to be the owner of the Qualified Property by virtue of the automatic foreclosure of a tax lien mortgage, pursuant to 36 M.R.S. § 943, as amended, provided that the Town includes such a provision in the Commercial PACE Agreement for that Qualified Property.

#### **§ 10. Liability of municipal 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 Commercial PACE Program, including without limitation, claims for or related to uncollected Commercial PACE Assessments under this Ordinance.

B. Other than the fulfillment of its obligations specified in a Commercial PACE Agreement, the Town has no liability to a commercial property owner for or related to Energy Savings Improvements financed under a Commercial PACE Program.

## ARTICLE V

### Conformity with Trust Requirements

#### § 11. Conformity to Changed Standards.

This Ordinance is intended to comply with the Commercial PACE Act and the administrative rules of the Trust issued in connection with the Commercial PACE Act, as the same may be amended. If the Trust or any State or federal agency 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 Commercial PACE Program to those standards, rules or model documents.

**Item #2023-12-3** Action to approve a C-PACE Municipality Participation Agreement.  
(Councilor Phillips Spon.)

**Proposed**  
**Order #23-175** Ordered, that the Town Council authorizes a C-PACE Municipality Participation Agreement as follows:

**WHEREAS**, the Town has established a Commercial Property Assessed Clean Energy (C-PACE) program pursuant to the Commercial Property Assessed Clean Energy Ordinance adopted as of this date pursuant to Public Law 2021, Chapter 142 of the 130th Maine State Legislature, "An Act to Allow for the Establishment of Commercial Property Assessed Clean Energy Program," also known as "the Commercial Property Assessed Clean Energy Act" or "the Commercial PACE Act" (codified at 35-A M.R.S. § 10201 *et seq.*); and

**WHEREAS**, the Town desires to enter into an agreement with the Efficiency Maine Trust to administer certain aspects of the C-PACE program and the Trust is willing to provide such administration services to the Town;

**NOW THEREFORE, BE IT ORDERED THAT THE TOWN HEREBY AUTHORIZES THE TOWN MANAGER OR HIS DESIGNEE TO ENTER INTO THE COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY (C-PACE) PARTICIPATION AGREEMENT WITH EFFICIENCY MAINE TRUST FOR THE PURPOSE OF ADMINISTERING THE TOWN'S C-PACE PROGRAM.**

**Item #2023-12-4** Action to consider approving the transfer of funds seized in a criminal case (Admin. Spon.)

**Proposed**  
**Order #23-176** Ordered, that the Town Council approve the transfer of \$15,292.00 to the Town of Gorham pursuant to Title 15 M.R.S.A, §15824(3) and §5826(6) seized in a criminal case (Docket No. CR-2022-03187) and Be It Further Ordered the Town Manager is authorized to sign the approval form on behalf of the Town of Gorham.



- Item #2023-12-5** Action to consider instructing the Appointments Committee to fill a vacancy on the Planning Board. (Appointments Committee Spon.)
- Proposed Order #23-177** Ordered, that the Town Council appoint Rob Delaney to the Planning Board.
- Item #2023-12-6** Action to consider instructing the Appointments Committee to fill a vacancy on the Gorham Economic Development Corporation. (Appointments Committee. Spon.)
- Proposed Order #23-178** Ordered, that the Town Council appoint Jim Anderson to the Gorham Economic Development Corporation.
- Item #2023-12-7** Action to consider instructing the Ordinance Committee to review an ordinance that could ban flavored tobacco and vaping sales in the Town of Gorham. (Councilor Siegel Spon.)
- Proposed Order #23-179** Ordered, that the Town Council instructs the Ordinance Committee to review and provide recommendations on an ordinance that would ban the sale of flavored tobacco and vaping products in the Town of Gorham.
- Item #2023-12-8** Action to consider adopting a complete streets ordinance. (Councilor Siegel Spon.)
- Proposed Order #23-180** Ordered, that the Town Council instructs the Ordinance Committee to review and propose recommendations for a complete streets ordinance to promote better transportation systems and safer streets for pedestrians and bicyclists in the Town of Gorham.
- Item #2023-12-9** Action to consider adopting a Resolution in Support of the Extended Learning Opportunities Program in the Gorham Schools. (Councilor Siegel Spon.)
- Proposed Order #23-181** Ordered, that the Town Council adopts the resolution as follows:

Whereas, The Town Council of Gorham recognizes the success of the Extended Learning Opportunities program in the Gorham School District; and

Whereas, The Extended Learning Opportunities program has been a boon for students and local businesses; and

Whereas, the Gorham School District is a conduit for growing our workforce here in Gorham and in the entire state of Maine; and

Whereas, additional funding will allow the program to grow to a point of sustainability.

Resolved that the Town Council of Gorham urges the Maine State Department of Economic and Community Development to continue to bolster the infrastructure to sustain the Extended Learning Opportunities program in the Gorham Schools.

**Adjourn.**