

COMMERCIAL ENERGY LOAN PROGRAM



Commercial Energy Loan Program Fact Sheet

What is the Commercial Energy Loan Program?

The Community Energy Loan Program (CEL Program) helps commercial, non-profit, multi-unit residential, and affordable housing property owners access low-interest, long-term financing for energy and water efficiency upgrades, renewable energy improvements, resiliency measures, and electric vehicle charging infrastructure.

Financing can extend over the useful life of the improvement, up to 20 years, and may help reduce upfront costs while lowering utility bills, improving tenant comfort, reducing environmental impacts, and supporting long-term property value and operational efficiency.

A key feature of the CEL Program financing is that it is secured by a miscellaneous interest registered on the property and repaid through property tax bills. Because the obligation stays with the property rather than the owner, financing may be transferred to a new owner if the property is sold.

To participate in the CEL Program, applicants must also participate in the City's Commercial Energy Planner, which supports building energy benchmarking, planning, and post-retrofit performance tracking.

Benefits of the CEL Program

1 > 100% financing with minimal upfront costs

2 > Long term, fixed-rate financing (up to 20 years)

3 > Less energy consumption and lower utility bills (win-win)

4 > Increased property values and enhanced marketability

5 > Ability to pass payments onto tenants

6 > Ability to transfer assessments to new owners in the case of a sale

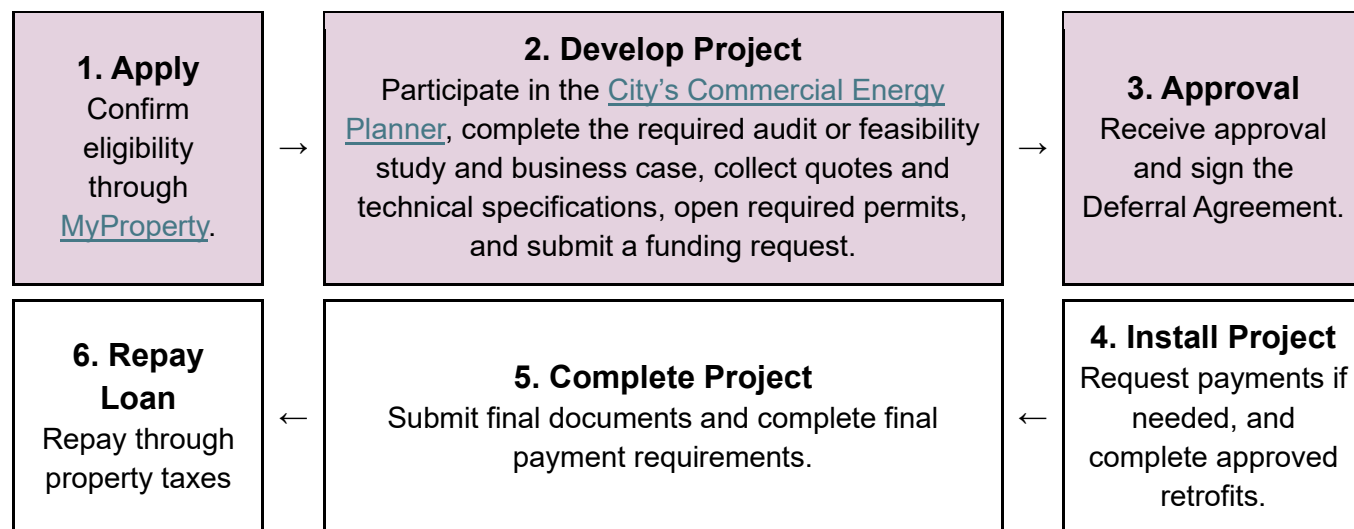
7 > Ability to pair with rebates and tax incentives to accelerate the ROI

Eligible Properties

Eligible properties include existing commercial, institutional, and multi-unit residential buildings up to 10,000 m² (100,000 ft²). Priority will be given to small- to medium-sized buildings of about 3,000 m² (30,000 ft²), as well as non-profit organizations and affordable housing providers. Condominiums may qualify with approval from their condo board or association. New construction is not eligible.

Affordable housing providers are defined under this program as organizations that ensure a minimum of 15% of units (or at least 5 units) within a development are affordable to low-income households with incomes at or below the [Saskatchewan Household Income Maximums](#), with housing costs not exceeding 30% of household income or set at the maximum funding available under the shelter benefit.

Getting Started



Need help getting started?

A Program Coach can help walk applicants through the CEL Program process, including participation in the Commercial Energy Planner, understanding required documents, and preparing a funding request.

Eligibility Requirements

Property requirements

- Be an existing building within Saskatoon city limits.
- Have no outstanding life safety building orders or unresolved permit or enforcement matters that could affect compliance for the proposed upgrades.
- Carry liability insurance with a minimum of \$2 million, as well as property insurance.
- Have no unresolved liens, judgments, ownership disputes, or foreclosures.
- Have an active property tax account and be current on all property taxes for the past three years and the current year.

Property owner requirements

- Be the legal property owner or an authorized representative.
- Be in good standing with the Saskatchewan corporate registry.
- Have owned the property for at least three years.

- Be current on property-secured debt, such as mortgages and liens, and provide a letter from their financial institution if requested.
- Have no active bankruptcy proceedings.
- Participate in the City's Commercial Energy Planner as a condition of the CEL Program eligibility, including the Commercial Energy Benchmarking Map and the Virtual Decarbonization Plan, by providing one year of past utility data and up to five years of post-retrofit utility data.
- Before entering into a CEL Program contract, the property owner must notify all holders of existing mortgages secured against the property and obtain their written consent.

For more information about the Commercial Energy Planner, including the Commercial Energy Benchmarking and Virtual Decarbonization Plan (VDP), visit the City of Saskatoon's [Commercial Energy Planner webpage](#) or contact the Program Coach at BetterBuildings@Saskatoon.ca.

Eligible Retrofits

CEL Program financing may be used for a range of qualifying commercial building upgrades, provided they are permanently affixed to the property. Examples include:

Energy efficiency

- HVAC upgrades and controls
- Building envelope improvements, including insulation, roofing, windows, and doors
- High-efficiency lighting and controls
- Motors, pumps, and variable speed drives
- Hot water systems
- Automated building controls
- Energy recovery systems

Renewable energy

- Solar PV
- Solar thermal

Water efficiency

- Low-flow fixtures
- Efficient irrigation systems
- Once-through cooling systems
- Automated controls

Electric vehicle charging infrastructure

- Level 2 charging stations
- DC fast chargers

Resiliency

- Wind hardening and resistance measures
- Cooling measures
- Flood mitigation
- Stormwater management and bioretention
- Back up power and battery storage

Other eligible items

- Safety-related improvements
- Energy storage
- Incidental work required to complete an eligible upgrade
- Electric vehicle charging stations

Technical Requirements

The following documentation and technical requirements are needed to assess your project for program eligibility and funding:

- **Energy Audit:** Submit an [ASHRAE Level II energy audit](#) (or equivalent, such as an OPENTechnologies Building Performance Virtual Planning Report) and energy model for the building. Virtual audits also require an [Energy Assessment Attestation](#) from a certified professional. Audit requirements may be waived for simpler projects, such as LED lighting, solar PV, or single-measure upgrades, with Program Coach approval.
 - Buildings must achieve at least a **20% energy reduction** through one or more eligible measures, based on the energy modelling report. Measures may be completed in phases with Program Coach approval.
- **Climate Resiliency Risk Assessment:** For resiliency projects, submit a [Climate Resiliency Risk Assessment](#) completed by a qualified professional.
- **Business Case:** Submit a [Business Case](#) outlining the project scope, costs, projected savings, project timeline, quotes, and technical specifications for proposed measures, as applicable.
 - Energy efficiency projects must achieve a minimum **Savings-to-Investment Ratio (SIR) of 1.0**, demonstrating that projected energy savings are expected to offset project costs over the measure's useful life.
- **Technical Specifications:** All retrofits and equipment must meet applicable codes, standards, and performance benchmarks, including certifications such as ENERGY STAR® and WaterSense®, where applicable.
- **Mortgage Lender and/or Condominium Board Approval:** Submit a completed [Mortgage Lender Approval Form](#) and/or [Condominium Board Approval Form](#), where applicable.
- **Certificate of Insurance:** Submit a certificate of insurance demonstrating appropriate coverage, where applicable.

- **Property Information Disclosure:** Applicants must apply for a [Property Information Disclosure through the City of Saskatoon's ePermitting system](#) and submit it as part of the funding request package.
- **Affordable Housing Income Verification Form:** Applicants applying under the affordable housing stream must complete the required Affordable Housing Income Verification form, if applicable.

Eligible Loan Amounts

Loan amounts range from \$10,000 to \$1.5 million per building. Financing cannot exceed 20% of the property's value, based on either the assessed value or an appraisal prepared by a licensed appraiser.

Eligible Costs

Eligible costs include up to 100% of:

- Direct equipment, material, and contractor labour costs needed to complete the approved project
- Project development and professional service costs, such as energy audits, building permits, engineering, business case development, and appraisal costs.
- Related ancillary work, such as safety, electrical, structural, or plumbing work, and other costs needed to complete the approved project, such as roof upgrades for a roof-mounted solar PV installation

The City may pay contractors directly for deposits of up to 50%, installment payments of up to 90%, and final payments. If participants pay contractor costs upfront, they may be eligible for reimbursement after project completion.

Ineligible costs include:

- Administrative costs, as outlined in the following section

CEL Program Loan Terms

A CEL Program loan term cannot exceed the effective useful life (EUL) of the approved measure and may be up to 20 years. For projects with multiple measures, the financing term may be based on the measure with the longest EUL, subject to program coordinator review and approval.

Example: If a project includes LED lighting with a 10-year effective useful life and rooftop solar PV with a 20-year effective useful life, the CEL Program financing term may be approved for up to 20 years, subject to Program Coach review and approval.

Interest rates are fixed for the loan term and updated annually.

Administration Fees

Standard properties pay a one-time upfront administration fee of \$750 for loans up to \$40,000. For any amount above \$40,000, an additional fee of 1.6% applies. For non-profit organizations

and affordable housing providers, the administration fee is waived for loans below \$40,000, and a reduced fee of 1% applies to any amount above \$40,000.

Post-Retrofit Verification

After project completion, applicants must submit documentation to confirm that eligible retrofits were installed, completed, and operating as approved.

- **Building Permits:** All required permits must be opened and closed, and completion certificates must be submitted.
- **Completion Documentation:** Submit a final [Project Completion Certificate and Verification Form](#), itemized invoices, and photographic documentation of completed upgrades. An on-site visit may also be required.
- **Benchmarking and Utility Data Sharing:** Participants must complete annual reporting and energy disclosure for the previous year for up to five years through City's Commercial energy Planner.
- **Program Follow-Up:** Participants may be required to complete surveys and take part in follow-up activities.

Project Timelines

Applicants have up to four months to submit all required pre-qualification documents and sign the agreement. Once approved, participants have 12 months to complete the project. Extensions may be granted with Program Coach approval.

Repayment

The property owner signs an agreement with the City of Saskatoon, and the loan repayments are billed and collected through monthly property tax payments over the deferred financing term.