

BEING A BYLAW OF THE CITY OF WETASKIWIN, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE THE CLEAN ENERGY IMPROVEMENT PROGRAM TAX BYLAW

WHEREAS pursuant to section 3(a.1) of the *Municipal Government Act*, RSA 2000 Chapter M-26, as amended, states that one of the purposes of a municipality is to foster the well-being of the environment;

WHEREAS pursuant to section 390.3 of the *Municipal Government Act*, RSA 2000 Chapter M-26, as amended, Council may wish to implement a Clean Energy Improvement Tax Bylaw to establish a Clean Energy Improvement Program;

WHEREAS the Clean Energy Improvement Program is a financing program to assist owners in upgrading their properties with Clean Energy Improvements, which is then repaid through taxes on the upgraded property;

WHEREAS Council believes there is value in participating in the Clean Energy Improvement Program, in order to assist owners with the purchase, construction, and installation of Clean Energy Improvements;

NOW THEREFORE under the authority of the *Municipal Government Act*, the Council of the City of Wetaskiwin, in the Province of Alberta, enacts as follows:

1. TITLE

- 1.1 This Bylaw may be cited as the “*CLEAN ENERGY IMPROVEMENT PROGRAM TAX BYLAW*.”

2. DEFINITIONS

- 2.1 In this bylaw:

- a) “**Act**” means the *Municipal Government Act*, RSA 2000, Chapter M-26, as amended;
- b) “**Administration Fee**” means the administration fee as defined in section 1(a) of the Regulation;
- c) “**Chief Administrative Officer (CAO)**” means the person appointed to the position of CAO for the City of Wetaskiwin within the meaning of the *Municipal Government Act*, or delegate;
- d) “**Clean Energy Improvement**” has the same meaning as in Part 10, Division 6.1, of the *Municipal Government Act*;
- e) “**Clean Energy Improvement Program**” means the program, described in Part 10, Division 6.1, of the *Municipal Government Act*, to encourage Property Owners to install Clean Energy Improvements to properties;
- f) “**Clean Energy Improvement Tax**” means a tax imposed by the City pursuant to a Program Agreement;
- g) “**City**” means the municipal corporation of Wetaskiwin City;
- h) “**Good Standing**” means all property taxes and municipal service bills including Peace Hills Utilities Inc. are paid, no development compliance issues are unresolved, and any municipal grant/rebate money received are within the terms of the grant/rebate contract;
- i) “**Land Use Bylaw**” means the City's most current Land Use Bylaw;
- j) “**Program Administrator**” is the Alberta Municipalities Services Corporation, operating as Alberta Municipalities;

- k) **"Program Agreement"** means an agreement between the City and a Property Owner, as described in the *Municipal Government Act*, where the Property Owner agrees to pay the costs associated with a Clean Energy Improvement through municipal taxes;
- l) **"Program Terms and Conditions"** means the terms and conditions of the City's Program, to be published on the Program Administrator's website on or before the date the City Clean Energy Improvement Program opens to applications;
- m) **"Property Owner"** means a person that is the owner of an estate in fee simple pursuant to the *Land Titles Act*, RSA 2000, c L-4; and
- n) **"Regulation"** means the *Clean Energy Improvements Regulation*, Alta Reg 212/2018.

3. INTERPRETATION AND APPLICATION

3.1 The following rules apply to interpretation of this bylaw:

- a) Headings, titles, and margin notes in this bylaw are for ease of reference only;
- b) Gender-specific words, phrases, and references are intended to include all genders, and the singular includes the plural as the context requires;
- c) Every provision of this bylaw is independent of all other provisions and if any provision of this bylaw is declared invalid by a Court, all other provisions of this bylaw remain valid and enforceable; and
- d) References to bylaws and enactments in this bylaw include amendments and replacement bylaws and enactments, and regulations and orders thereunder.

4. GENERAL

4.1 The purpose of this bylaw is to:

- a) Establish a Clean Energy Improvement Program;
- b) Enable Clean Energy Improvements to be made to eligible properties;
- c) Assist Property Owners with paying for Clean Energy Improvements by assisting with financing, and adding the repayments to the tax roll in respect of the improved property;
- d) Authorize the collection of a Clean Energy Improvement Tax in respect of properties where a Clean Energy Improvement has been made; and
- e) Raise revenue to pay the amount required to recover the costs of Clean Energy Improvements.

5. APPROVED PROPERTIES

5.1 Eligible Properties

- a) The following types of properties are eligible to participate in the Clean Energy Improvement Program:
 - i) A property located within the municipal limits;
 - ii) A property that is residential;
- b) A home purchased within the last year by a first-time property owner may qualify under the Clean Energy Improvement Program but will be subject to review of financial eligibility.

5.2 Eligible Improvements

- a) The improvements that are eligible for participation in the Clean Energy Improvement Program must increase energy efficiency or the use of renewable energy on the Property, and include:
 - i) heating, ventilation, and air conditioning improvements;
 - ii) renewable energy improvements;
 - iii) lighting fixture and lighting control improvements;
 - iv) water heating and wastewater heat recovery improvements;
 - v) door, window, insulation, and air leak sealing and improvements; and
 - vi) those improvements provided on the list of eligible upgrades available through the Program Administrator's website.
- b) Clean Energy Improvements are eligible for financing through the Clean Energy Improvement Program if the value of the capital costs of undertaking all Clean Energy Improvements:
 - i) is not less than three thousand dollars (\$3,000); and
 - ii) does not exceed fifty thousand dollars (\$50,000) for residential properties.

6. PROGRAM AGREEMENT

6.1 Applying to the Program

- a) A Property Owner may apply to the Program Administrator for Clean Energy Improvement Tax financing to install a Clean Energy Improvement.

6.2 Limitation of Approvals

- a) The Chief Administrative Officer shall not enter into a Program Agreement when:
 - i) in the past six years, the Property Owner has been in tax arrears on the property, or any other property in the City;
 - ii) there is an existing Program Agreement in place for the property;

- iii) the costs under a proposed Program Agreement will cause the City to exceed the amount of borrowing authorized under this bylaw;
- iv) the property or Property Owner are subject to a bankruptcy, receivership, or foreclosure proceeding;
- v) there are outstanding development compliance orders or safety code orders associated with the property; or
- vi) the Property Owner does not otherwise meet any of the requirements under this bylaw, the Act, the Regulation, or the Program Terms and Conditions.

6.3 Chief Administrative Officer Discretion

- a) The Chief Administrative Officer has the discretion to refuse to enter into a Program Agreement when:
 - i) the Property Owner has an interest in another property that is subject to a bankruptcy, receivership, tax arrears, or foreclosure proceeding;
 - ii) the Property Owner is participating in the City's Property Tax Assistance Program or the Government of Alberta's Seniors Tax Deferral Program;
 - iii) there appears to be limited equity in the property;
 - iv) the property is the subject of litigation;
 - v) the Property Owner is involved in litigation with the City;
 - vi) there is a dispute with the Property Owner about whether the Property Owner is abiding by the terms of any financial assistance that the Property Owner has received from any level of government;
 - vii) the Chief Administrative Officer, in the Chief Administrative Officer's sole discretion, feels that there is any reason to refuse to enter into a Clean Energy Improvement Agreement; or
 - viii) the Property Owner has not owned the property for at least six years and has owned another property which in the last six years has gone into tax arrears, with the following exceptions:
 - A) If the Property Owner has purchased the property within the last six years and has no history of previous property ownership, the Property Owner may be subject to an enhanced financial eligibility review; or
 - B) If the Property Owner does not have six years of property ownership history within the City, the Property Owner may be required to submit property tax payment history from another municipality.

6.4 Chief Administrative Officer Authorization

- a) If a Property Owner meets the criteria in this bylaw, the Act, the Regulation, and the Program Terms and Conditions, the Chief Administrative Officer is authorized to enter into a Program Agreement with the Property Owner.
- b) The Chief Administrative Officer is authorized to enter into an agreement with the Program Administrator as required in the Act and the Regulations.

7. CLEAN ENERGY IMPROVEMENT TAXES

7.1 Authorization to Apply Tax

- a) Where the City has entered into a Program Agreement with a Property Owner, a Clean Energy Improvement Tax will be charged based on the Program Agreement.
- b) The Clean Energy Improvement Tax may be imposed on a property that is subject to a Program Agreement at any time following the signing of the Program Agreement.

7.2 Duration of Tax

- a) A Clean Energy Improvement Tax will be charged over the period set out in the Program Agreement.
- b) The period must not exceed the estimated useful lifetime of the Clean Energy Improvement.

7.3 Approved Charges for Tax

- a) The Clean Energy Improvement Tax will include the following, as set out in the Program Agreement:
 - i) the capital cost of undertaking the Clean Energy Improvement;
 - ii) the cost of professional services needed for the Clean Energy Improvements;
 - iii) the Administration Fee;
 - iv) the cost of financing the Clean Energy Improvement; and
 - v) any other costs incidental to the undertaking of the Clean Energy Improvement and the raising of revenue to pay for it.

8. BORROWING

8.1 Authorization to Borrow Money

- a) For the purposes of the Clean Energy Improvement Program the City may borrow money, from a Canadian bank or other similar Canadian financial institution or from any other available borrowing sources, to finance Clean Energy Improvements.
- b) The maximum amount of money that may be borrowed under this bylaw must not exceed \$1,650,000 million dollars Canadian, exclusive of interest, at any time with \$400,000 dollars being available for residential properties annually.
- c) The City may borrow in one lump sum, or in one or more smaller sums, so long as the principal limit is not exceeded at any one time.

8.2 Maximum Interest Rate

- a) The maximum interest rate must not exceed the prime lending rate of the bank or financial institution that the City uses for the borrowing, but in any case, must not exceed nine percent (9%) per annum.

8.3 Term of Borrowing

- a) All sums borrowed under this bylaw, including principal and interest, must be repaid over a period not to exceed twenty-five years.

8.4 Source of Repayment Funds

- a) The City will repay the borrowed sums, including principal and interest, from revenue generated from the Clean Energy Improvement Tax.

9. LIABILITY

- 9.1 For the purpose of this bylaw, an act or omission by an employee or agent for a person is deemed also to be an act or omission of the person if the act of omission occurred in the course of the employee's employment with the person, or in the course of the agent exercising the powers of or performing duties on behalf of the person under their agency relationship.

10. SEVERABILITY

- 10.1 If a court of competent jurisdiction should declare any section or subsection of this bylaw to be invalid, such section or subsection shall not be construed as having persuaded or influenced Council to pass the remainder of the bylaw, and it is hereby declared that the remainder of the bylaw shall be valid and remain in force.

11. TRANSITION

- 11.1 This bylaw shall come into full force and effect on third and final reading.

READ a first time this 11th day of March, 2024.

READ a second time this 11th day of March 2024.

READ a third time this 11th day of March, 2024.

*Original has been signed & filed with Records
Management*

Tyler Gandam, Mayor

Sue Howard, City Manager