MGB ACADEMY · MISSOURI MUNICIPAL LEADERS TRACK

# The Closing Framework and Counsel Opinions

*The standardized legal and fiscal process behind every C-PACE transaction in a member community*

| DOCUMENT | PROGRAM SEGMENT | AUDIENCE | VERSION |
|---|---|---|---|
| MGBA-MUN-JA-06 | Segment 5 — What Membership Delivers | City attorneys, finance directors, municipal staff | v1.0 · August 21, 2026 |

Segment 5 makes a specific claim: that membership gives your community a defined, tested closing framework rather than a case-by-case improvisation. This sheet is the support for that claim, written for the person in your organization most likely to test it.

## Why a standardized framework matters

C-PACE transactions involve a statutory assessment, a private lender, a property owner, an existing mortgage holder, and a county collection process. Left unstructured, each deal would renegotiate the same questions. A defined framework means the questions were answered once, by counsel, and the answers are applied consistently.

The beneficiaries are the property owner, who gets a predictable timeline; the capital provider, who gets a lien it can rely on; and the municipality, which gets neither surprises nor requests for ad hoc participation.

## What the framework includes

### A district counsel authority opinion on every transaction

Every C-PACE transaction closed under the district receives an authority opinion from district counsel. That opinion addresses whether the district is validly formed and authorized, whether the municipality in which the property sits has properly joined, and whether the district has authority to enter the assessment contract and levy the assessment on that parcel.

> **THE MUNICIPAL READING OF THAT OPINION**
> The authority opinion is, among other things, an independent confirmation that your community's authorizing action was valid and remains in effect. It is produced for every deal, at no cost to the municipality, by counsel engaged by the district.

### An enforceability opinion when a lender requires one

Some capital providers require a further opinion addressing enforceability of the assessment and the lien — its priority, its survival on transfer of the property, and its treatment in enforcement. When a lender wants that, the district draws on a pre-vetted list of special tax counsel.

This is at the lender's election, not a universal requirement, and it is a cost of the transaction rather than a cost to the municipality.

### Senior lender consent

Because the special assessment is collected with the same priority as ad valorem real property taxes, an existing mortgage holder's position is affected. Obtaining written consent from the senior lender is standard practice in commercial C-PACE and is required under the district's program guidelines. The district administers that step.

**Recording and notice**

The district provides a copy of each signed assessment contract to the local assessor and the county collector, and causes a copy to be recorded in the real estate records of the recorder of deeds. Recording is what puts subsequent purchasers and lenders on notice of an obligation that runs with the land.

## The closing sequence, in order

1. Owner application to the district, with project scope and supporting documentation.
2. District review — including the statutory findings that resources are sufficient to complete the project and that estimated economic benefit over the financing period equals or exceeds project cost.
3. Capital provider commitment, on terms the owner has agreed.
4. Senior lender consent obtained in writing.
5. District counsel authority opinion issued.
6. Special tax counsel enforceability opinion, if the capital provider requires one.
7. Assessment contract executed by the district and the property owner.
8. Contract recorded with the recorder of deeds; copies delivered to the county assessor and collector.
9. Funding and construction, subject in full to local permitting, inspection, and code enforcement.
10. Annual special assessments collected by the county collector and paid over to the district.

## Where the municipality sits in that sequence

**STEP NINE, AND ONLY STEP NINE**

Your municipality appears in the closing framework exactly where it appears in any other private construction project — permitting, inspection, and code enforcement. It is not a party to the assessment contract, does not issue or review opinions, and takes no action at closing.

## What a city attorney may want to see

These are available on request from Missouri Green Banc. Requesting them is routine and creates no obligation.

- The district's formation documents, bylaws, and cooperative agreement.
- The MCED C-PACE Program Guidelines, including underwriting criteria and the senior lender consent requirement.
- A specimen assessment contract.
- A specimen district counsel authority opinion.
- The intergovernmental agreement with your county collector governing collection mechanics.

*Statutory references: §67.2815 (findings, contract requirements, recording, collection and lien priority), §67.2820 (application criteria and inspections), RSMo. This sheet describes program structure and is not legal advice. Opinions described here are issued by counsel engaged by the district and are not opinions to the municipality.*

***Markets set in motion. It all starts with collaboration.***

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