

Report to Infrastructure and Corporate Services Committee

To: Chair and Members
Infrastructure and Corporate Services Committee

From: Kelly Scherr, P.Eng., MBA, FEC
Deputy City Manager, Environment & Infrastructure

Subject: Final Program Design for BetterHomes London

Date: March 23, 2026

Recommendation

That on the recommendation of the Deputy City Manager, Environment & Infrastructure,

- a) the attached proposed by-law (Appendix “A”) **BE INTRODUCED** at the Municipal Council meeting on March 31, 2026, to:
 - i. **APPROVE** the Template for a Property Owner Agreement, attached as ‘Schedule 1’, between the City of London and the property owner outlining the terms of the financing loan and, if applicable, program incentives being offered;
 - ii. **AUTHORIZE** the Director, Climate Change, Environment & Waste Management, as the Duly Authorized Officer to approve and execute the Property Owner Agreements between the City of London and the property owner; and
 - iii. **APPROVE** the Template for a By-law, attached as ‘Schedule 2’, to authorize the issue of a Local Improvement Charge for energy efficiency and water conservation works on a private residential property.

Executive Summary

The BetterHomes London program is expected to be launched later in Spring 2026. The goal of this program is to work with homeowners to increase home energy retrofits by showcasing all available external incentive programs as well as offering grant and loan funding from the Federation of Canadian Municipalities’ Community Efficiency Financing program.

The core services of the program will be a retrofit coaching “concierge” service, which would include services such as a call centre to answer questions about retrofits, guidance through existing home energy retrofit incentives (e.g., Ontario’s Home Renovation Savings program), and personalized support through the BetterHomes London process.

BetterHomes London program participants will have access to 2.5 per cent, 10-Year, 15-Year, or 20-Year term Local Improvement Charge (LIC) loans and will be offered a Net-Zero Ready Renovation Roadmap to encourage the use of building science best practices when planning their home improvements. Participants who are middle-income homeowners (e.g., household income under \$115,000) will have access to performance-based incentives of \$2,500 for a minimum 25 per cent reduction plus an additional \$100 for every additional per cent energy reduction up to 100 per cent (i.e., \$10,000 for reaching net-zero energy use). This would be in addition to existing home energy retrofit incentives (e.g., up to \$10,000 from Ontario’s Home Renovation Savings program).

Municipal processes in support of this program include the need for a Property Owner Agreement template and a Local Improvement Charge by-law template. This report requests Council to approve the attached Schedules and delegate authority to the Director of Climate Change, Environment and Waste Management to execute the individual Property Owner Agreements.

Linkage to the Corporate Strategic Plan

Municipal Council recognizes the importance of climate change mitigation, sustainable energy use, related environmental issues and the need for a more sustainable and resilient city in its 2023-2027 Strategic Plan for the City of London. Specifically, London's efforts in both climate change mitigation and adaptation address these areas of the Strategic Plan, at one level or another:

- Reconciliation, Equity, Accessibility and Inclusion
- Economic Growth, Culture, and Prosperity
- Climate Action and Sustainable Growth

The Climate Emergency Action Plan (CEAP) was approved by Council in April 2022. The CEAP's Area of Focus 2 – Taking Action Now (Household Actions) includes the following action:

1.d. Finalize and present program design options for an FCM-funded home energy retrofit pilot project involving about 50 homes per year for three years, based on similar programs in place in Ottawa, Toronto, and other Ontario cities. Report back to Committee and Council on final pilot project design to obtain final approval. Reporting would occur at the mid-point of the pilot project and after completion including the next steps based on the findings.

Analysis

1.0 Background Information

1.1 Previous Reports Pertinent to this Matter

Relevant reports that can be found at www.london.ca under Council meetings include:

- July 14, 2025, Federation of Canadian Municipalities Community Efficiency Financing Agreement for BetterHomes London, Report to the Community and Protective Services Committee, Item 2.7

1.2 Council Direction

On March 1, 2024, the 2024 - 2027 Multi-Year Budget was adopted that included the following initiative:

*Business Case #P-56 – Climate Emergency Action Plan (CEAP)
Implementation Support*

1.a) Home Energy Retrofit Financing Program to leverage funding from the Federation of Canadian Municipalities (FCM) Community Efficiency Financing (CEF) program to support the rollout of a residential building energy retrofit pilot project in 2024/2025 and staff resources to administer the program.

1.3 Purpose

The purpose of this report is to approve document templates for implementation of the BetterHomes London home energy retrofit program, delegate authority to the Director of Climate Change, Environment, and Waste Management to execute Property Owner Agreements, as well as provide information on the final program design for the loans and incentives to be provided to program participants.

2.0 Discussions and Considerations

The overall goal of BetterHomes London is to encourage homeowners to implement more home energy retrofits by making use of all available incentive programs or through offering low interest loans. As mentioned in the July 2025 report, the ability to offer

lower-interest LIC-based loans to around 150 households is just one part of the retrofit program. Civic Administration anticipate that many homeowners may wish to use their own sources of financing as available (e.g., line of credit, Tax-Free Savings Account).

The core services of the program will be a retrofit coaching “concierge” service, provided by the Windfall Ecology Centre, which would include services such as a call centre to answer questions about retrofits, guidance through existing home energy retrofit incentives (e.g., Ontario’s Home Renovation Savings program), and personalized support throughout the BetterHomes London process. The London Environmental Network (LEN) will also provide local promotional support and community engagement for the program to augment the online and phone-based service.

2.1 Eligible Measures

Windfall Ecology Centre will provide guidance and advice for program participants regarding measures that can be included within the loan component of the BetterHomes London program. Eligibility requirements include:

- Energy efficiency and renewable energy measures must make up at least 80% of the project costs;
- Energy efficiency and renewable energy measures must achieve at least a 25% reduction in energy use, as determined using Natural Resources Canada’s EnerGuide home evaluation process; and
- Non-energy measures, such as climate resilience and home repairs connected with measures (e.g., replacing drywall, electrical panel upgrades), can be included up to 20% of the project costs;

Windfall Ecology Centre will also offer loan participants a Net-Zero Ready Renovation Roadmap to encourage the use of building science best practices when planning their home improvements.

Appendix B contains a complete list of eligible measures.

2.2 Financing Loan Term Options and Interest Rate

Program participants will have access to 10-Year, 15-Year or 20-Year term loans, the duration of which is dependent upon on the service life of the measures taken, with an interest rate of 2.5 per cent. Windfall Ecology Centre will provide guidance and advice for program participants regarding the durations available based on the measures taken.

2.3 Incentives for Middle Income Homeowners

The BetterHomes London program will provide incentives to assist middle-income households to undertake home energy retrofits. The income threshold to access these incentives will be the same as those used for existing City programs for middle-income households, namely the Homeownership Down Payment Assistance Program and Ontario Renovates. For example:

- Maximum income limit of \$95,000 for a single person, or,
- Maximum income limit of \$115,000 for a family

Participants in these existing City programs will be encouraged to participate in the BetterHomes London program.

The incentive amounts offered will be based on the energy reductions achieved, with \$2,500 offered for achieving the minimum 25 per cent reduction plus an additional \$100 for every additional per cent reduction up to 100 per cent (i.e., net-zero energy use).

If it is assumed that the average reduction is 35 per cent, the funding allotted could support incentives for 130 middle-income households.

This incentive is stackable with existing external incentives such as Ontario's Home Renovation Savings program.

2.4 Municipal Processes

A process flow diagram of the entire loan and incentive application process, including the roles and responsibilities of the participating homeowner, Climate Action Partnership, Windfall Ecology Centre, and the City of London can be found in Appendix C. Key tasks undertaken by Civic Administration are:

- Verifying the property owner by the Tax Office
- Countersigning a Property Owner Agreement (POA) between the participant and the City of London
- Releasing the initial advance (50%) of loan funds to the participant
- Releasing the final disbursement of loan funds and incentives (if applicable) upon completion of retrofit, and issuing the Local Improvement Charge
- Updating the Tax Roll
- Starting the LIC collection process
- Repealing the LIC Bylaw upon final payment

Appendix C outlines how these key tasks will be executed by Civic Administration.

3.0 Financial Impact/Considerations

The BetterHomes London program was a funded component of Business Case #P-56 – Climate Emergency Action Plan as part of the 2024-2027 Multi-Year Budget, specifically initiative 1. a) within that business case. The adopted budget included funding for additional staff resources as well as \$1.5 million of municipal funding that has been transferred to the CERP Reserve Fund. Since the adoption of the budget, Civic Administration worked with BetterHomes Ontario to optimize the City's application, resulting in a loan of approximately \$3.5 million and grant of approximately \$1.8 million.

As noted in the previous section, the City of London's CERP and Federation of Canadian Municipality Debt will fund the homeowner loans. The program's initial working capital for homeowner loans will be provided by CERP. As the program uptake grows and milestones on amount of loans issued are achieved, that will trigger requests for FCM debt installments to replenish the working capital.

The Federation of Canadian Municipality Grant will be utilized to fund program start-up costs (e.g. website, customer management system, marketing), program administration and delivery (e.g. concierge service, loan processing, advertising), as well as provide the funding for the incentives for middle income homeowners.

3.1 Risk Management

The priority lien status of LIC loans provided by the City of London reduces the financial risk by ensuring the municipality is able to recover the costs of local improvement projects from property owners before other creditors. This priority status means that the municipality has a first claim on the property value for repayment of the local improvement charges.

Providing improvement loans to be applied to property taxes over an extended period is a normal business activity for the City.

Conclusion

This report provides document templates that require approval for implementation of the BetterHomes London home energy retrofit program, as well as provides information on the final program design for the loans and incentives for program participants.

Prepared by:	Jamie Skimming, P.Eng. Manager, Energy & Climate Change
Prepared and Submitted by:	Shawna Chambers, P.Eng., MPA, Director Climate Change, Environment & Waste Management
Recommended by:	Kelly Scherr, P.Eng., MBA, FEC, Deputy City Manager, Environment & Infrastructure
Cc:	Anna Lisa Barbon, Deputy City Manager, Finance Supports Ian Collins, Director, Financial Services, Finance Supports Kyle Murray, Director, Financial Planning & Business Support, Finance Supports
Appendix A:	Schedule 1: Property Owner Agreement Schedule 2: By-laws
Appendix B:	List of Eligible Measures for the BetterHomes London home energy retrofit program.
Appendix C:	Process Flow Diagram for the BetterHomes London home energy retrofit program.

APPENDIX A

Schedule 1

THIS PROPERTY OWNER AGREEMENT ("POA"), made in duplicate as of this «Date» ("Effective Date").

B E T W E E N:

PROPERTY OWNER

Of The First Part

- and -

CORPORATION OF THE CITY OF LONDON

(hereinafter called the "City" and, together with the Property Owner, the "Parties")

Of The Second Part

WHEREAS:

1. City of London Council ("Council") at its meeting on July 22, 2025, enacted By-law 2025-E17, as amended from time to time (the "By-law"), pursuant to Regulations 322/12 and 323/12, amending O.Reg. 586/06 and 596/06 under the *Municipal Act, 2001* to authorize the undertaking of energy efficiency, water conservation and renewable energy works on private residential property as local improvements under the BetterHomes London Program set out in the By-law (the "Program").
2. Among other things, the Bylaw authorizes the City of London to negotiate and enter into POAs with consenting property owners on the terms and conditions set out in the Decision which are incorporated, as appropriate, into this POA.
3. The Property Owner owns the Property.
4. The Property Owner has submitted a complete Application Form and complete Funding Request for the Property to participate in the Program.
5. The Program Delivery Team has reviewed the Application Form and Funding Request and has approved the participation of the Property in the Program.

In consideration of the mutual covenants herein contained, the Parties agree as follows:

1. Definitions

In addition to the terms defined in the various sections of this POA, the following terms have the following meanings unless inconsistent with the subject matter or context:

"Actual Cost" means the invoiced cost of completion of the Actual Improvements as set out in Appendices A2 and E;

"Actual Improvements" means the Eligible Improvements undertaken to the Property under the Program as indicated in Appendices A2 and E;

"Amortization Schedule" is a complete table of periodic loan payments showing the loan balance, interest, and principal for each year until the loan is paid off at the end of the term.

"Applicable Laws and Requirements" means:

- (1) any statute or proclamation or any delegated or subordinate legislation, including regulations and municipal by-laws;

- (2) any lawful requirement of a Governmental Authority, including but not limited to those lawful requirements contained in POAs with the Governmental Authority or in approvals, certificates, permits and/or other authorizations issued by the Governmental Authority; or
- (3) any applicable judgment of a relevant court of law, board, arbitrator or administrative agency of competent jurisdiction,

each of which is binding and in force in the Province of Ontario;

"Application Form" means an application in the Program Delivery Team's prescribed form that the Property Owner completed and submitted to the Program Delivery Team's satisfaction and that confirmed the Property's eligibility to participate in the Program, which completed form is attached as Appendix D to this POA;

"Approved Final Cost" has the meaning given to it in Section 8, and as set out in Appendix A2;

"Assignment, Novation, and Release" means an agreement to assign this POA to a new owner of the Property and to release the Property Owner from his or her obligations under this POA, in the form attached as Appendix C;

"Benefiting Property" means the property where the work is occurring under the BetterHomes London Program in accordance with Ontario Regulation 586/06;

"Business Day" means Monday to Friday inclusive, excluding statutory and other holidays, namely; New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; National Day for Truth and Reconciliation; Thanksgiving Day; Christmas Day; Boxing Day and any other day which the City has elected to be closed for business;

"Business Hours" means the hours between 8:30 am and 4:30 pm (Eastern time zone);

"City" means the City of London;

"City-Provided Material" means any written documentation or other material that the Program Delivery Team make available generally to the public or specifically to the Property Owner in connection with the Program or this POA;

"Cost of Borrowing" means the City's notional cost of borrowing to fund the Program (set at the fixed rate of 2.5%) charged to the Property by applying the Program Interest Rate to the Loan Amount over the Special Charge Term;

"Completion Date" means the date 12 months from the Effective Date of this agreement by which the Work shall be completed. This date may be extended pursuant to Section 7 of this POA;

"Contractor" means an insured person retained by the Property Owner to complete the Work;

"Council" means London City Council;

"Eligible Improvements" means the energy efficiency, water conservation and renewable energy measures recommended in the EnerGuide audit report for the Property, as set out in Attachment 1 to Appendix A1;

"Estimated Cost" means the estimated cost of completion of the Intended Improvements as set out in Appendices A1;

"Estimated Lifetime" means the estimated useful life of the Intended Improvements, as set out in Appendix A1;

"External Incentive/Rebate" means any money received or to be received from a utility company, Governmental Authority, or Crown or municipal corporation (including the Canadian Mortgage and Housing Corporation) in respect of one or more of the Actual Improvements;

"Final Disbursement" means the disbursement of the remaining portion of the Funding Amount not already disbursed as the Initial Disbursement by the City to the Property Owner, as calculated pursuant to Section 11 and set out in Appendix A2;

"Funding Amount" means the total funds (Grant Amount + Loan Amount) provided to the Property Owner by the City under this POA, and calculated pursuant to Section 9 and set out in Appendix A2;

"Funding Request " means a request in the Program Delivery Team's prescribed form that the Property Owner has completed and submitted to the Program Delivery Team's satisfaction for funding for the Work, which completed request is attached as Appendix A1 to this POA;

"Governmental Authority" means any federal, provincial or municipal government, parliament, legislature, or any regulatory authority, agency, ministry, department, commission or board or other representative thereof, or any political subdivision thereof, or any court or (without limitation to the foregoing) any other law, regulation or rule-making entity, having jurisdiction over the relevant circumstances, or any person acting under the authority of any of the foregoing (including, without limitation, any arbitrator);

"Grant Amount" means any money received or loan forgiven by the BetterHomes London Program based on income, energy performance, decarbonization or other program criteria.

"Initial Disbursement" means disbursement to the Property Owner of the portion of the Funding Amount requested in the Funding Request of up to fifty (50) percent of the Estimated Cost in advance of completion of the Work to be determined at the sole discretion of the City of London, in accordance with Section 5;

"Intended Improvements" means the Eligible Improvements intended to be undertaken to the Property under the Program as set out in Appendix A1;

"Lifetime" means the effective useful life of the Work, as set out in Appendix A2;

"Local Improvement Roll" means the local improvement roll for the Property setting out the Special Charge (Actual), as prepared and corrected by the City and certified by the City Treasurer in accordance with the Regulation;

"Loan Amount" means the portion of the Funding Amount that the Property Owner must repay to the City through the Special Charge.

"MFIPPA" means the *Municipal Freedom of Information and Protection of Privacy Act* R.S.O. 1990, Chapter M.56, as amended;

"Payment Term" means the time period over which the Property Owner will pay the Special Charge (Actual) commencing on the earlier of the date of first payment of the Special Charge (Actual) and the first payment due date for the Special Charge (Actual,) and ending upon full payment of the Special Charge (Actual) (see Note 1 in Appendix B1);

"Pre-Authorized Property Tax Payment Program" means the City's payment program in which a Property Owner authorizes automatic withdrawals from his or her bank account to the City to pay property taxes and other charges collected through the

tax bill as they become due and owing, such withdrawals to be made following one of the available property tax pre-authorized payment plan schedules offered by the City. ;

“Program Delivery Team” includes the City of London, Climate Action Partnership, and Windfall Ecology Centre.

"Program Documents" shall mean the documents comprising the Property Owners' request to participate in the Program and to obtain the requested funding, consisting of the:

- (1) Application Form, attached as Appendix D;
- (2) Funding Request, attached as Appendix A1; and
- (3) Project Completion Report, attached as Appendix E;

“Program Interest Rate” means the following annual interest rates corresponding to each of the following Special Charge Terms, which interest rate will be fixed for the duration of the Special Charge Term. Interest will begin to accrue from the date of the Initial Disbursement is processed by the City and will be payable once the Special Charge (Actual) is imposed.

Special Charge Term	Effective Interest Rate (Annual)
[10, 15 or 20] years	2.5%

“Project Completion Report” means a report, in the Program Delivery Team's prescribed form, that the Property Owner will prepare and submit to the Program Delivery Team's satisfaction by the Property Owner to the Program Delivery Team following completion of the Work, for determination by the Program Delivery Team, in accordance with this POA, of any Final Disbursement for which the Property qualifies, which completed report will be attached as Appendix E to this POA;

"Property Owner-Provided Material" means any written documentation or other material that the Property Owner provides to the Program Delivery Team, including but not limited to the Program Documents;

“Regulation” means Regulations 322/12 and 323/12, amending O.Reg. 586/06 and 596/06 under the *Municipal Act, 2001*, as amended from time to time;

"Special Charge" means a charge imposed by the City on the property pursuant to the Regulation;

"Special Charge (Actual)" means the final Special Charge for the Property based on the Actual Improvements, as set out in Appendix B2, that City Council will impose on the Property;

"Special Charge (Estimated)" means the estimated Special Charge for the Property based on the Intended Improvements, as set out in Appendix B1;

"Special Charge Term" means the time period of [ten, fifteen, twenty] years commencing from the first payment due date for the Special Charge (Actual);

"Substantially Performed" shall mean when the Work is ready for use or is being used for the purposes intended;

"Term" shall have the meaning ascribed to it in Section 2; and

“Work” means the Actual Improvements, collectively.

2. Term

This POA commences on the Effective Date and terminates at the end of the Payment Term. As provided by Section 23, the Term continues even if ownership of the Property transfers but, upon such transfer, the prior Property Owner may become eligible for a Release.

3. Interpretation

Each of the following Appendices to this POA are incorporated by reference into this POA as if they were fully stated herein:

Appendix A1 – Work – Intended – Funding Request Form
Appendix A2 – Work – Actuals
Appendix B1 – Special Charge – Estimated
Appendix B2 – Special Charge – Actual
Appendix C – Form of Assignment, Novation and Release
Appendix D – Application Form
Appendix E – Project Completion Report
Appendix F – Amortization Schedule
Appendix G – POA Withdrawal Form
Appendix H – Pre-Authorized Property Tax Payment Program Application
Appendix I – Building Permits Information

Where there is a conflict between the language in any of the Appendices and this POA, the language of this POA shall prevail.

4. Property Owner's Initial Covenants:

The Property Owner covenants that the Property Owner:

- (1) is the lawful owner of the Property, and that if more than one person owns the Property, all Property Owners are parties to and have signed this POA;
- (2) For properties that are subject to a mortgage(s), the City is not responsible or liable for any breach of mortgage terms with any pre-existing lenders. It is the homeowner's responsibility to confirm that contracts with pre-existing lenders are followed;
- (3) understands and agrees that:
 - (a) the Special Charge (Estimated) as set out Appendix B1 is only an estimate of the Special Charge amount based on the Estimated Cost set out in Appendix A1;
 - (b) the Program Delivery Team shall provide the Property Owner from time to time with updated versions of Appendices A2 and B2 (as new information set forth in Appendices A2 and B2 becomes known) to which the Property Owner will then be bound except as otherwise provided in this POA;
 - (c) the sum of the maximum Funding Amount eligible for the Property to be \$40,000.
 - (d) the Program Delivery Team will advise the Property Owner of the Special Charge (Actual) pursuant to Section 17.
- (4) understands and agrees that by entering into this POA, completing and returning to the Program Delivery Team the Pre-Authorized Property Tax Payment Program Form attached as Appendix H, and providing a void blank cheque, the City will automatically enrol the Property Owner in the Pre-Authorized Property Tax Payment Program, which payment program will apply to payment of the

Special Charge (Actual), the property taxes payable on the Property, and any other charges that are payable through the Property's tax bill.

5. Initial Disbursement

Prior to completion of the Work, the City will pay the Initial Disbursement indicated in Appendix A1 to the Property Owner.

Interest will begin to accrue from the date the initial disbursement cheque is issued payable in the Special Charge Term. Leap years are accounted for in all per diem calculations.

6. Property Owner's Responsibility

The Property Owner understands and agrees that it is the Property Owner's sole responsibility to complete the Work by retaining a Contractor and to ensure that the Work is completed by the Completion Date.

The Program Delivery Team takes no responsibility for and has no involvement in retaining a Contractor or any other person to complete the Work. The Program Delivery Team also takes no responsibility for and has no involvement in the completion of the Work or in ensuring its completion, and the Property Owner is solely responsible for any action he or she may take that may impede or adversely affect the Contractor and the Contractor's ability to complete the Work in a timely manner. The Property Owner further understands and agrees that the Program Delivery Team has no responsibility or liability to the Contractor or to the Property Owner for the completion of the Work including, without limitation, any delays, errors, or defects in the completion of the Work, any negligence of the Contractor in the completion of the Work, the Contractor's failure to complete the Work, any payment or failure to make payment to the Contractor or any other person in respect of completion of the Work, and the discharge of any liens on the Property.

The Property Owner is not an agent of the City or the Program Delivery Team.

The Property Owner understands and agrees that it is the Property Owner's sole responsibility to make payments for the completion of the Work, and that the City will make payments to the Property Owner in accordance with this POA only if all requirements for such payment have been met.

The Program Delivery Team is not liable for any failure of the Work to achieve the expected energy savings or to qualify for a Final Disbursement under the Program. The Property Owner further understands and agrees that the maximum Funding Amount under the Program is the lesser of the three amounts set out in Section 9 of this POA, and that the Property Owner may not receive payment from the City of all, or any, costs incurred by the Property Owner to complete the Work.

7. Completion Date

Provided that the Property Owner notifies the Program Delivery Team in writing by at least 4:30 pm on the business day that is at least 10 business days before the Completion Date that the Property Owner is unable to Substantially Perform the Work by the Completion Date, and provided further that the Property Owner indicates the reasons for the delay and makes available whatever additional written or verbal information the Program Delivery Team requires, then the Program Delivery Team retains the right in its discretion on a case by case basis to extend the Completion Date to a later date.

8. Approved Final Cost

Within 14 days of the earlier of (a) the Work being Substantially Performed or (b) the Completion Date, the Property Owner shall provide the Program Delivery Team with the Project Completion Report.

The Program Delivery Team shall then verify the completeness and accuracy of the Project Completion Report and will disqualify the Property from any funding under this POA if the Project Completion Report is incomplete or, in the Program Delivery Team's sole opinion, provides inadequate information to qualify for funding under this POA.

The City may, in its sole discretion, make any reasonable adjustments to the Actual Cost as evidenced on the Project Completion Report, and may inspect the Work in accordance with Section 26 of this POA.

Actual Costs include equipment, materials labour and harmonized sales tax (HST), as verified and adjusted by the City in its sole discretion, will constitute the Approved Final Cost.

9. Funding Amount

The Funding Amount shall be the amount, net of any External Incentives/Rebates, that is the lesser of:

- (1) the Approved Final Cost;
- (2) the Estimated Cost plus Five (5) per cent of the Estimated Cost; and
- (3) the highest dollar amount that does not cause the sum of the maximum Funding Amount to exceed \$40,000.

10. Internal Incentives

Income qualified Property Owners are eligible for an Energy Efficiency Incentive of up to \$10,000, based on the actual change in the EnerGuide Rating between the pre- and post- energy assessments;

The Grant Amount will be deducted the Funding Amount, such that Loan Amount = Funding Amount - Grant Amount.

11. Final Disbursement

The Final Disbursement shall be the Funding Amount as determined under Section 9 of this POA, less the Initial Disbursement.

The City will issue payment to the Property Owner the Final Disbursement within 30 days following receipt of the signed letter from the Property Owner confirming the Special Charge, as determined by the City. Any City payment will be made by cheque to the Property Owner.

Interest will accrue from the date the First Disbursement cheque is issued payable in the Special Charge Term. Leap years are accounted for in all per diem calculations.

12. Special Charge

(1) Calculating the Special Charge

After the Final Disbursement Amount is paid to the Property Owner, the Program Delivery Team will calculate the Special Charge (Actual) for the Property.

The Special Charge (Actual) shall equal the sum of (a) the Funding Amount, (b) the Cost of Borrowing from the date of Initial Disbursement and Final Disbursement, (c) the Cost of Borrowing for the Special Charge Term, less the Grant Amount.

(2) Notice of the Special Charge

The Program Delivery Team will advise the Property Owner of the proposed Special Charge (Actual) pursuant to Section 17.

(3) Consent to Levy of the Special Charge

The Property Owner consents to the Special Charge (Actual) being levied by the City on the Property pursuant to the Regulation, and agrees to pay the Special Charge (Actual) in equal annual amounts over the Special Charge Term, by making payments aligned with the selected Pre-authorized Property Tax Payment Plan schedule, unless another payment mechanism has been approved in writing by City staff. The Property Owner understands that such monthly payments will be in equal amounts, except for the final payment which may be greater or lower to address any remainder amounts.

(4) Early Payment of Special Charge

At any time after the Special Charge (Actual) is levied on the Property by the City, the Property Owner can discharge the Special Charge (Actual) and end the Payment Term by making a one-time single lump sum payment in an amount determined by the City. There will be no fee or penalty for early repayment in lump sum. As permitted by Section 32 of the Regulation, the amount of the payment will be the present value of the future payments still outstanding, calculated by the City using a rate the City considers appropriate.

(5) Apportioning the Special Charge

The City apportions the Special Charge (Actual) on the basis of one Special Charge per property.

13. Property Owner's Additional Obligations:

The Property Owner shall:

- (1) Obtain all required building and other permits to undertake the Work. This agreement does not exempt or override any building permit requirements imposed by the City. Measures that may require a building permit and the permitting process are described in Appendix I. Work done without the required permits is not eligible for financing.
- (2) Complete the Work by the Completion Date;
- (3) Remain enrolled and in good standing in the City's Pre-authorized Property Tax Payment Program for the duration of the Payment Term, unless otherwise approved in writing by City staff;
- (4) If the Property Owner does not complete the Work or otherwise does not put the Property in a position where the City can impose the Special Charge on the Property, repay in its entirety all funds received from the City pursuant to this POA or under the Program within ten (10) business days of receipt of a demand for payment from the City;
- (5) Notify any party to whom the Property Owner plans to transfer the Property, whether a buyer or otherwise, in advance of such transfer that the Special Charge (Actual) has been, or will be imposed on the Property pursuant to the Program and the Regulation.

14. External Incentives/ Rebates

The Property Owner may apply for other Incentives/Rebates for which the Property may be eligible, and, if successful, then agrees to provide the City prior to submission of the Project Completion Report with information on all Incentives/Rebates which have been approved.

15. Withdrawal

The Property Owner may withdraw from this POA by completing the withdrawal form in Appendix H and submitting to the City Clerk by mail or in person so long as such submission arrives date-stamped no later than eight (8) business days from the date the Property Owner submitted the signed POA to the City by mail or in person. Upon withdrawal, the Property Owner shall repay in its entirety all funds received from the City in accordance with Section 13(3) of this POA.

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16. Certified POA

Once certified by the City, this POA is final and binding.

17. Notice of Local Improvement Roll

The Program Delivery Team shall give notice to the Property Owner of the proposed Local Improvement Roll before the Special Charge (Actual) is imposed. The proposed Local Improvement Roll shall set out the proposed Special Charge (Actual) to be levied on the Property in respect of the undertaking of the Work on the Property under this POA and under the Program.

Upon receipt of notice of the proposed Local Improvement Roll, the Property Owner has 21 days to provide to the Program Delivery Team written objections or proposed revisions to the proposed Local Improvement Roll.

The City's Treasurer shall consider any objections and proposed revisions to the proposed Local Improvement Roll as may be made by the Property Owner, and may make any corrections to the proposed Local Improvement Roll which the Treasurer considers fair and equitable as a result of such objections and proposed revisions. Once any such corrections are made, the Treasurer shall certify the Local Improvement Roll.

The certified Local Improvement Roll and the Special Charge (Actual) set out in it shall be final and binding on the Property, and the Work is conclusively deemed to have been lawfully undertaken in accordance with the Regulation.

18. Special Charges added to the Tax Roll

Pursuant to the *Municipal Act, 2001* and the Regulation, once levied, the Special Charge (Actual) can be added by the City to the tax roll for the Property. Once added to the tax roll the Special Charge (Actual) has the same priority to all other liens as property taxes, and will become an obligation of all subsequent owners of the Property.

The City will note the full amount of the Special Charge (Actual) on the tax roll, and this amount will appear on any tax certificates requested for the Property.

The Special Charge (Actual) will be collected through the tax bill for the Property, and payment will be due and payable at the same time as property tax payments for the Property.

The portion of the Special Charge (Actual) annually payable will be added to the tax roll for the Property and will form a priority lien on the property if not paid when due.

19. Severed Lands

Where the Property Owner seeks to sever the Property, the Special Charge (Actual) shall be:

- (1) Reapportioned among the new lots in any manner the City considers just and equitable, having regard to the relative degree of benefit received by each of the new lot, and a new special charge will be imposed on each of the new lots in the amount apportioned to each lot; or

- (2) Paid in full at the time of the City approval for the severance.

20. Corrections to Special Charges and to the Local Improvement Roll

- (1) The City may correct the Special Charge (Actual) pursuant to the Regulation, if the City Treasurer determines that the Special Charge (Actual) is incorrect due to a gross or manifest error.
- (2) The City Treasurer will make any amendments and corrections to the Local Improvement Roll to reflect any correction to the Special Charge (Actual) made pursuant to subsection (1), and any apportionment of a Special Charge (Actual) pursuant to Section 19 and shall certify the corrected Local Improvement Roll.

21. Above Guideline Rent Increase Restriction

If applicable, the participating Property Owner understands and agrees not to apply for an above-guideline rent increase pursuant to the *Residential Tenancies Act* to assist the Property Owner in paying the Special Charge (Actual) or any other cost associated with the Work.

22. Late Payment Penalties and Events of Default

- (1) If the Property Owner fails to make any payment owing to the City under this POA on the date it becomes due, the payment is subject to late payment penalties as defined at <https://london.ca/government/property-taxes-finance/property-taxes> or outlined in the City of London Fees & Charges By-Law (currently A-62, as amended from time to time), including, but not limited to:
 - (a) a fee for non-sufficient funds being in the Property Owner's account under the Pre-authorized Property Tax Payment Program;
 - (b) a one-time penalty on the first day of default; and
 - (c) an additional penalty on the first day of each month thereafter that the amount remains outstanding.
- (2) The City may declare that an event of default has occurred (an "Event of Default") if the Property Owner:
 - (a) fails to meet any of its obligations under this POA, including without limitation:
 - (i) failure to make any payment to the City as it becomes due; failure to reimburse the City all portions of the Funding Amount that the City has provided to the Property Owner in accordance with Section 11 in the event that the Property Owner has not completed the Work or otherwise has not put the Property in a position for the City to apply a Special Charge; or
 - (ii) failure to adhere to its confidentiality obligations under this POA; or
 - (b) makes false or misleading representations or submits false or misleading information to the City.
- (3) In the event that the City has declared that an Event of Default has occurred, the City may immediately, in its sole discretion, exercise one or more of the following remedies:
 - (a) terminate its obligations under this POA and, if applicable, demand repayment of all monies provided under this POA to the Property Owner to date;
 - (b) pursue a court action to recover all damages and/or demand specific performance; and

- (c) add to the property tax roll for the Property the Initial Disbursement plus the Administrative Charge as a fee owed to the City pursuant to this POA.

23. Sale and Release

The Property Owner shall have the unfettered right to sell, transfer, charge, and mortgage, encumber or otherwise deal with the Property without the prior consent of the City.

In the event the Property is transferred to a new owner, the Property Owner shall continue to be liable to the City for all Property Owner obligations and liabilities under this POA until the City signs the Assignment, Novation and Release, thereby releasing the Property Owner from obligations and liabilities under this POA.

The City shall not sign the Assignment, Novation and Release until all of the following conditions are met to the satisfaction of the City:

- (1) the Property Owner provides the City with a registered copy of the Transfer of the Property from the Property Owner to a new owner;
- (2) the Special Charge (Actual) and other amounts due and owing under this POA for the portion of the Payment Term during which the Property Owner owned the Property are fully paid; and
- (3) the Property Owner provides the City with an original Assignment, Novation and Release in the form attached as Appendix C, executed by the Property Owner and the new owner.

The Property Owner acknowledges that nothing in this POA interferes with the City's rights, benefits and powers under the Regulation and *Municipal Act, 2001* with respect to the Property or the Special Charge (Actual), and that the City shall not be prevented from or prejudiced in carrying out its statutory rights and responsibilities thereunder.

24. Ownership, Disclosure, and Confidentiality of Written Material

(1) Ownership and Compelled Disclosure of Property Owner-Provided Material

Once in the possession and/or under the control of the Program Delivery Team, any Property Owner-Provided Material becomes the property of the City and, consequently, subject to the Municipal Freedom of Information and Protection of Privacy Act ("MFIPPA"). Pursuant to MFIPPA, the public has a right to seek access to these documents, in whole or in part, which the City must then disclose in accordance with the provisions of MFIPPA. Note that those provisions safeguard against disclosure of personal information but exceptions to such safeguards do apply.

Moreover, the City may be required to disclose these documents pursuant to other Applicable Laws and Requirements regarding disclosure of information and production of documents, including (but not limited to) the Federal Courts Rules, the Ontario Rules of Civil Procedure, the Criminal Code of Canada, subpoenas and summonses to witness, court orders, and any other federal, provincial or municipal statutory power that compels the City to disclose such information and documents.

The City reserves the right to make all final disclosure decisions including those pursuant to MFIPPA.

(2) Ownership and Confidentiality of City-Provided Materials

All City-Provided Material in connection with, or arising out of, the Program or this POA:

- (a) is and shall remain the property of the City;
- (b) must be treated by the Property Owner as confidential and not disclosed to anyone other than the Property Owner or Program Delivery Team staff (which does not include City Council Members or their staff) without written consent from the City or the Property Owner unless such City-Provided Material was obtained in a manner available generally to the public (such as from the City's website); and
- (c) other than in connection with the Program, must not be used or disseminated by the Property Owner for any purpose, including (but not limited to) for purposes of lobbying on this or related matters without the express written permission of the City.

This provision survives the termination of the POA for seven (7) years, in accordance to the City of London's Records Retention By-law, beginning with the date on which the POA terminates.

25. Audit

The City may audit this POA and related records. The Property Owner shall at all times during the term of the POA, and for a period of seven (7) years following the Payment Term, keep and maintain records of the Work performed pursuant to this POA. This shall include proper records of invoices, vouchers, External Incentives/Rebates, timesheets, and other documents that support actions taken by the Property Owner. The Property Owner shall at its own expense make such records available for inspection and audit by the City at all reasonable times.

26. Inspection

Until the date that is seven (7) years from the Completion Date, the City reserves the right, upon 14 days written notice to the Property Owner, to have a City Official or third party contractor retained by the City inspect the Work. Such inspection is solely for the purpose of verifying the Work stated in the Project Completion Report. By conducting such inspection, the City is not making any representations or warranties with respect to the Work and is not liable for any aspect of the Work.

27. Indemnities

The Property Owner indemnifies and saves harmless the Program Delivery Team, the City of London, its Mayor, Members of Council, officers, employees, and agents from and against any losses, liens, charges, claims, demands, suits, proceedings, recoveries and judgements (including legal fees and costs) arising from or related to the Property Owner's performance or non-performance of its obligations, including breach of any confidentiality obligations under the POA or infringement, actual or alleged of any Canadian, American or other copyright, moral right, trade-mark, patent, trade secret or other thing with respect to which a right in the nature of intellectual/industrial property exists.

Upon assuming the defence of any action covered under this section the Property Owner shall keep the City reasonably informed of the status of the matter, and the Property Owner shall make no admission of liability or fault on the City's part without the City's written permission.

28. Survival

In addition to any obligations set forth in this POA that by their nature survive the completion of the Work or termination of this POA or otherwise expressly survive, those obligations set forth in Sections 24 (Ownership and Confidentiality of City-Provided Material), 25 (Audit), and 27 (Indemnities) shall continue to bind the Property Owner notwithstanding the completion of the Payment Term, the release by the City of the Property Owner of its obligations under this POA, or the termination of this POA.

29. Severability

If any provision of this POA or the application thereof to any person or circumstances is found to be invalid, unenforceable or void by any court or tribunal of competent jurisdiction, such provision shall be deemed severable and all other provisions of this POA shall be deemed to be separate and independent therefrom and continue in full force and effect.

30. Further Assurances

The Property Owner agrees that it will do all such acts and execute all such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of all such acts and the execution of all such further documents (including waivers of moral rights) as are within its power to cause the doing or execution of, as the City may from time to time reasonably request, in writing, and as may be necessary or desirable to give full effect to this POA.

31. Notices

Any demand or notice to be given pursuant to this POA shall be duly and properly made and given if made in writing and either delivered to the party for whom it is intended to the address as set out below or sent by prepaid registered mail addressed to such party as follows:

in the case of the City:

- (1) City of London
Manager of Energy and Climate Change
300 Dufferin Avenue, P.O. Box 5035, London ON, N4A 4L9
- (2) In the case of the Property Owner, to the Primary Contact indicated in the Application Form or to such other addresses as the Parties may from time to time notify in writing, and any demand or notice so made or given shall be deemed to have been duly and properly made or given and received on the day on which it shall have been so delivered or, if mailed, then, in the absence of any interruption in postal service in the City of London affecting the delivery or handling thereof, on the day following three business days following the date of mailing.

32. Successors and Assigns

The POA shall endure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and assigns.

33. Appendices

The Appendices to this POA shall constitute an integral part of this POA and all expressions defined in this POA shall have the same meanings in such attachments. In the case of a conflict between the body of this POA and any attachment, the provisions of the body of this POA shall take precedence.

34. Governing Law

This POA shall be governed by the laws of the Province of Ontario. Any dispute arising out of this POA will be determined by a court of competent jurisdiction in the Province of Ontario.

35. Entire POA

The POA forms the entire agreement between the Parties. In the event of conflict or inconsistency between the POA and any other agreement between the Parties, the POA shall prevail.

36. Amendments

The Parties can mutually agree to amend this POA.

37. Headings, subheadings, index numbers, reference numbers

All headings, subheadings, index and reference numbers in POA and attachments are given for the convenience of the Parties and as such must be taken only as a general guide to the items referred to and not relied upon. It must not be assumed that such numbering is the only reference to each item, but the POA as a whole must be fully read in detail for each item.

APPENDIX A1

IMPROVEMENTS – INTENDED

Attach the Funding Request Form as submitted.

**APPENDIX A2
IMPROVEMENTS - ACTUAL**

1. Improvements

Actual Improvements	Actual Cost ¹	Expected Lifetime
TOTAL		

2. Actual External Incentives/Rebates and Grants

The Property Owner is eligible to receive an external incentive/rebate of [AMOUNT] from [PROGRAM / PROVIDER].

The Property Owner is eligible to receive a Grant Amount of [AMOUNT] from BetterHomes London.

3. Funding Amount

In accordance with Section 9 of the POA, the Funding Amount is [AMOUNT] which is:

(a) the lesser of:

(i) The Approved Final Cost which is [AMOUNT]

(ii) The Estimated Cost plus five percent of the Estimated Cost which is [AMOUNT]; and

(iii) the highest dollar amount that does not cause the Funding Amount and to exceed \$40,000.

(b) minus the Actual External Incentive / Rebate which is [AMOUNT]

4. Final Disbursement

The Final Disbursement is [AMOUNT] which is equal to the Funding Amount ([AMOUNT]) minus any Initial Disbursement ([AMOUNT]).

¹ Actual costs include equipment, materials, labour and harmonized sales tax (HST).

APPENDIX B1

SPECIAL CHARGE - ESTIMATED

The Special Charge (Estimated)² is [AMOUNT].

The Special Charge (Estimated) was calculated as follows:

Special Charge Term	[10, 15, or 20] years
Program Interest Rate	2.5%
Estimated Funding Amount	
Estimated Grant Amount	
Estimated Loan Amount	
Cost of Borrowing	
Special Charge (Estimated)	
Annual Payment (Estimated)	
Initial Disbursement Amount	

Note 1: The Special Charge and all accrued principal and interest payments due will appear on property tax bill following the commencement of the Payment Term.

Note 2: In the first year of the Payment Term, only three (3) payments will be made. See Amortization schedule for more details.

Note 3: The Cost of Borrowing represents the total interest accrued over the Special Charge Term based on the Program Interest Rate and Estimated Funding Amount.

² As per Section 15 of the POA, the City will notify the Property Owner of the Special Charge (Actual) prior to certification of the charge and adoption of the by-law to impose the charge on the Property.

APPENDIX B2

SPECIAL CHARGE - ACTUAL

The Special Charge (Actual) is [AMOUNT].

The Special Charge (Actual) was calculated as follows:

Special Charge Term	[10, 15, or 20] years
Program Interest Rate	2.5%
Actual Funding Amount	
Estimated Grant Amount	
Estimated Loan Amount	
Cost of Borrowing	
Special Charge (Actual)	
Annual Payment (Actual)	
Final Disbursement Amount	

Note 1: In the first year of the Payment Term, only three (3) payments will be made. See Amortization schedule for more details.

Note 2: The Cost of Borrowing represents the total interest accrued over the Special Charge Term based on the Program Interest Rate and Estimated Funding Amount.

APPENDIX C

FORM OF ASSIGNMENT, NOVATION, AND RELEASE

(The current Property Owner of the Property can reproduce and use this form to satisfy the requirements in Section 23 (Sale and Release). Please inquire with City staff if an electronic version is needed.)

THIS AGREEMENT made as of the ___ day of _____, 20__.

AMONG:

(the "Assignor")

- and -

(the "Assignee")

- and -

The City of London
(the "City")

WHEREAS:

- A. Pursuant to City of London Bylaw 2025-E17, the Assignor applied to participate in the City's BetterHomes London program and consequently, entered into a Property Owner Agreement with the City on _____ (the date of "POA"), a copy of which is attached as Schedule A, to obtain funding for energy efficiency and water conservation improvements at the Property (the "Funding Amount");
- B. The City of London adopted Bylaw _____ (the "Bylaw") to impose on the Property a Special Charge in the amount of _____ that requires the owner of the Property to repay the Funding Amount, together the Cost of Borrowing and the Administrative Charge;
- C. The POA includes additional obligations that are separate and apart from the obligation to repay the Special Charge (Actual) that the Bylaw has imposed on the Property

NOW THEREFORE in consideration of the transfer of the Property from the Assignor to the Assignee, the City's release of the Assignor, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

1. **Definitions.** Unless otherwise defined herein, all capitalized terms used in this POA shall have the respective meanings ascribed to them in the POA.
2. **Assignment of POA.** The Assignor does hereby absolutely and unconditionally assign, novate, transfer, set over and convey unto the Assignee, for its sole use and benefit, all of the Assignor's right, title, interest, obligations and liabilities in, to and under the POA from and after the date hereof.
3. **Assumption of POA.** The Assignee hereby accepts this assignment contained in Section 2 hereof and covenants and agrees with the Assignor that, from and after the date hereof, the Assignee assumes and is responsible for and will perform, observe, satisfy, discharge and pay as and when due the obligations and liabilities of the Assignor under the POA arising from and after the date hereof.
4. **Consent of City.** The City (in its capacity as an existing party under the POA), effective from and after the date hereof, hereby consents to the assignment of all the

Assignor's right, interest, obligations and liabilities in, to and under the POA, and accepts in full satisfaction the Assignee as a party to the POA in substitution for the Assignor.

5. **Agreement between the City and Assignee.** The Assignee covenants with the City that the Assignee will perform, observe, satisfy, discharge and pay as a when due the obligations and liabilities of the Property Owner under the POA arising from and after the date hereof. Among other things, the Assignee will provide information necessary for automatic enrolment in the Pre-Authorized Property Tax Payment Program as discussed further in the POA.

6. **Release of the Assignor.** In accordance with Section 23 of the POA, the City hereby releases and discharges the Assignor of and from the observance and performance of the covenants, agreements and obligations under the POA, effective from and after the date hereof.

7. **Joint and Several Liability.** The liability of each entity comprising the Assignee hereunder shall be joint and several.

8. **Successors and Assigns.** This Assignment, Novation and Release shall ensure to the benefit of and shall be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and assigns.

9. **Governing Law.** This Assignment, Novation and Release shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract.

10. **Counterparts.** This Assignment, Novation and Release may be executed in several counterparts and by facsimile transmission of an originally executed document, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

11. **Further Assurances.** Each of the Parties hereto shall from time to time hereafter and upon any reasonable request of the other, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Assignment, Novation and Release.

12. **Headings, Extended Meanings.** The headings in this Assignment, Novation and Release are inserted for convenience of reference only and shall not constitute a part hereof and are not to be considered in the interpretation hereof. In this Assignment, Novation and Release, words importing the singular include the plural and *vice versa*; words importing the masculine gender include the feminine gender and *vice versa*; and words importing persons include firms or corporations and *vice versa*.

IN WITNESS WHEREOF the Parties hereto have executed this Assignment, Novation and Release as of the date first above-written.

ASSIGNOR

In the presence of:

By: _____
Name:

Witness name:

ASSIGNEE

By: _____
Name:

Witness name:

CITY OF LONDON

By: _____

Name:

[Director, Climate Change, Environment and Waste
Management]

Attach copy of the POA and mark it Schedule "A"

APPENDIX D

APPLICATION FORM

[Insert completed form here]

APPENDIX E

PROJECT COMPLETION REPORT

[Insert completed form here]

APPENDIX F

AMORTIZATION SCHEDULE

[Insert completed form here by Climate Action Partnership]

APPENDIX G

POA WITHDRAWAL FORM

(as permitted pursuant to subsection 35.4(4) of Ontario Regulation 596/06)

IF YOU INTEND TO WITHDRAW FROM THE POA, THIS FORM MUST BE COMPLETED AND SUBMITTED NO LATER THAN 8 BUSINESS DAYS AFTER YOU SUBMIT YOUR SIGNED POA TO THE CITY

I/we, _____, as signator(ies) to a Property Owner Agreement with the City of London,

Dated _____, concerning my/our property identified as
[insert POA effective date]

_____ [insert Assessment Roll Number] (the "POA"), withdraw my/our

signature(s) from the POA.

Property Owner 1 Title (if auth. rep. of corp. owner) Date

Property Owner 2, if applicable Title (if auth. rep. of corp. owner) Date

Property Owner 3, if applicable Title (if auth. rep. of corp. owner) Date

Send completed form to:

City Clerk, City of London, 300 Dufferin Avenue, P.O. Box 5035, London ON, N4A 4L9

APPENDIX H

PRE-AUTHORIZED PROPERTY TAX PAYMENT PROGRAM APPLICATION

Fill out <https://london.ca/sites/default/files/2025-05/Pre-Authorized%20Tax%20Payment%20Plan%20Authorization%20Agreement.pdf>

and attach a void cheque.

Appendix I

BUILDING PERMITS

You need a permit before you start building or installing any of the following measures:

- Addition to an existing building
- Additional Residential Unit, also called a basement apartment
- Backflow preventer
- Finishing to create rooms or living space
- Basement apartment (second unit)
- Doors: adding new or enlarging existing doors.
- Furnace ducts: alterations.
- Geothermal system
- Interior alterations
- Re-cladding a building: changing materials (e.g., from siding to brick).
- Solar panels
- Sump pump: On a property in the Foundation Drainage Collection (FDC) System area.
- Weeping tile repairs or changes: On a property in the FDC System area.
- Windows: New or enlarging existing windows.

The following measures do not require a building permit.

- Adding a heating/cooling source to an existing system
- Air sealing
- Attic or ceiling insulation
- Battery Storage
- Damp-proofing a basement
- Doors: replacing an existing door with the same size
- Drain-water heat recovery
- Electric or heat pump water heater
- Furnace replacement: If it's of higher efficiency than the existing one
- Generators
- Heat or energy recovery ventilators
- Insulation on the exterior of the building
- Low-flow water fixtures
- Non-structural modifications to drywall, paint, flooring, roofing, plumbing.
- Plumbing fixture replacement: In the same location (e.g., sink, tub, toilet, shower)
- Re-cladding a building: With the same material (e.g., siding to siding, brick to brick)
- Replacing windows, doors or skylights with items of the same dimensions.
- Re-shingling a roof
- Sump pumps, back-flow prevention valves
- Thermostat
- Windows: replacing an existing window with the same size
- Wiring and electrical service upgrade (requires ESA permit, but not City permit)

Property Owners are encouraged to contact the City of London building department with any questions about permitting

Online portal registration questions or technical difficulties can be emailed to epermits@london.ca.

For more information and assistance, please email building@london.ca or call 519-661-4555.

Building permit applications are available here:
<https://london.ca/beforeyouapply>

Work done without the required permits is not eligible for financing.

Schedule 2

Bill No.

By-law No.

A By-law to approve templates for documents and by-laws for use in the administration of the BetterHomes London home energy retrofit program.

WHEREAS section 2 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, provides that municipalities are created by the Province of Ontario to be responsible and accountable governments with respect to matters within their jurisdiction and each municipality is given powers and duties under this Act and many other Acts for the purpose of providing good government with respect to those matters;

AND WHEREAS section 9 of the Municipal Act, 2001 provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 10 of the Municipal Act, 2001 provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public; and may pass by-laws respecting economic, social and environmental well-being of the municipality, and may pass by-laws respecting services and 'things the municipality is authorized to provide';

AND WHEREAS subsection 5(3) of the Municipal Act, 2001 provides that a municipal power shall be exercised by by-law:

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Agreement Template, attached as Schedule 1, for a Property Owner Agreement (POA) between the City of London and the property owner outlining the terms of the financing loan and, if applicable, program incentives being offered is approved.
2. The Director, Climate Change, Environment & Waste Management are authorized to execute Property Owner Agreements approved under section 1 above.
3. The By-law Template, attached as 'Schedule 2', to authorize the issue of a Local Improvement Charge for energy efficiency and water conservation works on a private residential property is approved;
4. This by-law comes into effect on the day it is passed subject to the provisions of PART VI.1 of the Municipal Act, 2001.

PASSED in Open Council March 31, 2026 subject to the provisions of PART VI.1 of the Municipal Act, 2001.

Josh Morgan
Mayor

Michael Schulthess
City Clerk

First reading – March 31, 2026
Second reading – March 31, 2026
Third reading – March 31, 2026

Bill No.

By-law No. 202X-XX

A By-law to authorize the imposition of a Special Charge against <insert property address> (the "Property") under the BetterHomes London program in accordance with Ontario Regulation 586/06.

WHEREAS at its meeting on July 22, 2025, the City of London Council enacted By-Law A.-8626-218, A By-Law to Authorize the Undertaking of Energy Efficiency and Water Conservation Works on Private Residential Property as Local Improvements under the BetterHomes London home energy retrofit program, in accordance with Part III of Ontario Regulation 586/06, Local Improvement Charges - Priority Lien Status, enacted under the Municipal Act, 2001, S.O. 2001, c. 25 ("O. Reg. 586/06");

AND WHEREAS the owner(s) of the Property and City of London (the "City") have entered into a Property Owner Agreement (the "POA") pursuant to Section 36.2 of O. Reg. 586/06 for the City to undertake work as a local improvement (the "Work") on the Property and to raise the cost of the Work (the "Cost") by imposing a special charge on the Property;

AND WHEREAS the City Clerk has certified the POA pursuant to Section 36.4 of O. Reg. 586/06;

AND WHEREAS the Work has been completed;

AND WHEREAS a local improvement roll was prepared in accordance with Section 36.10 of O. Reg. 586/06, setting out the Cost, the proposed special charges to be imposed on the Property, when the special charges are to be paid, and the lifetime of the Work;

AND WHEREAS the City has given notice of the proposed local improvement roll to the owner(s) of the Property pursuant to Section 36.11 of O. Reg. 586/06;

AND WHEREAS the City Treasurer has certified the proposed local improvement roll in accordance with Section 36.11(2) of O. Reg. 586/06;

AND WHEREAS Section 36.14 of O. Reg. 586/06 provides that after the Treasurer has certified the local improvement roll, the City shall by by-law provide that the amount specially charged on the lot set out in the roll shall be sufficient to raise the lot's share of the cost by a number of equal annual payments and that a special charge shall be imposed in each year on the lot equal to the amount of the payment payable in that year;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The provisions of Section 36.14 of O. Reg. 586/06 apply to the Property as a result of the completion of the Work pursuant to the POA.
2. The amounts specially charged on the lot as set out in the certified local improvement roll attached as Schedule "A" to this By-Law (the "Special Charge") is sufficient to raise the lot's share of the Cost and shall be imposed on and collected by annually adding the annual amount payable as set out in Schedule "A" to this ByLaw (the "Annual Payments") to the tax roll of the lot.
3. The Annual Payments as set out in certified local improvement roll attached as Schedule "A" do not extend beyond the lifetime of the Work.

4. The amount of each payment made in respect of the Special Charge shall be entered in the local improvement roll by the Treasurer.
5. This by-law comes into effect on the day it is passed subject to the provisions of PART VI.1 of the Municipal Act, 2001.

PASSED in Open Council DATE subject to the provisions of PART VI.1 of the Municipal Act, 2001.

NAME
Mayor

NAME
City Clerk

First reading – DATE
Second reading – DATE
Third reading – DATE

Schedule A

BetterHomes London

Local Improvement Charges Added to Taxes

BHL Reference Number	Tax Roll Number	Property Owner(s)
Site Address	Tenant Number (if applicable)	Lot Number (if applicable)

Local Improvement Charge

When Special Charge to Be Paid	Within XX years from the first payment date.
Lifespan of the Work	XX years
Program Interest Rate	2.5%
Actual Funding Amount	
Actual Grant Amount	
Actual Loan Amount (Total amount owing)	
Cost of Borrowing	
Carrying Cost	
Admin Fee	\$0.00
Special Charge (Actual)	
Annual Payment (Actual)	

Notes

APPENDIX B

List of Eligible Measures for the BetterHomes London Home Energy Retrofit Program

Upgrade Type	Criteria
<i>The following measures can total up to 100% of the total funding request</i>	
Air Sealing	Do-it-yourself or Contractor Air barriers
Attic Insulation	Minimum 20% of attic area to be covered with R35 to R50
Cathedral Ceiling	Minimum R14 to R28
Basement and Wall Insulation	Wall: Minimum 20% of wall area to be covered with R10 to greater than R22 Header: Minimum 80% area with R20 Slab: Minimum 50% area with R3.5 Crawl space: 100% area with R10 to greater than R22 Crawl space ceiling: 100% area with greater than R24 Exposed floor: 100% area with R20
Exterior Wall Insulation	Minimum 20% of wall area to be covered with R7.5 to greater than R20
Windows, Doors and Skylights	Energy Star certified product Window shades or film
Air Source & Cold Climate Heat Pump	Energy Star certified product Canadian Standards Association certified product Installed by a licensed refrigeration, ventilation, and air conditioning technician Must be on Natural Resources Canada's (NRCan's) list of eligible products
Ground Source Heat Pump	Energy Star certified product Canadian Standards Association certified product Installed by a licensed refrigeration, ventilation, and air conditioning technician Must be on NRCan's list of eligible products
Mechanical Systems (heating, cooling, and ventilation)	Heat distribution systems Duct sealing Fans
Heat Recovery Ventilator (HRV) and Energy Recovery Ventilator (ERV)	Product listed by the Home Ventilating Institute (HVI). Energy Star certified HRV or ERV will also be allowed.
Thermostat	Energy Star certified product
Electric and Heat Pump Water Heater	Energy Star certified product Must be on NRCan's list of eligible products
Drain-water Heat Recovery	Minimum 30% efficiency
Solar PV	Certified by Canadian Standards Association ≥ 1.0 kW DC Offer to Connect and a Connection Agreement from London Hydro Associated electrical and load management equipment.
Battery Storage	Certified by Canadian Standards Association Installed by a licensed ESA electrician
Basement Upgrades	Foundation insulation (exterior)

Upgrade Type**Criteria**

The following measures can total up to 20% of the total funding request

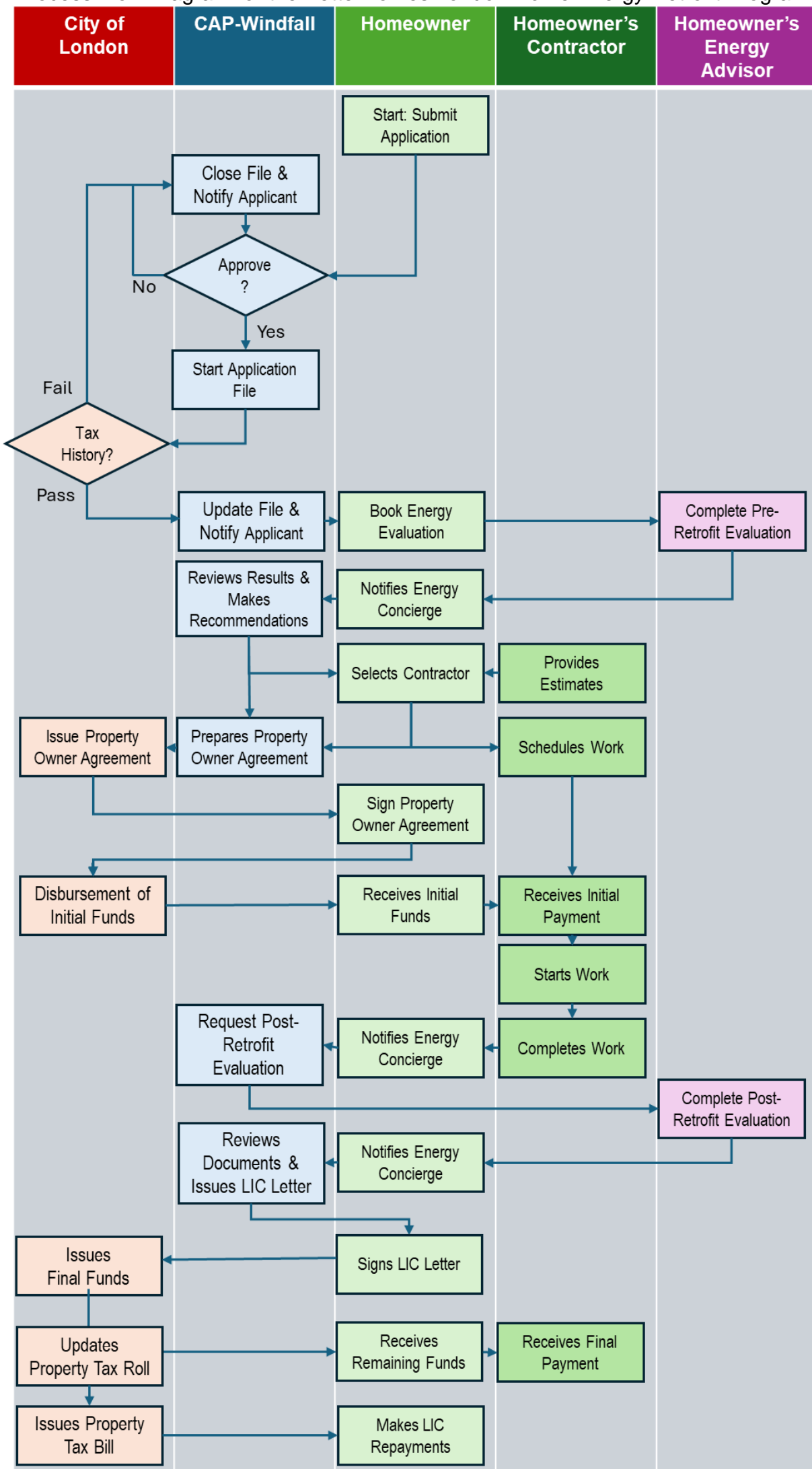
Resiliency/Climate Adaptation	Sump pumps ¹ Back-flow prevention valves ¹ Basement waterproofing Permeable pavement Hurricane clips for roof
Wiring and Electrical Service Upgrades	Installed by a licensed ESA electrician Panel upgrades Electrical and load management equipment
EV Charging Station	Level 2 charging port outlet 240V - only permanently affixed equipment. Installed by a licensed ESA electrician
Water Efficiency	Low-flow fixtures
Cosmetics	Roofing (Solar) Foundation (remediation, repairs) Flooring (insulation) Interior walls (drywall, paint) Waste or asbestos removal Mould mitigation
Other	Audit costs Permit costs

Notes:

1 – participants interested in these measures are encouraged to contact the City of London to determine eligibility for the City of London’s Basement Flooding Grant Program. If they are not eligible, they can include these upgrades in their BetterHomes London renovation.

APPENDIX C

Process Flow Diagram for the BetterHomes London Home Energy Retrofit Program



Details of City of London Administration Tasks

Property Owner Verification

Civic Administration will check property tax records to verify that all property owners are listed on the application and that their property tax status is in good standing for the past three years. If there is any issue with the tax record (e.g. no tax record because they are a new homeowner, late payments, missing payments), Civic Administration will make notes in the comments section of the eligibility form and notify the Climate Action Partnership for them to undertake alternative assessments of financial risk (e.g., credit checks) and inform Civic Administration about the outcome.

Once the person and the property are deemed eligible, the homeowner will submit their initial energy assessment along with quotes from contractors about the proposed work. These will be reviewed by Climate Action Partnership and Windfall Ecology Centre to verify that the proposed upgrades will meet program financial and energy reduction requirements.

Property Owner Agreement

Participants who pass the verification process will be provided with a Property Owner Agreement (POA) between the City of London and the property owner outlining the terms of the financing loan and, if applicable, program incentives being offered. A template of the Property Owner Agreement is provided in Appendix A, Schedule 1.

As noted in the Property Owner Agreement template, Civic Administration proposes to delegate signing authority to the Director, Climate Change, Environment, and Waste Management and is seeking Council approval for this delegation of signing authority.

Upon signing of the Property Owner Agreement, Civic Administration will release an advance (50%) of loan funds to the participant to help cover the initial costs of the home retrofit work.

Release of Loan Funds

The City of London's Community Efficiency Retrofit Programs Reserve Fund (CERP) and Federation of Canadian Municipality Debt will fund homeowners' loans. The program's initial working capital for homeowner loans will be provided by CERP as it currently holds the City's contributed funding for this program. As the program uptake grows and milestones on amount of loans issued are achieved, that will trigger requests for FCM debt installments to replenish the working capital. Based on uptake, should total homeowner loans surpass the FCM debt facility available, the City's contribution will then fund the remaining loans up to the program's total available funding. Upon utilization of all available FCM debt installments (or the end of the current time frame of FCM debt) a formalized debenture to FCM will be issued.

Loan repayments, including interest payments, will be used to fund the FCM debt servicing costs and remaining funds will remain within the CERP.

Local Improvement Charge

Upon completion of the retrofit work, the homeowner will submit final contractor invoices and a post-project energy assessment. These will be reviewed by Climate Action Partnership and Windfall Ecology Centre to ensure program criteria have been met. The BetterHomes London program administrator (Climate Action Partnership) will then provide the participant with a Local Improvement Charge Information Letter that will provide a summary of the final total loan amount and the terms of the LIC repayment. The participant then countersigns the Local Improvement Charge Information Letter and then sends that back to the BetterHomes London program administrator. Once approved by the program administrator, Civic Administration will then release the final disbursement of loan funds and incentives (if applicable) at this time.

Civic Administration would then issue the Local Improvement Charge using the Local Improvement Charge By-Law template contained in Appendix A, Schedule 2. This would be done biannually in line with the existing property tax processing cycle.