



BYLAW 521-21

**A BYLAW OF THE VILLAGE OF
STIRLING IN THE PROVINCE OF
ALBERTA**

**REGARDING A CLEAN ENERGY IMPROVEMENT
PROGRAM IN THE VILLAGE OF STIRLING**

WHEREAS a Clean Energy Improvement Program is a financing program that facilitates the implementation of clean energy improvements to commercial and/or residential properties through the use of a local assessment mechanism to provide security for repayment of the financing.

WHEREAS a Property Assessed Clean Energy ("PACE") program has been developed by the Program Administrator to support municipalities in Alberta in financing clean energy improvements.

WHEREAS The Council of a municipality must pass a clean energy improvement tax bylaw to establish a clean energy improvement program pursuant to Section 390.3 of the Municipal Government Act, R.S.A. 2000, c. M-26.

WHEREAS The Council of the Village of Stirling has decided to enable financing for clean energy improvements for eligible properties in their municipality by establishing Clean Energy Improvement Program.

NOW THEREFORE the Council of the Village of Stirling enacts as follows:

1. SHORT TITLE

- 1.1. This Bylaw shall be known as the "Clean Energy Improvement Program Tax (CEIP) Bylaw".

2. DEFINITIONS

2.1. In this Bylaw, unless the context otherwise requires:

- a) "**Act**" means the Municipal Government Act, R.S.A. 2000, c. M-26 as amended, and any amendment or substitutions thereof.
- b) "**Agreement**" means a clean energy improvement agreement executed between the Municipality and the Owner of an eligible property whereby the Owner agrees to pay an amount required to cover the costs of financing each Clean Energy Improvement approved by the Program Administrator, as drafted in accordance with section 390.4 of the Act.
- c) "**Chief Administrative Officer (CAO)**" means the person appointed to the position of the chief administrative officer for the Village of Stirling, within the meaning of the Municipal Government Act.
- d) "**Clean Energy Improvement Tax**" means a tax levied against an eligible property pursuant to an agreement.

- e) "**Council**" means the Council of the Village of Stirling duly elected pursuant to the provisions of the Local Authorities Election Act.
- f) "**Eligible Property**" means a private property located within the Municipality that is designated as residential, commercial, or agricultural but does not include designated industrial property, or public property.
- g) "**Good Standing**" means all property taxes and municipal service bills are paid, no development compliance issues are unresolved, and any municipal grant/rebate money received are within the terms of the grant/rebate contract.
- h) "**Municipality**" means the Village of Stirling.
- i) "**Owner**" means, collectively, the registered owners of a property.
- j) "**Program**" means a clean energy improvement program as described in the Act and Regulation.
- k) "**Program Administrator**" means the Municipal Climate Change Action Centre, or provincially designated Program Administrator as defined in the Clean Energy Improvements Regulation.
- l) "**Regulation**" means the Clean Energy Improvements Regulation, A.R. 212/2018 and amendments thereto.

3. GENERAL REQUIREMENTS

- 3.1. An owner of an eligible property within the Municipality can apply to the Program Administrator to seek financing for a clean energy improvement to their property.
- 3.2. Participation in the Program is limited to eligible properties.
- 3.3. The CAO, or designate, of the Village of Stirling is hereby authorized to impose a clean energy improvement tax, in respect of each clean energy improvement made to a property, where a municipality has entered into an Agreement with the owner(s) of that property.
- 3.4. The clean energy improvement tax will be levied against a property whose owner has entered into an Agreement with the Village of Stirling, to raise revenue to pay the amount required to recover the costs of the clean energy improvements, including principal and interest.
- 3.5. The owner(s) must meet the following criteria in order to be eligible to participate in the Clean Energy Improvement Program:
 - a) be current on their taxation payment for the property, for a period of two (2) years, prior to the date of the application to the program; and
 - b) have never been in collections for a property in the Village of Stirling; and

- c) be in good standing with the Village. The Village reserves the right to deny the applicant if the applicant is not in good standing with any Department of the Village; and
- d) not be in personal bankruptcy (or insolvency), the property must not be in foreclosure, and the owner(s) will be required to provide a sworn statements confirming these; and
- e) be current with the mortgage payment, and any other debts secured by the property.

3.6. For a clean energy improvement to be eligible, it must be an installation that is affixed to the eligible property which:

- a) will result in improved energy efficiency or the production of renewable (non-carbon based) energy, and
- b) Involves:
 - i. Interior and exterior lighting fixtures and lighting controls; or
 - ii. Heating, ventilation, air and conditioning (HVAC) systems (i.e. high efficiency furnace); or
 - iii. Water heating; or
 - iv. Building envelope improvements (i.e. insulation); or
 - v. Renewable energy upgrades (i.e. solar photovoltaic system); or
 - vi. Other such clean energy improvements as are approved and agreed to in writing by the Municipality within the Agreement, and those improvements provided on the list of eligible upgrades available through the Program Administrator.

3.7. Whereby the amount authorized under section 353 (property tax) of the Act most recently, and imposed on the property, is greater than or equal to the annual payment calculated in accordance with the following formula:

$$\frac{A+B+C}{D}$$

Where:

- A = the capital cost of undertaking the clean energy improvement;
- B = the total cost of professional services needed for the clean energy improvement;
- C = the total of all incidental costs;
- D = the probable lifetime, calculated in years, of the improvement.

3.8. The Agreement will be as set out as under Section 390.4 of the Act.

- 3.9. The period over which the cost of each eligible clean energy improvement will be spread will be to a maximum, over the probable lifetime of the improvement (as warranted by the manufacturer or as calculated by the Program Administrator on a project specific basis), and where the annual repayment amount does not exceed the annual taxation amount for the property in question. For multiple upgrades on one property, a weighted average of the probable lifetimes of each upgrade would be utilized.
- 3.10. Owner(s) may submit one application to the Program per year, per eligible property.
- 3.11. The owner(s) can apply for the program by:
 - a) submitting an application to the Program Administrator for the Program, including any required supporting documentation, and following all program requirements; and
 - b) paying the required application fee.
- 3.12. For the purpose of the Clean Energy Improvement Program, the sum of project amounts, as they are approved, will be borrowed by way of a line-of-credit, or secured through debenture by the Municipality.
- 3.13. The annual maximum amount to be allocated by the Municipality towards the Clean Energy Improvement Program is \$250,000.
- 3.14. The annual borrowed amount will have a maximum rate of interest of eight percent (8%), with the repayment term based on the weighted average of the lifespan of the improvement(s).
- 3.15. The principal and interest owing under the borrowing will be paid using the proceeds from Clean Energy Improvement Tax and payments made by the approved project recipients through to the Municipality on the annual improvement levy.
- 3.16. A Clean Energy Improvement Tax will be imposed on the property that is subject to a Clean Energy Improvement Agreement, at any time following the signing of the Clean Energy Improvement Agreement.
- 3.17. In the event that an owner wishes to repay the Clean Energy Improvement Program financing early, the amount owing will be calculated at the time of the request, based on principle and interest remaining and the terms of the financing being used for the project(s).
- 3.18. Any project(s) that has (have) been approved under the Program must be completed within the time limit as set out under the Agreement.

4. SEVERABILITY


- 4.1. It is the intention of Council that each separate provision of this Bylaw shall be deemed independent of all other provisions herein and it is the further intention of Council that if any provision of this Bylaw is declared invalid, all other provisions hereof shall remain valid and enforceable.

This Bylaw will come into full force and effect upon receipt of three readings and Council approval of a Clean Energy Improvement Program.

READ A FIRST TIME this 19 day of JANUARY 2022.

READ A SECOND TIME this 16 day of MARCH 2022.

READ A THIRD TIME AND PASSED this 6 day of APRIL 2022.


Trevor Lewington – Mayor


Scott Donselaar - CAO