

**MUNICIPALITY OF THE DISTRICT OF
DIGBY**

**PROPERTY ASSESSED CLEAN
ENERGY PROGRAM BY-LAW
2016-01**

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.

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) "Energy Efficiency Upgrade" means an installation that is permanently affixed to the property and which
 1. will result in substantially improved energy efficiency and reduced greenhouse gas emissions;
 2. involves heating, ventilation and air conditioning systems such as heat pumps (swimming pool heat pumps), ETS (electric thermal storage) wood or pellet stoves, solar thermal units, solar photovoltaic panels, furnaces or boilers, solar equipment, air sealing, insulating, energy efficient windows and doors, home battery systems or such other energy efficiency upgrades as are approved and agreed in writing by the Municipality and
 3. is identified as an eligible upgrade in the PACE Program Energy Efficiency Upgrade Standards Policy, and meets or exceeds applicable energy efficiency standards as defined in that Policy.
- (d) "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 an Energy Efficiency Upgrade to the property;
- (e) "PACE Charge" means the Property Assessed Clean Energy improvement tax levied on the property pursuant to s.81A of the Municipal Government Act;

- (f) "PACE Program" means the program established by the Municipality under which owners of Qualifying Properties may apply for and obtain financing for Energy Efficiency Upgrades;
- (g) "Qualifying Property" means a residential property located within the Municipality, but does not include multi-unit residential or non-profit owned buildings and does not include business or industrial premises;
- (h) "Municipality" means the Municipality of the District of Digby.

Application and Approval

- 3. An owner of a Qualifying Property within the Municipality may apply for Municipality financing of Energy Efficiency Upgrades to the property.
- 4. Financing shall be subject to approval and agreement in writing by the CAO, or designate, on behalf of the Municipality, and the execution of a PACE Customer Agreement with the owner of the Qualifying Property. Minimum conditions that must be met for approval include:
 - (a) that Lender Consent has been obtained if the Qualifying Property has a mortgage;
 - (b) that the owner of the Qualifying Property is not in default of any municipal taxes, rates or charges;
 - (c) that the Energy Efficiency 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; (ENS)
 - (d) that any additional conditions specified in the PACE Customer Agreement are met.
 - (e) maximum eligible financing to be the amount of the lesser of \$25,000 or 15% of the property value

Payment of Charge

- 5. The PACE charge shall become payable on completion of installation of the Energy Efficiency Upgrade in accordance with the PACE Customer Agreement
- 6. The PACE charge shall consist of:
 - (a) the full cost of the Energy Efficiency Upgrade, including all labour costs, permitting fees, and all applicable taxes;
 - (b) all applicable PACE Program service fees;
 - (c) interest accrued in case of default of payment, or where the owner of the Qualifying Property opts for installment payments.
- 7. The owner of a Qualified Property may elect to pay the PACE Charge by equal installment payments over a period of not more than 15 years, during which time interest shall accrue at a special interest rate defined in sections 16, 17 and 18, and as set out in the PACE Customer Agreement.

8. In the event of default of payment, including any installment payment, under the PACE Customer Agreement, the special interest rate defined in sections 16,17 and 18 shall be voided and interest accrued in this situation shall be charged at the same rate applied by the Municipality for all other default situations.
9. The Director of Finance shall maintain a separate account of all monies due for PACE charges levied pursuant to this by-law, identifying:
 - (a) the names of the property owners and assessment, PID, and civic address information for the subject property;
 - (b) the amount of the PACE charge levied on the property;
 - (c) the amount paid on the PACE charge.

Lien

10. On completion of an Energy Efficiency Upgrade pursuant to a PACE Customer Agreement, the PACE Charge shall be levied against the property.
11. A PACE Charge imposed pursuant to this by-law constitutes a first lien on the subject property and has the same effect as rates and taxes under the Assessment Act.
12. 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.
13. 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.
14. 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.
15. Non-transferable (outstanding balance due upon the sale of the home)

Interest

16. In situations where the owner of a Qualifying Property opts for installment payments, interest will be charged on PACE Charges at a special rate defined by the PACE Program Lending Rate Policy.
17. Interest shall accrue on any PACE Charge or portion thereof which remain outstanding from the date of billing.
18. Interest is payable annually on the entire amount outstanding and unpaid, whether or not the owner has elected to pay by installments.

PACE Program Energy Efficiency Upgrade Standards Policy

Will be a separate document from this by-law, but can be appended to this by-law for information purposes.

Energy Efficiency Upgrade Type	Applicable Standard
1. Insulation	Efficiency Nova Scotia Home Energy Assessment Recommendation
2. Air sealing	Efficiency Nova Scotia Home Energy Assessment Recommendation
3. Windows and doors	Efficiency Nova Scotia Home Energy Assessment Recommendation
4. Heat pumps	Efficiency Nova Scotia Home Energy Assessment Recommendation
5. Wood and pellet stoves	Efficiency Nova Scotia Home Energy Assessment Recommendation
6. Furnaces and boilers	Efficiency Nova Scotia Home Energy Assessment Recommendation
7. Electric Thermal Storage Units	Municipality of Digby
8. Photovoltaic panels	Municipality of Digby
9. Thermal Solar Panels	Municipality of Digby
10. Home Battery Systems	Municipality of Digby

PACE Program Lending Rate Policy

Will be a separate document from this by-law, but can be appended to this by-law for information purposes.

1. In situations where the owner of a Qualifying Property opts for installment payments, interest charged on PACE Charges will be equal to 2% per annum.

This is to certify that the foregoing is a true copy of the By-law passed at a duly convened meeting of the Council of the Municipality of the District of Digby, held the 28th day of June 2022.

Given under the hands of the Warden and the Chief Administrative Officer and the seal of the Municipality of the District of Digby this 5th day of July, 2022.



Jeff Sunderland
Chief Administrative Officer



Linda Gregory
Warden

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