



DESIGN REPORT

Community Energy Loan Program (CELP) Design

March 2026



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1 Executive Summary

The Community Energy Loan Program (CELP) is a strategic initiative developed to advance energy and water efficiency, renewable energy integration, and climate resiliency upgrades for commercial and multi-unit residential buildings (MURBs) in Saskatoon. Targeting small and medium-sized businesses, non-profits, and affordable housing providers, CELP addresses the key barrier of upfront capital costs by offering accessible, low-interest, long-term loans. These loans are repaid through municipal property taxes, making the financing solution both low-risk and transferable.

CELP aims to achieve a measurable environmental impact by targeting the reduction of 1,563 tonnes of CO₂e emissions over three years, engaging approximately 22 commercial and multi-unit residential properties. The program prioritizes equitable access for building owners, especially those in underserved or economically constrained communities, and is structured to support green job creation. Beyond emissions reductions, the program enhances building resilience to extreme weather, improves occupant safety and comfort, and advances Saskatoon's climate adaptation efforts.

The Design Report builds on the 2023 Feasibility Study, using the base assumptions approved by City Council in 2024 as a starting point for the design, which were further refined through triple bottom line assessment, best practise research, public engagement, alignment with the Home Energy Loan Program (HELP), and subject matter expert review to finalize design recommendations.

The recommended design, detailed in Section 6, features transparent eligibility and participation requirements, a defined list of eligible retrofits, program administration elements, eligible costs, fees and loan terms, as well as energy performance standards and reporting requirements, performance thresholds and post-retrofit verification. Additional supports and resources will be available to help applicants overcome participation barriers, ensuring an inclusive approach. Tailored incentives are also planned for affordable housing providers and non-profits, delivering direct benefits to vulnerable tenants.

Furthermore, the report provides strategies for managing default risk—leveraging legislative tools such as the *Tax Enforcement Act*—while ensuring financial sustainability, supporting program uptake, and integrating CELP with other local initiatives like SaskPower's Commercial Energy Optimization Program. The design also emphasizes continuous monitoring and legislative compliance, ensuring that CELP remains adaptive and effective.

Ultimately, this comprehensive approach positions CELP to deliver on Saskatoon's sustainability, economic growth, and community well-being objectives, while providing lasting environmental, social, and economic benefits to building owners and residents across the city.

2. Introduction

The Community Energy Loan Program (CELP) aims to enable commercial and multi-unit residential building energy retrofits in Saskatoon. The program will encourage small and medium-sized businesses, non-profits, and multi-unit residential buildings, including affordable housing, to implement energy and water efficiency, renewable energy, and climate resiliency building upgrades. It will achieve this by offering accessible, low-interest, long-term loans that will be deferred and repaid through municipal property taxes, removing the barrier of upfront capital and providing a low-risk, transferable financing solution. Modelled after the city's successful Home Energy Loan Program (HELP), CELP is considered a commercial property assessed clean energy (C-PACE) financing program.

CELP's main objectives are to reduce greenhouse gas (GHG) emissions, lower energy costs for both tenants and property owners, enhance the comfort and safety of building occupants, improve building resilience to climate change, and stimulate the local economy by fostering green job creation. By facilitating energy efficiency and emissions reduction retrofits, CELP will not only support Saskatoon's environmental and climate action goals but will also deliver tangible benefits such as reduced utility expenses and increased property values. CELP aims to reduce 1,563 tonnes of CO₂e over the three-year program, targeting 22 commercial (small to medium sized businesses and non-profits) and multi-unit residential (including affordable housing) buildings in Saskatoon. CELP retrofits also improve resilience by facilitating building upgrades that reduce strain on municipal infrastructure and improve public safety during extreme weather events.

The CELP Design Report builds on the Industrial, Commercial, Institutional (ICI) and Multi-Unit Residential Building (MURB) Energy and Water Retrofit Program Feasibility Study (the "Feasibility Study"), providing design recommendations to finalize the program design. Equity was considered throughout the design, to help facilitate equitable access for building owners, including those in underserved or economically challenged communities through the delivery of meaningful environmental, social, and economic benefits to Saskatoon's diverse building sector through targeted retrofit initiatives.

To address the outstanding program design questions, the study sought to clarify several critical aspects:

- Eligibility: What are the requirements for participants and properties to ensure program success while minimizing risk to the City?
- Eligible Retrofit Measures: What is the definitive list of eligible retrofits?
- Terms: What loan terms will be established?
- Equity Considerations: How can equity be woven into both the program's design and its delivery? How will the benefits reach both property owners and renters?
- Financial Analysis: What are the final projections for program revenues, operating costs, and administrative fees?
- Program Integration: In what ways can CELP coordinate with other available incentive and capacity-building programs?
- Risk Mitigation: What strategies will be used to safeguard the City against potential risks?

To answer these questions and recommend a final design, the following steps were followed:

- The Feasibility Study was reviewed and the baseline assumptions approved by City Council (see section 2.2) were considered the starting point for the design;
- The Triple Bottom Line Assessment was revisited to identify further opportunities, benefits, and limitations;
- Best practice research was conducted, including further review of programs identified in the Feasibility Study, as well as additional programs from other jurisdictions;
- Additional engagement was conducted;

- Design parameters were analysed using the results of the best practise review, local context, alignment with HELP, and TBL assessment to finalize the recommendations.

2.1 Project Background and Summary of Feasibility Study

Completed in 2023, the Feasibility Study assessed the technical, financial, and operational viability of an energy efficiency program for Saskatoon's ICI and MURB sectors to reduce emissions from the building sector and achieve the City's net-zero by 2050 GHG reduction target. It confirmed the need to accelerate building efficiency and recommended a C-PACE program to support commercial and MURB property owners, complementing Saskatoon's Home Energy Loan Program (HELP) and providing education and capacity building tools such as a Benchmarking, Labelling and Disclosure (BLD) program to support participants in making informed decisions regarding building energy efficiency.

Engagement, a national municipal best practice scan, Triple Bottom Line (TBL) Improvement Review, and program component analyses were conducted during the completion of the Feasibility Study to develop and compare the various program options.

The Feasibility Study identified several key findings:

- Barriers to performing building retrofits include high upfront costs, limited access to capital, low understanding and awareness, limited knowledge on where to start and lack of supportive programs.
- Stakeholders emphasized the importance of rebates, loans, and the need for education/capacity building tools such as a BLD program.
- Environmental, economic, and social benefits, including cost savings, GHG reductions, improved occupant comfort, and local job creation, especially if equity is embedded and prioritized in the program design.

For details, see [Feasibility Study – Industrial, Commercial, Institutional and Multi-Unit Residential Building Energy and Water Retrofit Program In Saskatoon](#).

2.2 CELP Baseline Assumptions

After completion of the Feasibility Study, City Council evaluated potential program options, approving a total of \$25M for the expansion of HELP and the development of a C-PACE program (see the [Community Energy Loan Program Report](#)) on March 27, 2024. A total of \$16.4 million was approved for CELP and \$8.6M for HELP, estimating that 16 commercial / non-profit buildings and 6 MURBs / affordable housing properties would participate.

On June 26, 2024, City Council approved further design considerations and implementation (see [Community Energy Loan Program - Additional Program Options Report](#)) which are listed in Table 1. HELP 2.0 officially launched on November 1, 2025. The report also serves to confirm the key assumptions listed below.

Table 1 – Balanced Funding Split Base Assumption for CELP

Assumption / Element	Description
Total Loan Capital	\$25 million overall; \$16.6 million allocated for commercial and MURB sectors and \$8.4 for HELP.
Building Sector Funding Caps	Funding capped for each sector; this will be monitored and may be redistributed if uptake is low in any sector
Borrowing & Lending Costs	Equalised (cost of borrowing capital matches cost of lending)
Target Participants	Loans for approximately six MURB (including two affordable housing units) and sixteen owners of small to medium-sized commercial or non-profit businesses
Program Administration	Administered by the City of Saskatoon
Key Beneficiaries	MURBs, affordable housing, small/medium businesses, and non-profits
Financial Model	Program designed to break even; operational costs included in total capital and repaid via administration fee (1.6% of loan) or external grants

Incremental Capital Cost (ICC)	\$240/m ² eligible for energy retrofit measures beyond standard building upgrades
Estimated Building Size	Average 6,000 m ² per target building
Maximum Eligible Loan Amount	Up to \$1.5 million per building (based on average ICC and building size)
Loan Terms	Up to 20-year fixed terms
Emission Reduction	20% average energy reduction per building was assumed; average emissions MURBs: 68 kgCO ₂ e/m ² , Commercial: 129 kgCO ₂ e/m ²
Equity Considerations	The program would aim to improve equity wherever possible. Considerations that would be considered during final program design, if applicable, include: • Income caps; • Tenant displacement and split incentive considerations; • Easy access to debt with no credit checks; • Waived administration fees, rebates and free items.

To enhance the program's reach and impact, administration was also directed by City Council to apply for a \$500,000 grant through the Federation of Canadian Municipalities (FCM) Green Municipal Fund (GMF) Net-Zero Transformation Pilot Program. This additional funding will enable additional staff capacity to administer the program and allow for enhancements to the in-house developed applicant portal and software solution to support the efficient administration of the program.

3. Triple Bottom Line Benefits and Opportunities

The Feasibility Study included a Triple Bottom Line (TBL) assessment based on *Council Policy C08-001 - Triple Bottom Line*, which identified various benefits and opportunities for an energy efficiency program targeting the ICI building sector. After City Council approved funding and additional design considerations for CELP, a subsequent review was conducted. The Project Team collaborated with Planning and Development experts on this review to help inform ongoing decisions. More details about the benefits and opportunities are available in the full TBL review in Annex A.

Overall, the TBL review identified that CELP will deliver multiple sustainability benefits across environmental, social, and economic domains. Key benefits include energy conservation and reduced GHG emissions, utility savings, equity for vulnerable groups, affordability, and job creation. The report also identifies several opportunities for program design, such as expanding eligible projects and eligibility requirements relevant to the commercial and MURB sectors, improving contractor guidance, and strengthening partnerships with Indigenous and non-profit organizations.

3.1 Environmental

- **Water:** Encourages water conservation through audits and interventions; inclusion of rainwater capture and intelligent irrigation systems is possible.
- **Energy & GHGs:** Facilitates energy conservation, renewable energy installations, and deep retrofits in commercial buildings, aiming at substantial reductions in GHG emissions (1,563 tonnes). 20% average energy reduction per building was assumed; average emissions MURBs: 68 kgCO₂e/m², Commercial: 129 kgCO₂e/m².
- **Pollutants:** Supports safe remediation efforts, such as the removal of asbestos and radon.
- **Ecosystems:** Direct impact is minimal; however, options like green roofs and enhanced insulation can improve indoor comfort and reduce external disturbances.
- **Sustainable Development:** Emphasises retrofits and weatherproofing, indirectly bolstering climate adaptation and facility density.
- **Program Design Considerations:** Recommendations include mandates regarding construction waste management and organics, inclusion of water conservation measures, electric vehicle charging infrastructure, and safety/climate adaptation measures.

3.2 Social

- Equity & REDI Principles: Equity is central, particularly with an emphasis on multi-unit residential buildings (MURBs) to support renters and tenants. Accessibility is prioritised for groups facing barriers to loan access.
- Access & Participation: Designed to facilitate broad engagement, considering cost factors and partnerships related to affordable housing. Diversifying contractor pools and targeted outreach efforts are advised.
- Impacts & Benefits: Focuses on affordable housing and non-profits, intending to pass savings to tenants and prevent renovictions. Accommodates flexibility for non-profits confronting rising costs.
- Representation & Reconciliation: Ongoing engagement with Indigenous and non-profit partners ensures representation.
- Dignity & Safety: Building retrofits enhance safety, well-being, and employment prospects.
- miyo-pimâtisiwin (The Good Life): Upgrades contribute to greater comfort, improved air quality, and increased resilience.
- Program Design Considerations: Recommendations include prioritising affordable housing, non-profits and cultural spaces, preventing tenant displacement and ensuring rent oversight, streamlining administration through software and integration with other programs, and to consider additional opportunities to engage renters and tenants.

3.3 Economic

- Local Economy: PACE programming supports builders, energy advisors, and contractors through diverse partnerships (including BIDs and CHBA).
- Skills & Training: Addresses existing knowledge gaps for building owners and operators, and promotes specialised training for energy auditors, solar installers, and trades professionals.
- Labour & Work: Upgraded commercial buildings result in improved work environments and stimulate job creation.
- Affordability: Lower utility costs offer tangible benefits to tenants and businesses, while loans are structured at more favourable rates to reinforce affordability.
- Financial Resourcing: Internal borrowing for PACE has been approved, enabling upgrades that mitigate long-term operational costs.
- Asset Management: Efficient management practices extend the lifecycle of building assets.
- Program Design Considerations: Recommendations include considering an energy efficiency certification program, enhancing contractor competencies and landlord awareness, integration program with Affordable Housing initiatives and other third-party programs, and consider business case for asset renewal management as an eligibility requirement.

4. Best Practice Review

To guide CELP design recommendations, best practice research included online searches and literature reviews of C-PACE and federal loan programs for commercial and MURB efficiency improvements.

4.1 C-PACE Programs

The best practice review examined fifteen established C-PACE programs in the United States (U.S.), along with four municipally led programs in Canada. Desk research was primarily used to identify and compare the U.S. programs. Much of the Canadian program information was gathered through direct interviews with program administrators who participated in the national municipal best-practice study conducted for the Feasibility Study. Because C-PACE programs are still relatively new in Canada, there are currently few domestic examples available for comparison.

The findings from these programs are intended to support practical, inclusive recommendations for designing CELP in Saskatoon. The key findings have been categorized under the following program component sections:

- Program Administration;
- Eligibility Requirements; Eligible Measures;
- Financing Structures & Terms;
- Program Fees;
- Energy Performance Standards;
- Post-Retrofit Verification;
- Project Timelines;
- Equity Considerations; and
- Risk Management Strategies.

For more information on each program reviewed, with specific examples, see Annex B - Comprehensive Review of C-PACE Programs in Canada and the United States, Including an Assessment of National Initiatives Supporting New Construction.

4.1.1 Administration

Program administration varies depending on the specific C-PACE initiative, with oversight managed by municipalities, third-party non-profit organizations, dedicated authorities, or a blended approach.

4.1.2 Eligibility Requirements

Strict eligibility standards are key to C-PACE programs. These usually fall into property-related and participant-specific categories, with most programs sharing at least a few of the following criteria:

- Property Criteria
 - Eligible property types typically include:
 - Commercial buildings
 - Industrial facilities
 - Multi-unit residential buildings (five or more units)
 - Agricultural properties
 - Nonprofit organizations
 - Some programs also allow new construction, government-owned buildings and condominiums
 - New buildings
 - Property must be an existing building located within the city limits.
 - Properties are often required to hold a valid occupancy permit for at least one year.
 - Property must have no unresolved liens, judgments, ownership disputes or foreclosure.
 - Commercial general liability insurance (typically \$2M+) and property insurance is commonly required.
 - Assessment or appraisals as financing is often capped at 20–35% of the property value.
 - Current on all property taxes (up to 5 years).
- Participant Criteria:
 - Applicants must be the legal owner of the property.
 - Must be current on all property related debts and liens. Some programs may require a formal statement regarding any property-secured debt.
 - Must not be in active bankruptcy proceedings.
 - Written consent from the mortgage lender is required.
 - Some programs require a minimum ownership period (up to 5 years).

4.1.3 Eligible Measures

C-PACE programs support a broad array of eligible measures that enhance building performance, drive energy savings, and improve property resilience. While energy and renewable energy retrofits are most common,

many programs also include water efficiency and resiliency upgrades. Below is an overview of typical eligible measures:

- Energy Efficiency:
 - HVAC upgrades (heat pumps, high-efficiency furnaces, high-efficiency boilers, chillers, and air handling units)
 - Insulation and building envelope improvements (insulation (walls, roofs, floors, foundations), window and door replacements, air sealing, and exterior wall cladding)
 - LED lighting and controls (occupancy sensors, daylight harvesting)
 - Motors and drives (variable frequency drives on motors, pumps, and fans)
 - Water heating systems (high-efficiency water heaters, tankless systems, and fuel switching)
 - Building/energy management systems
 - Energy Recovery Systems (heat recovery ventilators (HRVs), energy recovery ventilators (ERVs))
- Renewable Energy:
 - Solar PV systems
 - Solar thermal systems
 - Wind energy systems
 - Geothermal systems
 - Energy storage systems
- Water Efficiency:
 - Low-flow fixtures (toilets, urinals, faucets, showerheads)
 - Efficient irrigation and landscape management
 - Building automation systems
 - Although less common, some programs also allow water recycling and re-use and commercial kitchen and laundry equipment efficiency upgrades
- Resiliency:
 - Seismic retrofits (earthquake safety)
 - Wind and hurricane hardening
 - Flood mitigation (elevating systems, sump pumps, waterproofing)
 - Stormwater management (Green roofs and permeable pavement)
 - Fire safety upgrades (fire-resistant cladding, suppression systems)
 - Backup power (generators, battery storage, microgrids)
 - Emergency lighting, signage, and communication systems
- Other:
 - EV charging stations
 - Safety (asbestos, radon, and mould remediation)

4.1.4 *Financing Structures and Terms*

Financial structures and terms differ across programs and often include:

- Loan Amounts: Loan amounts differ substantially across programs. Minimum loan thresholds generally range from \$3,000 to \$50,000, with a few programs specifying that the minimum loan amount of \$10,000. Maximum loan amounts are frequently linked to the appraised property value, supporting projects from modest upgrades to multi-million-dollar retrofits (Clark County C-PACE offers up to \$50M).
- Loan-to-Value (LTV): Most programs use an LTV ratio to determine responsible lending limits and help safeguard against defaults. Generally, LTV caps fall between 20% and 35% of the property's value.
- Terms: Financing terms are typically aligned with the effective useful life (EUL) of the improvements, maximums are commonly set between 20- and 30-years ensuring loan payments are manageable and proportionate to the expected lifespan and cost savings of the upgrades.

- **Interest Rates:** Interest rates are most often fixed, providing certainty for borrowers over the loan term. Some programs, however, offer variable rates, which are set by capital providers and may fluctuate with market conditions.

4.1.5 Program Fees

Fee structures in C-PACE differ considerably, encompassing a range of charges such as application, administration, servicing, and closing fees. These fees are usually set either as percentages of the total financing or loan amounts, with each program stipulating its own minimums and maximum caps to ensure predictability for participants.

- **Application Fees:** Typically fall between \$150 and \$2,000, representing the initial cost for project submission and review.
- **Administration Fees:** Most programs set administration fees between 1% and 3% of the loan amount. Many also impose a maximum limit to prevent excessive charges (for example, Atlanta C-PACE caps at \$100,000, while Colorado C-PACE sets a \$75,000 maximum).
- **Annual Servicing Fees:** These recurring charges range from \$250 to \$1,500 per year, with some programs using minimums or basis point rates to structure ongoing administrative costs.
- **Closing Fees:** Charged by some programs at the time of loan finalization, closing fees are generally around 1% of the total financing.

Notably, certain programs such as Toronto's Energy Retrofits program, help reduce overall participant expenses by waiving administration fees altogether. This approach can make energy efficiency investments more accessible and attractive to property owners.

A summary table in Annex B illustrates the considerable variability in fee structures across jurisdictions. This diversity reflects the distinct funding models and administrative practices employed by each program, allowing for tailored approaches that suit local priorities and market needs.

4.1.6 Energy Performance Standards

Performance and verification requirements are central to ensuring that energy efficiency and resiliency upgrades deliver the intended benefits. While specific criteria differ across C-PACE and related programs, several common elements help maintain program integrity and effectiveness:

- **Energy Audits:** Most C-PACE programs require ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers) Level I or II energy audits to assess project eligibility and identify recommended measures; some allow business cases instead of audits.
- **Feasibility Studies:** For renewable energy (except Solar PV installations) and resiliency upgrades, feasibility studies are typically mandated.
- **Minimum Energy Savings:** To qualify for incentives or grants, a couple programs set minimum thresholds for energy reduction ranging between 15% and 20%.
- **Minimum Number of Retrofits:** Certain programs specify a minimum number of upgrade measures.
- **Energy Code Compliance:** New construction projects must meet or exceed the relevant local energy code standards to participate in many programs.
- **Savings-to-Investment Ratio (SIR):** Most program require projects to achieve an SIR of at least 1, confirming that projected savings will meet or surpass the investment over the project's life.

4.1.7 Post-Retrofit Verification

After project completion, programs generally require comprehensive documentation to confirm project completion and measure results. Common verification methods include:

- **Submission of Energy Data and Savings Reports, such as:**
 - Annual or periodic submission of energy performance data (1 year or more) to verify actual savings compared to projections

- Post-project memos or completion reports confirming energy savings and GHG emissions reductions, typically prepared by the same qualified contractor who performed the initial audit.
- Measurement & Verification (M&V) reporting for several years after project completion.
- Completion Certificates and Installation Verification, which may include:
 - Completion Certificate: Typically signed by the property owner and contractor, confirming that all work funded by the program is installed and substantially complete
 - Commissioning Reports: Typically developed by the contractor or a qualified professional to ensure systems perform according to design intent
 - Itemized invoices and photographic evidence of installed upgrades
- Some programs state that they hold the right to complete a site inspection. Inspections vary by program and are often conducted by a contractor, licensed professional, energy auditor, program agent, or other qualified professional
- These may be mandatory or may be as required and are typically conducted within five years after completion to verify installation and performance
- Agreement to participate in post project completion surveys, studies, audits, or evaluations
- Benchmarking and Utility Data Sharing for up to 5 years post retrofit and a year pre-retrofit.

4.1.8 Project Timelines

Detailed information on project timelines was not always available in program documentation. However, common practices across many C-PACE and energy efficiency programs include:

- Pre-Deferral Agreement Period: Programs often allocate approximately 3 to 4 months for applicants to gather and submit all necessary pre-qualification documents. This period is intended to help property owners complete required energy audits, feasibility studies, and any initial paperwork needed for program participation.
- Upgrade Completion Window: Once approved, programs generally require that energy efficiency or resiliency upgrades be completed within a timeframe ranging from 6 to 24 months. Many set a standard 12-month deadline, with the option to request extensions if justified by project complexity or extenuating circumstances.

4.1.9 Equity & Tenant Considerations

When designing and implementing energy efficiency and resiliency programs, it is important to address the needs of tenants and promote equitable outcomes. Although many programs don't explicitly address equity considerations, common measures include:

- Tenant Notifications: Several programs require that tenants be notified of upcoming upgrades or changes to the building. This transparency ensures tenants are aware of potential impacts to their living or working environment and can plan accordingly.
- Triple-net lease Agreements: In many of the U.S. programs, the challenge of split incentives is addressed by allowing costs to be passed through to tenants under triple-net lease (NNN) agreement, which allows the costs of the deferred amount secured by a lien to be passed on to the tenant, helping to align benefits and costs between building owners and occupants to incentivise landlords.
- Accessibility: To foster inclusivity, a few programs identified offering multi-language resources and providing alternative application methods ensuring that all participants, regardless of language or ability, can access program details, seek assistance, and participate fully.

4.1.10 Risk Mitigation Strategies

The following strategies are commonly incorporated into C-PACE programs to enhance program reliability and safeguard City and participant interests:

- Lien Placement: PACE programs secure loans for property improvements by placing a lien on the property. Usually, a municipal lien is given first priority, which ensures that repayment is linked to the

property rather than the individual owner. This approach offers security to lenders and helps maintain the consistency of the program.

- **Underwriting Criteria:** Many programs reviewed also implement strict eligibility requirements, such as verifying occupancy permits, confirming adequate insurance coverage, obtaining mortgage lender consent, and ensuring that properties are free from foreclosure or bankruptcy.
- **Energy Performance Criteria:** All programs mandate some form of energy performance criteria, which may include energy audits and models, project proposals or business cases, feasibility studies, or minimum percent energy reduction to ensure that projects are viable and achieve anticipated savings.
- **Project Monitoring & Verification (M&V):** Most programs require post retrofit M&V through tools such as BLD programs, post-retrofit verification reports, physical inspections, and/or photo documentation.
- **Incentive Stacking:** All programs allow C-PACE financing to be combined with other financial incentives and rebates to reduce overall project costs, lower financial exposure, and enhance the economic sustainability of upgrades.

4.2 Canadian Federal Programs

A comprehensive review was undertaken of Canadian federally run programs supporting building retrofit initiatives focused on enhancing energy efficiency and decarbonization within commercial and multi-unit residential buildings. While a range of programs exists, most are directed toward municipalities, rural and remote communities, Indigenous communities, new construction projects, or large-scale capital ventures, and thus do not align with the intended audience and scope of a municipal C-PACE program. However, both the Canada Mortgage and Housing Corporation's (CMHC) Canada Greener Affordable Housing Program (CGAH) and the Canada Infrastructure Bank's (CIB) Building Retrofit Initiative (BRI) are notable federal examples that parallel the target group for a municipal C-PACE program. Consistent with Section 6.1, the following analysis outlines the eligibility criteria, applicable measures, performance expectations, risk mitigation measures, and limitations associated with these two federal initiatives.

Although different from the C-PACE programs, certain eligibility criteria remain consistent and help justify the proposed design element for CELP. All retrofit programs are consistent with strict eligibility requirements, eligible measures, energy performance requirements, robust risk management strategies, post retrofit monitoring and verification and support affordable and priority populations with a specific focus on tenant protections.

4.2.1 [Canada Mortgage and Housing Corporation's Canada Greener Affordable Housing Program](#)¹

Administered by CMHC under the National Housing Strategy, this program supports deep energy retrofits in multi-unit affordable housing through pre-retrofit and retrofit funding in the form of forgivable and low-interest loans.

Eligibility Requirements

- Community housing providers, public housing agencies, rental co-operatives, Indigenous governments and organizations, and municipal/provincial/territorial governments.
- Must meet municipal, provincial, territorial, Indigenous, or CMHC affordability standards (e.g., rent-g geared-to-income, low/moderate income thresholds).
- Eligible property types include mixed income rental or mixed-use with affordable rental housing, community housing, affordable rental housing, Indigenous community housing and cultural spaces, shelters, transitional and supportive housing, and single-room occupancy.
- Projects must be primarily residential, with at least 5 units or beds that serve low- and moderate-income households and those in greatest need. Non-residential space must be equal to or less than 30% of total floor area.

¹ The Canada Mortgage and Housing Corporation's (CMHC) Canada Greener Affordable Housing Program (2025). Retrieved from [Pre-retrofit Funding for residential buildings | CMHC](#)

- Buildings must be at least 20 years old (10 years for low-rise) with some flexibility for Indigenous or remote projects.
- Must provide audited financial statements (3+ years) for the applicant(s) and for each Guarantor(s), if applicable.
- Must provide operating statements (3+ years)

Eligible measures are very similar to the C-PACE programs reviewed and include:

- Building envelope upgrades (insulation, air sealing)
- High-efficiency heating, cooling, and hot water systems
- Renewable energy installations (solar, heat pumps)
- Climate resiliency improvements
- Repairs and maintenance enabling retrofit measures.

Financing Structures, Terms and Program Fees

- Pre-Retrofit Funding: Each project can receive up to \$130,000 for preparatory activities such as energy audits, energy modeling studies, building condition assessments, and engineering reports. This funding stream is now fully subscribed.
- Retrofit Funding: The program covers up to 100% of eligible retrofit expenses, with a maximum of \$170,000 per unit through a combination of forgivable and low-interest loans.
 - 10-Year Forgivable Loan: Borrowers may access up to \$85,000 per unit or 80% of qualified costs.
 - Repayable Loan: Any remaining eligible amount, up to \$170,000, can be financed over the property's remaining economic life (up to 40 years). The interest rate is fixed for each 10-year period and renewable at the end of each term. Repayment is not permitted during any 10-year term. Payments are limited to interest until the retrofit work concludes; then principal and interest payments begin.
- Application Fees: There are no fees for program applications. Expenses are incurred only for required professional reports and carrying out the project.

Energy Performance

- Projects must achieve a deep energy retrofit (70% energy and 80% GHG reduction).
- Must submit a scope of work with cost estimates and timelines
- Must complete an Energy Audit (ASHRAE Level 3 or equivalent)
- Must complete an Energy Modelling Study (ASHRAE 140-compliant software)
- Must complete a Building Condition Assessment (BCA) report
- Complete an Environmental Site Assessment (ESA), if applicable
- A signed attestation must be provided as a cover letter to the energy audit results and energy modelling report, signed by the energy professional, that summarizes outcomes and accuracy.

Verification

- Project pictures
- Long-term energy performance must be benchmarked ESPM throughout the initial 10-year loan term.

Equity Considerations

- The program is designed to serve low- and moderate-income households, including Indigenous communities and other priority populations.
- Streamlined requirements and dedicated support for Indigenous governments and organizations.
- Program is designed to ensure tenants and low-income households do not bear upfront retrofit costs.

Unlike C-PACE programs, risk management strategies primarily focus on strict underwriting, financial checks land security documentation (allowing CMHC legal claims through various mortgage types or guarantees), and performance protocols instead of priority liens.

4.2.2 [Canada Infrastructure Bank's Building Retrofit Initiative](#)²

CIB's BRI provides financing to accelerate the decarbonization of Canada's building sector through deep energy retrofits. The program targets both public sector (all levels of government, Indigenous communities, schools, hospitals, universities) and private sector (commercial, industrial, and multi-unit residential buildings, including REITs (Real Estate Investment Trust) and corporations).

CIB offers two types of funding streams that are typically secured against the property:

- Direct CIB investments: Typically for projects over \$50M. This stream is ideal for large-scale retrofits or portfolio-wide upgrades.
 - Long-term loans (10–20 years)
 - Below-market interest rates
 - Flexible repayment structures tied to energy savings
- Projects under \$50M: Usually financed through aggregators or financial institution partnerships (e.g., SOFIAC, BMO, Scotiabank). This stream is ideal for small and medium-sized buildings.
 - Projects must achieve at least a 30% GHG emissions reduction and comply with Investor Ready Energy Efficiency (IREE) or Zero Carbon Building (ZCB) standards.
 - Competitive rates through partner banks
 - Streamlined application process
 - SOFIAC assumes 100% financial and technical risk and has a minimum project cost of \$3M (bundling allowed).
- Each project is subject to comprehensive technical and financial due diligence.

Eligible Measures

- Building envelope improvements (insulation, windows, doors).
- HVAC system upgrades
- Lighting and electrical enhancements
- Fuel switching and automation
- EV charging infrastructure

Energy Performance

- Applicants must provide current energy consumption data and associated GHG emissions for the buildings
- Applicants must provide annual costs for electricity, gas, steam, etc.
- Feasibility assessment/report
- Business plan/proposal required including cost and savings analysis
- Minimum 30% emissions reduction for all projects
- Higher reductions (≥50%) may qualify for enhanced financing terms
- Must indicate if they have an existing retrofit strategy or plan

Verification

- Measurement and verification plan required
- Independent third-party validation and post-retrofit verification required to confirm GHG reduction targets.
- Certification under recognized standards (IREE, ZCB) for partnered financing streams

Timelines

- No fixed application deadline, however, projects must demonstrate readiness and ability to complete retrofits within financing terms.

Equity Considerations

² Canda Infrastructure Bank's (CIB) Building Retrofit Initiative (BRI). Retrieved from [Building Retrofits Initiative | Canada Infrastructure Bank \(CIB\)](#)

- Priority given to affordable housing retrofits and projects benefiting Indigenous communities
- Program is designed to reduce the need for upfront capital.

5. Engagement Results

5.1 Summary of Engagement Completed

Engagement was carried out in two distinct phases, completed in 2023 and 2026 respectively. Phase 1 involved both in-person and virtual consultations with key stakeholders, as well as two online surveys—one targeting subject matter experts and another directed at impacted participants.

Phase 2 comprised of further consultations with key stakeholders, alongside the implementation of a "Close the Loop" survey. Design recommendations, developed through a best practice review, were presented to identify any potential concerns or opportunities associated with the proposed program design. More detailed engagement information and results are provided in Annex C – CELP Engagement Report.

Through stakeholder meetings and surveys, we received feedback from 51 participants on numerous aspects of the program, including:

- What is your interest/plans for building retrofits?
- What are your anticipated financing needs?
- Do you agree with the proposed program eligibility requirements?
- How can the program support equitable and affordable retrofits, as well as positive landlord-tenant relationships?

Overall, participants of the engagement process provided positive feedback about the program design recommendations and were largely in agreement on most program components. The feedback received was used to adjust the final program design.

5.2 Engagement Results

Through the engagement process we heard:

- That the overall interest in CELP is strong, with a majority of participants indicating they are likely to apply under the proposed program design. Interest is primarily driven by the ability to finance upgrades in a way that makes projects feasible for building owners, particularly where costs, payback, and return on investment are clear and compelling. Participants emphasized that uptake will depend on CELP remaining competitive with other financing options, especially given the long payback periods associated with deeper retrofits.
- Participants showed a clear preference for lower-hassle, high-impact efficiency measures—such as LED lighting and HVAC upgrades—as initial retrofit choices, with solar PV emerging as the most popular renewable option.
- Most anticipated needing relatively small loan amounts (under \$250,000), and the proposed one-time administration fee was generally not viewed as a barrier.
- Eligibility requirements and timelines were broadly seen as reasonable.
- Participants expressed strong intent to collaborate with tenants during retrofits and broadly supported sharing benefits such as energy savings and improved affordability. Education and capacity-building were seen as critical to improving outcomes and influencing tenant behaviour.

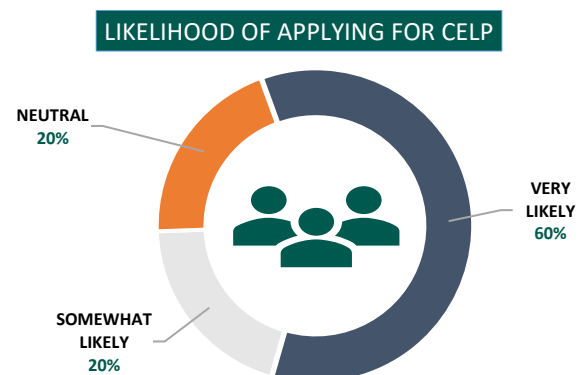


Figure 1 - Likelihood of applying for HELP

- Respondents also emphasized that stable and supportive incentive structures are critical to driving energy efficiency and renewable energy investments; several raised concerns that recent changes to net metering (e.g., no longer being 1:1 net metering ratio) undermine the business case for solar and can discourage efficiency upgrades that often precede renewable installations.

Across all themes, participants reinforced that CELP's success will depend on flexibility, alignment with existing incentives and policies, and strong collaboration with internal City teams and external partners, with particular attention to the needs of non-profits facing capital and capacity constraints.

5.3 Consideration of Results

While overall interest in CELP was strong, expressed intent to participate does not guarantee uptake. Actual participation will depend on final program terms, ease of implementation, competitiveness relative to market options, and alignment with other incentives. In particular, deeper retrofits may remain challenging without continued attention to financial feasibility and risk mitigation.

Feedback highlighted the diversity of building types, ownership structures, and organizational capacities within the target market. As a result, a one-size-fits-all approach may limit program effectiveness. Flexibility, adaptability, and ongoing monitoring will be important to ensure CELP remains responsive to market needs and equity considerations, especially for non-profit and affordable housing providers.

Participants stressed that the program's interest rate, including the effective cost of administration fees, must be lower than other financing options currently available to landlords; competitive pricing is essential for participation, particularly given the long payback periods often associated with deep energy retrofits.

While responses indicated their intent to collaborate with tenants; further support, monitoring, and education will be needed to minimize tenant disruptions during the retrofit process.

Finally, participants emphasized that CELP should be viewed as part of a broader ecosystem of policies, incentives, and partnerships. Program outcomes will be influenced not only by CELP's design, but also by coordination with internal City initiatives, external funding programs, and market readiness. Ongoing evaluation and iterative refinement will be important to support continuous improvement and long-term impact.

6. Program Design Recommendations

The recommended program design elements are supported by established best practices and stakeholder preference. Table 2 outlines the proposed design elements which build on the base assumptions previously approved by City Council (see Table 1 in Section 4 of this report). Additional information regarding each design element, along with the justification for each recommendation, is provided in the succeeding sections.

Table 2 – Recommended Program Design

Category	Recommendation
6.1 Program Administration	• Administration by the City of Saskatoon in conjunction with HELP. • Collaboration with other local program administrators to promote and enable the stacking of various programs and incentives. • Deferral agreements signed by GM of Utilities & Environment, Director of Sustainability, or Manager Climate, Data and Strategy.
6.2 Eligibility Requirements	Eligible Property Types • Eligible properties will include any existing commercial, institutional, or multi-unit residential property of up to 10,000m² with priority given to: ○ Small to medium sized buildings (3,000m²) ○ Non-profits ○ Affordable housing providers • Condominiums may be eligible with approval from condo boards/associations.

	• New construction is ineligible Property Criteria • Property must be an existing building within Saskatoon city limits • Must have no outstanding building orders related to life safety and no unresolved permit or enforcement matters that could impact the code compliance of the proposed upgrades. • Must hold liability insurance (\$2M minimum) and property insurance • No unresolved liens, judgments, ownership disputes or foreclosure • Have an active property tax account and be current on all property taxes (past 3 yrs + current) Participant Criteria • Must be legal property owner or authorized representative • Ownership entity must be in good standing with Saskatchewan corporate registry • Minimum ownership period of 3 years • Must be current on property-secured debt (mortgages, liens, etc.) and may be required to submit a letter from their financial institution • No active bankruptcy proceedings • Must obtain written consent from all mortgage lenders
6.3 Eligible Measures	Energy Efficiency • HVAC upgrades (heat pumps, high-efficiency furnaces/boilers, chillers, air handling units) • Insulation and building envelope improvements (walls, roofs, window/door replacements, air sealing, exterior wall cladding) • LED lighting fixtures and controls (including occupancy sensors, daylight harvesting) • Motors and drives (variable frequency drives for motors, pumps, and fans) • Water heating systems (high-efficiency and tankless water heaters, fuel switching) • Building and energy management systems • Energy recovery systems (heat and energy recovery ventilators—HRVs/ERVs) Renewable Energy • Solar PV systems (including structural upgrade requirements) • Solar thermal systems (water heater, etc.) Water Efficiency • Low-flow fixtures (toilets, urinals, faucets, showerheads) • Efficient irrigation and landscape management • Replacement of once through cooling systems • Building automation systems Resiliency • Many energy efficiency measures listed above also contribute to building resiliency (heat pumps, HRV/ERV, insulation, air sealing, etc.) • Wind hardening (reinforced roofing, impact resistant windows and doors, storm shutters) • Ventilation (air quality measures) • Cooling (reflective or low albedo roofing, shading, landscaping, shutters, awnings) • Flood mitigation (sump pumps, waterproofing, landscaping and grading measures, elevating and flood-proofing critical equipment/server rooms/electrical equipment) • Stormwater management (green roofs, onsite water management) • Backup power (battery storage) Other • EV charging stations • Safety (asbestos, radon, argon, and mould remediation) • Incidentals required for upgrade: Electrical, roof repairs, etc.

6.4 Financing Structure & Terms	Loan Capital Maximum loan amount of up to \$1.5 million per building (based on average ICC (\$240/m²) and average building size (6000m²) • Loan-to-Value (LTV): LTV ≤20%. Used to help decide how much money can be loaned to a participant to lower the risk of default • Minimum Loan Amount: \$10,000 Eligible Costs • Up to 100% of equipment and labour costs, which may include professional services and/or incidental costs, if applicable • The City will pay contractors directly for deposits (up to 50%), installments payments and final payments. If participants choose to pay contractor costs upfront, they may be eligible for reimbursement upon project completion Terms • Terms: 5-, 10-, 15- or 20-year terms • Effective Useful Life (EUL): The EUL of upgrades will be used to determine appropriate repayment terms, up to a maximum of 20 years • Repayment: Through property tax bill as a deferred amount secured by a lien. If an offence is committed, the general fine amounts set out in <i>the City's General Penalty & Enforcement Bylaw</i> will be adopted. • Transferability: The deferred amount may stay with the property upon sale reducing the risk of not achieving a return on investment Interest Rates • Equalised (cost of borrowing capital matches cost of lending), fixed for the term of the loan • Interest rates updated annually
6.5 Program Fees	Administration Fee • Standard properties will pay a one-time, upfront flat administration fee of \$750 for loan amounts up to \$40,000, plus 1.6% on any portion exceeding \$40,000 • For non-profit organizations and affordable housing providers, the administration fee will be waived for loan amounts below \$40,000 and reduced to 1% for any portion above \$40,000
6.6 Energy Performance Standards	• Energy Audit/Modelling: ASHRAE Level II or equivalent must be performed and a report submitted. Other levels may be considered eligible for simple projects as approved by the program coordinator (lighting, low-flow fixtures, solar PV) ◦ Energy Assessment Attestation: Will be required for virtual audits • Feasibility Study: Will be required for renewable energy (not solar PV) and resiliency projects • Business Case/Proposal: Must be submitted and will be required to include scope, proposed costs/savings, SIR, project timeline, quotes and specs (same as HELP) ◦ Savings-to-Investment Ratio (SIR): SIR ≥1 will be used to ensure cost-effectiveness and to ensure that the project pays for itself over the lifetime through energy savings • Performance Threshold: Achieve a 20% energy reduction per building, either through one or more eligible measures based on energy modeling. Retrofits and equipment must meet program technical requirements and can be completed in phases. • Technical Requirements: Retrofits/equipment must meet technical requirements such as codes, standards, and performance benchmarks (e.g., NECB, ENERGY STAR)
6.7 Post-Retrofit Verification	• Building Permits: Must be open and closed and completion certificates submitted (same as HELP) • Completion Certificates and Installation Verification ◦ Final completion certificate ◦ Itemized invoices and photographic documentation of completed upgrades

	○ Onsite- visit, if required. • Benchmarking and Utility Data Sharing: Annual reporting and energy disclosure for previous year and up to 5 years (participation in Saskatoon's BLD program) • Participation in surveys, follow-up activities, as required
6.8 Project Timelines	• Pre-Approval: Four months to get all pre-qualification documentation submitted and agreement signed (same as HELP) • Completion: Twelve months to complete project with possible extension (same as HELP)
6.9 Equity Considerations	• Accessibility: Ensure program application, materials and website are accessible and multi-lingual as applicable • Affordability: Develop inclusive eligibility requirements for affordable housing providers and non-profits to promote equity and accessibility • Tenant Considerations: Property owners are encouraged to communicate proactively with tenants, collaborate effectively, and provide them with energy efficiency educational resources, such as the City of Saskatoon's Affordable Housing Sustainability Guidebook • Rent Increases: Affordable housing providers that also plan to participate in the City's Rental Repair Renovation Grant will be required to comply with the <i>Housing Incentive Agreement</i>, which prohibits rental rate increases without the City's prior written consent³
6.10 Contractor Requirements	• Use and enhance the HELP pre-approved contractor list. Participants will not be obligated to select a contractor from this list, but all work must be completed by a qualified contractor.

6.1 Program Administrator

Recommendation: Administration by the City of Saskatoon in conjunction with HELP. Collaboration with other local program administrators to promote and enable the stacking of various programs and incentives. Deferral agreements signed by GM of Utilities & Environment, Director of Sustainability or Manager Climate, Data, Strategy.

Discussion:

Municipal C-PACE programs are often delivered by the municipality, through an external third-party or specialized administrator, or via a hybrid approach. For Saskatoon, a City-administered program offers key advantages as it can be tailored to address local community needs often resulting in lower administrative costs for participants and providing the City with direct oversight and accountability. This approach was included in the base assumptions.

Since the launch of HELP in 2021, the City has successfully managed the program internally, establishing robust procedures and developing in-house expertise. By the end of 2024, participant feedback was overwhelmingly positive with 88% of program participants reporting being very satisfied or generally satisfied with the program. The most frequently cited success factors were access to financing, personalized support from local program staff, and the availability of rebates. Administering the program internally helps ensure that program decisions are made by those most familiar with community priorities. It also allows for quicker adaptation to participant feedback and evolving community needs, as demonstrated by the successful adjustments made during HELP's first year.

Administering CELP in conjunction with HELP increases efficiency by allowing both programs to share staff and resources. The continued development of an applicant portal and data management software will further simplify cross-departmental management, improving program delivery and enhancing the overall experience for participants.

³ Pending approval of this program by City Council in 2026.

Furthermore, working in collaboration with other local program administrators will allow for program and incentive stacking to increase participant success. By leveraging these partnerships, CELP can expand its reach and maximize the benefits offered to eligible property owners, ensuring that a broader segment of Saskatoon's building stock—ranging from small and medium commercial properties to affordable housing and condominiums—can access enhanced support and resources. This integrated approach will reinforce the City's commitment to equitable energy efficiency improvements and position CELP as a catalyst for sustainable development across diverse property types in the community.

Deferral agreements will be signed by GM of Utilities & Environment or delegate. The Bylaw itself will also include a provision delegating enforcement/administration of the Bylaw to the Chief Financial Officer or designate.

6.2 Eligibility Requirements

6.2.1 Eligible Property Types

Recommendation:

- Eligible properties will include any existing commercial, institutional or multi-unit residential properties of up to 10,000m² with priority given to:
 - Small to medium sized buildings (3,000m²)
 - Non-profits
 - Affordable housing providers.
- Condominiums may be eligible with written approval from condo boards/associations ensuring that any retrofit projects or financial arrangements align with the interests and legal responsibilities of all stakeholders involved in shared ownership scenarios
- New construction is ineligible.

Discussion

The recommendation aligns with the base assumptions which identified the principal beneficiaries and eligible properties to be MURBs, affordable housing, small/medium businesses, and non-profits to both encourage energy efficiency and GHG reductions across Saskatoon while still promoting equity.

In Saskatoon, many buildings are aging and in need of upgrades to meet modern energy efficiency standards. Retrofits not only deliver immediate cost savings to property owners and tenants but also contribute to the City's broader climate action targets by reducing overall energy demand and GHG emissions. Focusing on existing buildings enables CELP to have an immediate and measurable impact, complementing other initiatives directed at new construction and affordable housing development.

Prioritizing the MURB subsector ensures that the program benefits multi-unit residents and help address energy poverty by reducing utility costs, while simultaneously improving occupant comfort, safety, and building resilience. MURB owners, property managers, and tenants face unique complexities in undertaking energy retrofits, such as shared infrastructure, diverse ownership structures, and split incentives. By focusing on MURBs, the program can help overcome these barriers and support more equitable access to energy efficiency improvements. MURBs also present notable scalability advantages. Due to their similar architectural designs and energy consumption patterns with other ICI/MURB buildings, such as hotels or offices. This means successful retrofit strategies can be efficiently replicated, amplifying the program's impact across Saskatoon.

Prioritizing small and medium-sized buildings (up to 3,000 sq m) and the non-profit subsector further broadens the program's reach, as these categories comprise up to 95% of the total ICI/MURB building stock in the city. Small and medium-sized buildings alone are responsible for over 40% of energy consumption within the ICI sector, according to administrative data. Focusing on these groups leverages the greatest opportunity for energy savings and GHG emission reductions.

Non-profits and small businesses are often resource-constrained, lacking the capacity, awareness, or financial means to undertake building retrofits. By extending eligibility to these groups, CELP can help bridge gaps in access to funding and technology, especially for organizations that do not already have corporate GHG mandates. Supporting these sectors aligns with community feedback, which identified loan financing as especially beneficial to small businesses and organizations that otherwise cannot access efficiency funding.

New Construction was excluded as recommended in the Feasibility Study. Other programs that target New Buildings include are included in Annex B.

6.2.2 Property Criteria

Recommendation #2: The property eligibility criteria will include:

- Property must be an existing building within Saskatoon city limits.
- Must have no outstanding building orders related to life safety and no unresolved permit or enforcement matters that could impact the code compliance of the proposed upgrades.
- Property must have no unresolved liens, judgments, ownership disputes or foreclosures.
- Property must be insured.
 - \$2M in commercial liability insurance
 - Standard commercial property insurance.
- Must be current on all property taxes (past 3 years + current). Non-profit corporations that don't pay property taxes will be included if they have an active property tax account even if exempt from paying property taxes.

Discussion

Participating buildings must be existing properties located within the city limits of Saskatoon and be subject to property taxes in Saskatoon. This ensures that only established buildings within the local jurisdiction are eligible for the program.

Properties should have no unresolved building orders related to life safety or permit/enforcement issues affecting code compliance. All hazards, expired permits, unapproved construction, or citations must be resolved before properties are eligible for the program. This ensures all work follows municipal regulations and minimizes risk. Some programs require a valid occupancy permit that is more than one year old. As occupancy permits are not required for all buildings, Administration recommends confirming that there are no outstanding life safety orders or unresolved permit issues. A process will be established with Building Standards to support verification and ensure the program's eligibility requirements are met.

Insurance provisions are standard across programs, with the requirement to provide verification of both liability and property insurance. Commercial general liability insurance with a minimum coverage of \$2 million, along with property insurance, is a common C-PACE eligibility standard. These requirements help protect all stakeholders from financial losses resulting from accidents, disasters, or other unforeseen events. They also reduce the risk of interruptions or losses that could affect either the property's viability or the program's investment, and offer financial recourse if contractors fail to complete work after receiving upfront payments.

To further safeguard the program, properties with unresolved liens, judgments, ownership disputes, or foreclosures are excluded. This is essential to prevent the program from engaging with financially distressed owners or assets. Most C-PACE programs emphasize financial viability, and CELP will accomplish this by verifying that each property holds a clear title. The City Solicitor's office will conduct comprehensive property title searches for CELP, ensuring all titles are thoroughly reviewed and assessed. This process minimizes risks associated with legal disputes or unstable ownership and helps ensure that only financially stable participants are eligible for the program, which is a standard eligibility criterion for loan programs.

Non-profit corporations that do not pay property taxes will still be included in the program, provided they have an active property tax account, even if they are exempt from paying property taxes.

Many programs stipulate that property taxes must be fully paid, with no arrears in the past five years, as seen in cities like Edmonton and Toronto. Maintaining up-to-date property tax payments indicates financial responsibility and stability. For CELP, the project team recommends that participants be current on their property taxes for at least three years, as a five-year requirement could present barriers to participation. This requirement shows owners are handling their responsibilities and lowers risk to the city. Confirmation of property tax status will be automatically generated when a participant applies for the program through the HELP/CELP application portal, which is currently under development. This portal will integrate with the Corporate Revenue's MyProperty online system, also in development and scheduled for launch in mid-2026.

6.2.3 Participant Criteria

Recommendation: The participant eligibility criteria will include:

- Applicants must be a legal property owner or authorized representative.
- Applicants' ownership entity must be in good standing with the Saskatchewan Corporate Registry.
- Applicants must own the property for a minimum period of 3 years.
- Applicants must attest to being current on property-secured debt (mortgages, liens, etc.). They may be asked to provide a formal statement or documentation regarding any existing debt secured by the property.
- The property owner must not be subject to any active bankruptcy proceedings
- Applicants must obtain written consent from all mortgage lenders.

Discussion

Best practices recommend that program applicants must meet a set of clear and robust eligibility requirements. These criteria are designed to protect all stakeholders, including both the City and participants.

Legal property ownership is a core requirement. Applicants must be legal property owners or authorized representatives of the building. This helps minimize the risk of default and ensures participants are genuinely invested in the property. Such an approach is widely adopted in C-PACE programs and not only safeguards municipal interests but also contributes to the long-term sustainability of the program by reducing administrative issues and potential legal disputes.

Applicants' ownership entities must also be in good standing with the Saskatchewan Corporate Registry. This means meeting all legal and administrative obligations, such as filing annual returns, paying required fees, maintaining a registered office in Saskatchewan, updating directors and officers, and complying with the relevant legislation, including *The Business Corporations Act* or *The Non-profit Corporations Act, 2022*. Maintaining this status allows businesses to enter contracts, secure financing, and retain shareholder protections, while failure to comply may result in dissolution, loss of name protection, and legal incapacity to operate.

A minimum ownership period is another common requirement. For example, programs like Edmonton's CEIP and Toronto's HI-RIS mandate that applicants must have owned the property for at least five years. This requirement provides additional assurance of the owner's commitment and stability. For CELP, the project team recommends that participants be current on their property taxes and have owned the building for at least three years, as a five-year requirement could present barriers to participation.

Applicants must also attest to being current on property-secured debt, such as mortgages and liens. This demonstrates ongoing financial responsibility and reduces the risk of default. Many programs expect a formal financial statement from the applicant's financial institution as part of this process and may be requested if the program coordinator deems it necessary.

To further ensure financial viability, property owners must not be subject to any active bankruptcy proceedings. This criterion helps uphold the integrity of the program's lending framework.

Finally, all programs require written mortgage lender consent to participate. This step respects existing financial agreements and encourages collaboration among property owners, lenders, and the city, ensuring that the lender is fully informed and agrees to the placement of an additional interest or lien on the property.

6.3 Eligible Measures

Recommendation: Eligible measures will include energy efficiency, renewable energy, water efficiency, resiliency, and other projects as listed in Table 3.

Table 3 - Eligible CELP Projects

Category	Measures
Energy Efficiency	- HVAC upgrades (heat pumps, high-efficiency furnaces/boilers, chillers, air handling units) - Insulation and building envelope improvements (walls, roofs, window/door replacements, air sealing, exterior wall cladding) - LED lighting fixtures and controls (including occupancy sensors, daylight harvesting) - Motors and drives (variable frequency drives for motors, pumps, and fans) - Water heating systems (high-efficiency and tankless water heaters, fuel switching) - Building and energy management systems - Energy recovery systems (heat and energy recovery ventilators—HRVs/ERVs)
Renewable Energy	- Solar PV systems (including structural upgrade requirements) - Solar thermal systems (water heater, etc.)
Water Efficiency	- Low-flow fixtures (toilets, urinals, faucets, showerheads) - Efficient irrigation and landscape management - Replacement of once-through cooling (air, closed loop, ect.) - Building automation systems
Resiliency	- Many energy efficiency measures listed above also contribute to building resiliency (heat pumps, HRV/ERV, insulation, air sealing, etc.) - Wind hardening (reinforced roofing, impact resistant windows and doors, storm shutters) - Ventilation (air quality measures) - Cooling (reflective or low albedo roofing, shading, landscaping, shutters, awnings) - Flood mitigation (sump pumps, waterproofing, landscaping and grading measures, elevating and flood-proofing critical equipment/server rooms/electrical equipment) - Stormwater management (green roofs, onsite water management) - Backup power (battery storage)
Other	- EV charging stations - Safety (asbestos, radon, mould remediation) - Incidentals required for upgrade (electrical, roof repairs, etc.)

Discussion

C-PACE programs typically cover a broad spectrum of retrofit upgrades, including energy efficiency, water savings, renewable energy systems, and resiliency measures to strengthen building durability and comfort. A diverse selection of eligible measures empowers building owners to address multiple needs—lowering operational costs, improving occupant health and safety, and increasing long-term resilience. While some programs have yet to integrate resiliency measures, more jurisdictions are recognizing their value as climate-related risks grow. One important guideline is that all improvements must be permanently installed, as required by *The Cities Act* in Saskatoon.

These programs primarily focus on reducing energy consumption through electrification and the adoption of renewable energy, with measures that are consistently recognized among different jurisdictions. CELP is advised to maintain this focus, encouraging comprehensive, whole-building retrofits to maximize impact. Water efficiency is less commonly emphasized in industry reviews, yet it remains a significant source of emissions in

Saskatoon due to the energy required for water treatment. Standard upgrades—such as low-flow fixtures and smart irrigation systems—are recommended to address this gap and support CELP’s goals.

Resiliency upgrades are increasingly vital, complementing energy and water savings by enhancing a building’s ability to withstand and recover from environmental stressors. Integrating solutions like structural reinforcement, advanced drainage, and emergency preparedness technologies enables owners to reduce risks from extreme heat, storms, and flooding. These upgrades help lower future costs, minimize liability, promote occupant well-being, and protect property value. Furthermore, maintaining resilient buildings mitigates environmental impacts, such as waste from damaged materials and the embodied carbon in reconstruction.

Climate change presents significant challenges in Saskatoon, with rising risks from extreme heat, poor air quality, and flooding. Older, poorly maintained buildings are particularly susceptible, and vulnerable residents—including those facing poverty or chronic illness—are at heightened risk, especially in multi-unit housing. Proactive retrofits, like improved cooling, ventilation, emergency lighting, backup power, and robust flood protection, can reduce exposure to climate hazards and support overall community health, safety, and affordability. By prioritizing these comprehensive strategies, property owners not only address immediate climate threats but also promote long-term equity and resilience across Saskatoon’s neighbourhoods.

Inclusion of EV charging stations, safety interventions (asbestos, radon, mould remediation), and essential incidentals (electrical, roof repairs) further supports broader program goals. EV infrastructure answers the growing demand for electric vehicles and helps future-proof properties. Hazard remediation is critical for occupant safety and health, and incidentals are often necessary for the proper and lasting implementation of upgrades. By allowing these measures, owners are equipped to pursue comprehensive projects that decrease emissions and costs, boost comfort and safety, and add value, ultimately advancing community-wide resilience and equity.

Flexibility in eligible retrofit measures allows building owners to tailor improvements to their unique needs and asset management plans, resulting in more effective, customized solutions. This holistic approach not only supports greenhouse gas reductions but also furthers community objectives—lowering utility costs, enhancing comfort and safety, increasing market and insurance value, and making properties more attractive to tenants and buyers.

6.4 Financing Structure & Terms

6.4.1 Loan Capital

Recommendation # 1: Maximum loan amounts up to \$1.5M per building; capped at 20% of the property’s assessed value. Loan-to-Value Ratio will be determined using the assessed property value⁴.

Discussion

The maximum loan amount of \$1.5M is included in the base assumptions and uses the Incremental Capital Cost (ICC), or extra investment needed, for efficiency retrofits and the building size. Through the Feasibility Study, the ICC was identified to be approximately \$240/m² and the average building size assumed to be 6000m². The maximum loan amount also aligns with programs in Toronto, Edmonton, and Sturgeon County that offer between \$1 million and \$5 million for building retrofits and was tested to be adequate through engagement.

Each property’s Loan-to-Value (LTV) ratio will be considered to set individualized maximum loan amounts (caps) of 20% of the property’s assessed value. Capping loan amounts based on Loan-to-value (LTV) ratio is considered a best practice for C-PACE programs. Typical limits are 20–35% of the property’s value, and combined LTV (including senior mortgage) often are not allowed to exceed 80–95%. By implementing a 20% cap on the loan, the risk of loan default is reduced ensuring that sufficient equity remains in the property to

⁴ If the property owner believes the assessed value is too low, an independent appraisal to justify a higher valuation will be accepted.

support the CELP lien without resulting in over-leveraging. Twenty percent will de-risk repayment and will be monitored and adjusted as required to improve the program.

Most C-PACE programs require either a formal appraisal or rely on the property's assessed tax value to calculate the LTV ratio, but the standard varies by jurisdiction. For this program, the assessed property value method is recommended to reduce the cost to the participants and mitigate any potential uptake risks.

Recommendation #2: The minimum eligible loan amount will be \$10,000.

Discussion

Establishing a \$10,000 minimum loan amount is a practical choice, as it is consistent with the thresholds set by comparable programs such as NYC Accelerator PACE Financing. This alignment ensures that CELP remains accessible to owners of smaller properties or those planning modest retrofit projects, reducing barriers for participation. By setting this minimum, CELP can focus its impact on meaningful upgrades—such as essential safety interventions or targeted efficiency improvements—while remaining open to a diverse range of participants. This approach supports the program's goals of inclusivity, energy savings, and community-wide sustainability, and reflects best practices observed in other commercial PACE initiatives.

6.4.2 Eligible Costs

Recommendation: The CELP loan will fund up to 100% of eligible capital costs (approved equipment and labour), which may include professional services and incidental costs, if applicable. The City will pay contractors directly for deposits (up to 50%), installments payments (up to 90%) and final payments. If participants choose to pay contractor costs upfront, they will be eligible for reimbursement upon project completion.

Discussion

Covering up to 100% of eligible capital costs and, if deemed eligible, professional services and incidental expenses, CELP eliminates significant financial barriers for property owners considering energy-efficient building retrofits. This approach enables participants to pursue comprehensive upgrades, regardless of their available upfront capital, which can lead to greater energy savings and improved building performance over time. This approach is common in other C-PACE programs.

Section 281.3 of *The Cities Act* outlines the provisions for financing *environmental improvements*. Professional services may not fall under the definition of *environmental improvements*, therefore, many professional services such as ASHREA level II audits may not be eligible to be included in the deferred loan amount and will be subject to legal review.

Paying contractors directly for deposits (up to 50%), progress installments (up to 90%), and final payments reduces the upfront cost barrier and simplifies the financial process for property owners and ensures that contractors are paid in a timely manner. This approach is also utilized in HELP. Ultimately, paying contractors making energy efficiency and building upgrades more accessible for a wider range of property owners, supporting CELP's goals of inclusivity, sustainability, and community benefit. If a participant chooses to pay the contractor upfront, they will have the option of adding that amount to their final loan amount and be reimbursed by the City upon completion and verification of their project.

The proposed payment structure carries risks, such as contractors receiving deposits and then delaying or cancelling projects, which can make it hard to get funds back. To reduce this risk, all necessary building permits must be open before any contractor receives a deposit. If property owners make deposits or installment payments, they become personally responsible for those amounts. There's also the possibility of funds being misused or allocated incorrectly, and legal issues may arise if contractors are paid upfront but don't finish the job. Therefore, strong program management, oversight, and clear procedures are essential to protect everyone involved.

The program documentation will clearly specify payment procedures, outline remedies in cases of contractor non-performance, and detail dispute resolution mechanisms to safeguard both property owners and the CELP

program against potential legal challenges. Consistent with the HELP program, CELP will also maintain a dedicated webpage and provide comprehensive resources for contractors. These resources will communicate program requirements, step-by-step payment processes, and clarify the roles and responsibilities of all parties involved, ensuring transparency and accountability throughout the project lifecycle.

6.4.3 Terms

Recommendation: CELP will offer flexible loan repayment terms of 5, 10, 15, or 20 years, aligning with the Effective Useful Life (EUL) of eligible upgrades, up to a maximum of 20 years. Repayment will occur through the deferred property taxes as a as a deferred amount secured by a lien, which will be transferrable to the new owner upon sale of the property. If an offence is committed, the general fine amounts set out in *the City's General Penalty & Enforcement Bylaw* will be adopted.

Discussion

C-PACE financing terms typically span 20-30 years. However, to align with the EUL of the retrofit, it is recommended that repayment options of 5-, 10-, 15-, and 20-year terms. HELP will be updated to include a 15-year option for consistency between the two programs. Aligning repayment with the upgrades' useful life ensures owners are not continuing to pay off their loan after the equipment/retrofit needs to be replaced again.

CELP loans will be allowed to transfer with property sales, as is done in HELP, pending mortgage lender consent. The ability to transfer the loan upon property sale mitigates financial risk for owners who may sell prior to full repayment, as future purchasers may inherit any outstanding obligations. This approach removes obstacles associated with ownership duration, making energy-efficient upgrades more appealing and attainable, and enabling owners to benefit from their investment without incurring long-term personal debt. The recommended framework helps CELP meet its goals of being inclusive, sustainable, and benefiting the community, while protecting everyone involved.

6.4.4 Interest Rates

Recommendation: Interest rates will be equalised (cost of borrowing capital matches cost of lending), will be fixed for the term of the loan, and will be updated annually.

Discussion

The City is borrowing internally for the program to cashflow loans to participants. As stated in the base assumptions, the interest rates charged on these loans will be equivalent to what the City would expect to receive through its investment portfolio, resulting in no lost investment income to the City. By setting the interest rate at this level and fixing it for the duration of the loan, CELP ensures that the program remains fiscally responsible and sustainable, while providing participants with predictable, competitive financing, similar to HELP. This approach to setting interest rates supports transparency and fairness for participants and fosters confidence and familiarity among stakeholders. Interest rates for new loans will be reviewed and updated annually to reflect the City's ongoing cost of capital, while remaining fixed for the duration of each individual loan, ensuring both fiscal responsibility and predictability for participants.

6.5 Program Fees

6.5.1 Administration Fee

Recommendation: Standard properties be charged a one-time, upfront flat administration fee of \$750 for loan amounts up to \$40,000, with an additional fee of 1.6% applied to any portion exceeding \$40,000. For non-profit organizations and affordable housing providers, the administration fee be waived for loan amounts below \$40,000 and reduced to 1% for any portion above \$40,000.

Discussion

Base assumptions included only cost-neutral options, with administrative expenses covered by participants via a one-time fee, FCM's Net-Zero Transformation Pilot Program grant, or HELP 1.0 revenue. To maintain cost neutrality, a 1.6% administration fee on the total loan amount is recommended to be set for standard properties (mainly commercial and MURBs), while affordable housing providers and non-profits will pay a reduced rate of

1.0%. For loans under \$40,000, the standard HELP \$750 flat fee will be applied but waived for income-qualified or equity-deserving groups, encouraging greater participation from these sectors.

C-PACE program fees, varying by provider, typically include application (\$150–\$2,000), administration (1–3% of loan amount, sometimes capped), and annual servicing charges (\$250–\$1,500). The recommended 1.6% administration fee aligns with similar programs and survey feedback suggests it should not deter applicants.

Reducing fees to 1.0% for affordable housing and non-profit organizations promotes broader access and supports equity, enabling vulnerable populations to finance energy, water, and resiliency upgrades without excessive financial strain. Adjusting the fee structure encourages diverse participation and strengthens community resilience in line with the City's energy efficiency and equity goals; further details are discussed in Section 9.

This approach ensures transparency, builds stakeholder trust, and simplifies applicant budgeting with a clear, predictable fee. Annual reviews will be conducted to uphold cost neutrality and adjust for changing program expenses.

6.6 Energy Performance Standards

Recommendation #1: To ensure thorough project evaluation and cost-effective retrofits under CELP, all applicants will be required to meet the following requirements:

- Completion of an ASHRAE Level II energy audit or equivalent virtual assessment is required for most retrofit projects. Note that:
 - For virtual audits, an attestation letter prepared by a qualified professional must be submitted.
 - Energy modeling accompanied by a detailed report must be provided.
 - Other levels of audit may be considered eligible for simple projects as approved by the program coordinator (lighting, low-flow fixtures, solar PV).
- A feasibility study should be conducted for renewable energy and resiliency projects, excluding solar PV installations.
- A comprehensive business case or project proposal must be provided, including the project scope, timeline, quotations and specifications, as well as proposed costs and expected savings.
- The Savings-to-Investment Ratio (SIR) will serve as the metric for evaluating cost-effectiveness and confirming that the project's lifetime energy savings offset its costs.

Discussion

To ensure rigorous project evaluation and cost-effective delivery of energy and resiliency upgrades under the CELP program, it is recommended that all applicants adhere to several energy performance requirements.

Applicants will be required to complete and submit an ASHRAE Level II energy audit or equivalent virtual energy audit, which is a standard requirement across all PACE programs. For simpler retrofits—such as lighting improvements, low-flow fixtures, or solar PV installations—alternative audit levels may be accepted, subject to program coordinator approval. For virtual or remote audits and simple projects, a formal attestation letter from a qualified professional will be required to confirm the accuracy and completeness of the assessment, ensuring reliability and accountability in project documentation.

For projects targeting renewable energy (excluding solar PV) and resiliency upgrades, a detailed feasibility study completed by a qualified professional will be required to be submitted to demonstrate both technical and financial viability.

All applicants will need to provide a comprehensive business case or project proposal, including project scope, estimated costs, anticipated energy and cost savings including the calculated SIR, project timeline, quotations, and technical specifications. Projects will be required to demonstrate a minimum SIR of 1.0, confirming that lifetime energy savings will at least offset the initial investment. This metric ensures financial responsibility and program integrity.

These requirements align with best practice standards for due diligence and ensure that proposed measures are practical and cost-effective, providing a robust framework for evaluating, implementing, and sustaining energy efficiency improvements. By adhering to these standards, applicants and program administrators can be confident that all projects will deliver measurable value, support municipal sustainability goals, and maximize the return on investment for both participants and the community as a whole.

Integrating SaskPower's CEOP, SES's technical support and building operator training and SaskEnergy's rebate program with CELP is not only necessary but also represents an industry best practice for maximizing program effectiveness. By coordinating energy audits, feasibility studies, and measurement and verification processes, applicants can stack technical and financial incentives with CELP's low-interest financing. This integration streamlines compliance with eligibility requirements, reduces both upfront and total project costs, and encourages broader participation by minimizing administrative barriers.

Comprehensive details about additional local initiatives are outlined in Section 8 of this report; however, it is essential to emphasize the necessity of aligning CELP with SaskPower's CEOP and other local programs to promote effective implementation and maximum participation.

Administration will also draw on expertise from Building Standards, Corporate Revenue, City Solicitors, and the Energy and Sustainability Sections to streamline and develop an internal review process. This ensures that the program benefits from clear and enforceable requirements which promote operational efficiency and accountability. By upholding rigorous standards for energy audits, feasibility studies, performance thresholds, and post-retrofit verification, CELP thoroughly evaluates projects for both technical merit and compliance. This integrated strategy not only fosters cross-departmental collaboration but also enhances transparency and consistency in project assessments, ultimately supporting the city's long-term sustainability and energy efficiency goals.

Recommendation #2: Achieve a 20% energy reduction per building, either through one or more eligible measures based on energy modeling. Retrofits and equipment must meet program technical requirements and can be completed in phases.

Discussion

Defining a clear, building-level performance threshold is critical to ensuring the program delivers meaningful, measurable outcomes. Requiring projects to achieve a minimum 20% reduction in energy use per building, verified through energy modeling, ensures that investments result in impactful improvements in energy performance and associated GHG reductions. This threshold helps avoid incremental or "single-measure" projects that provide limited long-term value, while still remaining achievable across a wide range of building types and retrofit scopes.

Allowing the energy-reduction requirement to be met through one or more eligible measures, provides flexibility for building owners to pursue the most cost-effective and context-appropriate upgrades. Energy modeling ensures that proposed measures are evaluated holistically at the building level, supporting informed decision-making and enabling a mix of envelope, mechanical, electrical, and control upgrades to be bundled for greater impact.

Permitting projects to be completed in phases further reduces barriers to participation, particularly for large or complex buildings and for non-profit or affordable-housing providers with capital and operational constraints. Phased implementation enables participants to align retrofits with asset-management cycles, tenant considerations, and construction readiness, while still committing to an overall performance outcome. This approach supports broader uptake without compromising results.

Finally, requiring all equipment to meet program technical requirements ensures installations are efficient, increasing the likelihood that modeled savings translate into sustained, real-world performance. Together, these requirements establish a clear and enforceable performance framework that supports program

objectives, protects public investment, and drives meaningful progress toward community energy and emissions-reduction goals

6.7 Post-Retrofit Verification

Recommendation: The following post-retrofit verification measures will be mandatory to participate in CELP:

- **Building Permits:** All necessary building permits must be opened and closed upon project completion.
- **Completion Certificates and Installation Verification:** A Completion Certificate must be provided, signed by the property owner, contractor or qualified person confirming that all program-funded upgrades were installed and complete. Additionally, supporting documentation, including itemized invoices and photographic evidence must accompany the completion certificate.
- **Benchmarking and Utility Data Sharing:** Annual reporting and disclosure of energy use data for the previous year, as well as ongoing tracking for up to five years, will be required. Participants will be required to provide the project team approval to access, share and disclose energy and emissions data.
- **Participation in Surveys and Follow-Up Activities:** Property owners will be expected to take part in post-retrofit surveys and any follow-up activities as requested by program administrators to assess satisfaction and gather feedback for program improvement.

Discussion

Monitoring energy performance is critical for validating the benefits of C-PACE projects and meeting public policy goals. The project team is recommending a variety of post-retrofit verification measures to ensure that all work completed under the program meets the highest standards and complies with all applicable regulations.

Requiring all necessary building permits to be initiated and closed after project completion guarantees that retrofits are performed correctly, safely, and in accordance with *The Building Bylaw, 2024*. Before releasing contractor deposit payments, permits must be opened, and participants must submit a completion certificate before any final payments are issued. This approach remains consistent with HELP.

C-PACE programs require various verification methods, such as submitting reports, memos, and completion certificates. For CELP, the project team recommends utilizing signed completion certificates and supporting documentation, including itemized invoices and photographic evidence, to ensure consistency with HELP. HELP currently employs a post-project details document signed by an Energy Auditor to confirm installation, along with post-energy audits to assess energy performance.

Furthermore, CELP participants will be required to provide the project team approval to access, share and disclose energy and emissions data which will support the annual reporting and disclosure of energy use through the city's BLD program for up to five years to assess energy performance. And finally, to ensure program satisfaction, property owners will be expected to take part in post-retrofit surveys and any follow-up activities as requested by the project team to gather feedback for program improvement.

This approach aligns with established best practices in post-retrofit verification, as demonstrated in programs such as NYC Accelerator PACE Financing and the Edmonton initiative. By maintaining alignment with HELP, it ensures a consistent approach through programs. The emphasis on ongoing monitoring and validation of energy performance results not only supports transparency and accountability but also enables the program to track and confirm the long-term benefits of upgrades, fostering confidence among stakeholders and participants.

The project team will also continue to explore requirements for documentation of proper disposal or recycling of renovation materials, although this is not recommended at this time. As industry standards and municipal waste diversion goals evolve, the team may revisit the inclusion of mandatory documentation for recycling or safe disposal of construction and demolition materials in future program phases. In the interim, participants will be encouraged to follow local guidelines for recycling and disposal and to seek opportunities to minimize landfill waste wherever possible, supporting municipal sustainability objectives.

6.8 Project Timelines

Recommendation: CELP participants will have four months to submit pre-qualification documents and twelve months (with possible extension) to finish retrofits and provide program documentation, as with HELP. Failure to meet these deadlines may result in removal from the program.

Discussion

Conservative timeline requirements are designed to balance the need for thorough project planning and verification with the importance of timely implementation. Allowing for extensions ensures that projects facing unforeseen delays, such as supply chain issues, contractor delays or permitting challenges, can still move forward without jeopardizing program compliance.

Upon review of C-PACE program, many programs did not state strict timelines in their program documentation but for the programs that did, the typical time frame was about three to four months of planning and then a year to 24 months to complete the retrofits. For CELP, conservative timelines make sense to ensure that retrofit projects are completed efficiently and the program can be evaluated and scaled if successful.

In addition to balancing thorough project planning with timely implementation, these timeline requirements help ensure equitable access to program resources by preventing funding from being tied up indefinitely by participants unable to proceed. By establishing clear deadlines and extension provisions, the program maintains fairness for all applicants and encourages proactive project management. Furthermore, timely completion of projects contributes to faster realization of energy savings, GHG's, and other program benefits, maximizing the positive impact for both communities and the environment.

Setting clear deadlines—while allowing extensions for real delays—ensures everyone has a fair chance to use program resources. This approach helps projects finish on time, supports good oversight, and delivers environmental and community benefits. It also keeps the process transparent and accountable, but with enough flexibility to handle unexpected challenges like supply chain or permit problems.

6.9 Equity Considerations

Recommendation: The following design considerations will be integrated into CELP:

- **Accessibility:** Program application, materials and website will be designed to be accessible and multi-lingual, as applicable.
- **Affordability:** Inclusive eligibility requirements will be developed to support for affordable housing providers and non-profits.
- **Tenant Considerations:** Property owners will be encouraged to communicate proactively with tenants, collaborate effectively, and provide them with energy efficiency educational resources, such as the City of Saskatoon's Affordable Housing Sustainability Guidebook.
- **Rent Increases:** Affordable housing providers participating in the City's Rental Repair Renovation Grant will be required to comply with the *Housing Incentive Agreement*, which prohibits rental rate increases without the City's prior written consent

Discussion

PACE programs are increasingly integrating equity-focused elements into their design, such as accessible program materials, income-based qualifications, affordability strategies, and measures to prevent displacement and address split incentives. To foster inclusion, these programs should provide applications, informational resources, hands-on support and websites that accommodate individuals with varying abilities and offer materials in multiple languages where appropriate, thereby broadening access for diverse participants. Inclusive eligibility criteria—for example, reduced administrative fees for affordable housing providers—help support residents experiencing energy poverty. In addition, property owners are encouraged to inform tenants about upcoming retrofit activities well in advance, conduct retrofits in a manner that avoids evictions, and share resources, including the forthcoming City of Saskatoon Affordable Housing Sustainability Guidebook developed by Planning and Sustainability, to educate tenants on energy and water conservation practices.

Beyond recommending advance notice and educational resources for tenants, property owners could be required to submit a tenant communication and engagement plan as part of their application. This plan would outline how tenants will be informed, involved, and supported throughout the retrofit process, ensuring transparency and fostering trust between property owners and tenants.

The City of Saskatoon's Affordable Housing Program prevents rent increases during the approved term, as outlined in the Housing Incentive Agreement. By embedding equity considerations into C-PACE programs, the city advances energy efficiency goals while ensuring housing remains affordable and tenants are protected from displacement. To reinforce this commitment, the project team recommends that affordable housing providers participating in both CELP and Saskatoon's forthcoming Rental Repair and Renovation Grant must maintain current rent levels for a set number of years, in alignment with the requirements of the incentive program.

To further strengthen equitable outcomes, establishing a framework to monitor and report on participation rates among equity-deserving groups such as low-income households, Indigenous residents, and newcomers, would allow CELP and similar programs to identify gaps and adjust strategies to improve inclusion. Regular reporting on program impacts would ensure ongoing accountability and the ability to refine approaches as needed.

In the U.S., landlords typically share C-PACE retrofit costs with tenants to promote fairness and transparency. This is especially common when tenants benefit from energy upgrades but are not the direct borrowers. A common method used to do this is a Triple Net (NNN) Lease as they frequently contain clauses permitting landlords to pass through expenses such as property taxes, special assessments tied to energy efficiency upgrades or municipal improvements, insurance, and maintenance to tenants. This arrangement helps address the split-incentive issue, wherein landlords might otherwise lack motivation to invest in property enhancements that predominantly benefit tenants such as reduced utility costs. By passing along assessment costs, landlords have greater justification for these investments, while tenants continue to realize the associated benefits. While Triple Net (NNN) and green leases are useful, administration is not recommending this at this time as it is beyond the scope of PACE programming. However, CELP could continue to study alternative approaches to address split incentives, such as offering additional support to landlords who voluntarily commit to passing energy savings on to tenants.

Integrating regular feedback mechanisms is another key strategy for ensuring the program remains responsive to community needs. Including opportunities for tenants, affordable housing providers, and community partners to provide input on program processes and outcomes through participant satisfaction surveys would support continuous improvement and help CELP remain adaptive to changing circumstances.

Finally, highlighting linkages to other municipal, provincial, or federal programs would maximize the benefits for those most in need, ensuring participants are aware of and able to access complementary programs and resources.

By embedding these recommendations into CELP's design and implementation, the program can better support equitable participation, enhanced communication, and sustained affordability for all stakeholders.

6.10 Contractor Requirements

Recommendation: CELP will utilize and enhance the HELP pre-approved contractor list. Participants will not be not obligated to select a contractor from this list, but all work must be completed by a qualified contractor.

Discussion

HELP established a pre-vetted contractor list to assist homeowners in choosing a reputable contractor and to facilitate the home retrofit process. It is recommended that CELP continue to leverage the momentum made and enhance the list, as many contractors in Saskatoon may be similar for all building types. The pre-approved contractor list will identify trades that specifically provide services for single-family residential buildings, commercial / multi-unit buildings, or both.

Providing a pre-vetted contractor list not only streamlines the contractor selection process but also helps ensure that work is completed to a high standard, ultimately supporting positive retrofit outcomes and reinforcing trust between program participants and service providers. Homeowners have identified that having the list has been beneficial and have expressed increased confidence in selecting qualified professionals for their retrofit projects.

7. Financial Projections

At its meeting on March 22, 2024, City Council approved internal borrowing of \$25M to fund the loan capital for participants through the expansion of HELP and for the development of CELP for at least three years. \$16.66M of this capital along with \$500,000 of interest revenue generated from HELP, is being leveraged to secure additional funding of \$500,000 for the program through FCM's GMF Net-Zero Transformation Pilot Grant funding.

Operational expenses for the program largely consist of staff remuneration for running the program, processing loan applications, enhancing program administration software that is currently under development and advertising to spread awareness of the program and communicate its benefits. The program aims to be cost neutral therefore the operational costs will be covered by several sources including the FCM grant, administration fees from CELP, and the revenue generated from the first iteration of HELP.

Table 4 below provides a cost and revenue projection along with the assumptions.

Table 4 - CELP Financial Analysis

	Amount (\$)	Assumptions
Loan Capital	\$16,660,000	22 Buildings with an average loan amount ~\$750,000
Revenue	\$1,000,000	
Administration Fees – Standard Buildings	\$210,000	\$750 up to \$40,000, plus 1.6% above
Administration Fees – Affordable & Not-for-Profit Buildings	\$45,000	~30% or 6 buildings at \$0 below \$40,000 and 1% above
FCM's Net-Zero Transformation grant	\$500,000	Provides 50% matching up to \$500K (approved Dec 2025)
Existing Funding – P.10033 & 100308	\$125,000	Remaining capital from original project funding
HELP Revenue	\$120,000	HELP 1.0 administration fees and interest generated offer a program surplus
Expenses	\$1,000,000	
Program Administration	\$808,500	1 Coordinator for 3yrs ½ Supervisor for 4yrs ¼ Manager for 4yrs
Administration Costs	\$7,500	Computer, software, etc.
Marketing & Education	\$70,000	Communications plan
Engagement	\$10,000	Close the loop-engagement activities

Applicant Portal/Data Management Software Enhancements	\$100,000	1 IT Analyst for 1yr
Liens	\$4,000	Up to 45 agreements
Net Cost	\$0	

Ensuring robust cash flow and long-term sustainability is central to the program's success. By leveraging the City's internal investment, optimizing resource allocation, and aligning with complementary initiatives, the program will be well positioned to maintain financial health throughout its term. These efforts will not only safeguard ongoing operations but also enable the program to adapt and grow in response to future community needs.

8. Integration with Existing Programs

The following section outlines the principal initiatives and City-led programs with which CELP will collaborate or integrate. These include key City programs such as HELP, BLD, and the Rental Repair and Renovation Grant Program. By strategically aligning with these established programs, CELP aims to amplify its impact, streamline service delivery, and maximize benefits for homeowners and the broader community. This integrated approach supports the effective implementation of retrofit projects and ensures that participants have access to a comprehensive suite of resources and supports.

8.1 Local Programs - Saskatchewan Environmental Society

8.1.1 Building Operator Training for the Community Housing Sector | SES

The Building Operator Training for the Community Housing Sector is a free, Canada-wide training initiative developed by the Saskatchewan Environmental Society (SES) in partnership with the Community Housing Transformation Centre and the Federation of Canadian Municipalities. The program is specifically tailored for community and affordable housing providers, with the goal of improving building operations, reducing energy and water consumption, and enhancing tenant comfort while saving money.

Program Objectives:

- Provide building operators with practical knowledge to improve energy and water efficiency
- Enable cost savings and improved comfort for residents
- Support the development of energy efficiency plans and long-term operational improvements in community housing.

This is a **free** self-paced online course for maintenance staff, custodians, landlords, and property managers in the community and affordable housing sector. The course is approx. 6 hours total; 5 modules 30–60 minutes each. Five learning modules:

- Water Conservation
 - Identifying high water-consuming equipment
 - Water-efficient operation of fixtures and irrigation
 - Energy-efficient operation of domestic hot water systems
- Electrical Billing and Sources
 - Understanding electrical costs, demand vs. consumption
 - GHG emissions by province/territory
 - Power factor and its impact on costs
- Lighting
 - Lighting types, colour temperature, and rendering
 - Daylighting and lighting controls
 - Operational savings and applications
- Electrical Equipment
 - Load scheduling and energy monitoring

- Efficient operation of appliances, motors, car plugs, and compressed air systems
- Heating, Ventilation, and Air Conditioning (HVAC)
 - Efficient operation and troubleshooting of HVAC systems
 - Air quality, maintenance, and diagnostics
 - Building automation, heat recovery, and condensing systems.

8.1.2 Saskatchewan Environmental Society Building Operator Training (BOT)

This Building Operator Training (BOT) program is designed to introduce custodians, facility managers, building operators, and anyone responsible for building operations to energy conservation principles, new technologies, and facility retrofits that save energy and money. The program emphasizes both equipment upgrades and operational changes, empowering participants to make a measurable difference in their facility's comfort, utility costs, and environmental impact.

Program Objectives:

- Reduce energy and water consumption in buildings
- Lower operating costs and GHG emissions
- Improve occupant comfort and operational efficiency
- Build capacity for ongoing energy management and retrofits

BOT is a six-hour seminar (or two three-hour sessions) designed for custodians, facility managers, building operators, and anyone responsible for building operations in offices, schools, healthcare, non-profits, and other small businesses. The content can be tailored to specific needs but typically includes four learning modules including:

- Lighting
 - Energy-saving technologies, daylighting, lighting controls
 - Colour temperature and rendering
 - Operational savings and applications
- Electrical Equipment
 - Demand vs. consumption, load scheduling, energy monitoring
 - Efficient operation of appliances, motors, car plugs, compressed air systems
 - Introduction to solar energy
- Water
 - Water conservation and its link to energy savings
 - Efficient fixtures and irrigation
 - Domestic hot water systems
- HVAC
 - Efficient operation and troubleshooting of heating, ventilation, and cooling systems
 - Indoor air quality, filtration, fans, motor controls, building automation
 - Heat recovery, condensing systems, and simple energy savings calculations

The SES BOT programs are practical, cost-effective ways to build capacity for successful energy retrofits. By equipping building operators with the skills to identify, implement, and maintain energy-saving measures, the BOT programs create a strong foundation for projects financed through CELP. Integrating BOT training with CELP funding initiatives ensures that operators are not only able to spot operational and equipment-based savings opportunities, but also prepared to design well-defined, cost-effective projects that meet CELP's requirements. This synergy enhances the likelihood of successful financing applications and supports the long-term sustainability of retrofits through ongoing monitoring, reporting, and verification of CELP project outcomes. As a result, facilities with BOT-trained operators can achieve greater accountability and program evaluation, maximizing the impact of CELP investments while fostering a culture of continuous energy management.

8.1.3 Saskatchewan Environmental Society – Efficiency for Organizations

The Efficiency for Organizations Program funded by Affinity Credit Union helps non-profits reduce utility costs through practical, data-driven energy conservation measures.

Program Objectives:

- Reduce utility expenditures for non-profit organizations
- Improve energy efficiency of non-profit buildings
- Lower GHG emissions
- Provide expert technical support
- Support access to financing for retrofits.

This is a free program that provides:

- Level 1 Energy Audits – 2–3-hour onsite assessment providing an overview of the building's energy-saving potential
- Written Assessment Report – Includes findings and, where feasible, cost and savings estimates
- Presentation of Results – Delivered by SES engineers/coordinators
- Post-retrofit Utility Monitoring – Confirms actual savings after upgrades.

By using SES's Level 1 audit results as a starting assessment and drawing on their technical know-how, CELP can simplify participant onboarding, reduce redundancy, and better coordinate energy-saving objectives. The SES approach—which features access to utility data, building inspections, and post-retrofit monitoring—naturally fits within CELP's measurement and verification system, helping ensure reliable outcome tracking. Additionally, SES's ongoing monitoring of utilities aligns with CELP's requirements for long-term impact evaluation through the City's BLD program. The availability of additional funding to support ongoing offerings has not yet been determined.

8.2 City of Saskatoon Programs

8.2.1 [Saskatoon's Home Energy Loan Program](#)

The Saskatoon Home Energy Loan Program (HELP) is a low-interest loan initiative administered by the City of Saskatoon, designed for single-family residential homeowners to undertake energy and water efficiency retrofits, as well as renewable energy installations in their homes. This program operates as a property assessed clean energy initiative, with a lien placed on the property and repayment managed through property taxes. Launched in 2021, HELP was approved for enhancement and a three-year extension by City Council on June 24, 2024, as outlined in the Community Energy Loan Programs – Additional Program Options report. The program was relaunched on November 1, 2025, and received \$8.4 million in capital through an internal loan to support participants, part of the \$25M that was approved for the community energy loans programs including the \$16.6 for CELP.

To ensure effective administration and program management across multiple city departments, HELP is undergoing improvements, including the development of a dedicated application portal and a comprehensive data management tool that will be used to administer both programs. In addition, the programs can align objectives and reporting requirements, facilitating information sharing and best practices to maximize impact. Opportunities for collaboration, resource leveraging, and avoiding duplication exist.

CELP will be modeled after HELP, incorporating similar eligibility requirements and reflecting the lessons learned from four years of program operation. The same experienced, cross-departmental teams will administer CELP using established processes and tools, ensuring efficient and effective program delivery and management such as cross-program meetings, joint training, or shared evaluation metrics. Stakeholder feedback from both residential and commercial participants will inform program improvements and coordinated outreach or marketing strategies could ensure consistent messaging and maximize program uptake across both sectors.

8.2.2 [Saskatoon's Benchmarking, Labelling and Disclosure Program](#)

Saskatoon's BLD program was identified through the Feasibility Study as being valued by commercial and MURB owners. The BLD program is in the process of being developed to support all industrial, commercial and institutional (ICI) buildings including civic and MURBS. The development of the BLD program is funded

internally and by NRCan through the Deep Retrofit Accelerator Initiative (DRAI) and will include developing and implementing a visual and interactive benchmarking map, in-house support and education, virtual decarbonization planning and measurement and verification.

The BLD program will be designed to work in conjunction with and support the recommended CELP eligibility and performance requirements. Data collected through the BLD (benchmarking results and decarbonization plans) will directly inform the CELP application, eligibility assessment, and ongoing performance monitoring. The program will be administered by the same experienced team, reducing duplication and improving efficiency in delivering programs and will provide a hand holding or concierge service for CELP participants. Performance metrics and reporting such as GHG reductions, energy savings, or other KPIs will demonstrate the collective impact of both programs.

Marketing and outreach strategies will be aligned for both programs to maximize uptake and ensure consistent messaging for stakeholders across ICI and MURBS sectors. Stakeholder engagement and feedback will be used to refine CELP offerings, and vice versa, creating a feedback loop that supports ongoing program improvement.

8.2.3 *Saskatoon's Rental Repair and Renovation Grant Program*

The City's Affordable Housing Strategy 2025-2030 provides the foundation for initiatives aimed at improving housing affordability and addressing core housing needs in Saskatoon. This strategy outlines a coordinated set of actions to ensure that all residents have access to safe, suitable and affordable housing. Among these actions is the development of a Rental Repair and Renovation Grant Program, to be created in partnership with affordable housing providers. If approved by City Council, this program will serve both as a financial support mechanism and as a tool to enhance the City's capacity for monitoring and reporting affordable housing over time.

Program Objectives:

- Preserve Existing Affordable Housing: Support the repair and improvement of existing affordable rental units, helping ensure their long-term availability for income-qualified residents.
- Leverage Incentive Programs: Align with existing local, provincial, and federal incentive programs to maximize overall impact and minimize duplication of efforts.
- Reduce Operating Costs: Lower utility expenses and GHG's through targeted repairs, renovations and upgrades that improve energy and water efficiency.

Integrating the Rental Repair and Renovation Grant Program with CELP will expand opportunities to support affordable housing providers. This collaborative approach will:

- Improve the safety, comfort, accessibility, and reliability of existing housing stock.
- Reduce energy poverty by lowering utility costs and greenhouse gas emissions.
- Enhance capacity building and knowledge-sharing within the housing sector.

Cross-promotion of the Grant Program and CELP will be employed to encourage participation and amplify the benefits of each initiative. Joint marketing and outreach strategies will ensure consistent messaging and greater awareness among stakeholders, including residents, property owners, and non-profit organizations. Additionally, capacity building, education, and streamlined program administration will help foster a more knowledgeable and resilient housing sector in Saskatoon.

By aligning objectives, sharing data, and applying best practices across these programs, the City of Saskatoon aims to maximize their collective impact on housing affordability, energy efficiency, and environmental sustainability.

8.3 Provincial Programs

8.3.1 SaskPower's Commercial Energy Optimization Program (CEOP)

The SaskPower Commercial Energy Optimization Program (CEOP) funded internally and also through NRCan's DRAI program. The CEOP provides commercial building owners with technical, analytical, and financial support to develop and implement energy efficiency projects. The program is structured to serve a wide range of commercial and MURB types, excluding industrial facilities.

Program Objectives:

- Support commercial customers in identifying and implementing cost-effective energy efficiency projects
- Reduce electricity and natural gas consumption
- Lower operating costs and GHG emissions
- Build organizational capacity for ongoing energy management

Three streams are offered through the program that can be combined or accessed separately.

1. Energy Support Services (ESS)
 - Funded by DRAI
 - Available to small and medium sized businesses
 - Support provided for technical studies including opportunity identification and assessment (ASHRAE level 1), business case/proposal development, reporting and tracking projects and savings, project planning and implementation and key stakeholder training through workshops and webinars (communications, awareness, benchmarking, measurement and verification, etc.)
 - Financial Support: 75% of eligible costs, up to \$50,000 for technical/feasibility studies, ASHRAE level 2 audits, commissioning, and certifications.
2. Energy Coach Services (ECS)
 - Funded by DRAI
 - Large commercial businesses typically with a consumption ≥ 2 GWh/year (office buildings, retail and restaurants, MURBs, hospitality facilities, public, indigenous/municipal, institutional buildings, and healthcare facilities.)
 - Support provided includes all ESS services (see above), plus up to \$30,000 to hire or retain a dedicated Energy Champion that will take charge of their energy use and help them become more energy efficient, a dedicated Energy coach, energy management plan, energy modelling, measurement and verification, etc.
 - Financial Support: 75% of eligible costs, up to \$50,000 for technical studies, commissioning, and certifications; up to \$30,000 in milestone incentives.
3. Custom Incentive Services (CIS)
 - Funded by SaskPower
 - Available to commercial customers; new construction, renewables, fuel switching, and emergency replacements are ineligible.
 - Financial incentives provided for facility upgrades that reduce electricity and/or natural gas consumption.
 - Incentive rates: \$0.13/kWh (non-lighting), \$0.06/kWh (lighting), \$15/GJ (natural gas)
 - Up to 50% of eligible project costs, capped at \$100,000 per fuel type (\$200,000 total)

Integrating CEOP with the CELP presents valuable opportunities for commercial businesses seeking to improve energy efficiency. By stacking incentives, participants can leverage CEOP's technical support and financial incentives alongside CELP's low-interest financing. This combination not only makes it easier to meet eligibility requirements—such as completing energy audits, feasibility studies, and measurement and verification—but also reduces both upfront and overall project costs. Additionally, developing a streamlined application process for both programs would simplify access, minimize administrative burden, and enhance the overall user experience. Together, these integration efforts make energy efficiency upgrades more affordable and accessible for commercial buildings, supporting sustainability and long-term cost savings.

Administration is actively working to align CELP with SaskPower's CEOP, recognizing that a unified application process and coordinated program standards will further simplify access, reduce the administrative burden, and improve the user experience for commercial building owners. These efforts will make energy efficiency upgrades more affordable and accessible, while supporting municipal sustainability objectives and delivering long-term economic and environmental benefits to the community.

8.2.3 SaskEnergy Commercial Space and Water Heating Rebate Program

The SaskEnergy's Commercial Space and Water Heating Rebate Program (CSWHR) is designed to support energy efficiency upgrades in commercial buildings across Saskatchewan. Administered by SaskEnergy in collaboration with SaskPower, the program provides financial incentives for the installation of high-efficiency natural gas and electric heating equipment. Applicants must be SaskEnergy customers or represent a customer and the upgrades must be installed by a TSASK-licensed contractor.

Program Objectives:

- Reduce natural gas and electricity consumption
- Lower operating costs for businesses
- Support greenhouse gas emission reductions
- Promote energy affordability and sustainability.

The program offers rebates, which vary based on equipment specifications, efficiency ratings, and installation context for a range of equipment types, including:

- High-efficiency furnaces – Up to \$650
- Condensing boilers – Up to \$6,300
- Tankless and condensing water heaters – Up to \$10,000
- Infrared tube heaters – Up to \$1,200
- Heat recovery ventilators (HRVs)
- Rooftop units (RTUs)
- Variable speed Electronically Commutated Motor (ECM) pumps

Integrating CELP financing with CSWHR rebates offers a powerful approach for building owners to address both financial and operational barriers to energy efficiency upgrades. By leveraging CELP to finance the full capital cost of projects and applying CSWHR rebates to lower total expenses, building owners can significantly reduce their upfront investment and achieve a stronger return on investment. Creating a streamlined application process that combines both programs not only minimizes paperwork and administrative effort but also enhances the overall user experience. This coordinated approach allows for joint outreach and engagement, making it easier for property owners to access support and encouraging broader participation in energy efficiency initiatives. Administration is actively working with SaskEnergy to integrate CELP with CSWHR.

8.4 Federal Programs

8.4.1 FCM Regional Energy Coaching Program (Regional Energy Coaches)

The Regional Energy Coaches (REC) program is a national initiative funded by FCM's Green Municipal Fund (GMF) and the Community Housing Transformation Centre. It is a free program open to municipalities, non-profit organizations, and housing co-operatives engaged in or planning energy-efficient retrofits or new construction of affordable housing designed to help affordable housing providers plan and implement energy-efficient retrofits and new builds.

Program Objectives

- Empower affordable housing providers to plan and implement energy-efficient retrofits and new construction.
- Provide expert, hands-on coaching to guide projects from initial planning through to completion.
- Help identify and prioritize retrofit opportunities and ensure projects are feasible and impactful.
- Support access to and stacking of funding by assisting with grant, loan, and incentive applications.

- Build internal capacity for ongoing energy management through training and resource sharing.
- Promote sustainability and reduce energy costs in Canada's affordable housing sector.

The REC offers **free** coaching, one-on-one support, energy assessments, technical advice, and project management. Energy coaches help identify retrofit options, assess feasibility, and explain technologies and funding. RECs assist with grants, loans, and incentives, helping providers combine funding sources for greater impact. Coaches provide resources, training, and networking to build housing providers' capacity, and they support projects from planning through to evaluation.

Integrating the Regional Energy Coaches (REC) program with the CELP initiative creates significant opportunities and benefits for affordable housing providers. By collaborating with RECs, affordable housing providers will gain expert support in identifying and prioritizing retrofit projects, ensuring that each undertaking is thoroughly scoped and feasible before financing is pursued. This partnership brings valuable technical advice and targeted training, empowering participants to design, implement, and manage energy-efficient initiatives with greater confidence. With REC guidance, CELP projects are more likely to achieve successful, cost-effective, and high-impact results, enhancing both project outcomes and accountability throughout the process.

9. Risk Mitigation

Effective risk mitigation is essential for the long-term success of C-PACE programs, benefiting property owners, residents, and capital providers alike. These strategies are designed to proactively address potential risks and ensure that projects deliver expected results with minimal disruptions. While HELP has demonstrated a strong track record with no defaults, it is important to understand and address potential risks proactively. By adopting effective strategies, program administrators can safeguard investments and ensure long-term program sustainability.

9.1 Default Risk

When acting as a lender, many stakeholders may be concerned about the risk of default on PACE Financing Loans as this can increase the cost of the program.

HELP has maintained a 0% delinquency rate, with only a few participants briefly in arrears before promptly paying after city notification. Full PACE loan defaults are extremely rare.

A review of U.S. PACE program default rates found only one C-PACE project default among 1,870 projects (2008–2019)⁵. According to Morningstar DBRS' PACE Snapshot, R-PACE repayment delinquencies in 2024 ranged from 1% to 5%⁶.

Although default risk remains low, there are several strategies available to mitigate this risk when implementing PACE financing, which include:

- **Placement of Lien on the Property:** Funding for improvements is secured by placing a lien on the property. This ensures that repayment obligations are tied to the property rather than the owner, automatically transferring to subsequent owners if the building is sold. This mechanism provides security for lenders and maintains program continuity.
- **Underwriting Criteria:** Many programs implement strict eligibility requirements, such as verifying occupancy permits, confirming adequate insurance coverage, obtaining mortgage lender consent, and ensuring that properties are free from foreclosure or bankruptcy. These measures reduce the likelihood of default and help maintain the integrity of the program.

⁵ U.S. Department of Energy. 2019. Commercial PACE Financing and the Special Assessment Process: Understanding Roles and Managing Risks for Local Governments. Retrieved from <https://www.energy.gov/sites/prod/files/2019/06/f64/CPACE-Special-Assessment-final.pdf>

⁶ Morningstar DBRS. 2025. Retrieved from [PACE Snapshot | Morningstar DBRS](#)

- **Applicant Eligibility Screening Through Strict Property and Participant Eligibility Requirements:** Combined with consumer protections, ensure comprehensive property screening, clear eligibility criteria, informed consent, thorough guidelines, and open communication minimize risk and uphold program integrity.
- **Transparent Fee Structures:** Clear pricing keeps participants fully informed, lessens the chance of disputes, and fosters trust in the program.
- **Capping Loan Values:** To reduce the risk of default, programs often cap the loan amount based on the value of the property between 20-35%.
- **Energy Performance Criteria:** Setting clear, measurable benchmarks—like energy audits, business cases, minimum energy savings, and adherence to technical standards—ensures projects achieve their goals, maintains accountability, and limits underperformance. To promote cost-effective and sustainable upgrades, most programs require energy audits, savings-to-investment ratio (SIR) assessments, and comprehensive feasibility studies before funding is approved. This ensures that projects are viable and achieve anticipated savings.
- **Post-Project Monitoring & Verification:** Implementing a solid monitoring and verification system makes it possible to track retrofit completion, resource usage, and performance against established standards. Consistent data collection and reporting help spot issues early, promote ongoing improvement, and confirm the program's objectives are met. Ongoing oversight is typically mandated for up to five years after installation. Monitoring tools may include benchmarking, labeling and disclosure (BLD) programs, post-retrofit verification reports, physical inspections, and photo documentation. These activities help verify that improvements are functioning as intended and delivering expected results.
- **Allowing Incentive Stacking:** Allowing participants to layer various funding sources (such as grants, loans, and incentives) boosts project affordability and participation rates, while decreasing financial risk by tapping into all available resources.

Rigorous risk mitigation strategies such as the use of liens, minimum SIR = 1, and robust underwriting—help ensure financial integrity while protecting both lenders and participants. Detailed project timelines layered performance requirements, and the emphasis on third-party verification and ongoing monitoring safeguard long-term results and program credibility.

Integrating these risk mitigation strategies into program design strengthens consumer protection, enhances accountability, and supports the successful implementation of energy-efficient retrofits in the affordable housing sector. These measures, combined with ongoing monitoring, transparent administration, and clear performance criteria, help safeguard both participants and program outcomes.

9.1.1 Tax Enforcement Act

In the event that a CELP program participant defaults on a payment, as with HELP, *The Tax Enforcement Act*⁷ would come into effect for all unpaid taxes, including the amount owing for the PACE program, after December 31 of the year they are owed.

The tax enforcement process includes the following steps:

1. Municipality is required to give notice to the property owner that if taxes are not paid the city will register an interest-based lien on the property title. From the date of this notice the property owner has 60 days to repay their taxes.
2. If after 60 days the taxes are not paid, the City registers an interest based tax lien on the property and the owner is charged a fee for registering the lien and, interest and a fine of up to \$200 is added to the tax roll.
3. If the taxes remain unpaid the municipality may apply to become the owner on title of the land. Prior to this application, the municipality has to provide ten days notice to the property owner.

⁷ Tax Enforcement Act details: <https://publications.saskatchewan.ca/#/products/908>

4. The property owner can redeem the land if the owner, an owner's executor or an assigned person(s) pay the city the taxes in arrears, all fees incurred to register the lien and amount of disbursements made by the city for interest, insurance premiums, legal fees, etc.
5. At any time after six months from the date of the municipality applying the lien the municipality may proceed to request title of the property if no amounts noted above are paid by the property owner.
6. The city may then sell the property once obtaining title.

The above steps are a summary of the tax enforcement process. For the full detailed *Tax Enforcement Act*, a link is provided in the footnotes.

9.2 Program Uptake

Program uptake was also identified as a risk in the Feasibility Study. To reduce uptake risk for CELP, a few key design elements were recommended such as:

- Streamlined application process similar to HELP through the new application portal, with clear eligibility criteria to minimize confusion and administrative burden for property owners
- City administered program to ensure ongoing participant support. Dedicated program staff will ensure applicants can access guidance throughout the process, fostering trust and confidence in the program
- Reduced administrative fees for affordable housing and non-profit applicants
- Flexible financing options and transparent repayment schedules that will encourage uptake by accommodating a range of financial situations.

Furthermore, a communications plan will focus on targeted outreach campaigns will help raise awareness and address potential barriers to participation. Program uptake for CELP will be tracked, detailing the number of applications received, approved, and completed projects. This will help to assess the effectiveness of outreach efforts and identify any barriers to participation. Continuous feedback from participants will be used to refine program delivery and ensure it meets the needs of property owners across the city.

9.3 Program Integration

SaskPower's DRAI funding is fully allocated, and further funds are being sought from NRCan's DRAI program. If CEOP loses funding, there is a high risk to program integration and reduced support for CELP participants. Without continued financial backing, CELP participants may incur extra costs and receive less help with required technical documentation and analysis for building retrofits.

Given these considerations, it will be crucial for administration to proactively identify potential funding gaps and develop contingency strategies to mitigate any negative impacts on CELP's integration with existing programs and its ability to provide robust support for participants. This includes close collaboration with partner agencies and ongoing monitoring of available resources to ensure the program remains accessible and effective for property owners. As part of the broader implementation planning, the city will emphasize establishing efficient administrative processes and securing sustainable financial backing, thereby reinforcing CELP's long-term viability and strengthening its alignment with HELP and other initiatives as preparations advance towards the program's official launch in mid-2026.

10. Program Set-up and Administration

Program set-up and administration will include finalizing all implementation planning necessary for the launch of CELP by mid-2026, secure supplementary funding through FCM and collaborate with the Finance, Solicitors, and Revenue departments to revise existing administrative processes required for CELP's operation alongside HELP, including the deployment of software upon its completion.

The implementation plan will include:

- Development/update of relevant bylaws

- Acquisition of FCM's grant funding
- Development and launch of the application portal and data management software for program administration
- Revision/development of program application and administrative procedures—which encompasses defining roles and responsibilities and recruiting an additional program coordinator pending FCM funding
- Implementation of the 2026 marketing strategy, including infographics, web content, press releases, media engagement, and distribution of communication materials
- Preparation of a roles and responsibilities and measurement and verification plan
- Official program launch
- Program scaling including a sustainable plan to operationalize the program.

Following CELP's successful rollout, systematic monitoring and evaluation protocols will be implemented to ensure alignment with program objectives and enable ongoing improvement. Performance metrics which will include GHG emission reduction, energy and water savings, number of retrofits, participant satisfaction, etc. will be tracked using data collection and reporting systems. Regular feedback from both participants and stakeholders will inform iterative enhancements to the program to increase the overall long-term sustainability on the program.

If the program proves successful during its first year the project team will seek additional funding through FCM's Net Zero Transformation Capital Program to support the program's expansion.

11. Conclusion

CELP aligns with the City's dedication to reducing greenhouse gas emissions and enhancing climate resilience, as articulated in the 2030 Strategic Plan. By enabling residents and local businesses to undertake energy retrofits, CELP promotes community well-being, economic development, and an improved quality of life.

The effectiveness of the program will be evaluated based on its long-term impact on greenhouse gas reduction and its potential for future expansion into additional sectors or communities. Ongoing collaboration with all stakeholders will be crucial for CELP to remain flexible and optimize its positive outcomes.

As CELP is introduced, its success will be assessed not only through immediate results but also through its lasting contributions to the City's climate resilience and overall livability. Continued engagement with residents, businesses, and stakeholders will be essential to unlocking the program's full potential and securing a sustainable future for everyone.

Annex A - Community Energy Loan Program - Triple Bottom Line Implications

Process and Methodology

Administration used the City of Saskatoon's Triple Bottom Line (TBL) Improvement Tool to review the TBL implications of designing and implementing the Community Energy Loan program to comply with *Council Policy C08-001 - Triple Bottom Line*.

In conducting the TBL review, Administration relied on the expertise of the Project Team and Subject Matter Experts from the City's Sustainability Department. The TBL review was jointly conducted and a TBL review sheet was completed.

This review provides a high-level assessment to identify the initiative's environmental, social, and economic outcomes, as well as to identify opportunities to achieve even greater sustainability benefits. The results are meant to support ongoing decision making, rather than be relied upon as a fixed sustainability evaluation.

Caveats and Limitations:

- Some TBL areas were considered out of scope, including items that were not contingent on and/or influenced by the initiative.

Results & Findings

Overall, the results of Administration's TBL review indicate that the design and implementation of the Community Energy Loan program will achieve multiple TBL benefits. A summary of results for each TBL principle and indicator are included in the subsequent sections of this document.

Principle: Environmental	
Indicator	TBL Outcomes
Waste	• Program could lead to more waste as a result of construction and renovation materials. • Program could support incentivize/support the uptake of the organics program to support GHG reduction.
Water	• Audit and actions support water conservation. • Minimal flood mitigation upgrades included in the program. • Possibility to include rain capture, smart irrigation, and re-use as eligible project within the program.
Energy & GHGs	• Program supports energy conservation and renewable energy installations through the list of eligible retrofits. • Rebates could further support renewable energy and rooftop solar. • Geothermal could also be included as an eligible retrofit for larger facilities. • Energy conservation will result in GHG reductions. The program would target commercial buildings with the potential for significant GHG reductions when deep energy retrofits are performed.
Pollutants	• Program could support safe asbestos remediation, argon mitigation, and other safety measures.

Ecosystems	• Minimal impact or opportunity, working with existing sites. • Program could encompass trees, heat island effect, naturalized landscaping, or green roofs through resiliency measures. • Some retrofit options like increased insulation could reduce noise or vibrations in buildings, making them more comfortable and reduce environmental nuisances.
Sustainable Development	• Program is focused on building retrofits and not design but building improvements and weather proofing support climate adaptation (indoor air quality, thermal comfort, ect.). • Indirect support of density by maintaining existing facilities.

For Further / Future Consideration

- Mandates for the handling of construction and demolition waste could be considered in a future iteration of the program along with supporting the uptake of the ICI organics program.
- Possibility to integrate contractor waste management guidance for projects. Or track construction/demolition waste data associated with projects.
- Possibility to include rain capture, smart irrigation, and re-use as eligible project within the program.
- Consider inclusion of net-metering for solar incentive to connect into district energy pilot.
- Include EV charging to support citizens in multi-unit residential buildings (MURBs).
- Safety and climate adaptation measures could be included as eligible projects within the program (flood, fire, asbestos removal, radon mitigation, sequestration actions, heat island mitigation measures such as tree planting, white roofs, etc.)

Principle: Social	
Indicator	TBL Outcomes
REDI Planning & Principles	• The program has included equity as a core principle. The MURB focus was intended to support equity, with the goal of ensuring that resulting benefits are passed onto renters/tenants. • Accessibility is a core concept of the program design by providing loans to groups who may otherwise struggle to access loans but without putting them at risk by assuming loan.
Access & Participation	• The program is designed so the target audience can and wants to apply, with engagement helping achieve this. • Costs associated with participation is a primary consideration. • Coordinating affordable housing administration and partnerships—including new and existing buildings, affordability, crime prevention, and energy efficiency—would advance a One City Approach. • Targeted programming and communication with diverse communities and property owners/managers could be explored further to encourage more income-qualified uptake into the program. • Program could seek diverse contractors for approved contractor pool.
Impacts & Benefits	• Program will be designed to ensure that equity is considered and will target affordable housing and non-for-profits. • New builders are not within the scope of this program (despite their interest). • Possibility to include income caps or building size caps also leave out higher income groups to ensure that the benefits are passed to lower income participants. • Potential for the program to ensure that the cost savings are passed on to the tenants (reduce energy poverty) and to ensure that renoviction does not occur.

	When working with equity-deserving groups, the program should ensure that non-profits are not unduly impacted. If operating costs rise significantly, it is important to provide flexibility so they can adjust rental fees as needed.
Representation	Indigenous and non-profit groups have been identified as primary program partners. Engagement and collaboration with these groups will continue throughout program development to ensure appropriate representation and inclusion.
Reconciliation	Prioritizing Indigenous organizations and governments.
Dignity & Safety	- Building energy retrofits are a great opportunity to also improve the local building stock for safety and wellbeing. - Potential for the program to create more employment opportunities.
miyo-pimâtisiwin The Good Life	- Building retrofits increase comfort. - Owners or managers that do participate in the program will have safer, healthier and more comfortable resilient buildings with better air quality, lower energy bills and will reduce their associated emissions.
Civic Participation	No impacts or benefits on civic participation.

For Further / Future Consideration

- Eligibility criteria should include priority for Indigenous, affordable housing, non-profits (community associations), cultural spaces, etc. Potential to renovate multi-unit residential or other affordable housing units to ensure that the program is equitable, and that the savings are passed on to tenants.
- Consider additional opportunities to engage renters and tenants.
- Application forms could ask about the Indigenous representation on boards or among tenants. Often, organizations serve entirely Indigenous populations but have no Indigenous board members or are not Indigenous led. To meet the intent of "for Indigenous by Indigenous," it's important that partners understand cultural context and experiences. Consider how to verify these criteria if included.
- The program should ensure tenant displacement does not occur during building renovations.
- Possibility to focus on infill within core neighborhoods through prioritization criteria to support equity.
- Building size caps may help ensure that loans are directed toward individuals with genuine need.
- Make use of existing affordable housing agreements/partnerships. Possibility to allocate a specific loan amount to affordable housing.
- Possibility to offset admin costs by streamlining administration of the program with the Housing Affordability program.
- A reduced fee may be incorporated if the participant agrees to maintain affordability standards. A PACE loan could transition into an affordable housing agreement. This would apply specifically to rentals in MURB, as it requires interaction with a single owner.
- Create application and data management software to support program delivery.
- There is an opportunity to establish an agreement requiring affordable housing partners or participants to submit applications for rent increases after receiving a city loan. While not constituting strict rent control, this arrangement would provide oversight and ensure appropriate rent adjustments. The mechanism for this process would be incorporated into the agreement rather than enacted as a bylaw and should remain flexible—potentially indexed to inflation—or may involve collaboration with provincial authorities.
- Health, safety, and climate adaptation measures could be included as eligible projects within the program (flood, fire, asbestos removal, radon mitigation, sequestration actions, battery storage, etc.) and be eligible for rebates, if applicable.

Principle: Economic	
Indicator	TBL Outcomes
Local Economy	• PACE programming contributes to economic activities, primarily builders, Energy advisors and contractors. • Working with BIDs and CHBA
Skills & Training	• There are significant knowledge gaps for building owners and operators regarding the net-zero transition. Basic programs, such as SES Building Operator Training, are highly valuable in addressing these gaps. • Increase skills and build capacity for energy auditors, solar installation, green building companies, mechanical trades etc. Education for contractors could be provided as part of the program. • Partnership with U-Sask Research Junction provided insight in understanding of the intersection between low-income energy-efficient housing by addressing the landlord-renter split incentive gap.
Labour & Work	• Improved buildings may be better workspaces, as they may be more comfortable, quiet, and have better air quality. • Reduced operational costs may support more secure employment and operations in the long-term. • Job creation expected to result from the program.
Affordability	• Reduced utility costs can improve the affordability for tenants and operational costs for businesses. • Loans will have low interests that are better than market rates • No/low-cost participation, waived admin fees, access to grants, rent stability, no renovations, inclusion in affordability programs, and tenant support to lower utility costs
Financial Resourcing	• Internal borrowing for the program has already been approved. • Upgrades should reduce long term costs for tenants and landlords, which are supported by audit to show cost saving opportunities.
Asset Management	• Upkeep and efficient operations could extend the useful life of the buildings throughout the city.

For Further / Future Consideration

- BOMA: Develop energy efficiency labelling programs and maintain relationships, as misalignment can cause problems.
- Enhance contractor skills, increase landlord awareness. Provide tenants with information on maintaining building efficiency and improving energy use. Include resources on energy efficiency in housing handbooks.
- Provide contractor training sessions and workshops related to newer technologies to build capacity (Energy Auditors, skilled trades, etc.)
- Could make use of SaskBuilds criteria for pre-vetted contractor list requirements.
- Consider an integrated approach with Affordable Housing initiatives.
- Larger buildings may require a business case model and planning that considers the building's age, with asset upgrades scheduled as renewals become necessary according to lifecycle assessments. Funding approval could be structured so that portions are disbursed over several years to match asset renewal and capacity timelines.

Principle: Good Governance

For Further / Future Consideration

- Change Management: Further discussions upon implementation planning.

Annex B: Comprehensive Review of C-PACE Programs in Canada and the United States, Including an Assessment of National Initiatives Supporting New Construction

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Overview

This appendix offers a comparative overview of existing Commercial Property Assessed Clean Energy (C-PACE) programs to inform the development of Saskatoon's Community Energy Loan Program (CELP). C-PACE initiatives are instrumental in advancing energy efficiency and sustainability, enabling property owners to undertake energy and water efficiency, renewable energy and resiliency building improvements with accessible financing options. These programs typically maintain well-defined eligibility requirements, transparent fee structures, and clear project timelines to ensure upgrades are both effective and financially viable.

Drawing from a review of twenty-one commercial PACE programs in Canada and the United States, as well as a municipal loan initiative that operates outside the PACE model, the appendix is based on both online research and conversations with Canadian program managers. It highlights essential program features or components including:

- Administration and Financing Models;
- Eligibility Requirements;
- Eligible Measures;
- Risk Management Strategies;
- Financing Structures & Terms;
- Program Fees;
- Energy Performance Standards;
- Post Retrofit Verification;
- Project Timelines; and
- Equity Considerations

The findings from these programs are intended to support practical, inclusive recommendations for designing CELP in Saskatoon.

This appendix concludes with a summary of national programs designed to support new construction initiatives.

C-PACE Program Design Highlights

Administration and Financing

- **Program Administration:** Administration differs by program and is typically handled by municipalities, third-party nonprofits, or specialized authorities.
- **Program Financing:** Program financing is typically provided by third-party lenders or open-market capital in the US, but In Canada they are funded through city funds (Toronto, Edmonton), or grants provided by other levels of government (Toronto).

Eligibility Criteria

- **Property Criteria:** Common C-PACE program eligibility requirements include that the Property must be located within the boundary of the city limits and meet the following criteria:
 - Property Types: Eligible property types for C-PACE programs commonly include:
 - Commercial buildings
 - Industrial facilities
 - Multifamily residences (five or more units)
 - Agricultural properties
 - Nonprofit organizations
 - Some programs also allow new construction and government-owned buildings

- Condominiums depend on ownership structure:
 - If the entire building is owned by a single entity, it may qualify for C-PACE with a single assessment lien.
 - For buildings with multiple unit owners, C-PACE is generally unavailable; however, some local programs allow condominium boards to secure financing for shared common areas, provided all owners give written consent.
 - Individual condominium units typically do not qualify for C-PACE, but may be eligible for residential PACE (R-PACE) programs, depending on local regulations.
- Occupancy: Property must have a valid occupancy permit for at least one year.
- Foreclosure: Property must not be subject to foreclosure proceedings.
- Insurance: Commercial general liability insurance (often \$2M+) and property insurance are standard requirements.
- Current on Taxes and Debts: Applicants are required to be up to date on all property taxes and outstanding mortgage, or liens related to the property.
- Appraisals: Many programs require the property to be assessed within the past 12 months. The maximum allowable financing amount, often capped at a percentage of the assessed or appraised value (e.g., 20–35%).
- Condominiums: Entire buildings under single ownership can use C-PACE, but applying a single C-PACE lien is challenging with multiple unit owners. Individually owned condos in the U.S. are often eligible for R-PACE. Some programs let condo boards or associations obtain C-PACE financing for shared areas, if all owners approve in writing.
- **Participant Criteria:** Legal property ownership, current on taxes and debts, no bankruptcy, and mortgage lender consent are universal requirements. Some programs require a minimum period of ownership (often 5 years like Edmonton's CEIP) or attestation of any property-secured debt.
 - Legal Property Ownership: Participants must be the legal owners of the property in question.
 - Minimum Period of Ownership: Certain programs, such as Edmonton's CEIP, require that the property owner has held title for a minimum period (5+ years), providing assurance of the owner's commitment and stability.
 - Current on Taxes and Debts: Applicants are required to be up to date on all property taxes and outstanding mortgage, or liens related to the property.
 - No Bankruptcy: Property owners must not be in active bankruptcy proceedings.
 - Mortgage Lender Consent: Written consent from the mortgage lender is universally required.
 - Attestation of Property-Secured Debt: Some programs require participants to provide a formal statement regarding any existing debt secured by the property.

Eligible Measures

- **Energy Efficiency:**
 - HVAC Upgrades: Heat pumps, high-efficiency boilers, chillers, and air handling units are the most funded retrofits throughout the programs reviewed.
 - Insulation and Building Envelope Improvements: Insulation (walls, roofs, floors, foundations), window and door replacements, air sealing, and exterior wall cladding.
 - LED Lighting and Controls: Such as occupancy sensors and daylight harvesting. Many programs require lighting to meet specific efficiency standards, such as Design Lighting Consortium (DLC) requirements.
 - Motors and Drives: Variable frequency drives on motors, pumps, and fans are eligible in most programs.
 - Water Heating Systems: High-efficiency water heaters, tankless systems, and fuel switching.

- Building/Energy Management Systems
- Energy Recovery Systems: Heat Recovery Ventilators (HRVs) and Energy Recovery Ventilators (ERVs)
- **Renewable Energy:**
 - Solar Photovoltaic (PV) Systems: Solar panels for electricity generation are the most widely adopted renewable energy measure. Nearly every C-PACE program in both Canada and the U.S. includes solar PV as an eligible upgrade for commercial, multifamily, and industrial buildings.
 - Solar Thermal Systems: Solar water heating and solar thermal systems for space heating are frequently eligible, especially in U.S. programs such as Illinois IECA PACE and Pennsylvania C-PACE.
 - Geothermal Systems: Ground-source heat pumps and geothermal heating/cooling.
 - Wind Energy: Small wind turbines for on-site electricity generation are eligible in several U.S. programs (e.g., Illinois, Colorado, Utah).
 - Biomass and Biofuels: Biomass boilers, biofuel systems, and anaerobic digesters are included in some programs, especially for agricultural or industrial properties.
 - Combined Heat and Power (CHP): Are eligible in many U.S. programs, such as Illinois IECA PACE and Pennsylvania C-PACE.
 - Energy Storage: Battery storage systems.
 - Hydroelectric Systems: Small-scale hydroelectric systems are eligible in a couple of programs, though less common than solar or geothermal.
- **Water Efficiency:**
 - Low-Flow Fixtures: Low-flow toilets, urinals, faucets, and showerheads are standard in both Canadian and U.S. programs.
 - Water Heating Systems: High-efficiency water heaters and drain water heat recovery systems.
 - Irrigation and Landscape Management: Upgrades to irrigation controls and water-efficient landscaping are eligible, especially in U.S. programs (e.g., Clark County, Nevada).
 - Water Recycling and Reuse: Stormwater management, water recycling systems, and bioretention are common in U.S. programs like Illinois IECA PACE.
 - Commercial Kitchen and Laundry Equipment: Pre-rinse valves, dishwashers, icemakers, and laundry equipment upgrades are eligible in some U.S. programs particularly for commercial kitchens and laundromats.
 - Building Automation: Systems that optimize water use and detect leaks.
 - Condensate Water Reuse: Reuse for cooling towers, steam boilers, and irrigation is increasingly common retrofit in larger commercial and industrial buildings.
- **Resiliency:**
 - Seismic Retrofits: Structural upgrades to make buildings more resistant to earthquakes.
 - Wind and Storm Hardening Retrofits: Wind-resistant roofs, windows, and doors, roof anchoring, impact-resistant glazing, and reinforced exterior walls to withstand hurricanes, tornadoes, and severe storms.
 - Flood Mitigation: Elevating mechanical systems and electrical panels above flood levels, sump pumps, backflow valves, and waterproofing measures.
 - Stormwater Management Systems: Green roofs and permeable pavement.
 - Fire Safety and Wildfire Resilience: Fire-resistant cladding and roofing, upgrades to landscaping for defensible space. Installation of fire suppression systems.

- Backup Power: Battery storage systems and backup generators to maintain operations during grid outages. Microgrid installations (Connecticut C-PACE) for energy independence and resilience.
- Emergency Preparedness Upgrades: Installation of emergency lighting, signage, and communication systems. Upgrades to ensure safe evacuation and shelter-in-place capabilities.
- **Other:**
 - EV charging stations.
 - Safety (asbestos, radon, argon, and mold remediation)

Financing Structure & Terms

- **Loan Amounts:** Minimums range from \$3,000 (Edmonton) to \$50,000, with a few programs specifying that the minimum loan amount of \$10,000. Maximums are often tied to property value, with some programs supporting multi-million-dollar projects (~\$50M). Clark County C-PACE provides loans ranging from \$500,000 to \$50,000,000, while UT C-PACE average loan amounts typically fall between \$200,000 to over \$1 million. In Canada, available loan amounts range from \$3,000 to \$10 million.
- **Loan-to-Value (LTV):** Typically capped at 20–35% of property value. Atlanta C-PACE and Lone Star PACE set the LTV cap at 25%, while Texas has recently increased its maximum from 25% to 35%; MinnPACE permits up to 30%.
- **Terms:** Financing terms often align with the effective useful life (EUL) of upgrades, usually up to 20–30 years. For example, Edmonton Commercial CEIP program.
- **Interest Rates:** Fixed or variable, set by capital providers; rates vary by market.

Program Fees

- **Fees:** Programs charge different fees related to application, administration, servicing, and closing, typically calculated as percentages of total financing or loan amounts with specified caps and minimums. Application (\$150–\$2,000), admin (1–3%, often capped), annual servicing (\$250–\$1,500). Table 1, below, provides a summary of the fee structure across the programs.
- **No/Low Fees:** Some city-funded programs (e.g., Toronto’s Energy Retrofits) offer no administration fees

Table 5- Summary of C-PACE Program Fees

Program	Application Fees	Administration Fees	Annual Servicing/Collection Fees	Other Fees
Atlanta C-PACE	\$500	1% (max \$100k)	30bps on annual; \$400 min; County: 1%/yr	-
Clark County	\$2,000	Participant liable for costs. Unknown.	-	-
Colorado C-PACE	-	2.5% (max \$75k)	\$250–\$1,500/year	-
ENCEAD PACE	\$1,000	1% (max \$40k)	\$500	-
IECA PACE	\$150	1.75% (max \$75k)	\$300–\$400; County: 1%	-
King County	-	1% (max \$15k)	-	-
Lone Star PACE	\$500	-	0.8% or 0.1% of total loan amount	Closing fee (Not known)
MinnPACE	-	1.25% (\$0-1.75M) 1% (> 1.75M) (min \$2k; max \$85k)	0.1%; \$250/yr min - \$1,250/yr max)	-

NYC Accelerator	-	1.0% (\$0–10M); 0.75% (10–30M); 0.25% (>30M)	0.1% (paid by lender)	-
Oklahoma C-PACE	\$250	-	-	Close: 1.25% (\$2.5k–\$50k)
PACE Mass.	\$250	-	Servicing fee available upon request	-
PACE WI	-	-	-	-
Pennsylvania C-PACE	-	1.75% (\$25k–\$1M); 1.5% next \$1M; 1.4% next \$2M; max \$75k	-	-
UT C-PACE	-	3% (max \$90k)	-	-
Virginia C-PACE	-	-	Serv.: 1.5%/yr (\$300–\$2k)	Close: 1.05% (min \$3.3k)
CEIP Edmonton	-	1.575% or 5% of proj. cost	-	-
CEIP Sturgeon	-	5% of proj. cost	-	-
Hi-RIS	-	0.8% of loan	-	-
TATR	-	0.8% of loan	-	-
Energy Retrofit Loans	-	No fees	-	-

Energy Performance Standards & Verification

- **Energy Audits:** Energy audits are a standard requirement for most programs to estimate savings. Many programs require an ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers) level I or II audit. However, some programs such as Clark County C-PACE or C-PACE accept business cases in lieu of energy audits.
- **Feasibility Studies:** Are required for renewable energy and resiliency projects for many programs (e.g., Toronto, Colorado)
- **Minimum Energy Savings:** a couple programs require a minimum percentage improvement in energy efficiency. For instance, Toronto's TATR Program requires projects to achieve a minimum of 15% energy savings to receive a grant, while Pennsylvania C-PACE mandates a 20% for a single eligible measure or group of eligible measures.
- **Minimum Number of Retrofits:** Some programs require a minimum number of upgrades such as Alberta's CEIP programs, which require three upgrades.
- **Energy Code:** Compliance or exceedances are required for the programs that allow new builds to participate. Some programs finance only the energy-efficient portion of new construction costs (typically 20–25%).
- **Savings-to-Investment Ratio (SIR):** $SIR \geq 1$ is a common requirement to ensure cost-effectiveness. This is the ratio of projected energy savings to the cost of the project. An SIR of ≥ 1.0 , meaning the project must pay for itself over its lifetime through energy savings, is a typical requirement.

Post-Retrofit Verification

- **Submission of Energy Data and Savings Reports**
 - Annual or periodic submission of energy performance data (often for 1 year or more) to verify actual savings compared to projections.
 - Post-project memos or completion reports confirming energy savings and greenhouse gas emissions reductions, typically prepared by the same qualified contractor who performed the initial

audit. Edmonton's CEIP programs require a post-project memo confirming savings within 6 weeks, completed by an energy auditor.

- Measurement & Verification (M&V) reporting: Some programs require annual M&V reports for several years after project completion, especially for larger projects or those in cities like New York City.
- **Completion Certificates and Installation Verification:** The majority of programs mandate that, upon project completion, the property owner, contractor, or a qualified professional/engineer provide verification confirming the proper completion of all work. This may include:
 - Final completion certificate: Generally signed by both the property owner and contractor, this document validates that all program-funded work has been installed and is substantially complete. For example, Pennsylvania C-PACE requires a completion certificate endorsed by the property owner and a qualified inspector or building code official, while ENCEAD PACE (Nebraska) and King County C-PACER require certification from an engineer.
 - Commissioning reports: Many programs either recommend or require these reports to confirm that installed systems operate according to the intended design. Illinois IECA PACE, for instance, recommends submission of a commissioning report to verify correct system installation.
 - Itemized invoices and photographic documentation of completed upgrades: Some jurisdictions, such as Edmonton, require itemized invoices and photographs as part of their post-retrofit verification processes.
- **Site Inspections:**
 - Many programs state that physical site inspections may occur within a set period (e.g., within five years after completion) to verify installation and performance.
- **Participation in Surveys and Follow-Up Activities**
 - Participation in surveys, studies, audits, or evaluations by the program administrator or its agents may be required to monitor effectiveness and verify ongoing savings, as with programs in Albert and Toronto.
- **Benchmarking and Utility Data Sharing**
 - Annual benchmarking: Required by some jurisdictions (e.g., NYC), using tools like ENERGY STAR Portfolio Manager.
 - Sharing utility data with program administrators for a specified period before and after the retrofit. Toronto's Hi-RIS program requires that owners allow the city to access utility usage data for monitoring from three years before the project and throughout the financing term.

Project Timelines

- **Pre-qualification:** Ranges from 3–4 months
- **Completion Deadlines:** Upgrades must be installed within 6–24 months, with extensions possible.

Equity & Tenant Considerations

- **Tenant Notifications:** Required in some programs (e.g., Pennsylvania)
- **Split Incentives:** Some U.S. programs address split incentives by allowing assessment pass-through to tenants (triple-net or green leases)
- **Affordable Housing:** Income caps and eligibility for affordable housing are present in the Clark County program.
- **Accessibility:** Multi-language navigation and accessible contact info in some programs.

These key findings support the design of a sustainable C-PACE program. Best practices to incorporate in the final design of CELP include:

- Establishing strict participant and property criteria
- Requiring energy audits, SRI assessments, and comprehensive written analyses for all projects
- Aligning loan terms with the expected lifespan of improvements and evaluating loan-to-value ratios
- Mandating formal mortgage lender consent and securing loans via liens
- Permitting stacking with additional incentives and rebate programs
- Enforcing stringent post-retrofit verification and annual reporting protocols
- Addressing split incentives and incorporating tenant protections, particularly for multifamily and affordable housing
- Considering equity measures such as income thresholds and rent increase limitations.

Risk Mitigation

- **Lien Placement on Property:** All programs secure financing with a lien placed on the on the property. This means the repayment obligation is attached to the property, not the individual owner. Upon sale of the property, the lien and repayment responsibilities transfer to the new owner.
- **Underwriting Criteria:** All programs include strict eligibility criteria for properties and participants, as mentioned above, such as the requirement to provide a valid occupancy permit and insurance policy, written mortgage lender consent, and that the property and participants must not be in foreclosure or bankruptcy respectively, reducing the risk of default.
- **Performance Criteria:** Energy audits, Savings to Investment Ratio (SIR), and feasibility studies are often required by program to ensure that the projects are technically sound and likely to deliver the projected savings, reducing the risk of underperformance.
- **Project Monitoring and Verification:** Most programs require program monitoring and verification for up to 5 years post installation, often through participation in a benchmarking, labelling and disclosure (BLD) program, post retrofit reports or inspections and through the submission of pictures as verification.
- **Incentive Stacking:** All programs also allow stacking with other rebates and incentives to help reduce financial risk for participants by lowering net project costs and improving the likelihood of successful repayment.

Overview of C-PACE Programs

This section provides a summary of 21 C-PACE programs throughout Canada and the United States.

Canadian C-PACE Programs

Edmonton Commercial Clean Energy Improvement Program (CEIP)

- **Location:** Edmonton
- **Administered by:** Alberta Municipalities
- **Financing:** City and FCM funded
- **Eligibility Requirements:** Non-residential or farm land; insured (\$2M liability); valid occupancy permit (1+ year); not in foreclosure; owner in good standing; mortgage lender consent; no bankruptcy; 5+ years ownership; current on taxes (5 years); clear title
- **Eligible Measures:** Windows/doors, insulation, HVAC, kitchens, lighting, motors/drives, solar, water heating. [Eligible upgrades](#) specify their effective useful life.
- **Terms:** \$3,000–\$1,000,000 but the maximum loan amount cannot exceed the Property's annual municipal property tax amount. Terms up to 20 years based on effective useful life (EUL); interest 3.16–

6%; pay-off option (one time only); 100% of project costs added to final loan amount including capital, professional (audit/feasibility study) and incidental

- **Fees:** Administration fee of 1.575% of the total project cost, up to a maximum of 5% of the Capital Cost, calculated and paid by the Participant through the Clean Energy Improvement Tax.
- **Energy Performance:** ASHRAE Level 2 audit; feasibility study for renewables (except solar PV); minimum 3 upgrades; 1-year warranty
- **Post-Retrofit Verification:** Post-project memo confirming savings within 6 weeks completed by Energy Auditor; completion of the project completion form within 3 days; monitoring and verification (M&V), participation in any future surveys or audits as requested
- **Timelines:** Pre-qualification 4 months; audit within 1 month; upgrades within 12 months
- **Uptake:** 8 applications (2 years); 1 completed, 3 in process
- **Contractor Payments:** Upfront, no upfront deposits
- **Equity Considerations:** None specified
- **Risk Mitigation:** Lien on property; mortgage lender consent; clear title; post project verification and possible site inspection within 5 years.

Edmonton Residential Clean Energy Improvement Program (CEIP)

- **Location:** Edmonton
- **Administered by:** Alberta Municipalities
- **Financing:** City and third-party lenders
- **Eligibility Requirements:** Residential single-family, low/high-rise MURBs; insured (\$1M liability); valid occupancy permit (6+ months); not in foreclosure; owner in good standing; 5+ years ownership; current on taxes (5 years); mortgage lender consent
- **Eligible Measures:** Windows/doors, insulation/air sealing, kitchens, HVAC, lighting, motors/drives, solar, water heating
- **Terms:** \$3,000–\$50,000; not to exceed lender-approved amount or annual property tax; up to 20 years based on EUL; interest 3.16–6%; pay-off option
- **Fees:** Administration fee of 1.575% of the total project cost, up to a maximum of 5% of the Capital Cost, calculated and paid by the Participant through the Clean Energy Improvement Tax.
- **Energy Performance:** EnerGuide or ASHRAE Level II audit; upgrades recommended in audit; 1-year warranty; minimum 3 upgrades (unless net zero)
- **Post-Retrofit Verification:** Memo confirming savings within 6 weeks; completion form within 3 days; itemized invoice; photos; participation in surveys/audits
- **Timelines:** Pre-qualification 3 months; upgrades within 6 months
- **Uptake:** 160 participants (2024); 150 applications open (2025)
- **Contractor Payments:** Upfront, upfront deposits up to 10%
- **Equity Considerations:** None specified
- **Risk Mitigation:** Lien on property; mortgage lender consent; clear title; post project verification and possible site inspection within 5 years.

Sturgeon County Commercial CEIP

- **Location:** Sturgeon County
- **Administered by:** Alberta Municipalities
- **Financing:** Third-party lender

- **Eligibility Requirements:** Commercial, special purpose, farm, condos (board approval), non-profit; insured (\$2M liability); valid occupancy permit (1+ year); not in foreclosure; 5+ years ownership; current on taxes; mortgage lender consent
- **Eligible Measures:** Windows/doors, insulation, kitchens, HVAC, lighting, motors/drives, solar, water heating; 1-year warranty; minimum EUL of 5 years.
- **Terms:** \$3,000–\$300,000; up to 20 years based on EUL; interest 5.20% variable; stackable incentives; 100% of project costs added to final loan amount including capital, professional (audit/feasibility study) and incidental
- **Fees:** Administration fee of 1.575% of the total project cost, up to a maximum of 5% of the Capital Cost, calculated and paid by the Participant through the Clean Energy Improvement Tax.
- **Energy Performance:** ASHRAE Level II audit; upgrades recommended in audit; completion form for each upgrade verifying performance; invoices/photos required
- **Post-Retrofit Verification:** Memo verifying savings within 6 weeks; participation in surveys/audits
- **Timelines:** Pre-qualification 4 months; audit proof within 1 month; upgrades within 12 months
- **Uptake:** Unknown
- **Equity:** None specified
- **Contractor Payments:** Upfront, no upfront deposits
- **Risk Mitigation:** Lien on property; mortgage lender consent, site inspection within 5 years

Toronto High-Rise Retrofit Improvement (Hi-RIS)

- **Location:** Toronto
- **Administered by:** Better Buildings Partnership
- **Financing:** City revolving fund (\$10M)
- **Eligibility Requirements:** Residential apartment buildings (pre-1990, 3+ storeys); all owners must consent; good standing on taxes/utilities (5 years); mortgage lender consent; property tax assessment
- **Eligible Measures:** High-efficiency windows, roof insulation, insulated overcladding, heat pumps, ventilation, envelope/mechanical/water/lighting upgrades, renewables (solar, geothermal), any energy/water efficiency measure; minimum EUL of 5 years
- **Terms:** Lesser of 10% of property value (LTV) or \$2.5M/building; 5–20 years; 100% of project costs added to final loan amount including capital, professional (audit) and incidental
- **Fees:** 0.8% of approved loan amount
- **Energy Performance:** ASHRAE Level 2 audit; no specific GHG reduction target; sign off by qualified professional engineer
- **Post-Retrofit Verification:** Installation must be verified through submission of invoices; property owners must allow the City to access utility usage data for monitoring (ESPM) from three years before the project through the financing term, and participate in surveys for program evaluation.
- **Timelines:** Not specified
- **Uptake:** ~15 multi-unit residential buildings completed
- **Contractor Payments:** Participants use funds to pay contractors directly
- **Equity Considerations:** No rent increases above guidelines in the *Residential Tenancies Act* for improvements funded by program.
- **Risk Mitigation:** Lien on property; mortgage lender consent; LTV; M&V

Toronto Taking Action on Tower Renewal (TATR)

- **Location:** Toronto
- **Administered by:** Better Buildings Partnership
- **Financing:** FCM and City of Toronto (equity program)
- **Eligibility Requirements:** Residential rental buildings (pre-1990, 3+ storeys); must be located in Neighbourhood Improvement Area or low-income community; all owners consent; good standing on taxes/utilities (5 years); mortgage lender consent; technical Advisory Committee including City staff reviews each retrofit project, confirms the technical feasibility and approves eligible projects; property tax assessment
- **Eligible Measures:** High-efficiency windows, roof insulation, insulated overcladding, heat pumps, ventilation, envelope/mechanical/water/lighting upgrades, renewables (solar, geothermal), any energy/water efficiency measure; ventilation must be updated as required; minimum EUL of 5 years
- **Terms:** LTV = 25% of property value, up to \$5M/building; 5–20 years; grants for energy reduction after a year (10% loan forgiveness for 30% reduction, 7.5% for 15%); 80% of costs added to final loan amount including capital, professional and incidental; upfront disbursements to participants but contractors are not paid directly
- **Fees:** 0.8% of approved loan amount
- **Energy Performance:** ASHRAE Level 2 audit; technical/feasibility study; sign off by qualified professional engineer; minimum of a 15% energy/emissions reduction for a grant (up to 10 per cent of the total project cost); if a 30% reduction is achieved, the participant will also receive up to \$50,000 or 50% of the energy audit and technical study costs.
- **Post-Retrofit Verification:** Completion report within 30 days; utility data access (3 years prior, 1 year post); M&V plan; interim reporting
- **Timelines:** Not specified
- **Uptake:** ~10 expressions of interest (Nov 2023); no completed retrofits (Nov 2023)
- **Equity considerations:** No rent increases above guideline; loan forgiveness based on energy performance; no tenant displacements
- **Contractor Payments:** Participants use funds to pay contractors directly
- **Risk Mitigation:** Lien on property; limited rent increases; mortgage lender consent; LTV; M&V

Toronto Energy Retrofit Loans

- **Location:** Toronto
- **Administered by:** Better Buildings Partnership
- **Financing:** City funded (not PACE)
- **Eligibility Requirements:** Commercial, retail, industrial, multi-family, condos (common areas), social housing, hospitals, schools, non-profits, hospitality; owner; 2 years audited financials; mortgage lender consent
- **Eligible Measures:** Heat pumps, boilers, chillers, HVAC, envelope, automation, lighting, renewables, storage, fuel switching
- **Terms:** Typical loan amounts are between \$1-2 million, with overall project support ranging from \$60,000–\$8.3M; amortization up to 30 years
- **Fees:** None
- **Energy Performance:** Feasibility study for renewables, business case including a decarbonization plan (min 60% GHG reduction by 2040)
- **Post-Retrofit Verification:** Not specified

- **Timelines:** Projects within 24 months
- **Uptake:** ~2 retrofits/year; 22 total
- **Equity Considerations:** Unsecured loans, interest/payment-free year; no tenant incentives/displacement.
- **Risk Mitigation:** Lien on property; mortgage lender consent

United States C-PACE Programs

Clark County C-PACE (Nevada)

- **Location:** Clark County, NV
- **Administered by:** Slipstream (third-party)
- **Financing:** Open-market, third-party lenders
- **Eligibility Requirements:** Commercial and industrial sites, apartment complexes with five or more units, affordable housing, and HOA-owned water efficiency projects; owners must not be in bankruptcy, must be current on payment obligations (property taxes, special assessments, special taxes, other tax liens, water or sewer charges, code enforcement delinquencies, etc.), maintain insurance, and obtain lender approval.
- **Eligible Measures:** Building controls, VSDs on motors, pumps, and fans, Water heating, lighting, envelope, windows/doors, renewables (solar, wind, geothermal, biomass)
- **Terms:** \$500,000–\$50M; up to 10 years/EUL
- **Fees:** \$2,000 application; 1.5% admin (max \$150,000)
- **Energy Performance:** ASHRAE Level II audit; feasibility for renewables; lien to property value ratio (LTV) $\leq 25\%$; new construction $\geq 5\%$ above code
- **Post-Retrofit:** Completion statement; verification report due 1-year post-completion (validation of savings and report on any discrepancies)
- **Timelines:** Not specified
- **Uptake:** Not specified
- **Equity Considerations:** Income cap for affordable housing ($\leq 60\%$ AMI)
- **Risk Mitigation:** Lien on property; mortgage lender consent; LTV; current on all property payments; M&V

Illinois Energy Conservation Authority (IECA) PACE

- **Location:** Illinois
- **Administered by:** (IECA) Illinois Energy Conservation Authority NFP (nonprofit)
- **Financing:** Third-party lenders
- **Eligibility Requirements:** Commercial, industrial, multifamily (5+ units); owner; mortgage lender consent; refinance eligible (last 3 years)
- **Eligible Measures:** Windows/doors, Renewables (solar PV, solar thermal, wind, biofuels, geothermal), HVAC, lighting, water heaters, insulation, air sealing, building controls, water efficiency (Water fixtures, recycling and stormwater management), resiliency (Fire-resistant Cladding or Roofing, Generators, Landscape Management, Green or White Roofs, etc.)
- **Terms:** \$50,000 minimum; terms up to 30 years based on EUL
- **Fees:** \$150 application; 1.75% admin (max \$75,000); county fee 1%; annual maintenance \$300–\$400

- **Energy Performance:** Energy audit; savings modeling/certification; new construction above applicable local building energy code
- **Post-Retrofit Verification:** Completion certificate (property owner and contractor signed); commissioning report recommended (affirming systems were completed according to plan, noting any changes or issues, and providing recommendations if needed)
- **Timelines:** Not specified
- **Uptake:** Not specified
- **Equity Considerations:** Funds are advanced at project start; up to one-year interest free and payment free
- **Contractor Payments:** Paid by participants
- **Risk Mitigation:** Special assessment lien; mortgage lender consent

NYC Accelerator PACE Financing

- **Location:** New York City, NY
- **Administered by:** Mayor's Office of Climate & Environmental Justice, NYCEEC
- **Financing:** Third-party
- **Eligibility Requirements:** Existing buildings, multifamily (3+ units), commercial, industrial, office, tax-exempt; no outstanding debts; lender consent
- **Eligible Measures:** Windows/doors, solar PV/thermal, HVAC, water heaters, insulation, water fixtures, renewables
- **Terms:** \$10,000 minimum; terms/rates set by provider
- **Fees:** 0.10% servicing; admin fee 1.25%–0.10% (tiered)
 - \$0 - \$10,000,000: 1.25%
 - \$10,000,001 - \$30,000,000: 0.50%
 - \$30,000,001 and above: 0.10%
- **Energy Performance:** Energy audit, all improvements must be recommended; feasibility for renewables; Savings to Investment Ratio (SIR) ≥ 1 ; access for M&V (2 years)
- **Post-Retrofit Verification:** Technical certification (confirmation that the project is 'cost-effective' and calculation of the SIR to be 1.0 or greater); annual benchmarking (5 years in Energy Star Portfolio Manager (ESPM))
- **Timelines:** Not specified
- **Uptake:** Not specified
- **Equity Considerations:** Not specified
- **Risk Mitigation:** Lien placed on property; lender consent; SIR, M&V

Pennsylvania C-PACE

- **Location:** Pennsylvania
- **Administered by:** Sustainable Energy Fund (SEF)
- **Financing:** Third-party (private capital providers)
- **Eligibility Requirements:** Commercial, industrial, multifamily (5+ units), agricultural, nonprofit, vacant land; owner; mortgage/lien holder consent; solvency certification; current on taxes; title report disclosing all current mortgage and lien holders on the property
- **Eligible Measures:** Insulation, HVAC, controls, lighting, Variable frequency drives (VFDs), envelope, process equipment, solar PV/thermal, wind, biomass, cogeneration, water conservation ($\geq 25\%$ savings)
- **Terms:** \$10,000 minimum; rates/terms set by provider/admin

- **Fees:** 1.75% admin (tiered, capped at \$75,000)
 - 1.75% for projects between \$25,000 and \$999,999
 - 1.75% on the first \$999,999 and 1.50% on the amount above for projects \$1M–\$1.99M
 - 1.75% on the first \$999,999, 1.50% on \$1M–\$1.99M, and 1.40% on amounts above \$1.99M for projects \$2M–\$3.99M
 - Fees capped at \$75,000 for projects \$4M and above
- **Energy Performance:** Energy audit; 20% energy reduction required; compliance with national standards
- **Post-Retrofit Verification:** Completion certificate (Property Owner and a Qualified Inspector or Building Code Official, verifying that all contracted work has been properly completed); M&V required (self-perform (ESPM), data waiver (Program Admin through ESPM), or IPMVP (Third-party)).
- **Timelines:** Not specified
- **Uptake:** Not specified
- **Equity Considerations:** Property Owner Tenant Statement certifying that the Property Owner has notified the tenants of the C-PACE special assessment on the property.
- **Risk Mitigation:** Priority lien on property; mortgage lender consent; current on all property debt; M&V

Atlanta C-PACE (Georgia)

- **Location:** Atlanta, GA
- **Administered by:** City of Atlanta & Downtown Development Authority
- **Financing:** Open market, private financing
- **Eligibility Requirements:** Commercial, industrial, multifamily (5+ units), office, retail, hospitality; owner; appraisal; mortgage lender consent; up-to-date on taxes/debts; good standing; completion of disclosure of risk form
- **Eligible Measures:** Lighting, controls, plumbing, insulation, air sealing, windows/doors, solar, resiliency (fire-resistant cladding, microgrids)
- **Terms:** Max LTV 25%; up to 30 years based on EUL
- **Fees:** \$500 application; 1% admin (max \$100,000); 1% servicing/county fees added to tax bill
- **Energy Performance:** ASHRAE Level 2 audit; SIR > 1; feasibility for resiliency; new construction above code
- **Post-Retrofit Verification:** Semi-annual construction updates; certificate of completion; quarterly/annual energy savings reports
- **Timelines:** Not specified
- **Uptake:** Not specified
- **Equity Consideration:** Not specified
- **Risk Mitigation:** Senior lien on property; mortgage lender consent; LTV; disclosure of risk form; M&V

Lone Star PACE (Texas)

- **Location:** Texas
- **Administered by:** Lone Star PACE (local governments)
- **Financing:** Banks, credit unions, private capital
- **Eligibility Requirements:** Industrial, multifamily (5+ units), agricultural, nonprofit; owner/manager/developer; appraisal; mortgage lender consent

- **Eligible Measures:** Insulation, windows/doors, controls, HVAC, lighting, air sealing, energy recovery, water efficiency, solar, ground-source heat pumps, resiliency (fire-resistant cladding, generators, landscape management)
- **Terms:** LTV ≤25%; up to 30 years based on EUL
- **Fees:** \$500 application; annual admin 0.8–0.1%; closing fee (variable)
- **Energy Performance:** ASHRAE Level I audit; SIR > 1; new construction above code
- **Post-Retrofit Verification:** Statement of compliance post-installation
- **Timelines:** Not specified
- **Uptake:** Not specified
- **Equity Consideration:** Commercial leases may classify PACE assessments as operating expenses reimbursed by tenants
- **Risk Mitigation:** Lien on property, mortgage lender consent, LTV

Colorado C-PACE

- **Location:** Colorado
- **Administered by:** Sustainable Real Estate Solutions (SRS)
- **Financing:** Private capital providers
- **Eligibility Requirements:** Office, retail, lodging, industrial, agricultural, multifamily (5+ units), new construction; owner; appraisal; mortgage lender consent
- **Eligible Measures:** Insulation, windows/doors, HVAC, controls, lighting, air sealing, energy recovery, solar, geothermal, wind, hydro, water efficiency, resiliency (fire/seismic/stormwater/air quality)
- **Terms:** LTV ≤25%; up to 25 years/EUL
- **Fees:** 2.5% program fee (max \$75,000); annual maintenance \$250–\$1,500
- **Energy Performance:** ASHRAE Level II audit; feasibility for renewables/resiliency; SIR > 1; new construction above code
- **Post-Retrofit Verification:** Statement of compliance; performance & summary of issues/resolutions (M&V)
- **Timelines:** Not specified
- **Uptake:** Not specified
- **Equity Considerations:** Commercial leases may classify PACE assessments as operating expenses reimbursed by tenants
- **Risk Mitigation:** Lien on property, mortgage lender consent, LTV, M&V

PACE Massachusetts

- **Location:** Massachusetts
- **Administered by:** MassDevelopment & DOER
- **Financing:** Third-party funded
- **Eligibility Requirements:** Commercial, industrial, multifamily (5+ units), nonprofits; owner; appraisal; mortgage lender consent
- **Eligible Measures:** Lighting, HVAC, envelope, electrification, CHP, energy storage, solar, wind, biomass, resiliency (fire-resistant cladding, microgrid controls)
- **Terms:** LTV ≤25%; up to 25 years/EUL
- **Fees:** 2.5% program fee (max \$75,000); annual maintenance \$250–\$1,500

- **Energy Performance:** ASHRAE Level I audit; SIR > 1; technical application package prepared by a registered architect or professional engineer (Solar must be considered. If on-site solar is not implemented, an explanation must be provided as to why); new construction above code
- **Post-Retrofit Verification:** Annual ESPM reporting (for as long as the PACE lien is active); M&V encouraged
- **Timelines:** Approval valid 12 months; up to two 6-month extensions
- **Uptake:** Not specified
- **Equity Considerations:** Multi-language website navigation
- **Risk Mitigation:** Lien on property, mortgage lender consent, LTV, M&V

MinnPACE (Minnesota)

- **Location:** Minnesota
- **Administered by:** Saint Paul Port Authority
- **Financing:** Third-party, state/municipal funded
- **Eligibility Requirements:** New/existing buildings, multifamily (4+ units), commercial, farmland, nonprofits; owner; appraisal; mortgage lender consent; current on taxes/mortgage; no bankruptcy
- **Eligible Measures:** HVAC, lighting, envelope, controls, solar, wind, geothermal, water-based systems, resiliency (fire-resistant cladding, generators, green/white roofs)
- **Terms:** \$50,000 minimum; LTV = max 30% of property value; terms 10–30 years
- **Fees:** None specified
- **Energy Performance:** ASHRAE Level I audit; feasibility for renewables
- **Post-Retrofit Verification:** Not specified
- **Timelines:** Construction >12 months may be extended
- **Uptake:** \$100M+ loans over 10 years
- **Equity:** Not specified
- **Risk Mitigation:** Lien on property, mortgage lender consent, LTV

PACE WI (Wisconsin)

- **Location:** Wisconsin
- **Administered by:** Slipstream
- **Financing:** Third-party funded
- **Eligibility Requirements:** Commercial, industrial, agricultural, hospitality, nonprofits, multifamily (5+ units), new construction; owner; appraisal (12 months); mortgage lender consent; current on taxes; no bankruptcy
- **Eligible Measures:** Lighting, HVAC, envelope, controls, VFDs, boilers, heat recovery, solar, wind, geothermal, biomass, water conservation
- **Terms:** \$100,000–\$50M; LTV = max 95% of property value; fixed rates (5-6%); 5-to-30-year terms based on EUL.
- **Fees:** 0.1% servicing (\$250–\$1,250/yr); admin 1.25%–1% (tiered, Min \$2,000, max \$85,000)
 - \$0 - \$1.75M: 1.25%
 - >\$1.75M: 1%
- **Energy Performance:** Energy audit; SIR ≥1; 3-year savings guarantee and commissioning for projects >\$250K
- **Timelines:** Construction >12 months may be extended

- **Post-Retrofit Verification:** 3-year savings guarantee and commissioning (for projects >\$250K); annual ESPM reporting; completion verification report
- **Uptake:** Not specified
- **Equity Considerations:** Not specified
- **Risk Mitigation:** Lien on property, SIR, mortgage lender consent, M&V

ENCEAD PACE (Nebraska)

- **Location:** Omaha, NE
- **Administered by:** City of Omaha Planning Department
- **Financing:** Third-party funded
- **Eligibility Requirements:** Commercial, industrial, new builds (must apply before certificate of occupancy is issued); owner/nonprofit; mortgage lender consent
- **Eligible Measures:** HVAC, heat pumps, controls, lighting, envelope, insulation, fenestration, weatherization, motors, automation, geothermal, solar, wind, biomass, water efficiency
- **Terms:** Not specified; term $\leq$ weighted average useful life
- **Fees:** \$1,000 application (non-refundable); \$500/yr servicing; 1% admin (max \$40,000)
- **Energy Performance:** Energy audit/business case; SIR ≥ 1 ; new builds above code; Engineer must certify savings methodology and installation
- **Timelines:** Construction within 16 months of contract
- **Post-Retrofit Verification:** Engineer certification to city; performance verification by city inspectors and licensed engineer
- **Uptake:** Not specified
- **Equity Considerations:** Website includes accessible navigation and contact info
- **Risk Mitigation:** Senior lien on property, mortgage lender consent, SIR, performance verification

UT C-PACE (Utah)

- **Location:** Utah
- **Administered by:** Sustainable Real Estate Solutions, Inc.
- **Financing:** Third-party funded
- **Eligibility Requirements:** Commercial, mining, agricultural, industrial, manufacturing, multifamily (4+ units), nonprofits, new builds; owner; mortgage lender consent; current on taxes/debts; no default/foreclosure
- **Eligible Measures:** Controls, HVAC, boilers, chillers, lighting, envelope, roof, VFDs, roof replacements, elevators, solar, geothermal, wind, hydro, water efficiency, resiliency (seismic, battery storage)
- **Terms:** Not specified; new builds up to 35% of project cost if exceeding code; \$200,000+ typical; terms 10–30 years based on EUL
- **Fees:** \$1,000 application; \$500/yr servicing; 3% admin (max \$90,000)
- **Energy Performance:** Energy audit encouraged; feasibility for solar; new builds $\geq 5\%$ above code; SIR ≥ 1
- **Timelines:** Construction within 16 months of contract
- **Post-Retrofit Verification:** Engineer certification; photos; performance verification (M&V)
- **Uptake:** Not specified
- **Equity Considerations:** Under certain leases, PACE assessments may be passed to tenants
- **Risk Mitigation:** Senior lien on property, mortgage lender consent, SIR, M&V

King County C-PACER (Washington)

- **Location:** King County, WA
- **Administered by:** King County Climate Office
- **Financing:** Third-party funded (private capital funders)
- **Eligibility Requirements:** Commercial, industrial, agricultural, multifamily (5+ units); owner on title; mortgage/lienholder consent; project certifier (licensed engineer or qualified professional) required
- **Eligible Measures:** Controls, HVAC, boilers, chillers, lighting, envelope, roof, VSDs, elevators, solar, geothermal, water efficiency, resiliency (seismic, flood, wildfire, wind, storage, lead reduction)
- **Terms:** No cap on funding; terms up to 30 years based on EUL
- **Fees:** 1% admin (max \$15,000)
- **Energy Performance:** ASHRAE Level I assessment; feasibility for solar; new builds $\geq 5\%$ above code; SIR ≥ 1
- **Timelines:** Construction within 16 months of contract
- **Post-Retrofit Verification:** Completion certification; ongoing monitoring encouraged
- **Uptake:** Not specified
- **Equity:** Not specified
- **Risk Mitigation:** Senior lien on property, mortgage lender consent, SIR

Oklahoma C-PACE

- **Location:** Oklahoma
- **Administered by:** INCOG (Indian Nations Council of Governments) & Oklahoma Dept. of Commerce
- **Financing:** Third-party funded
- **Eligibility:** Commercial, industrial, agricultural, office, multifamily (5+ units), nonprofit, new builds; owner; mortgage lender consent; qualified professional required
- **Eligible Measures:** HVAC, boilers, chillers, controls, envelope, lighting, vertical transport, solar, wind, geothermal, biomass, water efficiency, resiliency (fire, generators, landscape, tornado, seismic, flood, storm, emergency, storage)
- **Loan Terms:** \$500,000–\$500M; terms from 20–30 years based on EUL; fixed rates
- **Fees:** \$250 application; 1.25% admin (\$2,500–\$50,000)
- **Performance:** Energy auditor certificate of eligible improvements; SIR ≥ 1 ; new builds must exceed code
- **Post-Retrofit Verification:** Completion certification by qualified professional; performance verification required
- **Timelines:** Not specified
- **Uptake:** Not specified
- **Equity:** Triple-net lease pass-through possible
- **Risk Mitigation:** Lien on property, mortgage lender consent, SIR, qualified professional

Virginia C-PACE Program

- **Location:** Virginia
- **Administered by:** Virginia PACE Authority
- **Financing:** Third-party funded

- **Eligibility Requirements:** Office, industrial, retail, multifamily (4+ units), hospitality, healthcare, agricultural, nonprofit, new builds; owner; mortgage lender consent; qualified professional to certify eligible improvements
- **Eligible Measures:** Lighting, HVAC, controls, motors/drives, chillers, envelope, water efficiency, gray water, renewables (solar, wind, geothermal, fuel cells), resiliency (stormwater, wind, flood, fire, energy storage, sum pumps, remediation)
- **Terms:** \$50,000 minimum; max is based on LTV (20–35%) and is typically \$1M–\$200M; terms up to 30 years based on EUL; fixed/variable rates set by capital provider
- **Fees:** 1.05% admin (\$3,300–\$50,000); 1.5% servicing (\$300–\$2,000)
- **Energy Performance:** Energy audit, certificate of eligible improvements by qualified professional; SIR > 1; new construction must exceed code
- **Post-Retrofit Verification:** Completion certification by qualified professional; ongoing performance monitoring (ESPM) not mandated but encouraged
- **Timelines:** Not specified
- **Uptake:** Not specified
- **Equity Considerations:** Triple-net lease pass-through possible
- **Risk Mitigation:** Senior lien on property, mortgage lender consent, LTV, SIR

National Programs Supporting New Construction

- [City of Saskatoon's Affordable Housing Incentives](#): Supports the construction of new affordable rental units, including mixed-market developments, by offering capital grants of up to \$27,000 per unit and a five-year incremental tax abatement. Open to non-profits, housing co-operatives, Indigenous organizations, and First Nations.
- [CMHC's Affordable Housing Fund](#) - For New Construction: Provides low-interest and forgivable loans to support the creation of new affordable housing units that exceed affordability and energy efficiency standards, with up to \$75,000 available per unit.
- [CMHC's Apartment Construction Loan Program](#): Offers low-cost financing for the development of new sustainable, energy-efficient rental apartments, with loans starting at \$1,000,000 and covering up to 100% of the residential component's cost.
- [CMHC's Co-op Housing Development Program](#): Grants; access to forgivable and low-interest loans for the development of new non-profit co-op rental housing.
- [Build Canada Homes](#): Launched in 2025, this new agency aims to double the pace of affordable housing construction over the next decade by accelerating affordable housing through a \$1.5B top-up to the Affordable Housing Fund – New Construction Stream and a Rapid Housing Sub-Stream.

Annex C: Community Energy Loan Program - Engagement Report

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INTRODUCTION

In 2026, the City of Saskatoon (City) engaged small to mid-sized building owners, property managers, affordable housing providers, non-profits, and businesses on the final design of Community Energy Loan Program.

WE ENGAGED ON THE FOLLOWING TOPICS:

- **Confirming the findings** from the 2023 engagement activities.
- Determining the **interest in participating** in CELP.
- Gaining feedback on **the proposed direction and options** for CELP.
- **Exploring opportunities for partnerships** with existing and future programs.



About the Project

In 2023, the City undertook a feasibility study (i.e., [Industrial, Commercial and Institutional Building Energy and Water Retrofit Program](#)) that examined opportunities for the City to offer an energy and water retrofit program for industrial, commercial, institutional, and multi-unit residential buildings. In 2024 City Council approved \$25 million to recapitalize and scale the [Home Energy Loan Program](#) and develop a new property assessed clean energy (PACE) initiative for commercial and multi-unit residential properties, called the [Community Energy Loan Program \(CELP\)](#).

CELP is being designed to support commercial, non-profit, multi-unit residential, and affordable housing providers by offering low-interest loans to finance improvements that enhance energy efficiency, install renewable energy systems, and reduce water consumption. The City looked to engage Saskatoon-based small to mid-sized building owners, property managers, affordable housing providers, non-profits, and businesses that have a say in their building's retrofits to confirm the findings from 2023 and get their feedback on the proposed direction for CELP.

What We Learned

We thank all participants who provided their feedback for this project. Based on what we learned from participants, in addition to best practise research from other cities and internal considerations, Administration has developed a report which will be presented to City Council in April 2026.

This report outlines the feedback from all activities that informed the engagement goals for the project.

WHAT WE DID



The City engaged with various property owners and community groups.

Who We Engaged With:

- ⊕ Advocacy groups
- ⊕ Businesses and associations
- ⊕ Contractors
- ⊕ Non-profit organizations
- ⊕ Landlords
- ⊕ Multi-unit housing providers
- ⊕ Property managers/owners
- ⊕ Realtors
- ⊕ Subject matter experts
- ⊕ Utility providers

How We Gathered Input:

- ⊕ Meetings with subject matter experts
- ⊕ Survey stakeholders

QUESTIONS WE ASKED PARTICIPANTS:

- What is **your interest/plan** for building improvement retrofits?
- What are your anticipated **financing needs**?
- Do you agree with the proposed program **eligibility requirements**?
- How can the program **support equitable and affordable retrofits**, as well as positive landlord-tenant relationships?



WHAT WE LEARNED

Interest

- Overall interest in CELP is strong, with most participants saying they are likely to apply to the proposed program options (60%).
- Interest is driven by the potential benefits to building owners and the ability to finance upgrades in a way that makes projects workable.
- Costs and value are important, with several participants reinforcing that uptake depends on clear, direct benefits to the owner (i.e., payback, ROI, etc.).

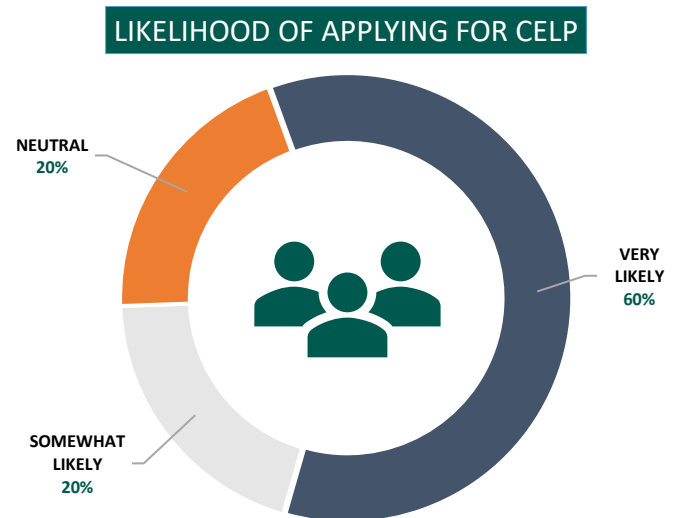
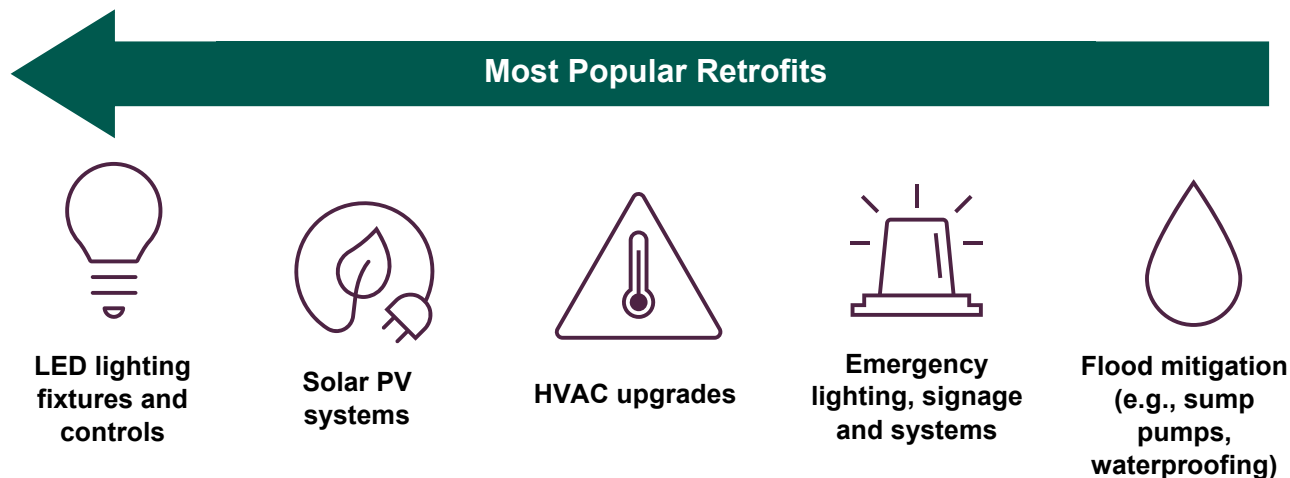


Figure 2: Likelihood of applying for CELP

Most Popular Retrofits

Participants were most likely to pursue “lower-hassle” efficiency retrofits first (e.g., LED lighting and HVAC upgrades), while solar PV was the leading renewable option. Participants prioritized the following retrofits as being the most important:



Financing and Fees

Key takeaways included the following:

- Most participants anticipated needing smaller loan amounts under \$250,000 (43%), while nearly one-third were not interested in receiving a loan (29%).
- The proposed one-time administration fee (1.6% of the approved loan) was not seen as a barrier for most respondents (86%).
- Participants emphasized that overall financing must remain competitive because deep retrofits can have long payback periods and owners will compare CELP against other financing options.

Eligibility and Approvals

Most participants viewed the proposed property and participant eligibility requirements as reasonable (80%) and did not identify additional eligibility criteria to add. The main concern raised was that requiring a clear title

could unintentionally exclude many building owners who have existing mortgages, making the program less accessible than intended.

Participants generally found the proposed timelines reasonable (i.e., four months for documentation/approvals and twelve months to complete retrofits), suggesting the process feels achievable if requirements avoid unnecessary barriers.

Equity and Tenant Considerations

Participants described strong intent to work with their tenants during retrofits, with all property owners/managers indicating they would notify and collaborate with tenants. Most respondents also supported sharing retrofit benefits (e.g., energy savings and improved affordability) between landlords and tenants (80%); however, participants indicated there isn't a clear, widely adopted approach, even in other cities, suggesting CELP may need flexible options or guiding principles rather than one rule. In general, many noted that the bigger challenge can be motivating landlords to invest in upgrades in the first place.

Participants emphasized that education and capacity-building can meaningfully improve retrofit outcomes, especially when delivered through trusted partners. Examples were shared of successful tenant-focused education delivered through housing organizations, including workshops with translated materials integrated into existing tenant programs. These initiatives were described as effective in influencing tenant behaviour, particularly when housing providers led the delivery. Participants also stressed that dedicated funding is important so education can be offered at no cost to housing providers and tenants.

Final Considerations

- Participants' feedback reinforced that CELP's success will depend on competitiveness, flexibility, and alignment with the broader incentives and policies that are currently being offered.
- Stable incentives and supportive policies were seen as critical, with some highlighting the need to prioritize or better support non-profits facing major capital and capacity constraints.

Across themes, respondents emphasized that CELP should collaborate and align with internal City efforts and external partners to reduce barriers and expand access.

SUGGESTIONS FOR IMPLEMENTATION:

From comments provided throughout the engagement activities, the following themes were emphasized by participants:

- **Ensure financing is meaningfully better than market options**, such as setting interest rates and fees low enough to make the program more attractive than conventional financing.
- **Maintain and align incentives** to support participation.
- **Design the program to motivate landlords by** focusing program benefits on reducing risk and improving returns for property owners.
- **Build flexibility into eligibility and participation requirements.**
- **Provide targeted support for non-profit organizations** that lack access to capital and may need tailored terms or support.
- **Encourage whole-building, integrated retrofit approaches.**
- **Maintain strong municipal leadership** and policy consistency to sustain industry confidence, market momentum, and uptake

NEXT STEPS

A report will be presented to City Council in April 2026. For more information about when the program will be presented to City Council, please visit our [Engage Page](#).

We thank all participants who provided their feedback for this project.

Background

In the development of the [Low Emissions Community Plan](#), the City of Saskatoon (City) set targets to make 50% of existing buildings 50% more energy efficient by 2030, and 80% more energy efficient by 2050. To achieve these targets, the City has developed various strategies and programs to encourage energy and water efficiency retrofits across Saskatoon, including the [Home Energy Loan Program](#), the [Water Conservation Strategy](#) and [Alternative Currents: A Renewable and Low-emissions Energy Implementation Plan](#).

In 2023, the City undertook a feasibility study (i.e., [Industrial, Commercial and Institutional Building Energy and Water Retrofit Program](#)) that examined opportunities for the City to offer an energy and water retrofit program for industrial, commercial, institutional, and multi-unit residential buildings. This study combined best practice research with input from stakeholders to identify effective ways to support building owners and property managers in improving energy and water efficiency and adopting renewable energy. Approaches such as loan financing, incentives, educational programming, and decision-making tools—like those featured in the Home Energy Loan Program—were highlighted as key strategies for driving progress and support for building efficiency retrofits within the sector. Building on this foundation, in 2024, City Council approved \$25 million to extend the Home Energy Loan Program and develop a new commercial initiative, the [Community Energy Loan Program \(CELP\)](#). CELP is designed specifically for commercial and multi-unit residential sectors.

In Winter 2025 and 2026 the City engaged Saskatoon-based small to mid-sized building owners, property managers and businesses that have a say in their building's retrofits on the final design of CELP. Based on what we learned, in addition to best practices from other cities and internal considerations, City Administration will present a report with the proposed options to City Council in April 2026.

Strategic Goals of Engagement

The program aligns with the [City of Saskatoon 2026-2029 Strategic Plan](#); in particular, City Council's Priority area of Environment, which includes the outcome "Greenhouse gases are reduced and actions to manage the impacts of the climate crisis have been implemented in a way that maximizes co-benefits for all". The key actions to achieve this outcome include:

- Implement climate actions in the Climate Action Strategy within proposed timeframes
- Develop initiatives to equitably improve energy conservation, climate resilience and efficiency in buildings, transportation and land use planning
- Develop initiatives to equitably increase the use of renewable energy or low emissions energy and promote opportunities for property owners to generate their own electricity from renewable sources
- Implement equitable, innovative and efficient water conservation practices and programs for indoor and outdoor use

Summary of the Engagement Strategy

A summary of the participants, level of influence, engagement goals and activities completed are provided in the table below.

Table 6: Summary of engagement strategy

Participants	Influence	Goals	Activities
All	Ask	- Confirm the findings from the 2023 engagement activities - Share the proposed direction of CELP - Gain a better understanding of the opportunities and barriers in the sector - Explore opportunities and partnerships in the sector	Correspondence Meetings Survey

* Correspondence refers to emails, phone calls, and virtual meetings with participants.

A summary of engagement activities, activity dates, intended audience, and number of participants engaged is provided in the table below.

Table 7: Summary of engagement activities

Participants	Activity	Timeframe	Participants
All participants	Survey	Winter 2025	21
Subject Matter Experts	Meetings	Winter 2026	30
Total Participants:			51

* Representatives from numerous internal departments were engaged throughout the lifetime of the project.

Participants

The participants outlined below were identified due to their knowledge, interest in or their potential to be impacted by the program.

Impacted Groups

Those who may be impacted or disproportionately impacted by the program and its corresponding initiatives, including the following groups:

- Business associations
- Industry, commercial and institutional sector representatives/groups:
 - Agriculture
 - Entertainment
 - Financial institutions
 - Food sales and service
 - Healthcare
 - Home developers and builders
 - Manufacturing
 - Non-profit/community
 - Office
 - Public services
 - Religious/worship
 - Research
 - Retail
 - Service/hospitality
 - Technology/science
 - Trades
- Property managers/owners

- Affordable housing providers
- Housing providers
- Landlords
- Realtors
- Utility providers
 - SaskEnergy
 - SaskPower

Subject Matter Experts

Those with experience or knowledge related to ICI building efficiency opportunities, programs, and best practises. These included:

- Community/advocacy
 - Energy Management Task Force
 - Saskatchewan Environmental Society

Engagement with all participants aimed to be inclusive in terms of neighbourhood, age, gender, culture, citizenship, income, etc.

Engagement Activities

Participants provided their feedback through a survey, meetings or by contacting the project team directly. All engagement activities are described in detail below.

Survey

The City conducted an online survey from November to December 2025. The survey included 16 closed- and open-ended questions to help identify the level of support and considerations for the CELP. Respondents were able to write-in an “other” preference for numerous questions and provide explanations for their preferences.

Intended Audience

The survey was intended for potential program participants.

Marketing Techniques

The following techniques were used to reach the intended audiences.

1. City Website
 - a. Updates to the Engage Page were made to encourage participation.
2. Email
 - a. Personalized emails were sent to identified stakeholders.
 - b. Various associations were invited to share the information with their members.
 - c. Representations from the industrial, commercial and institutional sector that sign up for Sustainability engagement opportunities received an e-invite.
3. Prize
 - a. A \$50 prize was awarded to one of the participants in the form of a gift card to a retail store in Saskatoon.

Analysis

The results were analyzed for the following indicators:

- Most common opportunities and barriers
- Most popular options/actions and their associated level of support
- Thematic analysis of considerations related to the program and the proposed options.

Mixed methods were used to analyze the data. Qualitative methods included the thematic analysis and open coding of responses.

What We Learned

A total of 21 representatives participated in the survey, with 57% identifying as a property owner or manager and 24% as a tenant/business that has a say in retrofits. Based on the information provided, the following sectors were represented:

- Food sales and service
- Home developers and builders
- Housing providers
- Manufacturing
- Non-profit/community
- Offices
- Property owners/managers
- Retail
- Service/hospitality
- Realty
- Trades

Most participants represented small to medium commercial buildings (80%), followed by multi-unit residential (27%), non-profits (13%) and condominiums (13%). Although all building sizes were represented, most fell into either the small (60%; less than 800 m²) or medium (60%; 800 m² to 3000 m²) building categories.

Interest in CELP and Retrofits

Most participants stated that they were likely to apply for CELP (60%) based on the options currently being proposed (Figure 1). One participant noted that they would likely recommend the CELP program to their clients, especially if they could pay the loan back faster than the stipulated time. Another participant noted that their participation would depend entirely on the benefits to the building owner.

When asked which of the following energy efficiency retrofits they would likely undertake if participating in CELP, participants provided the following ranking:

LIKELIHOOD OF APPLYING FOR CELP

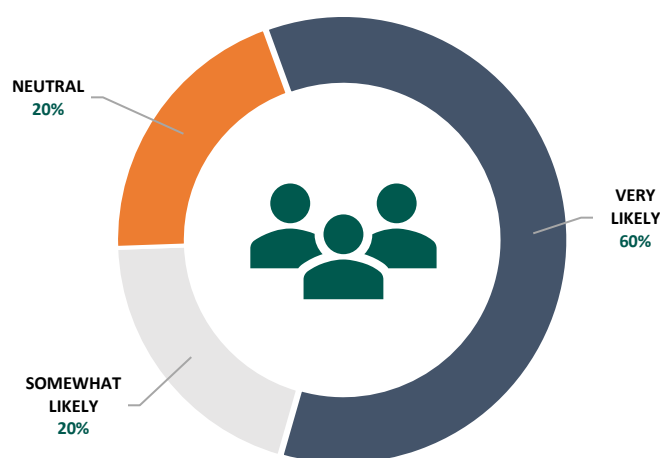


Figure 3: Likelihood of applying for CELP



1. LED lighting fixtures and controls (occupancy sensors, daylight harvesting) (63%)
2. HVAC upgrades (heat pumps, high-efficiency furnaces/boilers, chillers, air handling units) (50%)
3. Insulation and building envelope improvements (walls, roofs, floors, foundations, window/door replacements, air sealing, exterior wall cladding) (38%)
3. Building and energy management systems (38%)
4. Water heating systems (high-efficiency and tankless water heaters, fuel switching) (25%)
4. Energy recovery systems (heat and energy recovery ventilators—HRVs/ERVs) (25%)
5. Motors and drives (variable frequency drives for motors, pumps, and fans) (13%)
5. None of the above (13%)

When asked which of the following renewable energy retrofits they would likely undertake if participating in CELP, participants provided the following ranking:



1. Solar PV systems (including structural upgrade requirements) (57%)
2. None (43%)
3. Solar thermal systems (i.e., water, heater, etc.) (38%)

When asked which of the following water efficiency retrofits they would likely undertake if participating in CELP, participants provided the following ranking:



1. None (57%)
2. Building automation systems (43%)
2. Replacement or upgrade of once-through cooling systems (43%)
3. Low-flow fixtures (e.g., toilets, urinals, faucets, showerheads) (29%)
4. Efficient irrigation and landscape management (14%)

When asked which of the following resiliency retrofits they would likely undertake if participating in CELP, participants provided the following ranking:



1. Emergency lighting, signage, and communication systems (50%)
1. Flood mitigation (sump pumps, waterproofing) (50%)
2. Stormwater management (green roofs, onsite water management) (33%)
2. Backup power (battery storage) (33%)
2. None of the above (33%)
3. Wind hardening (reinforced roofing, impact resistant windows and doors, storm shutters) (17%)

A few participants were interested in other retrofits, including electric vehicle charging stations (10%) and safety (10%; e.g., asbestos, radon and mold remediation)

Financing

Most participants anticipated needing a loan amount of less than \$250,000 (43%) to complete their building retrofits, followed by those who were not interested in receiving a loan (29%) (Figure 2).

When asked if a one-time administration fee of 1.6% of the total approved loan amount would affect their participation in CELP, most stated that it would not (86%).

Eligibility and Approvals

Most participants felt that the proposed property and participant requirements were reasonable (80%), but some did not (20%). One participant felt that the City requiring a clear title was overly restrictive, since many building owners already have existing mortgages. Therefore, if CELP requires having a clear title, it would unintentionally exclude many building owners from participating.

Participants (100%) did not feel that there were other eligibility requirements to add to those being proposed. One participant suggested that the eligibility of non-profit organizations should be prioritized, since many do not have the capital and are in need of building repairs, upgrades and retrofits.

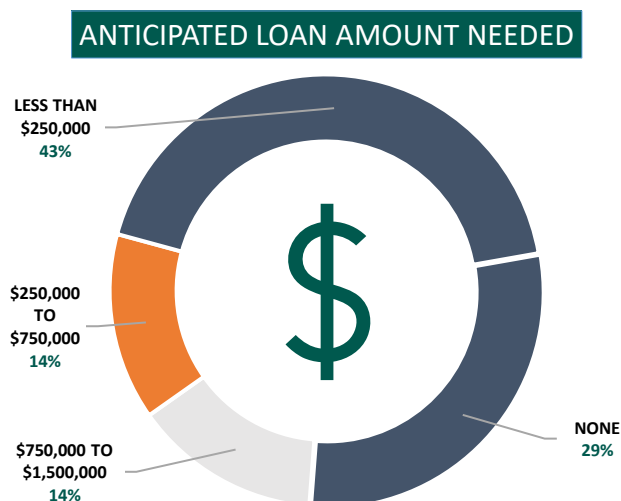


Figure 5: Anticipated loan amounts participants need to complete their building retrofits

Most felt that the projected timelines of four months to finish documentation/obtain approvals (i.e., completing an energy audit, feasibility study, obtaining mortgage lender consent, etc.) and twelve months (with possible extensions) to complete all approved retrofits were reasonable (80%).

Equity and Tenant Considerations

All (100%) property owners and managers stated that they would notify and work closely with their tenants during future retrofits. When asked whether they support sharing the benefits of building retrofits (i.e., energy savings and improved affordability) between landlords and tenants, most stated that they would (80%). Some respondents felt decisions about how costs and savings are distributed should remain with the property owner, given the complexity and variation across properties. Another participant noted that in buildings with net or triple-net leases, tenants already directly benefit from energy efficiency upgrades through lower utility costs; therefore, the primary challenge is not benefit-sharing but incentivizing landlords to invest in retrofits in the first place.

When asked whether a handbook with tips for improving energy efficiency in your building would be helpful, 60% of property owners/managers stated “yes”.

Final Considerations

When asked to provide any suggestions for CELP, participants provided comments that were summarized into the following themes:

Incentives and policy alignment: respondents emphasized that stable and supportive incentive structures are critical to driving energy efficiency and renewable energy investments; several raised concerns that recent changes to net-metering (e.g., no longer being 1:1 net metering ratio) undermine the business case for solar and can discourage efficiency upgrades that often precede renewable installations; respondents pointed to there being a stronger demand when incentives are in place and encouraged the City to continue to advocate for and align policies with actual opportunities in the industry, including supporting integrated, whole-building retrofit approaches.

Support for non-profit organizations: participants felt that many non-profits are struggling with basic building maintenance and repairs, with many having limited access to grants or capital to perform retrofits; they noted that the CELP could fill a significant gap by supporting the needed upgrades that would otherwise be unaffordable, particularly for aging and/or inefficient buildings.

Program flexibility and decision-making context: some felt that participation will depend on a range of factors beyond the program itself, including owner and tenant goals, the availability of other available funding sources, and the expected return on investment; one property manager emphasized the need for flexibility, recognizing the diversity of ownership structures, lease arrangements, and asset classes.

Cost of financing and competitiveness: participants stressed that the program’s interest rate, including the effective cost of administration fees, must be lower than other financing options currently available to landlords; competitive pricing is essential for participation, particularly given the long payback periods often associated with deep energy retrofits.

Meetings

The City conducted meetings with Subject Matter Experts in Winter 2026.

Intended Audience

The meetings were intended for all Subject Matter Experts, including the Energy Management Task Force and the Saskatchewan Environmental Society.

Marketing Techniques

The following techniques were used to reach the intended audiences.

1. Email

- a. Personalized emails were sent asking for their participation.

Analysis

The results were analyzed for the following indicators:

- Thematic analysis of considerations related to the proposed options.

Mixed methods were used to analyze the data. Qualitative methods included the thematic analysis and open coding of responses.

What We Learned

Energy Audits

Participants stressed the importance of ensuring that financing supports new retrofits rather than retrofits that have already been completed and questioned the logistics of conducting energy audits virtually.

Education and Awareness

Examples were shared of successful partnerships with external organizations to deliver energy efficiency education to tenants, including workshops with translated materials and resources integrated into existing tenant education programs. These initiatives were described as well-received and effective in influencing tenant behaviour, particularly when housing providers delivered the content themselves. Participants emphasized the importance of funding to enable this work at no cost to the housing providers.

Considerations for Non-Profits

Participants stated that there are currently broad capacity challenges, particularly in the non-profit housing sector, that limit uptake for building efficiency retrofits. Limited access to capital, uncertainty about payback periods, and a lack of support following energy audits were identified as major barriers. Facility operators often need clearer guidance on the next steps following an energy audit, especially when recommended upgrades are complex, costly and difficult to prioritize. The lack of funding for well-designed incentive programs was also raised as a concern, since participants identified past programs that were popular that eventually ran out of funding.

Tenants

The role of tenants in building retrofit programs was discussed, with some participants stating that the benefits and decision-making largely sit with the housing providers/owners. While some are exploring how benefits can be shared with tenants, participants felt that there is currently no clear approach, even when looking at other cities. However, participants identified other beneficial programs, including the development of toolkits and pilot projects aimed at using property data to better match buildings with appropriate retrofits and to support changes in tenant behaviours alongside infrastructure upgrades.

Final Considerations

Overall, participants emphasized the importance of collaborating and/or aligning with both internal and external programs/organizations. Examples included coordinating City programs with external initiatives, such as solar cooperatives, to reduce upfront cost barriers and expand access to renewable energy.

Evaluation of Engagement

Evaluation is discussed in terms of feedback received during engagement activities and through informal comments, data limitations and opportunities for improvement.

Survey Evaluations

Survey participants indicated support for both the level of engagement conducted and the opportunities provided. Participants generally agreed with the information that was provided being clear and understandable (80%), with feeling they were able to provide their opinions fully (80%) and understood how their input would be used (60%).

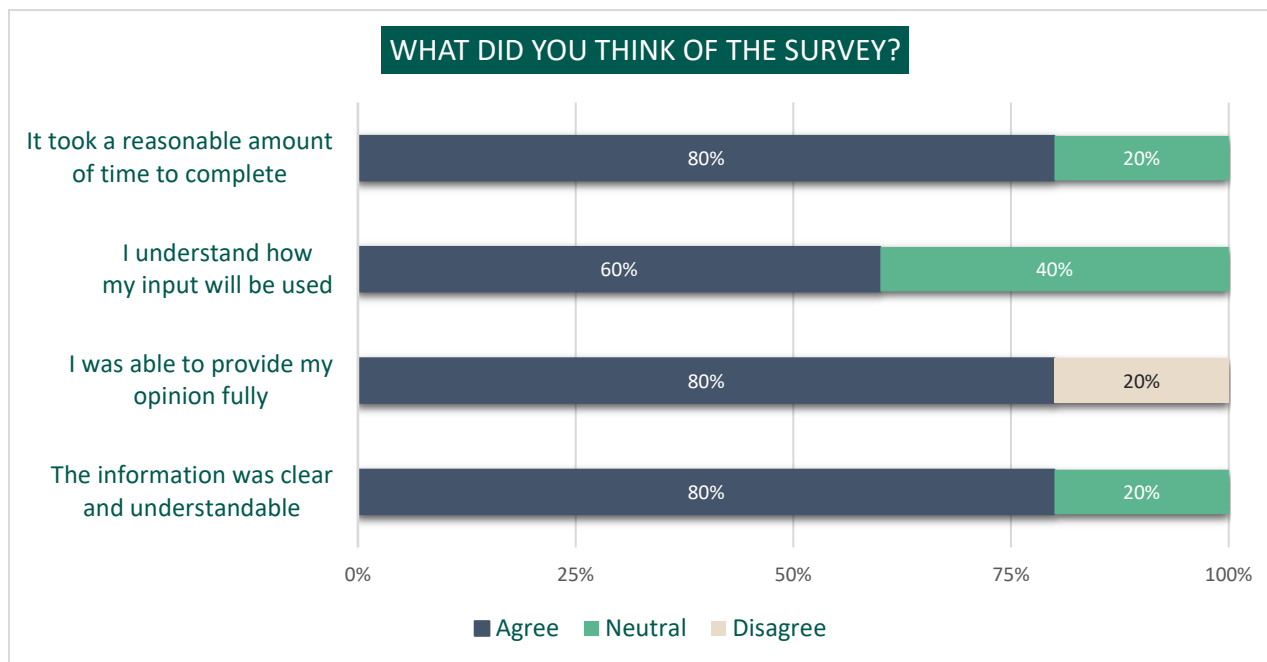


Figure 6: Survey review

Data Limitations

Some participants may not have been able to fully participate in the engagement activities conducted; however, the results are considered to provide the best available indication of how the community and participants perceive the program at the time.

Opportunities for Improvement

Based on participant feedback, the following opportunities for improvement will be considered for future engagement activities:

- Any written or verbal information uses plain language and easy-to-understand terms.

Next Steps

A report will be presented to City Council in April 2026. For more information about when the Program will be presented to City Council, please visit our [Engage Page](#).

We thank all participants who provided their feedback for this and other City of Saskatoon projects.

Annex D: Definitions

Affordable Housing: Housing units that are affordable to low-income households with incomes at or below the Saskatchewan Household Income Maximums while spending no more than 30 percent of their income on housing or set at the maximum funding available under the shelter benefit.

ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers): Is an international organization that establishes standards and guidelines for heating, ventilation, air conditioning, and refrigeration (HVAC&R) systems. ASHRAE standards play a pivotal role in defining best practices for designing and operating HVAC systems in a safe and efficient manner. These standards contribute to enhanced energy performance, support healthy indoor environments, and facilitate compliance with building codes globally.

ASHRAE Energy Audit Levels: ASHRAE defines three levels of energy audits that help evaluate and improve building energy performance:

- **Level 1 – Walk-Through Audit:** A preliminary assessment involving a quick inspection of the building's energy use. This audit identifies obvious, low- or no-cost energy-saving opportunities and provides a general estimate of potential energy savings. Costs are variable, usually based on the size, complexity and type of building. A typical level 1 audit cost can range from \$3,000 to \$5,000⁸.
- **Level 2 – Energy Survey and Analysis:** A more detailed evaluation of energy consumption that includes analysis of utility bills and a review of building systems. The audit results in a list of recommended energy efficiency measures, each with estimated costs and projected savings. Costs may range between \$5,000 – \$15,000⁹.
- **Level 3 – Detailed Analysis of Capital-Intensive Modifications:** The most comprehensive audit, consisting of in-depth engineering analysis. This level focuses on major upgrades or retrofits, thoroughly examining the financial analysis (life-cycle cost, ROI) to ensure energy efficiency. Costs can range to \$50,000¹⁰.

Capital Cost: The price covers upgrade purchase and installation, excluding professional services and incidental costs.

Effective useful life (EUL): Is the average time in years where the upgrade is expected to result in energy savings.

Energy Poverty: A household is defined as experiencing energy poverty if they spend a disproportionate amount of their income on household energy needs; this is most often considered to be households that spend 6% or more (approx. twice the national median) of their after-tax income on energy bills. Energy poverty affects both homeowners and renters. Households with low-income levels are more vulnerable to energy poverty than those with high levels of income. More than a quarter (over 117,000) of Saskatchewan households are identified as experiencing energy poverty, which is above the Canadian mean. In Saskatoon, 16% of households are experiencing energy poverty, with 66% of those being owners and 34% renters¹¹.

Green Lease: Is a commercial lease agreement that explicitly includes sustainability and energy-efficiency provisions, aligning the interests of landlords and tenants to minimize the environmental impact of a property. These leases commonly require or encourage improvements such as energy-efficient lighting, HVAC upgrades, and the use of renewable energy, while promoting shared responsibility for achieving sustainability goals. Green leases also provide transparency in costs by including clauses for sharing utility savings. The primary purpose is to lower operating expenses, reduce the carbon footprint, and enhance building performance, all while ensuring fair financial arrangements between both parties.

⁸Retrieved from [Energy Audit Cost Guide | Commercial & Industrial Audit Pricing | EnSmart Solutions](#)

⁹ ibid. footnote 8

¹⁰ Retrieved from [How Much Does an Energy Audit or Assessment Cost?](#)

¹¹ Retrieved from Feasibility Study for PACE Financing in Saskatoon

Incremental Capital Cost (ICC): The estimated additional capital investment required for retrofit measures above the business-as-usual or base upgrades/replacements required over time. The ICC costs can include costs associated with demolition, safety measures and resiliency.

Incidental Cost: Expenses incurred to prepare or improve the property that, while not part of the main upgrade, are necessary for its completion.

Investor Ready Energy Efficiency (IREE) Certification: IREE™ is a certification developed under the Investor Confidence Project (ICP) and administered by the Canada Green Building Council (CaGBC) and Green Business Certification Inc. (GBCI) that provides a standardized framework for energy retrofit projects, ensuring they follow best practices for engineering, measurement, and verification and confirms that projects were developed by qualified professionals using ICP protocols.

Professional Service Costs: Costs associated with Energy audits, feasibility study, post retrofit memo, etc.

Qualified Professional: For the purpose of this program, a qualified professional can include energy professionals, certified auditors, engineers, technical consultants or other professionals deemed eligible by the project team.

Savings to Investment Ratio (SIR): A measure used to evaluate the cost-effectiveness of a building retrofit or energy efficiency project. It compares the expected savings from the project (such as reduced energy costs) to the total investment required.

Split Incentive: A split incentive occurs when the costs and benefits of energy efficiency upgrades are divided between the property owner and the tenant. For example, if the owner pays for building improvements but the tenant receives the benefit of lower utility bills, the owner may have less motivation to invest in upgrades. Addressing split incentives helps ensure both parties share in the costs and benefits of energy-saving measures.

Triple Net Lease (NNN): A triple net lease is a commercial real estate agreement in which the tenant is responsible for paying not only the base rent for occupying the property but also all property taxes, insurance premiums, and maintenance costs—including repairs and general upkeep. Under this arrangement, the landlord typically only covers major structural repairs, such as those to the roof or foundation. This lease structure is prevalent in retail, office, and industrial properties because it transfers most operating expenses from the landlord to the tenant.

Zero Carbon Building (ZCB) Standard: A Canadian guideline from the Canada Green Building Council that sets requirements for new and existing buildings to operate with net-zero carbon emissions. It includes annual checks to ensure buildings stay zero-carbon, requires tracking and lowering emissions from building materials, and can help projects access green financing and incentives.