

Solar Colchester Property Assessed Clean Energy (PACE) Policy

Purpose

The purpose of this Policy is to establish the Municipality of the County of Colchester's financial contribution to the Solar Colchester Program, which includes determining an annual contribution, setting a lending rate, and defining the types of properties eligible to participate. This Policy accompanies the *Solar Colchester PACE By-law*.

Principles Supporting Policy

1. As part of a plan to reduce community greenhouse gas emissions, the Municipality aims to contribute to the affordability of renewable energy generation.
2. Allowing residents of Colchester to finance solar panel installations at a low interest rate over 10 years will give property owners time to recoup project costs through electricity cost savings.

Terms of Policy

1. The Municipality of the County of Colchester will contribute an established budget amount annually to finance solar photovoltaic projects through the Solar Colchester Program. This money will be derived from the Municipality's Operating fund. Additional funds will be borrowed from the Federation of Canadian Municipalities' *Green Municipal Fund* as per the Municipality's Community Efficiency Financing contract.
2. The Municipality of the County of Colchester will commit up to \$25,000 for each solar project.
3. Funding will be set up as a receivable from participating property owners and will constitute a lien on properties.
4. As described in the *Solar Colchester PACE By-law*, only owners of Qualifying Properties may participate in the program. To be considered a Qualifying Property, a property must:
 - a. be located within the boundaries of the Municipality of the County of Colchester;
 - b. not be owned by the government;
 - c. not have any outstanding permits or work orders from the Municipality;
 - d. be one of the following:
 - i. an owner-occupied residential building with no more than one rental unit,
 - ii. an institutional building dedicated to religious worship, including auxiliary buildings such as an auditorium, hall, or day nursery owned and operated by the religious institution,
 - iii. a building that houses a charity, a co-op, or a non-profit as its main use.

5. Projects will be assessed on a 'first-come-first-served' basis at the time a completed application has been received by the Municipality.
6. Up to one third (33%) of designated annual Solar Colchester funding may be used to finance projects on institutional Qualifying Properties (places of worship, charities, co-ops, non-profits); the remaining funding must be used to finance owner-occupied residential projects.
7. The owner of a Qualifying Property may finance their solar project at a fixed interest rate of Prime +2.85% or the FCM lending rate + 2.85%, depending on the source of funding, for the duration of the loan (10 years, as prescribed in the *Solar Colchester PACE By-law*).

Clerk's Annotation for Official Policy Book	
Date of Notice to Council Members of Intent to Consider (7 days minimum): <u>June 7, 2021</u>	
Date of Passage of Current Policy: <u>June 24, 2021</u>	
I certify that this Policy was adopted by Council as indicated above.	
<u>Rob Simonds</u> Municipal Clerk	<u>July 5, 2021</u> Dated

Amended June 2021
Date Originally Approved February 2019