RESOLUTION (First Reading)

TAKE NOTICE that the following by-law will be presented to Council for second reading on December 4, 2023.

<u>BE IT RESOLVED</u> by the Municipal Council for the Municipality of the County of Pictou that Council adopt the following Property Assessed Clean Energy Program (PACE) By-Law:

DATED at Pictou, NS this 6th day of November, 2023.

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MUNICIPALITY OF THE COUNTY OF PICTOU PROPERTY ASSESSED CLEAN ENERGY PROGRAM (PACE) BY-LAW

1. Title and Purpose

- 1.1. This By-law shall be known as the Property Assessed Clean Energy Program By-law and may be referred to as the PACE By-law.
- 1.2. The purpose of this By-law is to allow the Municipality of the County of Pictou to create a financing program to support the installation of Energy Efficiency Improvement on private properties, with the consent of property owners. Property owners will make payments on the Energy Efficiency Improvement through a charge levied on the property.
- 1.3. This By-law does not exempt any person from complying with the requirements of other by-laws or regulations in force within the Municipality of the County of Pictou and from obtaining any licence, permission, permit, authority, or approval as otherwise required by the Municipality, the Province of Nova Scotia, Nova Scotia Power, or the Government of Canada.
- 1.4 This By-law shall apply only to Energy Efficiency Equipment installed through the PACE Program.

2. Definitions

- 2.1. In this by-law, words used in the present tense include the future; words in the singular number include the plural; words in the plural include the singular; and the word shall be mandatory and not permissive. All other words carry their customary meaning except those defined in this section.
- 2.2. For the purposes of this Bylaw:
 - 2.2.1. *CAO* means the Chief Administrative Officer for the Municipality or his or her designate.
 - 2.2.2. "Certification of Completion" means a Municipally issued form completed and signed by the Contractor, and counter-signed by the property owner, stating that installation of Energy Efficiency Equipment has been satisfactorily completed on the property.
 - 2.2.3. *Deputy Municipal Treasurer* means the Manager of Finance for the Municipality, or his or her designate.
 - 2.2.4. Energy Efficiency Improvement means an improvement to real property, as a renovation or retrofitting of an existing building to reduce energy or water consumption, such as window and door replacement, lighting, grey water recovery, low flow fixtures, caulking, weatherstripping, air sealing, insulation, high efficiency heat pumps, solar photovoltaics, battery energy storage, heat and cooling system upgrades, electric charging stations and similar improvements, determined to be cost-effective pursuant to criteria established by the Municipality
 - 2.2.5. *Municipality* means the Municipality of the County of Pictou.
 - 2.2.6. Participation Agreement means the agreement between the owner of a Qualifying Property and the Municipality for purchasing, installing, and potentially financing of the Energy Efficiency Improvement.
 - 2.2.7. *PACE Charge* means the Property Assessed Clean Energy improvement tax levied on the property pursuant to s.81A of the Nova Scotia Municipal Government Act.
 - 2.2.8. PACE Program means a program established by the Municipality under which owners of qualifying properties may obtain financing for Energy Efficiency Improvements.
 - 2.2.9. *Program Administrator* means the person or third party designated by

- the Municipality to operate and administrate the PACE Program on behalf of the Municipality.
- 2.2.10. Qualifying Property means a property located within the Municipality of Pictou defined as eligible in the Participant Agreement.

3. Administration

- 3.1. The owner of a Qualifying Property may apply to have their property evaluated for suitability by the Energy Efficiency Improvement Contractor and receive a cost estimate for the project.
- 3.2. The owner of a Qualifying Property wishing to proceed with the Energy Efficiency Improvement must sign a Participant Agreement. Before signing the Agreement, the property owner must:
 - 3.2.1. sign a contract with the Energy Efficiency Improvement Contractor agreeing to the cost estimate provided; and
 - 3.2.2. meet all obligations as defined in the Participation Agreement.
- 3.3. The property owner may opt for Municipal financing for the installation of Energy Efficiency Improvement on the property. Financing shall be subject to the written approval of the CAO, or designate, on behalf of the Municipality, and the execution of a Participant Agreement by the owner of the Qualifying Property. The conditions that must be met for approval include:
 - 3.3.1. the owner of the Qualifying Property is not in default of any municipal taxes, rates, or charges;
 - 3.3.2. the owner has paid the application fee and/or required deposit;
 - 3.3.3. any additional conditions specified in the Participant Agreement are met.

4. Energy Efficiency Improvement Charge

- 4.1. The Energy Efficiency Improvement Contractor shall submit to the Program Administrator, who in turn will submit to the Director of Corporate Services, a copy of the signed Participant Agreement and Certification of the Completion of the Energy Efficiency Improvement installation.
- 4.2. The Energy Efficiency Improvement Charge shall become payable upon submission of the Certificate of Completion by the Energy Efficiency Improvement Contractor. The Energy Efficiency Improvement Charge shall be calculated on the basis of the total cost of the project less any federal, provincial, or other funding, such as the Solar Homes rebate from Efficiency Nova Scotia, received directly to the Municipality or Program Administrator on behalf of the Qualifying Property owner.

- 4.3. The Energy Efficiency Improvement Charge may consist of:
 - 4.3.1. the cost of the Energy Efficiency Improvement, including all equipment, labour costs for installation, permitting fees, and applicable taxes;
 - 4.3.2. applicable PACE Program service fees; and
 - 4.3.3. interest accrued on the charge including any additional interest arising due to any default of payment.
- 4.4. The Energy Improvement Charge shall be paid in equal instalments over on which interest shall be payable as set out in Section 6 and in the Participant Agreement. Property owners may elect to make larger contributions and pay off the Charge at an earlier date.
- 4.5. In the event of a default of any payment under the Participant Agreement, the outstanding balance shall be immediately due and payable and interest shall be accrued on the amount then due and payable at the same rate applied by the Municipality for unpaid taxes and charges in default.

The Deputy Municipal Treasurer shall maintain a separate account of all monies due for the Energy Efficiency Improvement Charge pursuant to this By-law and identifying for the subject property:

- 4.5.1. the names of the property owners, property assessment and AAN, PID, and civic address.
- 4.5.2. the amount of the Energy Efficiency Improvement Charge levied; and
- 4.5.3. the amount paid on the Energy Efficiency Improvement Charge.
- 4.6. Wherein any property assessment list prepared pursuant to this Section, a property has been omitted by error or has been assessed in error or has been assessed for an Energy Efficiency Improvement Charge for a greater amount or a lesser amount than the property should have been assessed, the Deputy Municipal Treasurer may at any time amend the property assessment list to correct the error and adjust the assessment.

5. Lien

- 5.1. An Energy Efficiency Improvement Charge may be levied against the property upon completion of the project to secure all costs incurred by the Municipality to reimburse the Energy Efficiency Improvement Contractor.
- 5.2. The lien provided for in this By-law shall become effective on the date on which a Certificate of Completion is filed with the Deputy Municipal Treasurer stating that the installation has been completed.

- 5.3. An Energy Efficiency Improvement Charge imposed pursuant to this Bylaw constitutes a first lien on the property and has the same effect as rates and taxes under the Assessment Act and the Municipal Government Act.
- 5.4. An Energy Efficiency Improvement Charge pursuant to this By-law is collectible in the same manner as rates and taxes under the Municipal Government Act. The Charge will be collected pursuant to the Participation Agreement through monthly payments.
- 5.5. The lien provided for in this By-law shall remain in effect until the total charge, including any accrued interest, has been paid in full.

6. Interest

- 6.1. Interest will be payable on any balance owing on the Energy Efficiency Improvement Charge at a rate set out in the Participation Agreement.
- 6.2. Interest shall accrue on any Energy Efficiency Improvement Charge or portion thereof which remains outstanding from the date of payment to the Energy Efficiency Improvement Contractor.

7. No Municipal Liability

7.1. The Municipality is not responsible for the quality of the Energy Efficiency Improvement, or the quality of the work carried out by the Energy Efficiency Improvement Contractor and as a result, the Municipality nor the Program Administrator, shall not be liable for any damage, direct or consequential, loss or liability or injury caused by the supply of Energy Efficiency equipment, its installation, or use by the owner.

Repeal

The Property Assessed Clean Energy Program By-Law adopted by the Municipal Council on December, 2021 is hereby repealed.