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Scaling Community Efficiency Financing

Capital program application guide

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WELCOME AND INTRODUCTION

The Green Municipal Fund's (GMF's) Scaling Community Efficiency Financing (SCEF) initiative supports existing home energy retrofit programs using a property assessed clean energy (PACE) financing model to continue or scale up programs.

SCEF builds on the \$300-million Community Efficiency Financing (CEF) initiative launched in 2020 that has supported local financing programs for home energy retrofits across Canada. With CEF funding now fully committed, SCEF extends support for eligible existing programs.

For more information on SCEF, please visit our [funding webpage](#).

How to use this guide

This guide outlines everything you need to know about applying for capital program funding under the SCEF initiative. It contains application instructions, information about the evaluation criteria and tips for completing a great application.

The appendices at the end of this document contain more useful information:

- Appendix A: Required supporting documents
- Appendix B: Eligible and ineligible costs
- Appendix C: Sample letters
- Appendix D: Eligible and ineligible measures

Please note that GMF may update this program, its requirements or the application process from time to time. Where possible, GMF will communicate significant updates to applicants and prospective applicants. GMF may also request additional information or provide comments at different stages of the application process. Applicants should use their judgement when deciding how to use information provided by GMF.

GMF respects the principles of ownership, control, access and possession, commonly known as OCAP.[®] These principles assert that Indigenous communities have control over data-collection processes, and that they own and control how this information can be used. Any product, data or information that may include Indigenous knowledge may be submitted at the discretion of the applicant.

GMF offers a funding concierge service to help you develop and submit your application. Email us at gfmfinfo@fcm.ca or call 1-877-417-0550 to find out more.

When to apply

GMF will be accepting and processing applications for the SCEF initiative on a rolling basis until further notice. Timelines may be adjusted based on available funding. Please consult our [funding webpage](#) for the latest information on application windows and future funding rounds.

APPLICATION PROCESS

Step 1: Readiness check

Before applying, please answer the questions in the “readiness check” on our [funding webpage](#) to find out if you are eligible for funding. Please see the Eligibility Considerations section for more details.

Step 2: Contact a GMF representative

Email [gmfmfinfo@fcm.ca](mailto:gfmfinfo@fcm.ca) or call 1-877-417-0550 to talk to a GMF representative about your existing capital program and obtain the necessary pre-application form through [FCM's funding portal](#).

Step 3: Submit a pre-application

All applicants must complete a pre-application form. GMF staff will review your submission and conduct due diligence at this stage. Prospective projects are reviewed for how well they align with the offer's requirements and other criteria GMF considers relevant.

Step 4: Submit a full application

If deemed eligible following the pre-application, you'll be invited to submit a full application package through [FCM's funding portal](#). The full application consists of:

- A completed application form
- A completed project workbook (Excel file)
- Other supporting documents GMF requires (see [Appendix A: Required supporting documents](#))

Moving to this stage does not guarantee eligibility, approval, funding or a funding agreement.

Don't hesitate to reach out to your assigned GMF outreach officer or advisor if you have any questions about the application form, project workbook and supporting documents.

Step 5: GMF project officer review

A GMF project officer will review your application for accuracy and completeness. They may work with you to resolve questions, request more information or provide comments, but note that GMF staff are not required to do so at any stage.

Step 6: Peer review and internal review

An external peer review panel will evaluate your application. There will also be an internal analysis to provide a funding recommendation to GMF Council and FCM's Board of Directors.

Step 7: Funding decision

FCM's Board of Directors oversees funding recommendations made by GMF Council. The estimated time from application submission to a funding decision is four to six months and

depends on the promptness and completeness of applicants' responses to any questions or concerns raised during steps 5 and 6.

Application outcomes, including not being approved, may vary based on factors such as available funding, the amount of funding already received by an applicant, applicant category, alignment with the program's intent and the use of available funding.

ELIGIBILITY CONSIDERATIONS

Financing model

The SCEF initiative supports energy efficiency financing programs using a PACE financing model. Other models, such as direct lending, may be considered on a case-by-case basis. If you are considering a non-PACE model, please contact a GMF representative by emailing gmfinfo@fcm.ca or calling 1-877-417-0550.

Applicant type

The SCEF initiative primarily supports energy efficiency financing programs led by municipal lead applicants. Non-municipal lead applicants may be considered on a case-by-case basis. If you are a non-municipal lead applicant, please contact a GMF representative by emailing gmfinfo@fcm.ca or calling 1-877-417-0550.

Existing energy efficiency programs

Applicants must have an existing PACE financing program for home energy upgrades and will be required to describe past performance and operational experience. Existing programs do not need to have been funded through the CEF initiative.

FUNDING OVERVIEW

- Funding covers up to 80 percent of eligible costs.
- Loans of up to \$10 million are provided, with higher amounts considered on a case-by-case basis.
- Grants of up to a maximum ratio of 7:1 (loan to grant) can be provided; they are not to exceed total operating costs.

EVALUATION CRITERIA

Applications are assessed for completeness and how well they meet GMF's evaluation criteria. GMF provides applicants with feedback during the evaluation process.

The evaluation criteria fall into two main categories, as follows:

- **Impact:** The capital program has the potential to generate measurable environmental, economic and social benefits for one or more municipalities. The program is supported by a strong business case with a detailed plan for capital deployment and a robust engagement strategy.

- **Implementation:** The capital program is designed holistically, with careful consideration given to all variables that could impact implementation, including budgeting, tracking progress against objectives, risk management and resourcing.

This table provides more detail about these two categories and underlying criteria:

Impact	Implementation
• Program financing • Environmental benefits • Economic and community benefits • Engagement strategy • Equity and accessibility	• Measuring and monitoring • Team and partners • Risk management • Budget and work plan

COMPLETING YOUR APPLICATION

Pre-application

Application information

In this section, you will provide basic information about your organization, proposed capital program, timeline and funding request.

Participating organizations

In the table provided, select the name and role of each participating organization in your capital program.

Organization name	Organization role

Names and roles are:

- **Lead applicant:** the municipality or partner organization that would sign the contract with FCM, oversee the local energy efficiency financing program (even if a third party will complete the work), incur the costs of the program and submit the required reporting to FCM.
- **Lead municipality:** the municipality where the energy efficiency financing program will take place or that will benefit from the program.
- **Lead applicant and municipality:** if the lead applicant is a municipality, this is the appropriate selection.
- **Partner:** if the organization is not the lead applicant or the lead municipality, this is the appropriate selection.

Note: Non-municipal lead applicants may be considered on a case-by-case basis and should consult with GMF staff before applying.

For non-municipal lead applicants only:

If the lead applicant is **not** a municipal organization, please answer the following questions.

- How long has your organization been operating?
- What is its mandate?
- Is it a non-profit or for-profit organization?
- Is it privately or publicly owned, or both?
- What is its involvement in energy retrofit financing programs or similar initiatives?

You will need to provide supporting documents showing municipal support for your capital program. For each partner municipality, include evidence of municipal council support, financial and/or in-kind contributions, and other relevant documentation. A template letter can be found in [Appendix C: Sample letters](#). If the capital program will be undertaken with additional non-municipal partners, provide evidence of their board's or CEO's support, financial and/or in-kind contributions, partnership agreements and other relevant documentation.

Project team members

Identify the primary contacts for your capital program in the table provided.

Organization name	Contact name	Contact role

Contact roles are:

- **Application contact:** This is the primary contact for the application and the person who will be permitted to submit the application.
- **Secondary contact:** This the secondary point of contact supporting the submission of the application.
- **Municipal contact:** This is the contact representing the municipality if not already identified as an application contact or secondary contact.
- **Consultant:** This is the primary contact representing the consulting team, if applicable.

Contacts listed in this section will have access to view the application, but the form can only be submitted by the application contact.

If your organization is not a municipal government, the capital program must be undertaken in partnership with a municipal government. In this case, provide contact information for the lead municipality or municipalities with which you are collaborating.

Awareness

Provide information on how you heard about SCEF funding (e.g., through email, FCM's social media channels, FCM event, etc.). Select from the options provided.

Project working title

The title should include key words that describe what the project is (e.g., financing program for efficiency upgrades), an action verb (e.g., implementing, scaling, expanding), and the name of the municipality(ies) or community(ies) where the project will take place. For example, *Expanding the City of X's energy efficiency financing program*.

Timeline

- Project start date
- Project end date

Funding request

- Grant amount requested (\$)
- Loan amount requested (\$)
- Total anticipated project cost (\$): The estimated cost of the proposed project scope, not just the funding requested.
- Total funding request (\$): The sum of the grant and loan amount requested.

Financing model

Please specify your program's financing model.

Note that SCEF funding supports existing PACE financing programs for home energy upgrades. If your capital program is considering something different, please speak with a GMF representative before proceeding with your application.

Rationale and objectives

In a couple of paragraphs, describe why continuing and/or expanding your energy efficiency financing program is a priority for your municipality or organization.

Legal authority

You will be asked to confirm your organization's legal authority to administer or participate in local energy efficiency financing programs.

SCEF capital program funding is contingent on participating programs being in jurisdictions with PACE-enabling legislation.

You will be required to attach proof of this legal authority if your application proceeds to the full application stage.

Program features

The questions below aim to help us understand the design and delivery of your existing energy efficiency PACE financing program, what your experience to date indicates about your capacity to continue or expand delivery, and any planned enhancements to strengthen future outcomes. If additional detail is provided in your supporting documents, please indicate the document name and page number(s) in your response.

- Describe your organization's existing energy efficiency financing program and its performance, including the target audience and quantifiable achievements (e.g., number of retrofits completed, amount of loans, greenhouse gas emission reductions and energy savings). You may attach any relevant supporting documentation on program performance.
- Describe how the performance metrics and operational experience of your existing energy efficiency financing program demonstrate readiness to continue or scale delivery.
- Describe any new approaches or enhancements you will implement to expand program access, equity or uptake, or to increase the types of benefits that will be achieved.
Note: Any explanation of how equity or inclusion goals have influenced program design and delivery approaches should be provided in the Equity and Accessibility section of the full application form.

Program financing

The purpose of the questions in this section is to help us understand your financing terms, the strength of your plan for deploying capital and your approach to driving program uptake. You may attach and reference relevant documentation to support your responses.

Financing terms

- What are the key financing terms of your program (e.g., loan limits, interest rate, repayment period, administration fees, etc.)?
- What consumer protections or features will make your financing more attractive or accessible (e.g., eligibility criteria, quality assurance, pre-vetted contractors, etc.)?

Capital deployment and uptake

- Describe how much financing you expect to issue each year and the rationale behind these projections. This should be informed by past performance and current readiness. You may include reference to existing latent demand (e.g., wait lists, paused intake).
- What is your plan to continue to drive program uptake? This could include plans for outreach, marketing or partnerships.

Full application

If you are invited to submit a full application, your responses to the pre-application form will be carried over into your full application. Please review and update them if necessary.

Program benefits

In this section, you will be asked to describe the environmental, economic and social benefits you expect to achieve with your continued and/or expanded financing program. This includes benefits at the household level and broader economic and community outcomes.

Environmental benefits

- Describe the direct energy and greenhouse gas reduction benefits you expect to achieve. These should reflect the anticipated level of uptake and eligible measures of your program. You may attach any relevant supporting documentation on past program performance to support your assumptions.

Please make sure to complete the “Environmental Benefits” tab within the project workbook to quantify the energy consumption savings (GJ/year), greenhouse gas emissions reductions (tCO₂e/year) and any renewable energy generation (GJ/year) expected over the course of your FCM-funded program. If your estimates differ significantly from what is calculated in the project workbook, you may explain your calculations and assumptions in your response.

Economic and community benefits

- What economic or community benefits do you expect your program to generate? Provide any estimates or supporting data that will help quantify these benefits, if available.

Potential benefits might include, but are not limited to:

- Job creation
- Community economic growth
- Improved health, well-being and/or safety
- Climate resilience co-benefits

- Expanded training and education opportunities for local workforce
- Social procurement
- Qualitative social benefits (e.g., improvement in home comfort, increased quality of life)
- Energy cost savings

We understand that some anticipated economic or community benefits may be difficult to quantify. In these cases, you're welcome to describe these expected outcomes in narrative form rather than providing specific numbers.

Please include details of how you will measure, monitor and report on your anticipated outcomes in the Measuring and Monitoring section of the application form.

Engagement strategy

The questions in this section will help us understand the strength of your program's engagement process and who has been involved to date. We would like to understand how engagement has been carried out so far and will continue during the implementation of your continued or expanded program, and whether inclusive engagement practices have been incorporated. You may refer to any program evaluation or engagement plan that has been completed to date to support your answers.

- Summarize your engagement approach with key municipal and external stakeholders or rights holders to date. Describe how engagement was carried out, how information was gathered and how this informed the continuation or expansion of your program.
- Detail your approach for on-going engagement, particularly with those who will be impacted by the continuation or expansion of your local financing program or who will play a critical role in ensuring its success. Explain how your approach will support effective program implementation.

Note that key stakeholders and rights holders may include:

- Homeowner groups and equity-deserving groups who can provide input on accessibility, affordability and program design to ensure equitable participation and address barriers to uptake.
 - Provincial or territorial agencies and regulators who can provide information on policy alignment and compliance.
 - Utilities, building contractors and suppliers who can support program implementation.
 - Municipal council members and staff (e.g., senior leadership, finance, legal) who can ensure alignment with strategic goals and operational feasibility.
- Describe any inclusive engagement practices that have been or will be implemented to support meaningful involvement from diverse groups.

Inclusive engagement entails identifying and engaging with equity-deserving groups or vulnerable populations that have an interest in the program. Its purpose is to reduce barriers to participation, empower diverse groups through more involvement in decision-making, and build relationships and connections through meaningful engagement.

Examples of inclusive engagement practices include:

- Identifying and addressing potential barriers to participation (e.g., personal resources, motivation and attitude, cultural factors, time of engagement opportunities) that are faced by equity-deserving groups.
- Making adjustments based on feedback from inclusive engagement activities.
- Using multiple methods of communication and outreach to help reach diverse community groups.
- Reviewing communication materials to improve accessibility (e.g., ensuring they are written clearly in plain language; translated into the languages spoken in the community; and formatted with high-contrast colours, accessible fonts and alt text for visuals).

Equity and accessibility

This section provides an opportunity to describe whether and how equity considerations have informed the overall design and priorities of your continued and/or expanded financing program. While the Program Features section inquires about specific design enhancements or new approaches, this section focuses on how equity or inclusion goals have shaped program priorities, target audiences and approaches to reducing barriers to participation.

GMF is firmly committed to fostering Reconciliation, anti-racism, equity and inclusion in all aspects of its work. In the context of community efficiency financing, this includes encouraging programs to consider how the benefits of energy efficiency—such as improved comfort, health and safety, and affordability—can be accessed by all, and particularly by equity-deserving or historically marginalized communities. We recognize that local financing programs are one of several tools municipalities may use to support these outcomes, and that not all residents or needs can be addressed through financing alone. As such, your response may also describe how your program fits within a broader suite of municipal supports for equity-deserving communities when it comes to energy efficiency.

- How have your community's equity or inclusion goals informed the overall design and priorities of your continued and/or expanded financing program? Include any identified target audiences and strategies to reduce barriers to participation, where applicable.

GMF's resource [*Integrating Equity Principles within Community Efficiency Financing Programs: A Guide for Canadian Municipalities and Partners*](#) provides practical guidance on how to create inclusive financing programs for home energy retrofits.

Measuring and monitoring

The questions in this section ask you to describe how you will track and assess the performance of your capital program over time. This includes how you will measure, monitor and report on financial performance and anticipated program outcomes detailed in the Program Benefits section.

- What tools or methods will you use to monitor financial performance (including capital deployment) and progress towards the environmental, economic and community outcomes of your program? How will this information be used to inform on-going adjustments during implementation? You may include other targets and outcomes not previously mentioned.

Potential indicators to measure whether capital is being deployed as planned and at the intended scale include:

- Total financing provided for energy efficiency upgrades
- Number of homes retrofitted

Potential indicators to measure household-level efficiency and well-being outcomes described in the Program Benefits section include:

- Number of participants reporting perceived improvements in home air quality, health and comfort
- Energy consumption savings, greenhouse gas emission reductions and renewable energy generation
- Energy cost savings

Potential indicators to measure anticipated economic and community benefits described in the Program Benefits section include:

- Number of low-income or equity-deserving groups or individuals supported
- Number of contractors engaged and/or trained
- Number of direct or indirect jobs created

We understand that some economic or community benefits may be difficult to measure. In these cases, both qualitative (narrative-based) and quantitative (data-based) results are welcome in your end-of-project reporting.

Project team

In this section, tell us who will be involved in implementing the program.

Identify the key members of your project team in the table provided, including:

- At least one individual from each participating organization identified in the Application Information section of the application form.
- A municipal elected official, if one is sponsoring or championing the project.
- External consultants who will be providing services for the capital program.

Name	Title	Organization	Scope of responsibilities and qualifications

In the “Scope of responsibilities and qualifications” column, provide:

- A short summary of each team member’s role and responsibilities.
- A brief description of their professional qualifications and experience, or reference an attached resume.

If some project team members have yet to be assigned or contracted, please identify them in the table anyway (e.g., “consultant TBD”). Include their anticipated titles and expected scopes of responsibilities and qualifications, or reference supporting documentation such as a request for proposal.

Lead applicants are responsible for monitoring the performance of the project team, including external resources such as consultants.

Attach an organizational chart that illustrates the project team's structure, including all key team members.

Risk management

In the table provided, list the biggest risks and challenges you anticipate facing in administering your program. Describe your plans to mitigate each of these risks. You may briefly note whether you have experienced similar challenges before and how that experience informs your mitigation measures, where applicable.

Risk description	Mitigation measures

You will be required to provide mitigation measures for the following risks:

- Lower-than-expected uptake
- Insufficient labour to deliver the program (e.g., contractors, registered retrofit advisors, etc.)
- Higher-than-expected number of default payments
- Lack of internal (municipal) staffing capacity and competencies
- Risk of delays due to internal municipal processes (e.g., approvals, procurement, co-ordination)

If applicable, you may consider other implementation risks such as:

- Potential mortgage lender issues
- Insufficient quality assurance and control of home energy upgrade installations
- Lack of co-ordination and integration with existing offerings
- Lack of robust consumer protection measures (e.g., price controls, quality assurance oversight mechanisms, debt burden considerations, protocols to help struggling borrowers)
- Other environmental, social, financial, technical, regulatory or timing risks

If needed, you may provide supporting documentation to further explain the risk mitigation measures identified in the table.

Budget and work plan

Before completing this section, you will need to complete the project workbook (Excel file) provided to you by your GMF representative.

In the workbook, we ask you to provide information on your budget, work plan and sources of funding. As you do this, consider the following:

- Is the budget complete and does it reflect the full scope of the proposed project described in the application form?
- Do task descriptions reflect what the activity is and who is completing it?
- Does the budget represent good value for money based on the described deliverables?

- Have costs been reasonably broken down and explained?
- Have the correct cost categories been selected for each task?
 - For lead applicant staff time, select “Staff remuneration”
 - For tasks that will be invoiced to the lead applicant (e.g., consultants and other service providers), select “Services”
 - For goods and services (including staff time) provided by non-lead applicants that will not be reimbursed, select “In-kind” and place this cost in the “Ineligible” column
- Are the timelines reasonable for delivering the expanded financing program?
- Do you have confirmed funding letters (see [Appendix C: Sample letters](#)) for each funding source, and have you provided an explanation for any unconfirmed funding sources?

Declaration and signature

In the declaration and signature section, simply type out the information for the person who holds the authority to sign the application. The person with signing authority may be different from the lead applicant primary contact.

Before submitting your application, please verify that all required supporting documents listed in Appendix A have been attached.

Reminder: Only the application contact can submit the full application form. The application contact must ensure they have permission to submit the application on behalf of their organization. Consultants working with a lead applicant to prepare their application cannot sign the declaration or submit the form.

Appendix A: Required supporting documents

In addition to the documents listed here, GMF may request additional information to clarify your application.

Note: To make it easier for staff and peer reviewers to conduct a comprehensive review of your application, please include in each document's title the relevant section of the application form (e.g., environmental benefits) and reference specific page numbers from the supporting documentation in your application.

Application category	Documents
All applications	- Completed pre-application form - Completed full application form - Project workbook - Project team organizational chart - Evidence of municipal support: resolution from council or letter of support signed by the mayor on behalf of council, or by the chief administrative officer or city manager, describing the municipality's commitment to the capital program - Proof that you have legal authority to pursue a PACE financing program for home energy upgrades - A municipal borrowing by-law or resolution, or a board resolution, that authorizes your organization to borrow the requested loan amount <i>Note: This is not required with your application but will be required if approved for funding</i> - A letter from each confirmed funding source specifying the amount contributed and/or the value of staff time or in-kind contributions to the capital program (see Appendix C: Sample letters) - A letter confirming that consultation with the provincial or territorial government has taken place (see Appendix C: Sample letters) <i>Note: Consultation with the provincial or territorial government for municipal lead applicants is a requirement of FCM's funding agreement with the federal government</i>
Additional information required from municipal partner applicants	Founding articles of incorporation of the lead applicant and/or other constating documents

Application category	Documents
	• A signed agreement between the partner organization and the participating municipality or municipalities showing the contractual obligations of all parties • A signed letter from the partner organization's chief executive officer confirming the organization's level of commitment, and giving evidence of the board of directors' support for the proposed capital program and funding application • A complete wire diagram of the partner organization's corporate structure, including sponsors, shareholders, borrowers, guarantors and their material subsidiaries

FCM reserves the right to request additional information at any time.

Appendix B: Eligible and ineligible costs

Cost category	Eligible costs	Ineligible costs
Section A: Operating costs		
1) Pre-application	Costs of up to \$5,000 to write the eligible project application (including completing the project workbook), incurred up to 90 days prior to the full application receipt date.	All other costs incurred prior to the full application receipt date, including any stakeholder engagement or research that took place to support the writing of the full application or insertion of information into the eligible project workbook.
2) Staff remuneration	Costs paid by the eligible recipient to its employees (including permanent and contract employees) in Canada for time worked on the implementation of the eligible project, including staff time to participate in FCM-led capacity building activities related to community financing programs for home energy upgrades. The daily rate per employee includes the following costs: 1. Direct salaries: actual and justifiable sums paid by the eligible recipient to employees in accordance with the eligible recipient's pay scales as regular salary, excluding overtime pay and bonuses. 2. Fringe benefits, in accordance with the eligible recipient's policies, as follows: a) Time-off benefits (prorated to the annual percentage of time worked on the implementation of the eligible project): allowable number of days to be paid by the eligible recipient for the payable absences of statutory holidays and annual vacation. b) Paid benefits: actual sums paid by the eligible recipient for paid benefits (prorated to the annual percentage of time worked on the implementation of the program). This includes the eligible recipient's contribution to employment	Ineligible costs include: • Overtime pay • Bonuses/performance pay • Fringe benefits, such as sick days, maternity leave, parental leave, pension plan and any other fringe benefits not listed as eligible • Costs related to on-going or other regular business activities and not specifically required for the program • Staff wages while receiving training or attending learning events, unless such costs are specifically required for the eligible project and approved by FCM • Professional membership fees or dues • Employee remuneration for which FCM has provided (or committed to provide) a grant or contribution

	insurance and workers' compensation plans where applicable, health and medical insurance, group life insurance, and other mandatory government benefits. Note: For private (for-profit) entities, staff remuneration will be evaluated for reasonableness, competitiveness and overall value for money.	
3) Services	Salaries, fees or remuneration paid to professional, technical personnel, consultants and contractors directly involved in the delivery, engineering, manufacturing, construction, and monitoring and evaluation of the eligible project, including costs related to: • Third-party financial audit(s) for the eligible project, to the satisfaction of FCM • Program administration • Delivery partner services • Marketing or advertising services • External legal counsel for program documentation and process-related activities • Program evaluation services	The cost of engineering, audits or studies to the extent that these costs are supported through grants or contributions provided or committed to be provided by the Government of Canada. The cost of annual financial audits/statements related to on-going business activities. The cost of external legal counsel related to activities not contemplated within the approved eligible project scope, including but not limited to litigation, disputes and claims with program partners.
4) Other direct project costs	Subject to exclusions and FCM discretion, costs that are not otherwise captured under the other named cost categories may be eligible where they are considered by the board or FCM staff to be necessary direct costs, properly and reasonably incurred by an eligible recipient for the completion of an eligible project. These costs may include: • Travel and accommodation expenses for staff and project team members to participate in FCM-led capacity building activities related to community financing programs for home energy upgrades, to the extent that travel and accommodation rates comply with Treasury Board of Canada guidelines	Travel, accommodation and fees to attend conferences, missions, trade shows, etc., unless such costs are specifically required for the eligible project and approved by FCM. Any general overhead costs of the eligible recipient, including: • Costs for office space for eligible project administrative staff • Administrative costs not specifically listed as eligible • Hospitality costs (unless they are necessary for following cultural protocols), such as alcohol, door prizes, entertainment, decorations or flowers, etc. • Administrative costs related to on-going or other business activities, and not a specific requirement of the eligible project

	• Administrative costs, such as printing or photocopying by outside suppliers, document translation, and business systems and tools • Advertising costs to communicate the eligible project to relevant stakeholders • Rental of tools and equipment • Costs related to meetings and public gatherings that communicate the eligible project to the public, such as facility rental, audiovisual equipment rental and public surveys • Supplies and materials • Transportation costs for delivery of materials and services	
5) Rebates and incentives	Direct rebates and incentives for pre- and post-home energy assessments, and equipment and materials for home energy upgrade projects supported through the eligible project. Contractor engagement incentives approved by FCM.	Interest rate buydowns. Costs financed by participants through the eligible project (see Section B of this table).
6) Taxes	The portion of taxes for which your organization is not otherwise eligible for rebate.	Provincial/Harmonized Sales Tax and the Goods and Service Tax for which the eligible recipient is eligible for a tax rebate and any other costs eligible for rebates.
7) In-kind	N/A Note: Lead applicant staff time costs for time spent on the implementation of the eligible project are considered eligible costs and should be categorized as “Staff remuneration”.	Any goods and services that are received through donation or in-kind.
Section B: Capital costs		
8) Capital	Capital costs as defined and determined in accordance with generally accepted accounting principles (GAAP). Any costs associated with an eligible residential retrofit that is financed by participants through the eligible project, including:	Purchase or lease of real property. Home upgrades that are not permanently affixed to the property. Interest paid by participants to service the loans financed through the eligible project. Costs directly related to eligible retrofits of existing residential

	• Costs directly related to eligible retrofits of an existing residential building, including the construction, renovation, or modernization of facilities or structures, and related equipment, materials, installation and labour costs • The Provincial/Harmonized Sales Tax and the Goods and Services Tax that the participant of the eligible project must pay • Costs for performing pre- and post-home energy assessments • Program administration fees, where applicable Note: Up to 30 percent of total eligible costs per eligible residential retrofit can be allocated to other non-energy improvements, such as water conservation, climate resilience, and health and safety measures.	buildings, including equipment, materials and labour, to the extent that such costs are covered through eligible operating costs (e.g., rebates and incentives).
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Appendix C: Sample letters

1. Sample letter confirming consultation with provincial or territorial government

[Date]

[Municipal Affairs contact name]

[Municipal Affairs department address]

Re: Consultation with [provincial/territorial] government for GMF application: [capital program title], [name of lead municipality]

Dear [name of contact],

[Lead applicant organization name] is submitting an application to the Federation of Canadian Municipalities' (FCM) Green Municipal Fund for the above-mentioned capital program.

As part of the application process, FCM requires lead applicants to supply evidence of consultation with the [provincial/territorial] government about the program, to avoid potential conflicts with other [provincial/territorial] funding sources or policies. Regulatory issues do not need to be addressed at this time, as they are addressed through compliance clauses in the funding agreement of approved applications.

We are sending this letter to initiate the required consultation. Please review the attached application and advise if there is any potential conflict with [provincial/territorial] funding or policy. If we do not receive correspondence from you within 90 days, we will assume that no such conflict exists.

Yours sincerely,

[Lead applicant contact]

2. Sample letter to GMF from confirmed funding source

[Date]

Green Municipal Fund
Federation of Canadian Municipalities
24 Clarence Street
Ottawa, Ontario
K1N 5P3

Re: Confirmation of financial contribution for capital program application: [capital program title], [name of lead municipality]

To whom it may concern,

This letter is to confirm that [name of contributing organization] will make a cash contribution of [\$XXX] and/or a staff remuneration contribution of [\$XXX] to undertake the above-mentioned capital program and for which funding is requested from the Green Municipal Fund.

Yours sincerely,

[Authorized person and title]
[Name of contributing organization]

Appendix D: Eligible measures

Measure category	Measure type
Building envelope	• Air sealing* • Attic insulation* • Base insulation* • Exterior wall insulation*
Heating, ventilation and cooling (HVAC)	• Air-source heat pump* • Attic fan • Biomass/wood stove • Boiler* • Ceiling fan* • Central air conditioner* • Duct replacement • Duct sealing • Evaporative cooler • Furnace* • Geothermal heat pump* • Heat/energy recovery ventilator • Hydronic radiant heating system • Mini-split air conditioner* • Mini-split heat pump* • Programmable thermostat* • Ventilation fan* • Whole-house fan • Wi-fi thermostat*
Lighting	• Lighting control • Lighting fixture*
Pool equipment	• Automatic pool cover • Electric heat pump pool heater • Gas pool heater • Pool pump*
Water heating	• Drain water heat recovery • Electric heat pump storage water heater* • Gas storage water heater* • Gas tankless water heater* • Hot water delivery system
Windows, doors and skylights	• Exterior door* • Exterior window shading device • Skylights and tubular daylight device* • Window*
Solar electric	• Solar inverter • Solar panel
Solar thermal	• Solar pool heater • Solar water heater*
Other	• Energy storage system • Electric vehicle charging station*

*Denotes products that are evaluated by ENERGY STAR®