

BYLAW NO. 10205

The Commercial Energy Loan Program Bylaw, 2026

The Council of the City of Saskatoon enacts:

PART I Preliminary Matters

Short Title

1. This Bylaw may be cited as *The Commercial Energy Loan Program Bylaw, 2026*.

Definitions

2. In this Bylaw:
 - (a) **“affordable housing provider”** means an applicant that demonstrates, to the satisfaction of the City, that it offers housing to low income households at a rate that does not exceed:
 - (i) 30 percent of the household’s gross annual income; or
 - (ii) the maximum funding available under the shelter benefit;
 - (b) **“amount due”** means the amount owed by a property owner to the City arising from the installation of eligible projects and includes:
 - (i) interest;
 - (ii) costs of labour and parts for approved eligible projects; and
 - (iii) subject to the approval of the City, costs directly incidental to approved eligible projects, including permit fees and fees paid to qualified energy professionals;
 - (c) **“applicant”** means the property owner or, in the case of a property that is not owned by an individual, an authorized representative of the property owner;
 - (d) **“ASHRAE”** means the American Society of Heating, Refrigerating and Air-Conditioning Engineers;

- (e) **“assessed value”** means the assessed value of a property as shown on the property’s assessment roll;
- (f) **“Commercial Energy Planner”** means a program of the City involving the sharing of utility data with the City and the public for the purposes of benchmarking, auditing and creating roadmaps and other energy resources and tools;
- (g) **“commercial property”** means, in the determination of the City, an existing:
 - (i) large apartment style building containing multiple dwelling units; or
 - (ii) building that is principally used for the conduct of a profession, business or undertaking, including institutional premises and any commercial property owned by a non-profit corporation, but not including industrial property;
- (h) **“condominium”** means a building that has been divided into units by the issuance of titles pursuant to an approved condominium plan in accordance with *The Condominium Property Act, 1993*;
- (i) **“deferred taxes”** means an amount due that has been added to the tax roll of a property pursuant to section 281.3 of *The Cities Act*, the collection of which has been deferred pursuant to the Program;
- (j) **“dwelling unit”** means a unit intended to accommodate one family that contains a separate set of living quarters, sleeping facilities, sanitary facilities and one kitchen or set of kitchen components where all rooms are accessible from the interior of the dwelling unit;
- (k) **“eligible project”** means an environmental improvement project within the meaning of section 9, the costs of which are eligible to be added to the tax roll of a property;
- (l) **“environmental improvement”** means any work or project that reduces harm to the environment or improves climate resiliency, including upgrades to improve energy efficiency or water conservation;
- (m) **“industrial property”** means a property principally used for manufacturing, processing, assembling, cleaning, servicing, repairing, testing, storage, distribution or warehousing of materials, goods or equipment;

- (n) **“institutional premises”** means a premises principally used as a temporary place of abode, including a hotel, motel, school, dormitory, church, prison, senior citizens home, special care home, community home and hospital;
- (o) **“low income household”** means a household with a gross annual household income at or below the Saskatchewan Housing Income Maximums, as calculated by the Saskatchewan Housing Corporation and as may be adjusted from time to time;
- (p) **“non-profit corporation”** means a corporation incorporated or continued pursuant to *The Non-profit Corporations Act, 2022*;
- (q) **“Program”** means the Commercial Energy Loan Program established pursuant to section 5;
- (r) **“property”** means the property at which environmental improvements are or will be installed;
- (s) **“property owner”** or **“owner”** means the registered owner of a property;
- (t) **“qualified energy professional”** means a person holding professional qualifications, certifications or designations with respect to evaluating energy use, modelling building performance and designing efficiency upgrades;
- (u) **“tax arrears”** does not include deferred taxes or any amounts the collection of which the City has deferred pursuant to any other program, policy or bylaw of the City.

Purpose

3. The purpose of this Bylaw is to establish the Commercial Energy Loan Program to encourage the installation of environmental improvements at commercial properties in the City.

Paramountcy

4. In the event of an inconsistency between this Bylaw and *The Cities Act* or any regulations enacted pursuant to *The Cities Act*, *The Cities Act* or the regulations prevail.

PART II

The Commercial Energy Loan Program

Program Established

5. The Commercial Energy Loan Program is established.

Purpose of Program

6. The purpose of the Program is to allow eligible property owners to add the costs of eligible projects to the tax roll of their property so that payment of these costs may be made over multiple years.

Applications and Enrolment in Program

7.
 - (1) To enrol in the Program, an applicant must, prior to installing environmental improvements, submit an application to the City in a form acceptable to the City.
 - (2) An applicant may be permitted to do either or both of the following:
 - (a) enrol in the Program more than once with respect to the same property, subject to the applicable maximum amount set out in section 16 not being exceeded;
 - (b) enrol multiple properties in the Program.
 - (3) Applicants that meet the City's eligibility criteria and any other requirements of this Bylaw may, at the sole discretion of the City, be enrolled in the Program.
 - (4) The City may, in reviewing applications, give priority to applicants representing small to medium sized businesses, non-profit corporations or affordable housing providers or to any applicant that has not previously been enrolled in the Program.

Eligibility Criteria

8. To qualify for the Program:
 - (a) the property at which the environmental improvements will be installed must:

- (i) be located in the City;
 - (ii) be a commercial property;
 - (iii) have been owned by the property owner for a minimum period of three years;
 - (iv) have an approximate area of 100,000 square feet or less, as determined by the City;
 - (v) be insured;
 - (vi) not be in tax arrears or have been in tax arrears within the last three years;
 - (vii) have no outstanding building orders related to life or safety and no unresolved permits or enforcement matters that could impact the code compliance of the proposed upgrades;
 - (viii) not be subject to any unresolved liens, judgments, ownership disputes or foreclosure proceedings;
- (b) the property owner must:
- (i) in the case of a property owner that is not an individual, be active in the Saskatchewan Corporate Registry;
 - (ii) be in good standing with respect to their utilities and any other municipal charges and have a satisfactory payment history, as determined by the City;
 - (iii) be current on all property-secured debt, including mortgage payments;
 - (iv) not be involved in active bankruptcy proceedings;
 - (v) hold commercial liability insurance in an amount of not less than \$2,000,000.00;
 - (vi) have a plan, satisfactory to the City, for completing the work in a manner that takes into consideration the interests of any tenants that may be affected by the proposed work;
 - (vii) consent to the City accessing, using and disclosing energy and water utility data relating to the property;

- (c) all owners of the property must consent to participation in the Program and agree to comply with all terms and conditions of the Program;
- (d) all mortgage lenders must consent to the property owner participating in the Program;
- (e) in the case of a property that is a condominium, the condominium board and any owner that may be affected by the proposed work must consent to the property owner participating in the Program;
- (f) the environmental improvements must constitute eligible projects;
- (g) the costs to complete the environmental improvements must be at least \$10,000.00, exclusive of interest, the administrative fee, if applicable, and the costs of energy audits; and
- (h) the applicant must submit any information or documentation that may be requested by the City for the purposes of verifying eligibility for the Program.

Eligible Projects

- 9. (1) The list of environmental improvement projects that may be eligible for the Program are set out in Schedule "A".
- (2) Notwithstanding subsection (1), the City shall determine in all cases whether a particular environmental improvement project is an eligible project.
- (3) To be eligible for the Program, an environmental improvement project must:
 - (a) be designed, reviewed and approved by a qualified energy professional;
 - (b) be completed by a contractor;
 - (c) be completed after the date a deferral agreement has been signed;
 - (d) comply with all legal requirements, including building code requirements; and
 - (e) meet all technical and specification requirements of the City.

Deadline to Enter into Deferral Agreement with City

10. (1) An applicant must, subject to an extension of time being granted by the City pursuant to subsection (2), enter into a deferral agreement with the City within four months of the date the applicant is enrolled in the Program by the City.
- (2) An extension of time to enter into a deferral agreement with the City may be granted by the City, subject to the applicant satisfying the City, in writing, that extenuating circumstances beyond the applicant's control exist to justify the extension.
- (3) An applicant that fails to enter into a deferral agreement with the City within the time required by the City may be removed from the Program but may, as permitted by the City, be eligible to subsequently reapply.

Performance Standards

11. (1) Prior to entering into a deferral agreement with the City, the following requirements must, unless otherwise permitted by the City, be met to the satisfaction of the City:
 - (a) a comprehensive business case proposal must be provided to the City that includes details respecting the work to be completed, including timelines, specifications, proposed costs and expected energy savings or other benefits;
 - (b) with respect to an energy efficiency or water conservation project, as identified in Schedule "A":
 - (i) an ASHRAE Level II audit completed by a qualified energy professional, or equivalent assessment, must be completed at the property, the results of which must be provided to the City;
 - (ii) the audit or assessment mentioned in subclause (i) must:
 - (A) contain recommendations on which upgrades would have the greatest impact on energy and water use, utility bills, greenhouse gases and comfort;
 - (B) in the case of an energy efficiency project, demonstrate that the project would result in an annual reduction of at least 20% in energy usage and lifetime energy savings that, at minimum, offset the initial cost of the project; and

- (C) in the case of an assessment, include an attestation letter prepared by a qualified energy professional;
- (c) with respect to a climate resiliency project, as identified in Schedule "A":
 - (i) a climate resiliency risk assessment must be completed by a qualified energy professional at the property, the results of which must be provided to the City; and
 - (ii) the assessment mentioned in subclause (i) must demonstrate that the project would result in significant climate risk mitigation, as determined by the City;
- (d) any additional information or documentation that has been requested by the City must be provided to the City.
- (2) Notwithstanding subclause (b)(i), other levels of audit or assessment may, subject to the approval of the City, be accepted for certain types of eligible projects.
- (3) The audit, assessment or climate resiliency risk assessment mentioned in subsection (1) may be completed before or after applying for the Program but, where completed before, must have been completed not earlier than five years before the date of receipt by the City of the application to enrol in the Program.

Administrative Fee

- 12. (1) Participation in the Program is subject to payment of a non-refundable administrative fee, calculated as follows:
 - (a) for non-profit corporations and affordable housing providers:
 - (i) \$0.00 for loans of up to \$40,000.00; and
 - (ii) 1% of any loan amount in excess of \$40,000.00;
 - (b) for any applicant other than a non-profit corporation or an affordable housing provider:
 - (i) \$750.00 for loans of up to \$40,000.00; and
 - (ii) 1.6% of any loan amount in excess of \$40,000.00.

- (2) The administrative fee must be paid prior to entering into a deferral agreement and cannot be added to the tax roll of the property.
- (3) An applicant that subsequently changes their status and is no longer a non-profit corporation or an affordable housing provider may be required to pay the difference between the administrative fee that they paid and the administrative fee that they would have had to pay had they not paid the fee applicable to non-profit corporations and affordable housing providers.

Deferral Agreement

- 13. (1) An applicant that has met all prerequisite requirements set out in this Bylaw and that wishes to participate in the Program must enter into a deferral agreement.
- (2) The deferral agreement will detail the property owner's repayment obligations as well as any other requirements that may be established by the City, including a requirement to participate in:
 - (a) the Commercial Energy Planner; and
 - (b) surveys or other follow-up activities to assist the City in assessing and improving the Program.
- (3) The City may, at its sole discretion, allow a property owner to amend their planned project.
- (4) Any changes agreed upon pursuant to subsection (3) shall be reflected through an amendment to the deferral agreement.
- (5) An applicant that applies to participate in the Program more than once may be required to enter into a separate deferral agreement with respect to each application.

Deferral Terms

- 14. Depending on the effective useful life of the environmental improvements being completed, as determined by the City, the City may offer a deferral term of 5, 10, 15 or 20 years.

Time to Complete Project

15. (1) Subject to an extension of time being granted by the City pursuant to subsection (2), eligible projects must be completed within 12 months of the effective date of the deferral agreement.
- (2) An extension of time to complete eligible projects may be granted by the City, subject to the applicant satisfying the City, in writing, that extenuating circumstances beyond the applicant's control exist to justify the extension.

Maximum Deferred Taxes

16. An amount equivalent to up to 20% of a property's assessed value may be added to the tax roll of a property, to a maximum of \$1,500,000.00.

Payments by City to Contractor or Property Owner

17. (1) The City may make payments either directly to the contractor or, in the case of a property owner that chooses at their own risk to pay the contractor directly, to the property owner.
- (2) Provided the following post retrofit verification requirements are met, the City shall, subject to the applicable maximum amount set out in section 16, pay the contractor or the property owner the amounts owing:
 - (a) documentation submitted to the City that confirms, to the satisfaction of the City, that the work has been completed as required, including:
 - (i) a signed project completion certificate;
 - (ii) invoices; and
 - (iii) photographic evidence;
 - (b) the closure of any necessary building permits;
 - (c) if required by the City, an on-site visit to confirm satisfactory completion of the work.
- (3) Notwithstanding subsection (2), the City may, at its sole discretion, make either or both of the following payments to a contractor in advance of the post retrofit verification requirements set out in subsection (2) being satisfied:

- (a) a payment of up to 50% of the total estimated costs of the eligible project as identified in the deferral agreement for the purpose of paying required deposits;
- (b) an installment payment, if:
 - (i) the work, in the opinion of the City, involves multiple eligible projects or multiple distinct aspects and the contractor demonstrates that one or more projects or aspects of the work have been completed; and
 - (ii) the contractor satisfies any other requirements of the City.

Interest

- 18. (1) Property owners shall pay interest in the manner and at the rate identified in the deferral agreement.
- (2) Interest shall begin to accrue on the date payments are made by the City to the property owner or contractor.

Addition of Amount Due to Tax Roll

- 19. (1) If the eligible projects are completed on or before September 30, the amount due, if unpaid, may be added to the tax roll of the property and form part of the taxes on January 1 of the next calendar year.
- (2) If the eligible projects are completed after September 30, the amount due, if unpaid, may be added to the tax roll of the property and form part of the taxes on January 1 of the year following the next calendar year.
- (3) Interest shall be added to the tax roll of the property annually.
- (4) Prior to adding the amount due to the tax roll of the property, the City may record the amount due as a pending liability.

Lien and Registration of Interest

- 20. (1) The amount due is, as stated in *The Cities Act*, a lien on the land at which the property is located.
- (2) The City may at any time register its interest, including attaching a copy of the deferral agreement, on the title of the property.

Duty to Notify City

21. (1) A property owner shall notify the City:
- (a) prior to an impending sale or other transfer of ownership of the property;
 - (b) in the event the property owner initiates bankruptcy proceedings or foreclosure proceedings with respect to the property;
 - (c) in the case of a property that is owned by a corporation or other entity, in the event the corporation or other entity is discontinued; and
 - (d) of any changes in contact information.
- (2) If a property owner dies, a representative of the property owner's estate or any surviving owner shall, within 60 days of the property owner's death, notify the City that the property owner is deceased.

Payment of Deferred Taxes

22. (1) Subject to subsection (2) and any provision of this Bylaw that requires or permits earlier repayment, payment of deferred taxes shall be as follows:
- (a) for a 5-year deferral, one fifth of the deferred taxes becomes due and payable on June 30 of the calendar year in which the amount due is added to the tax roll of the property, with one of the remaining fifths becoming due and payable on June 30 of each of the subsequent 4 calendar years;
 - (b) for a 10-year deferral, one tenth of the deferred taxes becomes due and payable on June 30 of the calendar year in which the amount due is added to the tax roll of the property, with one of the remaining tenths becoming due and payable on June 30 of each of the subsequent 9 calendar years;
 - (c) for a 15-year deferral, one fifteen of the deferred taxes becomes due and payable on June 30 of the calendar year in which the amount due is added to the tax roll of the property, with one of the remaining fifteenths becoming due and payable on June 30 of each of the subsequent 14 calendar years;
 - (d) for a 20-year deferral, one twentieth of the deferred taxes becomes due and payable on June 30 of the calendar year in which the amount due is added to the tax roll of the property, with one of the

remaining twentieths becoming due and payable on June 30 of each of the subsequent 19 calendar years.

- (2) Interest becomes due and payable on June 30 of the calendar year in which the interest is added to the tax roll.

Voluntary Early Repayment of Deferred Taxes

- 23. (1) A property owner may, at any time prior to the deferred taxes becoming due and payable pursuant to section 22, repay the full balance of deferred taxes or a portion of the deferred taxes without penalty.
- (2) In the event the City receives funding to which a property owner is entitled, the City may apply the funding directly to the tax roll of the property owner to offset deferred taxes.
- (3) In the event a property owner receives any government funding, rebate, grant or other money to offset the costs of the eligible projects, the property owner shall make a payment equal to the amount received to their property taxes to reduce the amount owing to the City.

Mandatory Early Repayment of Deferred Taxes

- 24. (1) Notwithstanding section 22 and subject to a deferral agreement being entered into pursuant to section 26:
 - (a) the total outstanding amount of deferred taxes becomes automatically due and owing upon any of the following:
 - (i) the property owner initiating bankruptcy proceedings;
 - (ii) foreclosure proceedings being initiated with respect to the property;
 - (iii) the death of a property owner, in cases where there is no surviving property owner that is subject to the deferral agreement;
 - (iv) in the case of a property that is owned by a corporation or other entity, the corporation or other entity being discontinued;
 - (v) the property being sold or otherwise transferred; and

- (b) the City may require full repayment of the total outstanding amount of deferred taxes owing upon any of the following:
 - (i) the property owner failing to make any payment as required;
 - (ii) the property falling into tax arrears;
 - (iii) the property owner failing to comply with any other provision of this Bylaw or the deferral agreement.
- (2) In cases where the City is requiring full repayment pursuant to clause (1)(b), the City shall notify the property owner of the amount of the deferred taxes that must be paid and the date by which they must be paid.

Penalties on Late Payments and Registration of Tax Lien

25. If deferred taxes are not paid as required, the City may:
- (a) impose penalties on the taxes outstanding at the rates established by Bylaw No. 6673, *A bylaw of the City of Saskatoon to provide for the payment of taxes and the application of discounts and penalties thereto*; and
 - (b) register a tax lien on the title of the property in accordance with *The Tax Enforcement Act*.

Agreements with Subsequent Owners

26. (1) In the case of a property being sold or otherwise transferred, the City may, alternative to requiring full repayment of the total outstanding amount of deferred taxes, enter into a deferral agreement with the new property owner to pay the deferred taxes over time.
- (2) To be eligible to enter into a deferral agreement pursuant to subsection (1), the new owner of a property must satisfy the applicable eligibility criteria set out in section 8.

Suspension or Cancellation of Program

27. The City may, at any time, stop enrolling applicants in the Program on either a temporary or permanent basis.

PART III
Offences

Offences

28. No person shall:

- (a) furnish the City with false or misleading information with respect to the Program;
- (b) fail to make any payment that is required to be made pursuant to this Bylaw or a deferral agreement;
- (c) fail to comply with any term or condition of a deferral agreement; or
- (d) contravene or fail to comply with any other provision of this Bylaw.

Administration and Enforcement of Bylaw

29. (1) The administration and enforcement of this Bylaw is delegated to the Chief Financial Officer or their designate.
- (2) The Chief Financial Officer or their designate is authorized to further delegate the administration and enforcement of this Bylaw, in whole or in part, to other employees of the City.

Coming Into Force

30. This Bylaw comes into force on September 1, 2026.

Read a first time this 26th day of August, 2026.

Read a second time this 26th day of August, 2026.

Read a third time and passed this 26th day of August, 2026.

"Cynthia Block"
Mayor

"Adam Tittermore" "SEAL"
City Clerk

Schedule “A” to Bylaw No. 10205

Eligible Projects

Climate Resiliency Projects

1. The following climate resiliency projects may be eligible for the Program:
 - (a) cooling features, including reflective or low albedo roofing, shading, landscaping, shutters and awnings;
 - (b) flood mitigation installations, including sump pumps with backup power, waterproofing, landscaping and grading measures, elevating and floodproofing of critical equipment;
 - (c) stormwater and onsite water management, including green roofs, rainwater catchment systems and related site water management measures;
 - (d) ventilation improvement projects, including projects mentioned in clause 2(d);
 - (e) wind hardening installations, including reinforced roofing, impact resistant windows and doors and storm shutters.

Energy Efficiency Projects

2. The following energy efficiency projects may be eligible for the Program:
 - (a) air sealing, including caulking, weatherstripping, dock seals, air or vapour barriers and sealing around windows, doors, outlets, ceilings and similar leakage points;
 - (b) building automation systems, controls and thermostats, including direct digital controls, smart thermostats, economizer controls and demand-controlled ventilation;
 - (c) chillers, including cooling towers, pumps, controls, heat exchangers and variable-speed drives;
 - (d) energy and heat recovery systems, including drain-water heat recovery systems, energy recovery ventilators and heat recovery ventilators;

- (e) energy efficient windows and exterior doors, including replacement windows, overhead doors, frames, glazing, seals, flashing, hardware and weatherstripping;
- (f) heat pumps, including cold-climate air-source heat pumps and other high-efficiency heat pump systems;
- (g) high-efficiency furnaces and boilers, including condensing boilers and related controls, venting, circulation and system design components;
- (h) insulation upgrades for roofs, attics, exterior walls, foundations, headers, rim joists, exposed floors and other envelope assemblies;
- (i) LED (light-emitting diode) lighting fixtures and controls, including occupancy sensors, wiring and timers;
- (j) motors, pumps, fans and drives, including high-efficiency replacements and hydronic distribution, ventilation and other variable-load systems;
- (k) roof top units, including fans, economizers and adapters;
- (l) water heating systems, including pipe insulation, recirculation improvements and tankless water heaters.

Renewable Energy Projects

3. The following renewable energy projects may be eligible for the Program:

- (a) solar photovoltaic systems, including structural upgrades, system design and interconnection-related work;
- (b) solar thermal systems, including systems that generate heat for domestic hot water or space heating and integrating with existing building systems.

Water Conservation Projects

4. The following water efficiency projects may be eligible for the Program:

- (a) building automation systems that support water efficiency, including leak detection and shut off systems, irrigation controls, monitoring and alarms;

- (b) efficient irrigation and landscape management features, including smart irrigation controllers, drip irrigation, efficient nozzles and drought-tolerant planting;
- (c) low-flow fixtures, including toilets, urinals, faucets and showerheads;
- (d) replacement of once-through cooling systems with closed-loop cooling, air-cooled systems, recirculating chillers, heat exchangers, process cooling upgrades or other engineered alternatives.

Other Projects

5. The following other types of projects may be eligible for the Program:

- (a) asbestos, radon mold or other remediation work required to complete another eligible project;
- (b) battery storage systems, including systems paired with renewable generation;
- (c) level 2 electric vehicle charging station systems, including installation costs;
- (d) other incidental work required to complete another eligible project, such as structural work, electric work, roof repairs, drywalling, exterior siding or other health and safety work.