
BEING A BYLAW OF THE TOWN OF WESTLOCK IN THE PROVINCE OF ALBERTA FOR THE PURPOSES OF ESTABLISHING A CLEAN ENERGY IMPROVEMENT PROGRAM.

WHEREAS the purpose of a municipality is to foster the well-being of the environment and provide services, facilities or other things that, in the opinion of council, are necessary or desirable for all or a part of the municipality;

WHEREAS the Clean Energy Improvement Program is a financing program that uses municipal financing to facilitate the implementation of clean energy improvements to residential and non-residential properties, farmland, and non-designated industrial, through the use of a local assessment mechanism, to provide security for repayment of the financing;

WHEREAS Alberta Municipal Services Corporation has been designated by the Minister as the Program Administrator responsible for the Clean Energy Improvement Program, to support municipalities in Alberta that finance clean energy improvements;

WHEREAS the Council of the Town of Westlock wishes to enable a Clean Energy Improvement 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 ("the Act");

WHEREAS the Council of the Town of Westlock wishes to enable financing for clean energy improvements for eligible properties in their municipality.

NOW THEREFORE, the Council of the Town of Westlock; duly assembled, enacts as follows:

TITLE

1. This Bylaw may be cited as the "**Clean Energy Improvement Bylaw**", of the Town of Westlock.

DEFINITIONS

2. 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 Town and the Owner of an Eligible Property whereby the Owner agrees to pay an amount required to cover the costs of financing each Eligible 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 Town of Westlock, 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 Mayor and Councillors of the Town of Westlock duly elected pursuant to the provisions of the Local Authorities Election Act.



- f) "eligible property" means a property located within the Municipality that is designated as residential, non-residential, farmland or non-designated industrial property but does not include designated industrial property, or government-owned properties.
- 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) "Owner" means, collectively, the registered owners of a property;
- i) "Program" means a clean energy improvement program as described in the Act and Regulation;
- j) "Program Administrator" means the Alberta Municipal Services Corporation, or provincially designated Program Administrator as defined in the Clean Energy Improvements Regulation.
- k) "Regulation" means the Clean Energy Improvements Regulation, A.R. 212/2018 and amendments thereto.

GENERAL REQUIREMENTS

- 3. The 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.
- 4. Participation in the Program is limited to eligible properties, defined as a property located within the municipality that is designated as residential, non-residential, farmland or non-designated industrial property but does not include designated industrial property, government-owned properties, and designated manufactured homes.
- 5. An applicant of a non-profit property that is tax-exempt, would be responsible to pay any and all principal and interest of the Clean Energy Improvement Program costs, as per the Clean Energy Improvement Agreement.
- 6. The Chief Administrative Officer, or designate, of the Town of Westlock 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 a Clean Energy Improvement Agreement with the Owner(s) of that property.
- 7. The Clean Energy Improvement Tax will be levied against a property when there is a Clean Energy Improvement Agreement, to raise revenue to pay the amount required to recover the costs of those clean energy improvements, including principal and interest, to do so between the municipality and the Owner.
- 8. The Owner must meet the criteria listed below to be eligible to participate in the Clean Energy Improvement Program:
 - a) They must be current on their taxation payment for the property, for a period of five years, prior to the date of the application to the program;
 - b) They must not have been in tax arrears for the previous 5 years for a property in the Town of Westlock;



- c) They may, for first-time Owners that have purchased the home within the last 5 years, be subject to an enhanced financial eligibility review;
 - d) They must, for Owners that are new to the municipality and do not have a financial history with the Town, submit a record of property tax verification from another municipality, for any property previously owned in a different municipality;
 - e) They must provide mortgage information, if the mortgage amount exceeds the assessed value of the home. In such a case, the Town reserves the right to deny the applicant;
 - f) They must be in good standing with the Town. The Town reserves the right to deny the applicant, if the applicant is not in good standing with any Department of the Town. The Town reserves the right to define what "good standing" entails, and can include but is not limited to, any development compliance issues, or any other accounts receivable outstanding or unresolved issues;;
 - g) They must not be in bankruptcy (or insolvency), the property must not be in foreclosure, must not be under a consumer proposal and the Owner(s) will be required to provide a sworn statement confirming this;
 - h) They must be current on their mortgage payment, current on any other debts secured by the property and have not been late on any such payments. They may be required to submit a letter from their financial institution confirming this;
 - i) They must meet any additional eligibility criteria as identified by the municipality or the Program Administrator.
9. For a clean energy improvement to be eligible, it must be an installation that is permanently affixed to the eligible property which:
- a) will increase energy efficiency or the use of renewable energy on that property,;
 - b) involves
 - i. Interior and Exterior Lighting and Lighting Controls;
 - ii. HVAC (i.e., high efficiency furnace);
 - iii. Water Heating;
 - iv. Whole Building/Building Envelope Improvements (i.e., insulation);
 - v. Renewable Energy Upgrades (i.e., photovoltaic solar system);
 - vi. or such other 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's website;

- c) is not less than three thousand (\$3,000) dollars in capital cost of the project value;
- d) does not exceed \$50,000 for residential and farmland, \$500,000 for non-residential or non-designated industrial property, for the total project value.

10. Whereby the amount of the tax authorized by a bylaw under section 353 (property tax) of the *Municipal Government 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 is the capital cost of undertaking the clean energy improvement;
- B is the total cost of professional services needed for the clean energy improvement;
- C is the total of all incidental costs;
- D is the probable lifetime, calculated in years, of the improvement.

11. The Clean Energy Improvement Agreement will be as set out as under Section 390.4 of the *Municipal Government Act*, and as amended.

12. 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, and where the repayment amount does not exceed the taxation amount for the property in question.

13. The Owner may submit one application per year.

14. The Owner can apply for the program by:

- a) submitting an application to the Program Administrator for the Clean Energy Improvement Program, including any required supporting documentation, and following all program requirements as outlined by Program Administrator and the municipality;
- b) paying the required application fee as charged by the Program Administrator;

15. 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 other borrowings by the municipality.

16. The annual maximum amount to be borrowed by the municipality towards the Clean Energy Improvement Program is \$300,000 for residential and \$500,000 for non-residential.



17. The annual borrowed amount for the Agreements will have a maximum rate of interest that does not exceed the maximum interest rate as set by financial institutions from time to time, a maximum term of twenty-five (25) years, with the repayment term, based on the lifespan of the improvement(s).
18. 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.
19. 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.
20. In the event that the Owner wishes to repay the Clean Energy Improvement Program financing early, the amount owing will be calculated at the time of the request, based solely on principal remaining and the terms of the financing being used for the project(s).
21. Any project(s) that has been approved under the Clean Energy Improvement Program, must be completed within the time limit as set out under the Agreement.
22. If any clause in this bylaw is found to be invalid, it shall be severed from the remainder of this bylaw and shall not invalidate the whole bylaw.
23. This Bylaw comes into force upon third reading and is signed by the Mayor and Chief Administrative Officer or designate.

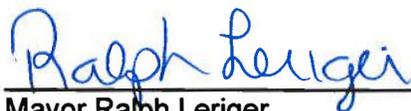
Read a first time this 28th day of February 2022.

Public Hearing was held on this 28th day of March 2022.

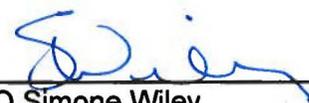
Read a second time this 28th day of March 2022.

Read a third time and passed this 28th day of March 2022.

Signed by Mayor and CAO this 29th day of March 2022.



Mayor Ralph Leriger



CAO Simone Wiley