West Hants
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WEST HANTS REGIONAL MUNICIPALITY REPORT

Information ☐	Recommendation ☒	Decision Request ☐	Councillor Activity ☐

To: Mayor Zebian and Members of West Hants Regional Municipality Council

Submitted by: John Ogilvie, Climate Action Coordinator

Date: 2025-11-25

Subject: Property Assessed Clean Energy Program Expansion: Adaptation Financing

LEGISLATIVE AUTHORITY

Nova Scotia *Municipal Government Act*, Section 81A

RECOMMENDATION

…that Council endorse expanding the Property Assessed Clean Energy Program in the manner described in Attachment A to the staff report titled "Property Assessed Clean Energy Program Expansion: Adaptation Financing", dated November 25, 2025, to Council, to include financing for residential climate change adaptation measures with the assistance of SwitchPACE CIC.

AND

…that Council approves allocating $20,000, from the 2025-26 Climate Action Committee work plan budget, as part of an application to the Federation of Canadian Municipalities for funding to complete a feasibility and design study to expand the Property Assessed Clean Energy Program for residential climate change adaptation measures.

BACKGROUND

Property ☒	Public Opinion ☐	Environment ☒	Social ☐	Economic ☒	Councillor Activity ☐

The following motion was passed at the October 28, 2025, Council meeting:

“Moved by Deputy Mayor Francis and Councillor B. Smith that Council direct staff to prepare a report on the feasibility of establishing a municipal program to support residents experiencing well failures, including a review of models used in other Nova Scotia municipalities.”

At the November 12, 2025, Climate Action Committee (CAC) meeting, the Committee passed the following motion:

“Moved by CAO Phillips and seconded by Councillor B. Smith that the Climate Action Committee recommend that Council endorse expanding the Property Assessed Clean Energy Program in the manner described in the staff report titled “Property Assessed Clean Energy Program Expansion: Adaptation Financing”, dated November 12, 2025, to the Climate Action Committee, to include financing for residential climate change adaptation measures with the assistance of SwitchPACE CIC.”

DISCUSSION

Following the motion made at the October 28, 2025, Council meeting, staff began investigating municipal well support programming and potential models. This motion from Council coincided with funding from the Federation of Canadian Municipalities (FCM) to expand Property Assessed Clean Energy (PACE) programs to offer financing to homeowners for residential climate change resiliency upgrades, and a willingness from SwitchPACE CIC and Municipality of Pictou County (MOPC) to partner on an application to the FCM for funding. The FCM generally looks more favourably on collaborative applications from municipalities, so a joint application from the WHRM and MOPC would have a greater likelihood of receiving funding.

This opportunity for funding from the FCM is to design and operate expanded PACE programs that can offer financing to homeowners; only Municipalities with existing PACE programs are eligible. Due to limitations in the NS *Municipal Government Act* (MGA), PACE programs in Nova Scotia are limited to offering financing for “equipment for the supply, use, storage, or conservation of water; and on-site sewage disposal equipment”. However, this is an opportune moment with limited funding available to design a holistic program that will prepare the Municipality should the Province amend the MGA to include more adaptation measures, such as those for wildfire, hurricane, and flooding resilience. The process with the FCM to fund an expanded PACE program is shown below in the “Next Steps” section, should Council opt to move forward with this project. Additionally, the costs and funding allocations for the feasibility/design study are outlined in the “Financial Implications” section.

With assistance from the Clean Foundation, staff have completed research into other municipal well support programs in Nova Scotia. Key details including loan amounts, interest rates, eligibility, and more are included in Attachment B. If Council approves the recommendations from staff above, these key details will be brought back to the CAC and Council at later dates as staff work through program design.

There are many advantages for the Municipality in expanding the existing PACE program model to offer financing for climate change adaption, including well support, such as:

- A user-pay model with an administrative fee built into the loan;
- Many of the administrative processes have been ironed out over two (2) years of running the existing program, including interactions between homeowners, SwitchPACE, and WHRM staff;
- A potential for quicker turnaround to launch financing with a program expansion instead of building a program from the ground up; and
- Dedicated staff from SwitchPACE to assist homeowners through the upgrade and loan process, like the existing Energy Concierge service provided.

If Council wishes for well support programming ahead of waiting for capital funding from the FCM, Council may opt to allocate municipal funds to offer loans to homeowners. With capital funding, once staff and SwitchPACE have finished designing the administrative processes of the program, the well support side could be launched for applications. This financing would not have to be limited to drilling new wells but could also include cistern installation and other methods to conserve or support water storage for residents using private wells.

NEXT STEPS

If Council endorses expansion of the PACE program and approves the recommendations, staff will work with MOPC and SwitchPACE CIC to prepare an application to FCM for study funding before the January 15, 2026, deadline.

CAC Recommendation – November 12, 2025

▼

Council Endorsement and Approval – November 25, 2025

▼

FCM Feasibility and Design Study Funding Application – by January 15, 2026

▼

FCM Capital Funding Application – Spring/Summer 2026*

*Specific dates to be determined by the FCM

FINANCIAL IMPLICATIONS

If Council endorses program expansion and approves funding, the study application to FCM will cost the Municipality $20,000 but may enable the Municipality to receive up to $150,000 as a grant. Staff recommend the municipal funding come from the Climate Action Committee work plan budget, which has not yet been allocated for the 2025-26 fiscal year. This funding is intended to be used for the Committee to take on pilot projects that enable WHRM to complete climate action. The funding sources for the design study are outlined in the table below.

Funding Sources for Design Study

Organization	Cash	In-Kind
FCM	$150,000	
WHRM	$20,000	$20,000
MOPC	$20,000	$20,000
SwitchPACE CIC		$20,000
Total	$190,000	$60,000
Project Total	**$250,000**	

Following the design study, WHRM and MOPC may make an application to FCM for funding to operate the residential adaptation financing side of the PACE program. If successful, this would enable the Municipality to operate the program using solely the grant and low-interest loan from FCM, with no required municipal funding allocation.

ALTERNATIVES

Council may:

- decide to not endorse expanding the PACE program and not approve the recommended funding allocation for an application to the FCM;
- endorse expanding the PACE program and approve the recommended funding allocation, with specific direction in the form of amendments to the motion; or
- request further information on a specific topic.

ATTACHMENTS

Attachment A 2025-11-12 Staff Report to the CAC "Property Assessed Clean Energy Program Expansion: Adaptation Financing"

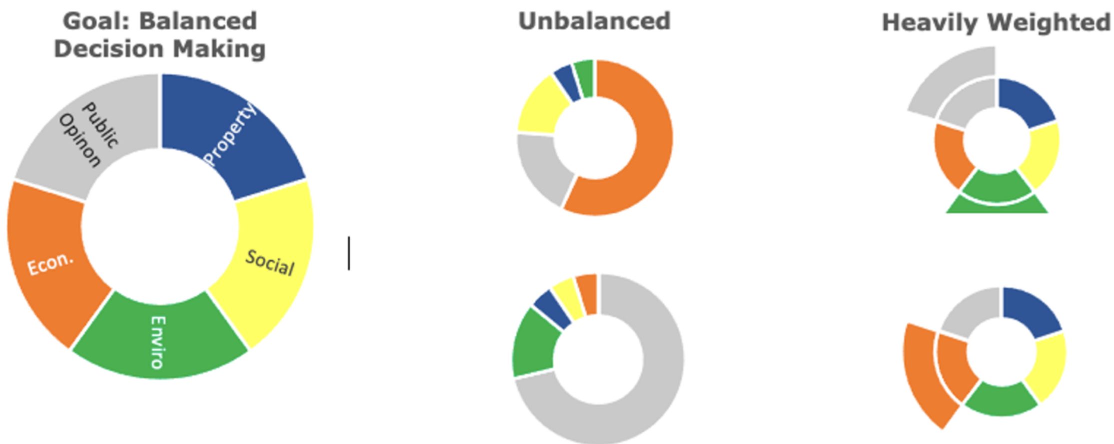
Attachment B Municipal Well Support Programs Throughout Nova Scotia

CHIEF ADMINISTRATIVE OFFICER REVIEW

The benefits and rationale for the expansion of the program is noted in the report. The expansion of the program does provide the opportunity for increased household resilience. The financial component that would be fund the expansion of the program or the continuation of the existing PACE Program once designed and confirmed by policy does pose some concerns if Council wishes to fund the program or supplement the program funding with municipal funds. At this point in time, I would advise that funding considered from external borrowing sources vs municipal reserves, as municipal reserve levels may not be sufficient to provide the funding ongoingly. Loan rates would have to be negotiated and incorporated into the program and funding model.

I support the recommendation, with the financial consideration noted at this time.

Council has been provided with a reference taken from the *Meeting and Committee Procedural Policy*, Appendix C "Decision Making by Council and Committee of the Whole", as a reminder of the principles highlighted for good decision making.



Report Prepared by: ___________________________________
John Ogilvie, Climate Action Coordinator

Report Reviewed by: ___________________________________
Kari Fougere, Acting Director of Planning and Development

Report Reviewed by: ___________________________________
Carlee Rochon, Director of Financial Services

Report Approved by: ___________________________________
Mark Phillips, Chief Administrative Officer

ATTACHMENT A

West Hants
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WEST HANTS REGIONAL MUNICIPALITY REPORT

Information ☐	Recommendation ☐	Decision Request ☒	Councillor Activity ☐

To:	Chair Francis and Members of the Climate Action Committee
Submitted by:	John Ogilvie, Climate Action Coordinator
Date:	2025-11-12
Subject:	Property Assessed Clean Energy Program Expansion: Adaptation Financing

LEGISLATIVE AUTHORITY

Nova Scotia *Municipal Government Act*, Section 81A

DECISION REQUEST

If the Committee decides to endorse expanding the Property Assessed Clean Energy (PACE) program, the following motion is recommended:

…that the Climate Action Committee recommend that Council endorse expanding the Property Assessed Clean Energy Program in the manner described in the staff report titled "Property Assessed Clean Energy Program Expansion: Adaptation Financing", dated November 12, 2025, to the Climate Action Committee, to include financing for residential climate change adaptation measures with the assistance of SwitchPACE CIC.

BACKGROUND

Property ☒	Public Opinion ☐	Environment ☒	Social ☐	Economic ☒	Councillor Activity ☐

The existing PACE program has been operating since October 2023, administered by SwitchPACE CIC on behalf of West Hants Regional Municipality (WHRM). It offers financing to residential homeowners up to $40,000 or 25% of their property value, whichever is less, for 10-15 years. The financing can be used for energy efficient, greenhouse gas emissions-reducing home upgrades such as heat pumps, insulation, new windows and doors, solar panels, electric car chargers, and more. As the program runs on a user-pay model, a 5% administration fee is built into the loan for the Energy Concierge services SwitchPACE provides to participants.

DISCUSSION

Climate change impacts are occurring throughout West Hants and beyond, as we experience more frequent and intense storms, flooding, drought, and increased risk of wildfires. These changes are impacting residents, infrastructure, and services, necessitating measures to adapt at a corporate and community level. One of the ways to improve community resilience in the face of a changing climate is to provide financial options for residents, such as financing tied to their property value. West Hants has experience in PACE programming with the assistance of SwitchPACE CIC focused on climate change mitigation, as well as the Home Flood Protection Pilot Program providing grants focused on flooding adaptation measures. Adaptation programming could be an expansion of the current PACE program. While this may not improve every home in the Municipality or be a catch-all solution, it is another tool WHRM can use to combat the impacts of climate change.

The Federation of Canadian Municipalities (FCM) has opened applications for funding for residential adaptation financing, including funding for a design study and capital funding to operate a program. These applications are limited to municipalities that have existing PACE programs, such as WHRM, making it a niche opportunity to take advantage of. FCM will provide a grant of up to 80% of eligible study costs to a maximum of $150,000 which has an application deadline of January 15, 2026. The Municipality of Pictou County (MOPC) has indicated a willingness to partner with WHRM on an application to the FCM for funding to develop PACE financing for climate change adaptation; FCM generally looks more favourably on collaborative applications. To complete this application, WHRM and MOPC would each provide up to $20,000 in funding plus staff time, for SwitchPACE to prepare an application for the FCM funding. If successful, following program design, SwitchPACE would then prepare an application to FCM for capital funding at no further cost to the Municipalities. If the Committee and Council wish to go forward with this project, this is an opportune moment with limited funding available from FCM. Table 1 below shows the project funding sources for the design portion of program expansion.

Table 1: Funding Sources for Design Study

Organization	Cash	In-Kind
FCM	$150,000	
WHRM	$20,000	$20,000
MOPC	$20,000	$20,000
SwitchPACE CIC		$20,000
Total	$190,000	$60,000
Project Total	**$250,000**	

The following motion was passed at the October 28, 2025, Council meeting:

“Moved by Deputy Mayor Francis and Councillor B. Smith that Council direct staff to prepare a report on the feasibility of establishing a municipal program to support residents experiencing well failures, including a review of models used in other Nova Scotia municipalities.”

Expanding the PACE program is an option the Municipality has to establish a municipal program supporting residents who experience well failures, alongside many other climate hazards. As the NS *Municipal Government Act* (MGA), Section 81A (1) (c, d), allows Council to consider financing "equipment for the supply, use, storage, or conservation of water; and on-site sewage disposal equipment", a financing program would currently be limited to water-related adaptation measures. However, designing a holistic program will prepare the Municipality should the Province amend the MGA to include more adaptation measures. This model would enable WHRM to have a long-term, sustainable program, while having a team like the Energy Concierges at SwitchPACE who can assist residents through the process of making adaptation upgrades to their home. This financing initiative would not have to be limited to drilling new wells but could also include cistern installation and other methods to conserve or support water storage.

NEXT STEPS

If the Committee decides to recommend Council endorsement of PACE program expansion and makes the included motion, staff will:

1) Provide a recommendation to Council at the November 25, 2025, meeting to endorse program expansion and approve allocating funds for an application to FCM for study funding; and
2) If Council approves the recommendation, staff will work with MOPC and SwitchPACE CIC to prepare an application to FCM for study funding before the January 15, 2026, deadline.

FINANCIAL IMPLICATIONS

If Council endorses program expansion and approves funding, the study application to FCM will cost the Municipality $20,000 but may enable the Municipality to receive up to $150,000 as a grant. Staff will recommend the municipal funding come from the Climate Action Committee work plan budget, which has not yet been allocated for the 2025-26 fiscal year. This funding is intended to be used for the Committee to take on pilot projects that enable WHRM to complete climate action.

Following the design study, WHRM and MOPC may make an application to FCM for funding to operate the residential adaptation financing side of the PACE program. If successful, this would enable the Municipality to operate the program using solely the grant and low-interest loan from FCM, with no required municipal funding allocation.

ALTERNATIVES

The Committee may:

- decide to not recommend an endorsement of expanding the PACE program;

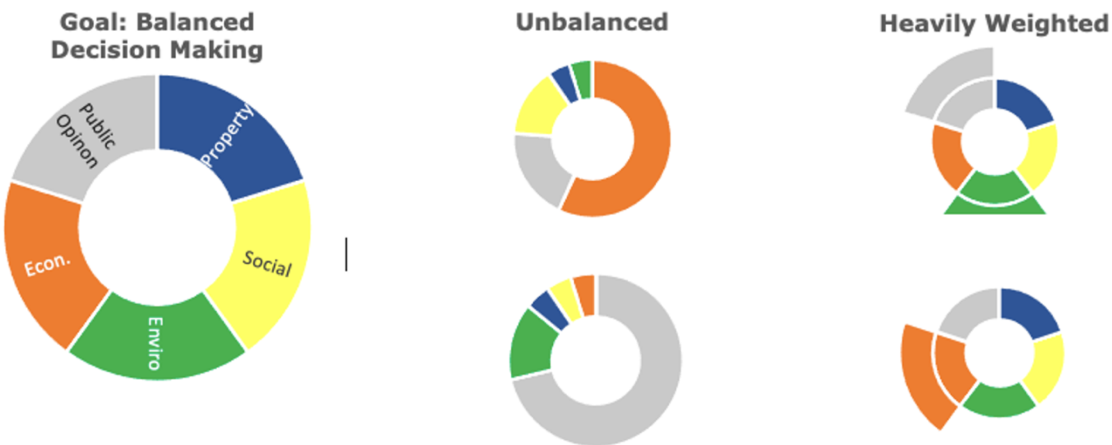
- endorse expanding the PACE program, with specific direction in the form of amendments to the motion; or
- request further information on a specific topic.

ATTACHMENTS

N/A

REVIEW

The Committee has been provided with a reference taken from the *Meeting and Committee Procedural Policy*, Appendix C "Decision Making by Council and Committee of the Whole", as a reminder of the principles highlighted for good decision making.



Report Prepared by: ___________________________________
John Ogilvie, Climate Action Coordinator

Report Approved by: ___________________________________
Kari Fougere, Acting Director of Planning and Development

ATTACHMENT B

Well Support Programs in Nova Scotia

Municipality	Program Details	Loan Details	Eligibility	Admin Fee	Funding Details	Delivery Method
Municipality of the District of Lunenburg (MODL)	Water supply upgrade financial program – new wells, rainwater collection and storage systems, cisterns, etc.	• Term up to 15 yrs • Interest Rate (IR): 2% fixed • Lesser of $20k or 15% of assessed value of property	• 1-2 unit residential or not-for-profit building in MODL • Taxes in good standing • No other septic loan • Scope: potable water supply improvements	$250		Administered by Clean Foundation as PACE loan. Contractors are paid by Clean/MODL and cost is added as a local improvement charge on the property – repaid through tax system
Chester	Water supply and septic system upgrades program. Low interest loans for drilled wells	• Up to 10 years • IR: 3% per year on outstanding balance • Project cost up to $30k.	• Owner occupied homes or non-profits • Property taxes in good standing • No new construction • Work must meet prov/fed regulations		Municipal capital program under MGA	Municipality pays contractors directly; property owner repays the municipality monthly under financing agreement
Argyle	Water supply lending program/ Well upgrade lending program – provides loads for new dug or drilled	• Up to 10 years • IR: 3.5% fixed over the repayment period	• Owner-occupied residential property • Taxes in good standing. • Seasonal homes, multi-unit homes,		Municipally funded	Homeowner applies with quotes. Municipality pays contractor, and owner provides monthly pre-authorized payments

	wells or upgrades to existing wells	• Max $22.5K per residential property	non-profits and businesses not eligible			according to lending agreement.
East Hants	Water Supply Lending Program/ Well Upgrade Lending Program – Loans for well and septic upgrades. By-law A 200	• 10 years • IR: RBC interest rate minus 1.6% at the time of borrowing • Up to $25k per property (previously up to $20k but was increased per staff recommendation)	• Household income under $100k • Taxes in good standing • Primary residence • First come, first serve basis		Program cap is $400k, using borrowing authority under MGA	Municipality pays contractors and homeowners pay incrementally through property tax system.
Victoria County	Water supply or septic upgrade lending program – provides low interest financing for upgrades (including well improvements, cisterns/containers)	• Up to 10 years • IR: Prime + 2% • Up to $10k per property	• Owner occupied, nonprofit, business • Complying with provincial and federal regulations • Licensed installer • Taxes in good standing	$200 + applicable taxes		Municipality pays contractor invoices. Property owner pays the loan through property tax system.
Barrington	Water supply upgrade – lending program for new dug or drilled wells, upgrades to wells, cisterns, greywater collection, water	• 10 years • IR: 3% fixed • Max $10k per property	• Owner occupied • Taxes in good standing • Scope: wells or cisterns/containers		Municipally funded	Municipality pays contractors up front, owners re-pay through property taxes

	supply and storage By-law #37					
Municipality of the District of Yarmouth	Water supply upgrade lending program – financing for water-supply upgrades including drilled wells By-Law W-1028-25	• 10 years • IR: cost of municipality to borrow at the time of agreement • Max $20k	• Owner occupied properties • Generally outside centralized water systems • Taxes in good standing	$300 (waived from April 1st, 2025-March 31, 2026)	Municipally funded	Municipality pays contractors up front, owners re-pay through property taxes
Town of Yarmouth	Water supply upgrade program – provides loans for replacement of existing well and equipment Bylaw TOY-80	• 10 years • IR: 5% • Max $10K per property	• Owner occupied residential properties • No multi-unit, non-profit, business or industrial • Taxes in good standing • Upgrades meet prov/fed standards • Use licensed contractors		Municipally funded	Municipality pays contractors up front, owners re-pay through property taxes