



## MEMORANDUM

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**TO:** Mayor Bonnette and Members of Council

**FROM:** Alexis Buset, Retrofit Halton Hills Program Coordinator

**DATE:** September 26, 2022

**MEMO NO.:** BEC-2022-0001

**SUBJECT:** Retrofit Halton Hills Pilot Program Update

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### **PURPOSE OF THE MEMORANDUM:**

The purpose of this Memorandum is to provide an update and next steps for the Retrofit Halton Hills Pilot Program.

### **BACKGROUND:**

In May 2019, Council declared a climate emergency and set a target for the Town to achieve net-zero greenhouse gas (GHG) emissions by 2030. As part of the response to the Climate Emergency Declaration, the development of the Retrofit Halton Hills (RetrofitHH) Pilot Program was initiated with the goal to reduce energy use and greenhouse gas emissions from residential uses. With the approval of the 2019 Budget, \$300,000 over three years, was allocated to the program's development. In February 2021, additional funding was secured through a \$300,800 grant from the Federation of Canadian Municipalities' Community Efficiency Finance program. The total budget for the RetrofitHH Pilot Program is currently \$600,800, with \$400,000 directed to local improvement projects and \$200,800 for program administration costs.

A Business Case and Program Design for the RetrofitHH Pilot Program was completed in 2021 and approved by Council on October 25, 2021 through Report No. ADMIN-2021-0037. Council passed BY-LAW NO. 2021-0056 to authorize the undertaking of energy efficiency, renewable energy, and water conservation projects as local improvements under the RetrofitHH Pilot Program.

This Memo provides an update on implementing the RetrofitHH Pilot Program to date.

## **COMMENTS:**

### **1. Program Launch**

The RetrofitHH Pilot Program was launched on April 4, 2022, with an initial target of 20 participating homes. The launch was supported by a comprehensive communications strategy that included:

- Updates sent directly to an existing email list of residents who had asked to be contacted about the launch through a survey posted on Let's Talk Halton Hills.
- Media release and social media posts.
- Program website and Let's Talk Halton Hills page with all program forms and information.
- Articles in The Current and the Economic Development e-newsletters.
- RetrofitHH banner at haltonhills.ca.
- Updates to Council, Halton Hills Chambers of Commerce, and the Halton Region Small Business Centre.

The RetrofitHH Pilot Program has been a success. The initial response has been very positive. Within one month of the program's launch, applications were received from 20 homeowners. In June 2022, a Program Coordinator was hired on contract to administer the RetrofitHH Pilot Program, including reviewing applications and evaluating them for approval, communicating with applicants, revising procedures, tracking data and reporting on the program's progress. Cross-departmental collaboration and support, especially from Finance, Corporate Communications and Legal staff, has been key to the pilot program's success.

### **2. Application Status**

Since the submission of the 20 applications:

- 2 applicants have withdrawn.
- Of the remaining 18 applicants:
  - 10 applicants submitted Funding Requests before the submission deadline of August 29. Of these, 9 were approved for a total funding of \$392,710.
  - 1 applicant who submitted a Funding Request was not approved since available funding had already been allocated – on a first-come first-service basis, per the terms of the pilot program. This application has been placed in priority sequence on a waiting list for future funding.
  - 8 remaining applicants did not submit their Funding Requests by the deadline, and hence have been notified that the program is now closed and that they will be contacted if future funding becomes available.

Six of the nine approved applicants have signed and returned their Property Owner Agreements, and have received their initial disbursement funds. These applicants are now able to commence work on their projects. The remaining three applicants are

progressing through the approval process and are anticipated to receive their agreements and initial funds shortly.

Examples of retrofit projects approved to date include:

- Improving insulation in basements, attics, and main walls;
- Installing heat pumps;
- Replacing furnaces, air conditioners and hot water tanks;
- Upgrading of doors and windows; and
- Solar panel arrays.

The pilot program is now closed with nine applicants moving forward with their retrofit projects.

### 3. Pilot Program Financial Status

Table 1, below, summarizes the financial status of the program to date:

Pilot Program Financial Summary	
Number of Funding Requests received before August 29, 2022, deadline	10
Number of Funding Requests approved	9
Total funds committed	\$392,710
Funds remaining	\$7,290
Average estimated cost per retrofit	\$43,634
Average amount homeowners are borrowing of the maximum loan amount available to them	73%
Average monthly loan repayment per property (10 year loan term)	\$426

Table 1: RetrofitHH Pilot Program Financial Summary

### 4. Estimated Energy and Green House Gas (GHG) Reductions

Table 2, below, illustrates the potential reduction in energy use and GHG emissions:

	Estimated Energy Reduction	Estimated GHG Emission Reduction
Average % reduction (per house)	38%	47%
Highest % reduction for single retrofit	76%	89%
Total estimated reduction	807 GJ/Year	43.6 tonnes/year

Table 2: Estimated energy and GHG performance of RetrofitHH Pilot Program retrofits

## **NEXT STEPS:**

With the pilot phase now closed, Town staff will continue to focus on supporting the nine participants through:

- Ongoing administration of the pilot program, including preparation of Property Owner Agreements, review of completion reports, release of initial and final disbursements, and the administration of repayments.
- Guidance regarding the RetrofitHH process and required documentation.
- Documentation of homeowner feedback to improve the delivery of the program's next stage.

Beyond the pilot, Town staff will continue to expeditiously implement and/or support initiatives with the goal of achieving the net zero target. However, the ability to do so will be highly dependent on the availability of an ongoing and adequate funding source. Community participation and uptake of programs such as RetrofitHH will also be critical.

Recognizing this, staff is preparing for the next phase of RetrofitHH with the goal of making it a permanent program, starting in 2023. Among other things, considerations will include:

- Assessing the final outcomes of the pilot program and reporting on Key Performance Indicators;
- Reviewing and revising administrative processes, as appropriate;
- Developing a plan for retrofits required between 2023 and 2030;
- Evaluating the need for any additional resources;
- Exploring potential sources of ongoing and adequate funding; and
- Preparing a Financial Plan based on affordability within the capacity of the Town's Long Range Financial Plan.

Successful implementation of an impactful and permanent RetrofitHH program will be a considerable undertaking.

**CONCLUSION:**

The RetrofitHH Pilot Program has been a success. Results indicate that the community is interested in undertaking building retrofits as a way to assist in reducing community energy use and greenhouse gas emissions. RetrofitHH is an essential component of the Low Carbon Transition Strategy and the Town's response to the Climate Emergency Declaration. Staff will prepare a report for Council's consideration in Q1 2023 with recommendations for the next phase of RetrofitHH.

Reviewed and approved by,

Dharmen Dhaliah, Senior Manager of Climate Change and Asset Management

Damian Szybalski, Commissioner of Business, Environment & Culture

Chris Mills, Chief Administrative Officer