

BYLAW 2022-21

**A BYLAW OF THE TOWN OF CANMORE, IN THE PROVINCE OF ALBERTA, TO
ESTABLISH 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 in Alberta that uses municipal financing to enable the implementation of clean energy improvements to eligible residential, non-residential, and/or not designated industrial properties, through the use of a local taxation mechanism that provides security for repayment of the financing;

WHEREAS the Alberta Municipal Services Corporation (operating as Alberta Municipalities) has been designated by the Minister of Environment and Parks to be the Program Administrator for the Clean Energy Improvement Program and support municipalities in Alberta that finance 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 *Act*;

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

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

TITLE

- 1 This bylaw shall be known as the "Clean Energy Improvement Tax Bylaw."

DEFINITIONS AND INTERPRETATION

- 2 In this bylaw,
 - a) "*Act*" means the *Municipal Government Act*;
 - b) "Agreement" means a Clean Energy Improvement Agreement entered into between the municipality and an Owner whereby the Owner agrees to pay an amount required to cover the costs of financing each clean energy improvement approved by the Program Administrator, in accordance with Section 390.4 of the *Act*;
 - c) "Owner" means, collectively, the registered owners of property in the municipality;
 - d) "Program" means a Clean Energy Improvement Program as described in the *Act* and *Regulation*;

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- e) "Program Administrator" means the Alberta Municipal Services Corporation (operating as Alberta Municipalities), or provincially designated Program Administrator as defined in the *Regulation*;
- f) "Regulation" means the *Clean Energy Improvements Regulation*.

PROVISIONS

- 3 An Owner of an eligible property within the municipality may apply to the Program Administrator to seek financing for clean energy improvements 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, or not designated industrial property, but does not include designated industrial property or government owned properties.
- 5 The Owner of a tax-exempt property is responsible to pay all principal and interest of the Program costs in accordance with the Agreement.
- 6 The chief administrative officer is hereby authorized to impose a Clean Energy Improvement Tax, in respect of each clean energy improvement made to a property, where the municipality has entered into an Agreement with the Owner(s) of that property.
- 7 The Clean Energy Improvement Tax shall be voluntarily levied against a property subject to an 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(s) must meet the criteria defined by the Program Administrator and municipality to be eligible to participate in the Clean Energy Improvement Program.
- 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) must be listed as an eligible upgrade on the Program Administrator's website, and be agreed to in writing by the municipality within the Agreement,
 - c) is not less than three thousand (\$3000) dollars in project value, and
 - d) does not exceed \$50,000 in project value for residential or \$500,000 for non-residential or not designated industrial property.
- 10 The most recent amount of the annual tax authorized by a bylaw under Section 353 (property tax) of the *Act* and imposed on the property, must be greater than, or equal to, the total annual clean energy improvement tax payment(s).

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- 11 The annual clean energy improvement tax payment is calculated in accordance with the 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, and
D is the lesser of the probable lifetime, calculated in years, of the improvement or the maximum financing term established by the municipality.

- 12 An Owner may submit one application per year.
- 13 An Owner may apply for the Program
- a) by submitting an application to the Program Administrator , including any required supporting documentation, and by following all program requirements as outlined by the Program Administrator, and
 - b) by paying any required application fee.
- 14 For the purpose of the Program, the sum of project amounts, as they are approved, shall be borrowed by the municipality through a financial institution and/or other sources as set out in a borrowing bylaw.
- 15 The amount borrowed by the Owner shall have a maximum rate of interest of up to 7% to a maximum term of 25 years, with the repayment term based on the estimated useful life of the improvement(s).
- 16 The principal and interest owing under the borrowing by the municipality will be paid using the revenue from the annual Clean Energy Improvement Tax payments made by the approved project recipients through to the municipality.
- 17 The Clean Energy Improvement Tax will be imposed on the property that is subject to an Agreement, after the signing of the Agreement.
- 18 If 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 principal and interest remaining and the terms of the financing being used for the project(s).
- 19 Any project(s) approved under the Clean Energy Improvement Program must be completed within the time limit as set out under the Agreement.

ENACTMENT/TRANSITION

- 20 If any clause in this bylaw is found to be invalid, it shall be severed from the remainder of the bylaw and shall not invalidate the whole bylaw.

Bylaw approved by: CT SE

- 21 Clean Energy Improvement Tax Bylaw 2020-26 is repealed.
- 22 This bylaw comes into force on the date it is passed.

FIRST READING: August 16, 2022

PUBLIC HEARING: September 6, 2022

SECOND READING: September 6, 2022

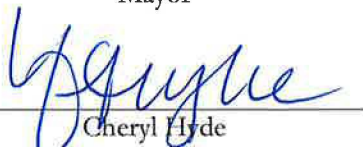
THIRD READING: September 6, 2022

Approved on behalf of the Town of Canmore:



Sean Krausert
Mayor

September 7, 2022
Date



Cheryl Hyde
Municipal Clerk

September 7, 2022
Date

Bylaw approved by: CH SH