

DATE OF MEETING JULY 17, 2025

AUTHORED BY DAVE STEWART, ENVIRONMENTAL PLANNER, SUSTAINABILITY

SUBJECT HOME ENERGY RETROFIT FINANCING PROGRAM- LOCAL AREA SERVICE BYLAWS FOR PARTICIPATING PROPERTIES

OVERVIEW

Purpose of Report

[The purpose of this Report is to bring forward Bylaws which will establish a Local Area Service as requirement to provide financing for properties that are participating in the City of Nanaimo's Home Energy Retrofit Financing Program.]

Recommendation

1510 Cranberry Avenue

1. That "Home Energy Retrofit Financing [1510 Cranberry Avenue] Local Area Service Establishment Bylaw 2025 No. 7399" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

123 Kamp Place

1. That "Home Energy Retrofit Financing [123 Kamp Place] Local Area Service Establishment Bylaw 2025 No. 7400" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

2896 105th Street

1. That "Home Energy Retrofit Financing [2896 105th Street] Local Area Service Establishment Bylaw 2025 No. 7401" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

688 Nicol Street

1. That "Home Energy Retrofit Financing [688 Nicol Street] Local Area Service Establishment Bylaw 2025 No. 7402" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

Unit 101 - 5918 Kaden Place

1. That "Home Energy Retrofit Financing [101- 5918 Kaden Place] Local Area Service Establishment Bylaw 2025 No. 7403" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.

2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

5384 Catalina Drive

1. That "Home Energy Retrofit Financing [5384 Catalina Drive] Local Area Service Establishment Bylaw 2025 No. 7404" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

190 Heritage Drive

1. That "Home Energy Retrofit Financing [190 Heritage Drive] Local Area Service Establishment Bylaw 2025 No. 7405" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

4542 Woodwinds Crescent

1. That "Home Energy Retrofit Financing [4542 Woodwinds Crescent] Local Area Service Establishment Bylaw 2025 No. 7407" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

32 Cilaire Drive

1. That "Home Energy Retrofit Financing [32 Cilaire Drive] Local Area Service Establishment Bylaw 2025 No. 7408" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

4015 Uplands Drive

1. That "Home Energy Retrofit Financing [4015 Uplands Drive] Local Area Service Establishment Bylaw 2025 No. 7409" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

1613 Blackstone Place

1. That "Home Energy Retrofit Financing [1613 Blackstone Place] Local Area Service Establishment Bylaw 2025 No. 7410" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

146 Emery Way

1. That "Home Energy Retrofit Financing [146 Emery Way] Local Area Service Establishment Bylaw 2025 No. 7411" (a bylaw to provide financing for participation in the City of Nanaimo Home Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

621 Victoria Road

1. That "Home Energy Retrofit Financing [621 Victoria Road] Local Area Service Establishment Bylaw 2025 No. 7412" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

57 Cutlass Lookout

1. That "Home Energy Retrofit Financing [57 Cutlass Lookout] Local Area Service Establishment Bylaw 2025 No. 7413" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

448 Seventh Street

1. That "Home Energy Retrofit Financing [448 Seventh Street] Local Area Service Establishment Bylaw 2025 No. 7414" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

645 Haliburton Street

1. That "Home Energy Retrofit Financing [645 Haliburton Street] Local Area Service Establishment Bylaw 2025 No. 7415" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

5309 Williamson Road

1. That "Home Energy Retrofit Financing [5309 Williamson Road] Local Area Service Establishment Bylaw 2025 No. 7417" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That "the bylaw pass third reading.

437 Kennedy Street

1. That "Home Energy Retrofit Financing [437 Kennedy Street] Local Area Service Establishment Bylaw 2025 No. 7418" (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

Unit 1- 2465 Oriole Drive

1. That “Home Energy Retrofit Financing [1- 2465 Oriole Drive] Local Area Service Establishment Bylaw 2025 No. 7419” (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

6217 Icarus Drive

1. That “Home Energy Retrofit Financing [6217 Icarus Drive] Local Area Service Establishment Bylaw 2025 No. 7421” (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

1674 White Blossom Way

1. That “Home Energy Retrofit Financing [1674 White Blossom Way] Local Area Service Establishment Bylaw 2025 No. 7422” (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

3200 Greystone Place

1. That “Home Energy Retrofit Financing [3200 Greystone Place] Local Area Service Establishment Bylaw 2025 No. 7423” (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

2554 Cosgrove Crescent

1. That “Home Energy Retrofit Financing [2554 Cosgrove Crescent] Local Area Service Establishment Bylaw 2025 No. 7424” (a bylaw to provide financing for participation in the City of Nanaimo Home Energy Retrofit Financing Program) pass first reading.
2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

BACKGROUND

On 2024-JUL-08, Council directed Staff to “apply to the Federation of Canadian Municipalities (FCM) Community Energy Efficiency Financing (CEF) program for pilot funding to support a Property Assessed Clean Energy (PACE) style home energy financing program and if successful, launch a PACE style home energy financing program for Nanaimo residents” and allocate up to \$200,000 from the Climate Action Reserve to support the program. On 2024-DEC-04 the City was notified that their CEF application for a \$458,000 grant was approved.

On 2025-APR-07 Council adopted “Home Energy Retrofit Financing Program Bylaw 2025 No. 7393” to establish the Home Energy Retrofit Program. The retrofits are intended to reduce residential greenhouse gas emissions, increase energy efficiency and improve climate resiliency.

The first program application intake was closed on 2025-MAY-15. The City received and evaluated 37 applications.

Currently, twenty-three households meet the program criteria and have submitted a petition (see example petition in Attachment A) and are ready to move forward to the next step of the creation of a Local Area Service for the provision of interest-free financing of up to \$15,000. Additional Local Area Service bylaws are anticipated to be brought forward in the fall for the remaining eligible households.

The financing can be used for any of the following eligible retrofits:

- Switching from fossil fuel space heating to an electric **heat pump**.
- Installing **solar panels** where the homeowner already has electric heating.
- Installing a **backup battery** where solar panels are already in place.
- **Building envelope upgrades** to reduce air leakage and improve energy efficiency, such as door and window replacements or adding insulation.
- **Non-energy related measures** that might impede energy retrofits or enhance health and wellbeing, such as better filters in heat pumps. These measures must be combined with one of the above retrofits. No more than 30% of the individual amount financed can be used to support non-energy measures

The establishment of the Local Area Service, in combination with a Financing Agreement, is necessary to allow payments to contractors and recover the financing amount through a parcel tax bylaw. The financed upgrades will be paid back over 10 years through property taxes, with the returned funds reinvested into the program. Although the Financing Agreement is interest free, unpaid parcel taxes are subject to the same penalties and interest legislation as property taxes.

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 City of Nanaimo. Contractors will then be permitted to complete the work. Upon receiving and approving all required documentation, contractors will be paid directly by the Program operator and the financing amount will be added to the parcel tax roll to initiate payment over 10 years.]

DISCUSSION

[[In accordance with Sections 212(3) and (4) and (6) of the *Community Charter*, the Deputy Corporate Officer has certified that the petitions associated with establishing each local area service are sufficient and valid.

In determining the sufficiency and validity of the listed petitions, the Deputy Corporate Officer has confirmed that the persons who petitioned for the local area service are the owners of the parcel that would be subject to the local service tax for the service and that each petition was signed by the property owners in support of the establishment of a local area service for the purposes of financing a home retrofit. The "Certificate of Sufficiency" is appended to this report as Attachment B.]

OPTIONS

Option 1:

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2. That the bylaw pass second reading.
3. That the bylaw pass third reading.

- The advantages of this option: The establishment of the Home Energy Retrofit Financing Program will help Nanaimo homeowners overcome the capital cost burden of carrying out eligible energy retrofits. The retrofits proposed will help the City meet its climate goals, while improving energy affordability and home comfort for the program participants.
- The disadvantages of this option: The bylaws are a requirement for the Home Energy Retrofit Financing program. As the City has already committed to the program there are no disadvantages to adopting the bylaws.
- Financial Implications: There are no new financial implications at this time, as the project budget and all funding sources have been confirmed.

2. That Council provides alternate direction.]

SUMMARY POINTS

- The Home Energy Retrofit Financing Program intake was closed on 2025-MAY-15.
- 23 Nanaimo households have signed petitions to create a Local Area Service.
- The financing will be used to pay for retrofits intended to reduce residential greenhouse gas emissions, increase energy efficiency and improve climate resiliency.

ATTACHMENTS:

ATTACHMENT A: Example Petition

ATTACHMENT B: Certificate of Sufficiency

ATTACHMENT C: List of Home Energy Retrofit Financing Program Local Area Service Bylaws

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Submitted by:

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Concurrence by:

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Director, Finance

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