

TESTIMONY BY STAN EDWARDS ON BEHALF OF COUNTY EXECUTIVE MARC ELRICH

on Expedited Bill 31-21, Property Tax Credits - Energy Conservation Devices and Energy Efficient Buildings - Amendments

September 14, 2021

My name is Stan Edwards. Thank you for the opportunity to testify on behalf of the County Executive on Expedited Bill 31-21, which makes minor clarifying amendments to the new property tax credit for energy efficient buildings originally established through Bill 10-20.

The County Executive strongly supports passing Bill 31-21 swiftly so the County can begin to offer this new property tax credit opportunity to commercial and multifamily building owners.

In September 2020, Bill 10-20 established a new green building tax credit for commercial and multifamily residential buildings to encourage energy efficiency improvements in existing buildings and incentivize newly constructed buildings to exceed the current building code requirements. The framework for this new property tax credit was developed through a stakeholder work group process led by the Department of Environmental Protection from April through December 2018. This work group reviewed the County's current LEED green building property tax credit program and provided recommendations for a revised incentive structure.

As Executive staff began developing the forms and procedures to implement this program, minor logistical challenges were found that required legislative fixes. These amendments clarify the sunset provisions of the current LEED tax credit program and make minor implementation improvements to the new green building tax credits for existing and newly constructed buildings. While these administrative changes are minor, they are necessary for this energy-efficient building tax credit program to be functional and successful.

Expedited Bill 31-21 does not change the intent or stakeholders' credit program design, which remains the first energy-efficient building incentive program of its kind in the country. Once available, this incentive program will enable commercial and multifamily building owners to improve the energy performance of their properties, which will pave the way for achieving the proposed Building Energy Performance Standards and our community's ambitious climate goals.