

December 2, 2019

**Local Improvement Charge/
Home Energy Retrofit Program for Ontario**

Dear Member,

1. Are you interested in helping your residents save money and reduce their household energy footprint?
2. Are you interested in using municipal Local Improvement Charge (LIC) authority to deliver a loan program to residents to fund deep energy retrofits?
3. Are you willing to work with a consortium/third party to help you administer such a project and reduce capacity and administrative costs?

AMO, the Independent Electricity Systems Operator (IESO), Clean Air Partnership, and the City of Toronto, are working together as a consortium/third party to deliver a province-wide program that municipalities could access to provide homeowners with loans paid back through the LIC authority to pay for home energy retrofits.

To lighten your administration, the program (funding, administration, support) would be delivered by this consortium. Participating municipalities would still be required to pass an LIC by-law through council, attach the loan to the property tax system for repayment, manage payments to homeowners once accepted into the program, and identify marketing and promotion opportunities to increase household uptake in the program.

Municipalities that have identified an LIC home energy retrofit program through their community energy plan (CEP), climate emergency declarations, or in any other reports are encouraged to reach out to AMO for further discussions about this potential program offering.

Municipalities that are interested in the program concept but do not have a CEP or have not declared a climate emergency, should consider the above three questions and how an LIC home energy retrofit program could help you.

If you have answered yes to any of these questions, please contact Nicholas Ruder at nruder@amo.on.ca for further information.

Background:

In 2012, Ontario Regulation 322/12 amended the Local Improvement Charges (LIC) regulation under the *Municipal Act, 2001* to permit energy efficiency, and renewable energy projects as eligible under the definition of LIC work. The Association of Municipalities of Ontario (AMO) and LAS – AMO Business Services, both supported broadening the use of Ontario Regulation 596/06 – Local Improvement Charges to allow municipal programming opportunities that would increase residents' uptake of home energy improvements as part of reducing the energy footprint in Ontario.

To date, the option to offer homeowners home energy improvement loans through LICs has been used by one municipality, the City of Toronto, through the [Home Energy Loan Program](#). Limited uptake in offering LIC type programs for home energy improvements across Ontario is primarily due to lack of funding and resources to start such a program.
