

HB 0216 - SUPPORT
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HB 0216 SUPPORT
Condos - Common Elements - Clean Energy - Requirements
Energy and Transportation Committee
January 30th, 2024

Dear Chair Korman, Vice Chair Boyce, and Members of the Energy and Transportation Committee:

The Montgomery County Green Bank is a publicly chartered 501(c)3 nonprofit corporation dedicated to accelerating energy efficiency, renewable energy, and climate resilient investments. We partner with the private sector to provide more affordable and flexible financing options for residents and businesses to reap the benefits of clean energy and climate resilient projects.

Distributed solar projects, often made in tandem with energy efficiency and climate resilience investments, represent approximately 68% of our total portfolio. This is an important sector to us for many reasons, including a strong alignment with the goals of condo associations. However, we have only served one condo property to date with Power Purchase Agreement (PPA) financing due to challenges in the condo law.

Montgomery County, MD has over 300 condos representing over 40,000 units. The condo market is traditionally underserved in the solar industry for many reasons, including:

- (a) Project sizes are relatively small.
- (b) Volunteer boards juggle competing demands.
- (c) Management companies also juggle competing priorities and short-term incentive structures.
- (d) Condo associations must be highly cost conscientious.

These issues are hard to overcome. However, even if managed well, they are overshadowed by an even greater burden of compliance with a condo law that was designed for different types of property alterations. HB 0216 is an important improvement to align traditional association leasehold approval processes. We appreciate that the Energy and Transportation Committee allowed for our participation in the previous legislative session and feel strongly that the current legislation appropriately addresses any prior concerns.

We urge a favorable report on HB 0216. Thank you.

Respectively submitted,

Stephen Morel