

SAANICH HEAT PUMP FINANCING PROGRAM

Terms and Conditions

January 10, 2025



1. Purpose of the Program

The District of Saanich's Heat Pump Financing Program (the "Program"), offers interest-free financing for upgrading residential homes from a fossil-fuel based heating system to an air-to-air or air-to-water electric heat pump. Up to \$12,000 at 0% interest financing is available (including all applicable taxes). Financing payments will be made as an additional charge on property taxes for a period of up to 10 years.

To be eligible for financing, acceptance into the Program is required **prior to installing equipment**.

2. Eligibility Requirements

a. Home Eligibility

The Property must be:

- Currently heated with an oil, natural gas or propane furnace or boiler system;
- Located within the municipal boundaries of Saanich;
- At least 12 months old;
- One of the following types of residential buildings:
 - i. Single family home (detached dwelling).
 - ii. Mobile home that is permanently fixed, sits on a foundation and is structurally complete with installed and connected plumbing, heating, electrical, water and sewer services, towing apparatus and axle must be removed.
 - iii. Duplex, triplex, row home or townhome, where each unit has its own BC Hydro electricity meter. Utility accounts must be in the name of the resident and/or homeowner; utility accounts in the name of a strata corporation are not eligible.

b. Participant Eligibility

The Participant must be:

- A registered owner of the Property.
- In good standing with regards to property taxes and municipal utility bills (i.e. accounts must be current with no arrears or delinquent amounts).

c. Upgrade Eligibility

The Participant must decommission or remove their existing oil, natural gas or propane heating system and complete a heat pump system installation that qualifies for either the [Ducted Central](#), [Ductless Mini-Split](#), [Air-to-Water](#), or [Combined Space and Hot Water](#) heat pump rebates through the CleanBC Better Homes Program. Dual fuel systems (e.g. heat pump with natural gas backup) are not eligible under the Program. An electrical service upgrade, additional heat pump air filtration systems, ducting modification and/or duct cleaning or other work that is directly related and required to enable the installation of the electric heat pump are considered eligible improvements under the Program.

All upgrades must be installed by a contractor from the District's list of Eligible Contractors ("Eligible Contractor List"). Self-installations are not eligible.

The Participant understands that the District and its partners in the Program do not endorse the services of any contractor or specific product and accept no liability in the selection of contractors or the performance of the work completed.

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d. Income Qualified Eligibility

50% of available spots in the Program are reserved for income-qualified households. Proof of income will be required in the form of one of the following pieces of documentation from each household:

- i. Notice of Assessment (Canada Revenue Agency) from two main income earners in the family
- ii. Proof of participation in the CleanBC Energy Savings Program

Other forms of income documentation (e.g. Proof of Saanich L.I.F.E. program membership or verification of income or disability assistance) will be considered on a case by case basis.

If the home is not the owner’s principal residence, the tenant may qualify under the income-qualified stream by submitting the Tenant Consent Form and the required income documentation directly to the Program.

To be eligible as an income-qualified participant, the combined income of the two primary income-earning adults (18 years or older) in the family must be below the following thresholds:

Number of people in household (includes children)	Household income (before tax)	Number of people in household (includes children)	Household income (before tax)
1	Up to \$99,891	5	Up to \$210,528
2	Up to \$124,358	6	Up to \$237,438
3	Up to \$152,884	7 or more	Up to \$264,353
4	Up to \$185,620		

e. Misrepresentation

The Participant is aware that any willful or negligent misrepresentation as to any of the above eligibility requirements may be cause for their rejection/expulsion from the Program, in addition to all other remedies available at law.

3. Acceptance/rejection of applications

The District reserves the right, in their sole discretion, to accept or reject applications into the Program for any reason. Decisions of the District are final and binding and not subject to appeal. The District may provide reasons for its decision, but is under no obligation.

4. Council Discretion

Nothing in these terms and conditions fetters the discretion of the elected Council of The Corporation of the District of Saanich. Without limiting the generality of the foregoing, by receiving an application for the Program and petition for a local area service, the Council is under no obligation to adopt a local area service bylaw in support of this Program. Should Council elect to not proceed with adopting a local area service bylaw, the Participant will not be entitled to financing under the Program, and will not be compensated for any money expended.



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5. Participant's Obligations and Deadlines

The Participant must submit all complete and accurate program forms and documents (collectively, the "Program Forms") in order to receive financing under the program. This includes:

- The Registration Form, including income verification when applicable;
- A sufficient and valid petition for the Program to be offered as a local area service. Note, section 212(3) of the Community Charter requires at least 50% of the owners of the Property to sign the petition;
- An EnerGuide Evaluation completed by a qualified energy advisor on or after April 1, 2020;
- A Contractor Quote to be prepared by an Eligible Contractor;
- The Financing Agreement (and Addendum if final financing amount increases by more than 5% from Financing Agreement);
- The Final Invoice and Work Completion Report.

The Participant may be asked to provide additional verification that includes but is not limited to: permits, expense receipts, and/or photographs.

Participants will have 10 (ten) months from the date that the Local Area Service Bylaw is adopted for their property to complete the upgrade and submit the Work Completion Report. Written requests for extensions will be considered. If documentation or a request for extension is not received by this date, the District reserves the right to remove the participant from the Program and repeal the Local Area Service Bylaw for the participant's property.

In instances where tenants occupy the home in part or in its entirety, the owner/landlord must not, under any circumstances evict or permanently displace the tenant(s), or increase rent as a result of any improvements completed under this program. Furthermore, the landlord must comply with the terms and conditions of the [Residential Tenancy Act](#) and any conditions of the tenancy agreement or lease.

The Participant understands that they are responsible for meeting all Program requirements and complying with all applicable Federal/Provincial/District laws and the requirements of any agreement which affects the Property or the use of the Property.

6. Participant's Representations and Warranties

By participating in the Program, the Participant represents and warrants that:

- a. As of the date of signing the Program Forms, the information is true and accurate to the best of the Participant's knowledge.
- b. The Participant is undertaking a financial obligation in regards to the designated Property in order to receive financing under the Program, and the Participant has the authority, without the consent of any third party which has not been previously obtained, to execute, undertake and deliver their obligations under this Program and the various documents and instruments referenced herein.

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7. No Liability

The District, not being the designer, manufacturer, provider or installer of the products, equipment, services and/or improvements, make no representations or warranties whatsoever as to the fitness of, the necessity for, the quality of, or the energy efficiencies/savings of, any product, improvement or service, or skill of any contractor or energy advisor.

- a. The Participant hereby indemnifies and saves harmless the District, its elected and appointed officials, officers, agents, employees and contractors, from all liability, damages, claims, demands, expenses and costs for claims, costs for injury or death of any person, damage to or destruction of property, and all economic loss suffered by any person (collectively the "Losses") arising from or occurring by reason of the Participant's participation in the Program and/or the implementation of any Program recommendations, including the installation and/or use of recommended products and improvements.
- b. The Participant irrevocably waives any and all claims against, and irrevocably releases and agrees not to sue the District, its elected and appointed officials, officers, agents, employees and contractors for and against all Losses arising out of the Participant's participation in the Program and/or the implementation of Program recommendations, including the installation and/or use of recommended products and improvements.
- c. Without limiting the generality of the above sections, the Participant agrees that the selection of eligible heat pump, the selection of program-approved contractor, and the decision regarding the purchase, installation and ownership/maintenance of the upgrades is their sole responsibility. The Participant agrees that the District and its partners in the program have no liability whatsoever concerning:
 - i. The quality or safety of any installed equipment, including their fitness for any purpose,
 - ii. The estimated energy savings produced by or performance of the Improvements,
 - iii. The workmanship of any third parties,
 - iv. The installation or use of the Improvements including, but not limited to, any effect on indoor pollutants,
 - v. Any other matter with respect to the Program.
- d. This section will survive termination of the Program.

8. Financing

a. Payment of the Financing Amount by the District

By participating in the Program, the Participant qualifies for 0% interest financing up to twelve thousand (\$12,000.00) dollars (the "Financing Amount"). The Financing Amount will be paid directly to the Contractor upon receipt of invoice and submission of the Work Completion Report. This includes any work performed by subcontractors for electrical upgrades and decommissioning of oil tanks.

The Program will consider requests to pay a portion of or the entire deposit to the Contractor to secure the preferred quote, as specified by and upon completion of the fully executed Financing Agreement. Where the total cost of the upgrade is more than \$12,000, the participant is encouraged to pay the deposit, if required by the Contractor. For greater certainty if the District does pay the deposit amount, but the installation is not complete, then the Participant is responsible for payment of the deposit amount, to be collected through property taxes.

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b. Payment by the Participant

The Participant is responsible for all direct and incidental costs save and except for the Financing Amount set out in section 8(a), including but not limited to the following costs:

- All upfront costs associated with completing an Energuide evaluation.
- The balance of the cost of any work associated with the installation of the heat pump, electrical upgrade, or decommissioning of oil tanks. The balance, or a portion thereof may be requested by the Contractor as a deposit to secure the quote.

c. Repayment of Financing Amount

The Participant is responsible for repayment of the Financing Amount as additional property taxes on the Property, to be paid over a ten (10) year period. The Participant understands property taxes are a special charge on the land that has priority over any claim, lien, privilege or encumbrance of any person except the Crown, and that the District may exercise any available legal remedy at law to collect any amount of the Financing Agreement owing as property taxes.

The Financing Amount will be collected on the Participant's property tax bill in the same manner and at the same time as property taxes and will be subject to the same penalties, remedies, and lien priorities as for property taxes in the event the tax account is not paid by the tax due date.

The Participant will be permitted to pay the full balance of the financing amount as a lump sum payment. The District maintains the right to impose a "black-out" period for lump sum payments from March 1 through to the property tax payment deadline each year. In the case of a property sale during the black-out period, Saanich will honour requests to pay the balance in full where directed by a lawyer. The participant must provide the District of Saanich two weeks (ten business days) written notice to pay off the balance of the Financing Amount.

9. Personal Information - Collection, Use and Disclosure

By submitting an application, the applicant consents to the collection of personal information which is authorized under the Local Government Act, Community Charter and section 26 (c) and (e) of the Freedom of Information and Protection of Privacy Act. The information will be used for administering and evaluating the Program.

The District reserves the right to contact Participants up to three years after the completion of the Program to conduct surveys, interviews, assessments or to provide related program information.

The District is engaging the professional services of City Green Solutions Society for the purposes of program design, implementation and evaluation.

If requested, Saanich is required, under the Community Charter, to disclose the tax roll which would disclose addresses and folio numbers of participating properties.