

<p style="text-align: center;"><b>MUNICIPALITY OF THE DISTRICT OF LUNENBURG</b></p> <p style="text-align: center;"><b>PROPERTY ASSESSED CLEAN ENERGY PROGRAM BY-LAW</b></p>
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1. This by-law may be cited as the Property Assessed Clean Energy Program By-Law, and may be referred to as the PACE By-law.

**Definitions**

2. In this by-law
  - (a) "CAO" means the Chief Administrative Officer for the Municipality, or his or her designate;
  - (b) "Director of Finance" means the Director of Finance for the Municipality, or his or her designate;
  - (c) "Clean Energy Upgrade" means an installation that is affixed to the qualifying property and which
    1. will result in substantially improved energy efficiency, the generation of renewable energy, or reduced greenhouse gas emissions;
    2. involves building envelope upgrades such as caulking and weather stripping, duct / air sealing, insulating, or energy efficient windows and doors; building heating, ventilation and air conditioning system upgrades such as heat pumps, wood or pellet stoves, or furnaces or boilers; renewable energy upgrades such as solar thermal panels, solar photovoltaic panels, or wind turbines; or such other clean energy upgrades as are approved and agreed in writing by the Municipality; and
    3. is identified as an eligible upgrade in the PACE Program Clean Energy Upgrade Standards Policy, and meets or exceeds applicable energy efficiency standards as defined in that Policy.
  - (d) "Municipality" means the Municipality of the District of Lunenburg;
  - (e) "PACE Customer Agreement" means the written, signed Property Assessed Clean Energy Program Customer Agreement between the owner of a qualifying property and the Municipality for financing of a Clean Energy Upgrade;

- (f) "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;
- (g) "PACE Program" means a program established by the Municipality under which owners of Qualifying Properties may obtain financing for Clean Energy Upgrades; and,
- (h) "Qualifying Property" means a residential property located within the Municipality subject to any building type restrictions contained in the specific PACE Program in respect of which the financing is sought.

### **Application and Approval**

- 3. An owner of a Qualifying Property within the Municipality may apply for Municipal financing of Clean Energy Upgrade to the property.
- 4. Financing shall be subject to the approval and agreement in writing of the CAO, or designate, on behalf of the Municipality, and the execution of a PACE Customer Agreement by the owner of the Qualifying Property. The conditions that must be met for approval include that:
  - (a) the owner of the Qualifying Property is not in default of any municipal taxes, rates or charges;
  - (b) the Clean Energy Upgrade achieves an overall savings to debt ratio for the homeowner equal to or greater than the ratio specified in the PACE Customer Agreement, as estimated by a qualified energy assessment generated through the PACE Program; and
  - (c) any additional conditions specified in the PACE Customer Agreement are met.

### **Payment of Charge**

- 5. The PACE charge shall become payable on completion of installation of the Clean Energy Upgrade in accordance with the PACE Customer Agreement.
- 6. The PACE charge may consist of:
  - (a) the cost of the Clean Energy Upgrade, including all labour costs, permitting fees, and applicable taxes;
  - (b) applicable PACE Program service fees; and
  - (c) Administrative charges on the PACE charge including any interest arising due to any default of payment.

7. The owner of a Qualified Property may elect to pay the PACE Charge by equal installments over a period of not more than 10 years, on which an administrative charge shall be payable as set out in sections 16 and 17, and in the PACE Customer Agreement.
8. In the event of default of any payment under the PACE Customer Agreement, the outstanding balance shall be immediately due and payable. 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.
9. The Director of Finance shall maintain a separate account of all monies due for PACE charges, identifying, for the subject property:
  - (a) the names of the property owners, assessment, PID, and civic address;
  - (b) the amount of the PACE charge levied; and
  - (c) the amount paid on the PACE charge.

#### **Lien**

10. On completion of a Clean Energy Upgrade pursuant to a PACE Customer Agreement, the PACE Charge shall be levied against the property.
11. Where the owner of a Qualifying Property opts for installment payments:
  - (a) the portion of the PACE charge payable annually shall be equal to the total PACE charge outstanding divided by the number of years remaining; and
  - (b) the amount outstanding on the PACE charge shall become due and payable in the event of default of payment.
12. A PACE Charge imposed pursuant to this by-law constitutes a first lien on the property and has the same effect as rates and taxes under the Assessment Act.
13. A PACE Charge pursuant to this by-law is collectable in the same manner as rates and taxes under the Municipal Government Act and is collectable at the same time and by the same proceedings as taxes.
14. The lien provided for in this by-law shall become effective on the date on which the CAO files with the Director of Finance a certificate that the agreed improvement has been completed.
15. The lien provided for in this by-law shall remain in effect until the total charge, including any accrued interest, and administrative charges have been paid in full.

**Administrative Charge**

- 16. Where the owner of a Qualifying Property opts for installment payments, administrative charges will be payable on any balance owing on the PACE Charge at the rate set out in the PACE Lending Rate Policy.

**Interest**

- 17. Interest shall accrue on any PACE Charge or portion thereof, including administrative charges, which remain outstanding from the date of billing.
- 18. Interest is payable on all amounts deemed outstanding pursuant to the PACE Lending Rate Policy.

Annotation for Official By-law Book	Date of Adoption
Date of First Reading:	July 14, 2015
Date of Advertisement – Notice of Intent to Consider:	July 22, 2015 & July 29, 2015
Date of Second Reading:	August 25, 2015
<b>Date of Advertisement of Passage of By-law*:</b>	September 2, 2015
Date of mailing to Minister a certified copy of By-law:	September 3, 2015
I certify that the “ <b><i>Property Assessed Clean Energy Program By-law</i></b> ” was adopted by Council and published as indicated above.	
_____	_____
Sherry Conrad, A/Municipal Clerk	Date
<b>*Effective Date of the By-law unless otherwise specified in the By-law</b>	

# Schedule A

## Municipality of the District of Lunenburg

### POLICY

Title: <b>PACE Program Clean Energy Upgrade Standards</b>	
Policy No. <b>MDL-67</b>	
Effective Date: <b>July 12, 2016</b>	Amended Date:

#### 1. Purpose

- 1.1 This policy identifies the eligible types of Clean Energy Upgrades that may be financed by the Municipality of the District of Lunenburg through the Property Assessed Clean Energy Program By-Law, also known as the PACE By-Law.
- 1.2 Section 2 lists the eligible Clean Energy Upgrade types that may be financed. Each type of upgrade must be evaluated by a specific energy evaluation procedure, and may need to conform to a particular energy standard, which is identified beside each upgrade type. The required evaluation procedure or standard ensures that the upgrade is studied from an energy science perspective, and that a definable energy benefit is determined.
- 1.3 In administering this Policy, the Municipality will ensure that any Clean Energy Upgrades requested by property owners to be financed through the PACE program are identified as being eligible types in Section 2. Furthermore, the Municipality will ensure that for each requested upgrade, the required evaluation procedure or standard has been met and that a definable energy benefit has been determined or recommended by a qualified energy professional. These minimum conditions must be met before permitting a requested upgrade to be financed on the subject property.
- 1.4 The ability to approve financing for Clean Energy Upgrades on specific properties may be subject to further restrictions through the conditions set out in the PACE By-Law and the PACE Customer Agreement.

#### 2. PACE Program Clean Energy Upgrade Standards

Clean Energy Upgrade Type	Required Evaluation or Standard
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A. Insulation for ceilings, floors, main walls, kneewalls, foundation walls, foundation headers, foundation slabs, and crawlspaces	Home Energy Assessment
B. Draftproofing including caulking, weather stripping, and duct sealing.	Home Energy Assessment
C. Exterior doors	Home Energy Assessment
D. Exterior windows	Home Energy Assessment
E. Domestic Hot Water Tanks	Home Energy Assessment
F. Drain Water Heat Recovery Systems	Home Energy Assessment
G. Heat Pumps	Home Energy Assessment
H. Wood & Pellet Heating Systems	Home Energy Assessment
I. Exhaust Ventilation	Home Energy Assessment
J. Balanced Heat Recovery Ventilation	Home Energy Assessment
K. Electric Vehicle Charging Stations	Home Energy Assessment and Time-Of-Day Savings Assessment
L. Electric Thermal Storage (ETS) Systems	Home Energy Assessment and Time-Of-Day Savings Assessment
M. Solar Hot Water Systems	Home Energy Assessment and Solar Potential Site Assessment
N. Solar Hot Air Systems	Home Energy Assessment and Solar Potential Site Assessment
O. Solar Photovoltaic Systems	Home Energy Assessment and Solar Potential Site Assessment
P. Swimming Pool Heating & Circulation Systems	Home Energy Assessment, Existing Load Assessment, and Solar Potential Site Assessment

Q. Well Pump	Home Energy Assessment and Existing Load Assessment
R. Supplementary work required to successfully complete the above listed upgrades. This may include but is not limited to removal of existing equipment or components, repairs and maintenance required, installation of vapour barriers and other water controls and freeze protection, testing and abatement of asbestos and vermiculite, and electrical upgrades.	Home Energy Assessment

<b>Annotation for Official Policy Book</b>	
Date of Adoption:	July 12, 2016
Date of Notice to Council Members of Intent to Consider Amendments (7 days minimum)	June 28, 2016
Date of Passage of Amendments:	
I certify that this " <i>PACE Program Clean Energy Upgrade Standards</i> " Policy was adopted by Council as indicated above.	
_____	_____
Sherry Conrad, Municipal Clerk	Date:

## Schedule B

# Municipality of the District of Lunenburg POLICY

Title: <b>PACE Program Lending Rate</b>	
Policy No. <b>MDL-68</b>	
Effective Date: <b>August 25, 2015</b>	Amended Date:

1. In situations where the owner of a Qualifying Property opts for installment payments, administrative charges will be equal to 4%.

<b>Annotation for Official Policy Book</b>	
Date of Adoption:	August 25, 2015
Date of Notice to Council Members of Intent to Consider Amendments (7 days minimum)	August 18, 2015
Date of Passage of Amendments:	
I certify that this " <i>PACE Program Lending Rate</i> " Policy was adopted by Council as indicated above.	
_____ Sherry Conrad, Acting Municipal Clerk	_____ Date: