

FCM Community Efficiency Financing Program Funding Offer

The Federation of Canadian Municipalities (FCM) offered funding for the development and implementation of energy efficiency and renewable financing programs of innovative financing programs in 2020 under the *Community Efficiency Financing* stream of the *Green Municipal Fund*. A second funding offer is expected to open March 1st, 2021.

Based on conversations with FCM and review of the previous offering, it is expected that a total of \$15 Million may be available. Up to \$10 Million as a loan, with an additional grant worth up to 50% of the loan value, or \$5 Million. The loan and grant can be used towards 80% of eligible expenses for the program such as the loan capital to be lent to participants, staffing, communications, and rebates or incentives. The City of Saskatoon (City) must contribute 20% of the total program cost which can be cash, an internal or external loan, and staff time that is contributed in-kind.

It is expected that the FCM grant and loan will need to be used within four years. The base design elements of the Home Energy Loan Program (HELP) have been designed in alignment with the anticipated FCM eligibility guidelines which enables the City to apply for this funding offer, pending approval from City Council to do so.

Securing this funding would enable the City to offer HELP for four years instead of two, increase the amount of loan capital to sustain additional participant projects and enable to City to provide a comprehensive suite of rebates and incentives for the program.

The table below provides a summary of available funding sources for the program including FCM capital loan and grant contributions.

Table 1 - Funding sources including FCM grant and loan contributions

Item	Funding Source	Program Funding
City Funding for program operational costs & loan capital – 20% of total	<ul style="list-style-type: none"> \$80,000 from reimbursed staff salaries from existing pace project \$250,000 from sustainability reserve \$2,500,000 internal borrowing 	\$2,830,000
FCM Funding Grant Portion – 33% of total	FCM Community Efficiency Financing Program (Grant)	\$3,890,000
FCM Funding Loan Portion – 66% of total	FCM Community Efficiency Financing Program (Low Interest Loan)	\$7,780,000
Total Program Funding (City Funding + FCM Grant + FCM Loan)		\$14,500,000