



The Corporation of the District of Saanich

Report

C-October-28-2024

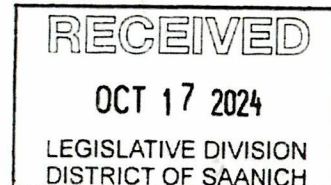
To: Mayor and Council

From: Sheila Allen, Director of Corporate Services
Paul Arslan, Director of Finance

Date: October 3, 2024

Subject: Heat Pump Financing Program – Local Area Service Bylaws for Participating Properties

File: 2560-50 • 100% Renewable Energy



RECOMMENDATION

That Council give three readings to the Heat Pump Financing Local Area Service Bylaws as listed in Attachment 1 to this Report, to establish Local Area Services for the provision of financing for participating properties.

PURPOSE

The purpose of this Report is to bring forward Bylaws which will establish a Local Area Service (see example in Attachment 2) to provide financing for properties that are participating in the Saanich Heat Pump Financing Program.

DISCUSSION

Background

At their March 28, 2022, meeting, Council adopted Heat Pump Financing Service Bylaw, 2022, No. 9761 to establish the Saanich Heat Pump Financing Program. 10 households have been approved for the program as part of the current intake and have submitted a petition (see example in Attachment 3) to create a Local Area Service for the provision of interest-free financing up to \$12,000. The financing will be used to replace participants' fossil fuel heating systems with electric air source heat pumps.

Following the establishment of the Local Area Service Bylaws, participating properties will submit their EnerGuide Evaluations and preferred contractor quote and enter into a Financing Agreement with the District of Saanich. Contractors will then be permitted to complete the work. Upon receiving and approving all required documentation, contractors will be paid directly by the District of Saanich and the financing amount will be added to the parcel tax roll to initiate repayment over 10 years.

Corporate Officer Determination

In accordance with Sections 212(3) and (4) of the Community Charter, the Corporate Officer certifies that the following petitions are sufficient and valid:

1. 8-1063 VALEWOOD TRAIL HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10085
2. 856 BECKWITH AVENUE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10086
3. 1620 BLAIR AVENUE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10087
4. 1759 KISBER AVENUE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10088
5. 3491 MAYFAIR DRIVE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10089
6. 3781 SAVANNAH AVENUE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10090
7. 3924 DAWE ROAD HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10091
8. 3987 CENTURY ROAD HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10092
9. 4078 LONGVIEW DRIVE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10093
10. 439 DAVIDA AVENUE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10094

In determining the sufficiency and validity of the listed petitions, the Corporate Officer has confirmed that the persons signing each petition are the owners of the parcel that in total represent at least 50% of the assessed value of the land and improvements that will be subject to the local service tax. A letter of certification is appended to this Report as Attachment 4.

ALTERNATIVES

1. That Council approve the recommendation as outlined in the staff Report.
2. That Council approve the recommendation as outlined in the staff Report with amendments.
3. That Council provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The establishment of the Local Area Service in combination with a Financing Agreement will facilitate the District of Saanich's payments to contractors to complete the work and establish the mechanism to recuperate the financed amount through a parcel tax bylaw for participating properties. The District of Saanich has secured \$595,000 in grant funding to support the program and in 2023, Saanich Council approved the establishment of a revolving green fund to continue offering the program and to expand eligibility to all fossil fuel heating systems.

The funding that is provided to finance the upgrades will be repaid to the District of Saanich over 10 years and will be reinvested to allow additional Heat Pump Financing participants.

STRATEGIC PLAN IMPLICATIONS

Implementation of the Heat Pump Financing Program will help achieve Council's Strategic Plan: Climate Action and Environmental Leadership goal, namely:

- Take steps to ensure building stocks address our environmental and climate impact; and
- Implement innovative solutions and practices to reduce emissions, mitigate and adapt to the effects of climate change, and protect the environment.

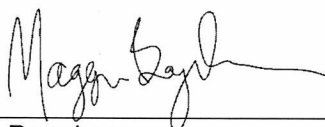
It contributes to Strategy B2 of the Climate Plan: Accelerate efficiency and renewable energy upgrades in existing buildings; and Action IN2 of the Building Retrofit Strategy: Scale up the Heat Pump Financing (PACE) Program for Part 9 homes.

CONCLUSION

The establishment of the Heat Pump Financing Program in the District of Saanich is helping residents in Saanich overcome the capital cost barrier of replacing their oil, natural gas, or propane heating system with a heat pump, improve affordability, and help the District of Saanich achieve its climate action goals.

The attached Heat Pump Financing Local Area Service Bylaws as appended to this Report will establish the financing service for participating properties.

Prepared by:



Maggie Baynham

Senior Sustainability Planner

Reviewed by:



Rebecca Newlove

Manager of Sustainability

Approved by:



Sheila Allen

Director of Corporate Services

Approved by:



Paul Arslan

Director of Finance

- Attachments
- 1: List of Heat Pump Financing Local Area Service Bylaws
 - 2: Example Heat Pump Financing Local Area Service Bylaw
 - 3: Example Program Petition
 - 4: Letter of Certification from Corporate Officer

ADMINISTRATOR'S COMMENTS

I endorse the recommendation from the Directors of Sustainability & Strategic Initiatives and Finance.



Brent Reems, Chief Administrative Officer



The Corporation of the District of Saanich

ATTACHMENT 1

LIST OF HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAWS

The following bylaws, a sample of which is provided as Attachment 2 to this report are brought forward for three readings:

1. 8-1063 VALEWOOD TRAIL HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10085
2. 856 BECKWITH AVENUE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10086
3. 1620 BLAIR AVENUE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10087
4. 1759 KISBER AVENUE HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. 10088
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THE CORPORATION OF THE DISTRICT OF SAANICH

BYLAW NO. _____

TO ESTABLISH A LOCAL AREA SERVICE AT *CIVIC ADDRESS* FOR FINANCING THE
CONVERSION OF FOSSIL FUEL HEATING TO A HEAT PUMP

WHEREAS under section 211 of the *Community Charter*, a municipality may establish a local area service for the particular benefit of a part of the municipality;

AND WHEREAS the Council of The Corporation of the District of Saanich ("Council") has been petitioned under section 211(1)(a) and section 212 of the *Community Charter* from the owner(s) of the land within the boundaries of the local area service as defined in this Bylaw to undertake the service described in this bylaw;

AND WHEREAS Council has adopted Bylaw No. 9761, 2022, to establish a Heat Pump Financing program to enable homeowners to convert residential fossil fuel heating systems to electric heat pump systems;

AND WHEREAS Council wishes to impose and levy a local area service tax on land benefiting from the local area service;

AND WHEREAS Council has received a sufficient petition for the establishing of a local area service as certified by the Corporate Officer;

NOW THEREFORE the Council of The Corporation of the District of Saanich in open meeting assembled enacts as follows:

Title

1. This Bylaw may be cited for all purposes as "***CIVIC ADDRESS* HEAT PUMP FINANCING LOCAL AREA SERVICE BYLAW, 2024, NO. ____.**"

Service

2. A local area service is created for the purpose of providing financing to homes that are heated by a fossil fuel energy source to convert to an electric heat pump.

Service Area Boundaries

3. The boundaries of the local service area to particularly benefit from the local area service established under this bylaw are the boundaries of the property at:
 - Civic Address:
 - Legal Description:

SAANICH HEAT PUMP FINANCING PROGRAM



To: The Corporation of the District of Saanich
Attn: Sustainability
770 Vernon Ave
Victoria, BC V8X 2W7

TO ESTABLISH THE DISTRICT'S LOCAL SERVICE AREA TO PROVIDE FINANCING TO HOMES TO CONVERT FROM A FOSSIL FUEL HEATING SYSTEM TO AN ELECTRIC HEAT PUMP

I/We do hereby petition the Corporation of the District of Saanich (the "District") to establish a Local Service Area for those residential properties applying to the Heat Pump Financing Program, on the same terms as set out in the Saanich Heat Pump Financing Service Bylaw, 2022, No. 9761. This petition is brought pursuant to section 212 of the Community Charter, 2003 SBC c. 26.

1. The local area service will provide financing to residential homes that are heated by an oil, natural gas, or propane fuel source to convert to an electric heat pump (the "Service").
2. The estimated costs of the Service are the actual amount of causing the local service area's property to convert to an electric heat pump, or the amount of twelve thousand (\$12,000.00) dollars (including all applicable taxes), whichever is the lesser.
3. The proposed method of cost recovery is to be recovered by way of a parcel tax adopted under section 200 of the Community Charter, imposed only within the local service area based on a single amount for each parcel. The parcel tax shall apply to the local service area until such time as the financed amount has been completely repaid, not to exceed a term of ten years.
4. The boundaries of the proposed local service area are as follows:

Description of Participating Property (Found on your property tax notice or at BCAssessment.ca).
Contact info@SaanichHeatPumpFinancing.ca if you need assistance):

Property Address	Folio or Area-Jurisdiction-Roll
<input type="text"/>	<input type="text"/>

Legal Description of Property
<input type="text"/>

Mailing Address			
Address	<input type="text"/>		
City	Province	Postal Code	<input type="text"/>

I/We am/are the Registered Owner(s) of the above noted property

Name (Print)	Signature	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Please note:

- Where more than one person is the registered owner of a lot, the signatures of a MAJORITY (i.e. 51%) of the owners are required.
- Typed signatures will not be accepted.

This collection of personal information is authorized under the Local Government Act, Community Charter and section 26(c) and (e) of the Freedom of Information and Protection of Privacy Act. The information will be used for administering and evaluating the Program. Questions can be directed to the District's Privacy Officer at 770 Vernon Avenue, Victoria BC V8X 2W7 t. 250-475-1775, e foi@saanich.ca.



Memo

To: Mayor and Council
From: Angila Bains, Director of Legislative and Protective Services/Corporate Officer
Date: October 4, 2024
Subject: Certified Petitions – Heat Pump Financing Local Area Service Bylaws

In accordance with Section 212 of the *Community Charter*, the Corporate Officer must determine the sufficiency and validity of a petition to Council and must certify this determination.

As the Corporate Officer for the District of Saanich, I certify the sufficiency and validity of the petitions received for the Heat Pump Financing Local Area Service bylaws. All petitions have met the following requirements:

- a) The petition must be signed by the owners of at least 50% of the parcels that would be subject to the local service tax; and
- b) The persons signing must be the owners of parcels that, in total, represent at least 50% of the assessed value of land and improvements that would be subject to the local service tax.

RECOMMENDATION:

The following Bylaws be given first three readings:

1. 8-1063 Valewood Trail Heat Pump Financing Local Area Service Bylaw, 2024, No. 10085.
2. 856 Beckwith Avenue Heat Pump Financing Local Area Service Bylaw, 2024, No. 10086.
3. 1620 Blair Avenue Heat Pump Financing Local Area Service Bylaw, 2024, No. 10087.
4. 1759 Kisber Avenue Heat Pump Financing Local Area Service Bylaw, 2024, No. 10088.
5. 3491 Mayfair Drive Heat Pump Financing Local Area Service Bylaw, 2024, No. 10089.
6. 3781 Savannah Avenue Heat Pump Financing Local Area Service Bylaw, 2024, No. 10090.
7. 3924 Dawe Road Heat Pump Financing Local Area Service Bylaw, 2024, No. 10091.
8. 3987 Century Road Heat Pump Financing Local Area Service Bylaw, 2024, No. 10092.
9. 4078 Longview Drive Heat Pump Financing Local Area Service Bylaw, 2024, No. 10093.
10. 439 Davida Avenue Heat Pump Financing Local Area Service Bylaw, 2024, No. 10094.


Angila Bains, B.A., MMC
Director of Legislative and Protective Services/Corporate Officer

cc: Mayor and Council
Brent Reems, CAO
Harley Machielse, Director of Engineering