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In Alliance with **Apollo**

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April 13, 2026

Rep. Michael Marcotte, Chair  
House Committee on Commerce and Economic Development  
Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633-5301

RE: S.327

Chair Marcotte:

I am writing as a member of the Board of Directors of the C-PACE Alliance, the industry trade group or all C-PACE capital providers and transaction partners, and on behalf of Petro PACE Finance, LLC, on of the nation's leading C-PACE capital providers, in support of S.138 with a slight amendment to the Senate version.

In my role, I have helped legislatures across the country draft C-PACE statutes that conform to the prevailing best practices that have helped the industry grow over 500% over the past 10 years. Most recently, I worked with the New Hampshire legislature on amending their C-PACE statute to make it workable, and just last week Alabama signed amendments into law I helped to draft that will allow C-PACE to begin in their state.

In its current form, S. 138, if adopted into S.327 will allow C-PACE to begin in the communities of Vermont. With one small change, however, which was an oversight of mine when I helped Senator Chittenden and his staff in the Senate, it will make it workable and available in accordance with best practices. If this has been adopted already, please disregard.

In §3276(f), the term "assessed value" should be replaced as follows:

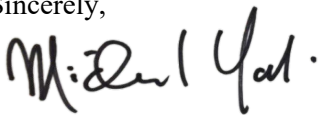
**(f) The combined amount of the assessment plus any outstanding mortgage obligations for the property shall not exceed 90 percent of the ~~assessed~~ appraised real property value of that property, as stabilized or as complete.**

"Assessed value" has been an impediment in other states because a) sometimes assessments lag in terms of a property's real value and b) when it comes to bare land for new construction, or devalued property requiring repositioning or a gut-rehab to make it viable, the assessed value will often be far below the construction costs. In fact, the use of assessed value has been removed from almost all other state statutes and programs, as shown in the attached chart.

It is important to know that any other lender on the property – that must give consent for C-PACE financing to be utilized – will be using “as stabilized” or “as complete” for the purposes of underwriting their loan for construction, so this language change allows C-PACE to be utilized as part of the projected capital stack, rather than being artificially excluded from having its climate and economic benefits being available to a property owner.

I appreciate the opportunity to testify in favor of S.327 and look forward to collaborating with communities in Vermont to launch C-PACE programs in the near future.

Sincerely,

A handwritten signature in black ink that reads "Michael Yaki". The signature is written in a cursive, slightly slanted style.

MICHAEL YAKI  
Senior Vice President and Sr. Counsel  
Petros PACE Finance, LLC

## States CPACE statutes

### APPRAISED VALUE LANGUAGE

STATE	STATUTORY LANGUAGE	PROGRAM LANGUAGE
Alabama	No language; recent amended deleted restriction of CPACE to 20% of “just” value (just = assessed)	In development
Alaska	Amended statute in 2023 to delete “assessed” value and replaced with “market value”.	“the current or prospective appraised market value as determined by an Alaska certified appraiser”
Arkansas	No language	Utilizes standard mortgage valuation guidelines
California	“market value”	“as complete or as-stabilized”
Colorado	No language	This value may be established either (a) as the assessed value of the property, or (b) its appraised value, as supported by a recent appraisal. In either case, the property’s value may include the enhanced value of the property resulting from the installation of the improvements being financed through the C-PACE assessment.
Connecticut	No language	“as complete or as-stabilized”
Delaware	No language	a current appraisal or as- built appraisal
Florida	The combined mortgage-related debt and total amount of any non-ad valorem assessments under the program for the commercial property does not exceed 97 percent of the just value of the property as determined by the property appraiser.	
Georgia	the fair market value of the qualifying property as determined by a qualified appraiser, which appraisal may take into account the expected increase in fair market value of the qualifying property resulting from the proposed qualifying improvements, as completed or as stabilized;	
Hawaii	No language	The value of the property shall be determined by an appraisal or tax assessed value as complete or as stabilized
Idaho	“fair market value”	fair market value of the property as completed or as stabilized, all as determined by a qualified appraiser
Illinois	No language	“as complete or as stabilized”
Kentucky	No language	“as complete or as stabilized”
Maine	No language	The value of the property or the as-built value of the property after construction or improvements
Maryland	No language	Appraisal prepared by an independent real estate appraisal firm within 18 months of submission of the Final Application
Massachusetts	No language	No definition other than “appraisal” requirement
Michigan	No language	“as complete” appraisal

Minnesota	30% of assessed or appraised value	
Missouri	No language	As complete or as stabilized
Montana	No language	As complete or as stabilized
Nebraska	No language	As complete or as stabilized
Nevada	No language	As complete or as stabilized
New Hampshire	35% of appraised property value	
New Jersey	No language	As stabilized
New Mexico	No language	As complete or as stabilized
New York <sup>1</sup>	No language	As complete or as stabilized
NYC	No language	As complete
North Carolina	35% of as stabilized value	
Ohio	No language	As complete or as stabilized
Oklahoma	No language	As complete or as stabilized
Oregon	No language	As complete or as stabilized
Pennsylvania	No language	As complete or as stabilized
Rhode Island	No language	As complete or as stabilized
Texas	No language	As complete or as stabilized
Tennessee	Fair market value	
Utah	No language	As complete or as stabilized
Virginia	No language	As complete or as stabilized
Washington	No language	As complete or as stabilized
Wisconsin	No language	As complete or as stabilized
Washington DC	No language	As complete or as stabilized

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<sup>1</sup> New York state has a program that excludes New York City.