



Municipal Implementation for PACE Betterment Assessment

MassDevelopment is the lead program administrator for the PACE Massachusetts financing program which was launched in August 2020. Your municipality voted to opt-in to allow the Municipality's participation in the PACE program for commercial and industrial property owners located in the Municipality.

MassDevelopment has contracted with MuniCap, Inc as its Betterment Assessment Consultant to assist with the related assessment and billing requirements and procedures needed for each municipality to participate in a PACE financing. MassDevelopment and MuniCap are reaching out to you in advance of the first PACE financing in your municipality to begin the process to determine how to best add the PACE betterment assessment to your municipal property tax bill. We understand the implementation process for each municipality may vary based on internal processes and will work with you to understand the Municipality's specific requirements.

On the next page is a general outline of steps specifically related to the Municipality's role in the PACE program. Additional information regarding the general guidelines and responsibilities can be found in the Municipal Assessment and Assignment Agreement template (Appendix G – PACE Massachusetts Guidelines) which is downloadable at www.massdevelopment.com/PACE

Municipal Actions for PACE Setup and Financing Closing

1. **Municipality** opts into PACE program
 - a. Vote by City/Town Council/Board of Selectmen using MassDevelopment PACE resolution
 - i. Certified copy of PACE resolution sent to MassDevelopment
2. PACE Questionnaire
 - a. **Municipality** completes to best of their knowledge
 - b. MuniCap uses information to determine assessment setup
 - c. MuniCap test runs PACE process with **Municipality**
3. MassDevelopment communicates to host **Municipality** it has received an application for potential PACE project
4. MassDevelopment notifies **Municipality** if PACE project is approved by MassDevelopment and DOER
5. MassDevelopment provides **Municipality** draft of Municipal Assessment and Assignment Agreement (MAA Agreement)
 - a. **Municipality** reviews agreement
 - b. **Municipality** and MassDevelopment sign MAA Agreement, one-time

For each Project

- a. **Municipality** receives and acknowledges receipt of the Preliminary Notice (Exhibit A)
 - b. **Municipality** receives Final Notice (Exhibit B)
6. At Closing:
 - a. **Municipality** receives and signs the Statement of PACE Betterment Assessment (Exhibit C) and Assignment (Exhibit D) at closing
 - b. **Municipality** levies PACE betterment assessment and records PACE Lien on property*
 - c. **Municipality** signs Exhibit D assigning PACE lien to MassDevelopment*
 - d. MassDevelopment assigns PACE lien to project's Capital Provider

*MassDevelopment program counsel will coordinate recording the lien and assignment.

7. **Municipality** bills and collects PACE assessments and disburses amounts collected to MassDevelopment's paying agent (Zions Bank) in accordance with MAA Agreement
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