

News Release

April 6, 2010

City of Toronto interest-free loans extended to private sector multi-residential buildings for energy conservation and renewable energy projects

The City of Toronto's Energy Efficiency Office announced today that interest-free loans, previously restricted to the institutional and non-profit building sectors, are now being made available to private multi-residential buildings. This funding is provided through the City's Sustainable Energy Funds (SEF), which are known as the Toronto Energy Conservation Fund (TECF) and the Toronto Green Energy Fund (TGEF). These funds are designed to overcome barriers created by high upfront costs for energy efficiency and conservation projects and for renewable energy projects.

"Toronto's Sustainable Energy Strategy represents a cornerstone of the city's future," said Bruce Bowes, Chief Corporate Officer, City of Toronto. "In support of that strategy, SEF loans are proven to be instrumental in making energy conservation and renewable energy projects happen. This extension of SEF benefits to the private multi-residential sector addresses a need within a significant segment of Toronto's built environment to make it more sustainable."

Established as a \$10-million pilot fund, this new allocation of SEF loans to the private multi-residential building sector is complementary to the Mayor's Tower Renewal Project, initiated in 2008, to support the preservation of aging rental housing stock and the revitalization of surrounding communities. In addition, funding will be open to applications from private multi-residential building owners to help finance comprehensive environmental performance improvements to their existing buildings, or in the case of new buildings to help finance renewable energy installations as part of the overall project.

"This broadening of SEF eligibility provides multiple benefits to all stakeholders," said Richard Morris, manager of the City's Energy Efficiency Office. "For example, energy efficiency investments improve the asset value of buildings, while occupants benefit from improved air quality and comfort with reduced exposure to increased energy costs that can impact rental rates. Toronto also advances its leadership in building a sustainable city."

SEF interest-free loans are capped at 49 per cent of a project's total eligible costs, to a maximum of \$1 million per project from each of the two funds. The TECF specifically supports energy conservation projects as part of a retrofit to an existing building. The TGEF supports the undertaking of a renewable energy project as part of an existing building retrofit or a new construction project. Certain projects may qualify for funding through both funds to a maximum of \$2 million.

Repayment of SEF interest-free loans uses a "pay from savings" or "pay from revenues" arrangement whereby the projected savings or revenues from the province's Feed-In Tariff (FIT) Program is the source for paying back the capital invested in the project. The estimated payback period determines the repayment terms and conditions.

Application for an SEF interest-free loan involves a two-step process, starting with the submission of an Intent to Apply form to the City's Energy Efficiency Office. Once the Intent to Apply is reviewed and accepted, an applicant is requested to complete a detailed application.

For further information and the downloadable Intent to Apply form, visit <http://www.toronto.ca/energy/sef>.

Better Buildings Partnership (BBP) offers innovative programs that provide a range of resources, including financial assistance, to implement energy efficiency and renewable energy projects in Toronto buildings across multifamily, institutional and new construction sectors. BBP's primary goal is to reduce carbon dioxide (CO₂) emissions which come from the energy used to heat, light, cool and operate buildings. BBP, with funding provided by the Ontario Power Authority (OPA), offers attractive incentives for energy savings achieved in retrofits and in the energy efficient construction of new buildings. BBP also offers zero-interest loans through the City's Sustainable Energy Funds program for institutional and not-for-profit organizations and private multi-residential rental buildings.

Toronto is Canada's largest city and sixth largest government, and home to a diverse population of about 2.6 million people. It is the economic engine of Canada and one of the greenest and most creative cities in North America. Toronto has won numerous awards for quality, innovation and efficiency in delivering public services. Toronto's government is dedicated to prosperity, opportunity and liveability for all its residents. For information about non-emergency City services and programs, Toronto residents, businesses and visitors can dial 311, 24 hours a day, 7 days a week.