

CC 968 (R2024-05)

FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

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ENDORSEMENT STATEMENT ON TRUTH AND RECONCILIATION, ANTI-RACISM, EQUITY, DIVERSITY, INCLUSION AND BELONGING

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Last name [required] Huntingford	
How do you wish to attend?	
You may bring a support person should you require language or translator services. Do you plan on bringing a support person?	
What meeting do you wish to Council comment on? [required]	
Date of meeting [required] Feb 8, 2025	
What agenda item do you wish to comment on? (Refer to the Council or Committee agenda published here .)	
[required] - max 75 characters Commercial CEIP Bylaw reading	
Are you in favour or opposition of the issue? [required] In favour	

ISC: Unrestricted 1/2



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ATTACHMENT_01_FILENAME	NAIOP letter to Justin Smale and Council (re Commercial CEIP Bylaw)[97].docx.pdf
ATTACHMENT_02_FILENAME	
Comments - please refrain from providing personal information in this field (maximum 2500 characters)	



March 21, 2025

The City of Calgary
Planning & Development Services
Climate Financing | Climate & Environment

Attn: Justin Smale, Corporate Environmental Specialist E: justin.smale@calgary.ca

Dear Sir:

Re: Proposed Commercial CEIP Bylaw (2M2025)

Thank you for inviting NAIOP Calgary to participate as an industry stakeholder in The City's on-line engagement session on November 21, 2024, regarding the proposed Commercial Clean Energy Improvements Program ("CEIP") Bylaw (the "Commercial CEIP Bylaw"). We have also reviewed the Administration's report to the Executive Committee of Council on January 21, 2025. We are of course supportive of the CEIP Bylaw. It is our view that if The City's Commercial Clean Energy Improvements Program (the "Program"), as enabled by the Commercial CEIP Bylaw, is adequately funded and administered it will bring significant investment into improving the energy efficiency and marketability of the existing and new commercial building stock in our city.

The keys to the success of the Program are (i) a continuous and adequate supply of public and private financing, (ii) a CEIP administrator that has knowledge of Calgary's commercial real property market and is prepared to be proactive, (iii) an increased limit to the current \$1,000,000 per commercial building for financing of eligible clean energy improvements under sec. 10 of the Clean Energy Improvements Regulation (Alberta Regulation 212/2018), and (iv) an expanded definition of "eligible properties" for CEIP financing to include multi-unit residential buildings ("MURBs").

Regarding the first and third key factors, new construction or retrofits to existing buildings that would meet even a lower clean energy efficiency threshold, let alone net zero, would well exceed \$1,000,000 for a mid-size multi-tenant commercial building, so the Program would have an almost negligible effect unless it has access to a continuous and adequate supply of public and private financing and the financing threshold of \$1,000,000 per building is increased to at least \$5,000,000.

Regarding the last key factor to the success of the Program, there is a significant gap in building-type coverage between The City's Residential CEIP Bylaw (53M2021) and the Commercial CEIP Bylaw. That gap is "residential portions of mix[ed]-use buildings and multi-unit residential buildings greater than three storeys and with a footprint greater than 600 metres squared (6,458 feet squared)." The Residential CEIP Bylaw covers multi-unit residential buildings that are under three storeys (see highlighted provision below). The Commercial CEIP Bylaw covers certain "non-residential" buildings, as that term is defined in section 297(4)(b) of the *Municipal Government Act* ("MGA"). However, there are a significant number of larger MURBs – towers and large suburban multi-family complexes – in Calgary's housing stock that are not covered by either CEIP Bylaw but would clearly benefit from clean energy improvements. One example, although there are many, is downtown office towers being converted to residential towers under The City's office-to-residential conversion program. Future conversions could greatly benefit from clean energy improvements – many of the required retrofits (windows, HVAC, lighting) could be financed more efficiently through CEIP, and the energy efficiencies gained would reduce the building's operating costs.

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Excerpt from Bylaw Number 53M2021 ("Residential CEIP Bylaw")

Eligible Properties

- 5. (1) The following privately owned residential properties located within the City are eligible to apply under the Program:
 - (a) single and semi-detached houses;
 - (b) row houses:
 - (c) townhomes; and
 - (d) residential portions of mix-use buildings and multi-unit residential buildings, provided that such buildings are both under three storeys and have a footprint of 600 meters squared (6,458 feet squared) or less.
- (2) For greater certainty, manufactured homes, mobile homes, non-residential properties, and designated industrial properties are not eligible for the City's Program.
 - (3) A property that is exempt from taxation under Part 10 of the *Act* may apply to the *Program* and if approved for an *Agreement* must pay the *Clean Energy Improvement Tax* as set out on the statement of account provided to the *Owner* by the *City* or as otherwise set out on a tax bill or on the *City's* tax roll.

Excerpt from Proposed Bylaw Number 2M2025 ("Commercial CEIP Bylaw")

Eligible Properties

- 5. (1) Any privately owned property located within the *City* that is classified by the Municipal Assessor as "non-residential" under section 297(1) of the *Act* is eligible to apply for the *Program*.
- (2) Despite subsection (1) above, properties that qualify as "designated industrial property" under section 284(1) of the *Act* are not eligible for the *Program*.
 - (3) For greater certainty, property that is classified as "farm land" under section 297(1) of the Act is not eligible for the Program.
 - (4) A property that is exempt from taxation under Part 10 of the Act may apply to the Program, and if approved for
 - an Agreement, must pay the Clean Energy Improvement Tax as set out on the statement of account provided to the Owner by the City or as otherwise set out on a tax bill or on the City's tax roll.

We have raised this issue with you before and appreciate and agree with your response that MURBs would be better aligned with the commercial program but currently do not meet the definition in the MGA required to participate in a commercial program. You further responded that The City will revisit the program structure as relevant legislation evolves. NAIOP would like to see these legislative and regulatory changes occur as soon as possible and, to that end, would volunteer the expertise and enthusiasm of our Government Affairs Committee to engage with the Province. As much as our members welcome the Program and support the Commercial CEIP Bylaw, we are concerned that, without implementation of the key factors described above, the Program will fall well short of its transformational potential to improve the energy efficiency of the city commercial building stock and accelerate The City towards its climate strategy targets.

Yours truly,

Director Strategic Initiatives - NAIOP Calgary



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First name [required]	Dan
Last name [required]	Kohse
How do you wish to attend?	
You may bring a support person should you require language or translator services. Do you plan on bringing a support person?	
What meeting do you wish to comment on? [required]	Council
Date of meeting [required]	Apr 8, 2025
What agenda item do you wish to comme	ent on? (Refer to the Council or Committee agenda published here.)
[required] - max 75 characters	Commercial CEIP
Are you in favour or opposition of the issue? [required]	In favour

ISC: Unrestricted 1/2



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ATTACHMENT_01_FILENAME	2024-04-01 CCEIP Letter of Support - Calgary Chamber.pdf
ATTACHMENT_02_FILENAME	
Comments - please refrain from providing personal information in this field (maximum 2500 characters)	

April 1, 2025

Letter of support: City of Calgary's Commercial Clean Energy Improvement Program

Calgary City Council,

On behalf of the Calgary Chamber of Commerce, I would like to express our support for the Commercial Clean Energy Improvement Program (Commercial CEIP). This is an important initiative that will allow businesses to access low-interest capital to support investments that improve the efficiency of their operations and the value of their property, with similar programs demonstrating effectiveness through positive returns in multiple jurisdictions in North America.

Through a commercial CEIP, municipalities offer low-interest loans (the residential program offered 3.25% for 2025) for property owners to install clean energy and efficiency upgrades to their property. The loan is then placed on the property owner's property tax roll and paid off over the useful lifespan of the upgrade. The direct financial benefit to businesses, and the spin-off benefit for contractors and suppliers in our local economy is significant. With businesses facing severe uncertainty, low interest access to capital is perhaps more important than ever.

The residential CEIP has demonstrated success that we believe should be translated to commercial proponents as well. With significant growth in the contractors who participated in the residential CEIP – from 30 contractors at program launch to over 250 now – program administrators expect similar growth to be spurred by the commercial CEIP, representing significant indirect benefit for Calgary's local economy. The commercial CEIP could support businesses of all sizes and presents a sector-agnostic approach to emissions reduction. At the same time, it allows property owners to increase their property value while partially offsetting the upfront cost in life-cycle energy savings.

Given the benefits of this program for businesses and the local economy – and the fact that there is no impact to taxpayers from borrowing these funds – the Calgary Chamber encourages Council to support the City of Calgary's Commercial Clean Energy Improvement Program.

Warm regards,

Ruhee Ismail-Teja

Vice President, Policy and External Affairs Calgary Chamber of Commerce

ABOUT THE CALGARY CHAMBER OF COMMERCE

The Calgary Chamber of Commerce exists to help businesses reach their potential. As the convenor and catalyst for a vibrant, inclusive and prosperous business community, the Chamber works to build strength and resilience among its members and position Calgary as a magnet for talent, diversification and opportunity. As an independent, non-profit, non-partisan organization founded in 1891, we build on our history to serve and advocate for businesses of all sizes, in all sectors across the city.

