

1. MD-PACE Website

Question: Will MCEC retain the MD C-PACE program’s existing website infrastructure, including website domain (md-pace.com), and transition such infrastructure to the new program administrator? Or will the new program administrator have responsibility to build and host a new website infrastructure, including new content for the web pages for the MD C-PACE program?

Answer: MCEC will retain the existing infrastructure, including the domain, and provide access to the new administrator.

2. Existing MD-PACE Program: Documents and Materials

Question: Does MCEC plan to retain all existing program documents, e.g., contractor and capital provider registration forms, project application, template finance agreement, etc. and transition these existing documents to the new program administrator? Or will the new program administrator have responsibility to draft a new suite of program documents?

Answer: MCEC will make available all existing documentation and templates to transition to a new administrator, but will be flexible to adjust going forward as needed.

3. MCEC-County Agreements – 1

Question: What will the role of the new program administrator be regarding the remittance of recurring assessment collections to capital providers? The MCEC-County Agreement template states the Counties have responsibility to bill and collect the assessment “Surcharge” and remit such Surcharge to MCEC.

Answer: The “Surcharge” in Maryland refers to the entire assessment due to the Counties. A Servicing Agent manages this process but the Program Administrator will oversee the Servicing Agent.

4. MCEC-County Agreements – 2

Question: Does MCEC, receive both the Surcharge and the PACE assessment fee collected by the County in their property tax collections process, then remit the assessment fee to the capital provider?

Answer: For purposes of Maryland law, the surcharge and any assessment fees are collectively referred to as “the Surcharge”. The Counties collect the entire amount due and send a portion to the lienholder and a portion to MCEC/Program Administrator.

5. Finance: Role of Offeror

Question: Does the program administrator have a direct role in remittance of funds to the capital provider?

Answer: There is no “direct role” per se. The Program Administrator will oversee the process carried out by the Servicing Agent, who will handle the remittance of funds.

6. Finance: Service Fees

Question: Is the existing annual servicing fee, \$300 minimum to \$2,000 maximum, shared between MCEC and the program administrator? If yes, what is the existing fee share arrangement?

Answer: The fee covers the cost of the servicing agent and is currently NOT shared with MCEC.

7. Finance: Assessment Billing and Collections Model

Question: More and more states with C-PACE programs have adopted a C-PACE assessment billing and collections model where capital providers manage all billing and collection activities. This emerging PACE assessment billing and collection best practice provides capital providers and their borrowers (building owners) the flexibility to negotiate the assessment payment schedules and servicing fees that meet the needs of the transaction parties. Moreover, this structure has been embraced by local governments as it minimizes the role of local officials to the assessment lien recording and assignment tasks, which has been helpful to overcome staff bandwidth concerns by local officials which otherwise would prohibit their participation in the C-PACE program. Is this a structure MCEC plans to consider as it selects a new program administrator?

Answer: Billing and collections will NOT be outsourced to capital providers with the MDPACE program.

8. Existing MD-PACE Program: Project Pipeline

Question: The outgoing program administrator maintains a pipeline of C-PACE project leads. Is information on the pipeline of projects such as quantity, amount of C-PACE financing, timeline to close, and likelihood of close available to RFP respondents?

Answer: The current program does maintain a pipeline of project leads but it will not be shared in advance of selection. Information about PACE projects closed in Maryland to date can be found at www.md-pace.org

9. Finance: Equity Investment – MCEC

Question: Section 3.3.11 (below) states that “Offerors may wish to factor a percentage of revenue for MCEC into proposed fee structures, or propose how program investment could be structured as an equity partnership.” Is there a cap or other general guideline on the level of equity investment MCEC is capable of making?

Answer: MCEC would prefer not to make an equity investment with a vendor to provide Program Administration services for the MDPACE program, with the intent that the vendor would generate revenue from transaction fees over time. MCEC will entertain proposals which include a certain minimal equity investment to transition into the role.

10. RFP Process: Intent to Submit

Question: The Notification of Intent to Submit. Due August 18. I see you have a form attached to the RFP for this. Is that all that is needed or do you need/want a letter to go along with it?

Answer: All that is needed is a notification (email is fine) to the Procurement Officer.

11. Finance: Fee Structure

Question: In the pricing proposal and also in reference to the Cost section (section 4.2.1). What kind of detail/cost delineation do you want for the fee structure?

Answer: MCEC would like to see an estimated annual programmatic budget with projections for revenue, servicing costs, administrative fees, and marketing expenses as anticipated by the vendor over a five-year period. The vendor may also want to specify costs associated with government relations to modify local ordinances to adopt language enabling financing for resilience and environmental remediation measures recently approved by the Maryland General Assembly. MCEC will assist with these activities and will provide template ordinance and program guideline modification documents.

12. Finance: Fee Structure

Question: Are the budget/fees supposed to be only about the costs without the MCEC portion? Or do we guesstimate based on the MCEC portion?

Answer: MCEC prefers not to make any front-loaded investment in the management of the MDPACE program with a new Program Administrator. MCEC is looking for respondents to specify the fee structure they anticipate will need to be implemented to successfully manage a program, using fees from transactions to cover the costs.

13. Finance: Fee Structure

Question: It would be helpful to have more clarity about the pricing proposal and the fee structure you are looking for.

Answer: Please reference items 3.3.11 and 4.2.2 in our RFP.

14. MD-PACE: Program Administrator Transition

Question: Is it possible to know the monies that might be available for the transition time?

Answer: MCEC has not determined a certain amount of funds to be dedicated to supporting the MDPACE program in the transition between the current and new Program Administrator.

15. Marketing, Education and Outreach

Question: What type of role does MCEC envision playing in the MD-PACE Program marketing, education, and outreach (ME&O)?

Answer: MCEC intends to cooperatively partner with the vendor selected as Program Administrator to develop and execute ME&O activities, but intends for those activities largely to be led by the Program Administrator.

16. MD-PACE Website

Question: Does MCEC plan to continue using the same website platform and transferring its administration of the site and/or pages to the selected MD-PACE program administrator? If yes, what type of platform was used to create the website?

Answer: Yes. The platform is Word Press.

17. MD-PACE CRM

Question: What CRM do you currently use for the MD-PACE Program?

Answer: Salesforce

18. Maryland-Based Organizations

Question: Section 3.3.7 states that MCEC seeks proposals from Maryland-based organizations. Are out-of-state proposers required to engage a Maryland-based partner? To what extent will proposals from Maryland-based organizations be given preference over proposals from out-of-state organizations?

Answer: Respondent organizations do not need to be based in Maryland or engage a Maryland based partner, but if they are selected must be licensed and registered in good standing with the State Department of Assessments & Taxation to do business in Maryland. MCEC is looking to demonstrate that its work creates in-state job opportunities. Proposals from Maryland-based organizations will not necessarily be given any preference over proposals received from out of state organizations.

19. Compliance Monitoring

Question: Section 3.3.6 of the RFP discusses third-party compliance monitoring. Does monitoring for compliance refer to assurance that proposed PACE financings and projects comply with the program requirements? Yes. Alternatively, or additionally, does this requirement refer to verifying project completion and ongoing measurement and verification?

Answer: Yes, monitoring for compliance refer to assurance that proposed PACE financings and projects comply with the program requirements. MDPACE does not currently verify project completion but depends on capital providers, nor does it engage in ongoing monitoring and evaluation, but does collect anticipated energy savings and renewable energy generation capability. MCEC will welcome suggestions from responders as to how impact metric monitoring of projects funded could be improved.

20. Financing: Service Fees

Question: Section 3.3.11 suggests that proposers consider including revenue for MCEC in the recommended fee structure. Does the program's current fee structure provide revenue for MCEC? If so, what portion of fees are assigned to MCEC?

Answer: The current fee structure for projects financed within MDPACE service territories provides a fee of .01% as revenue for MCEC.