

# **Residential Resilience**

# **Financing**

Program Design Study  
Application Guide

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# Welcome and introduction

The Residential Resilience Financing (RRF) initiative provides grants, loans and credit enhancements to expand the impact of local residential Property Assessed Clean Energy (PACE) financing programs. This initiative supports municipalities and their partners to incorporate resilience upgrades into energy efficiency financing programs.

RRF is part of GMF's broader \$530M [Local Leadership for Climate Adaptation](#) (LLCA) program. LLCA provides funding and capacity-building resources to support communities of all sizes across Canada as they work to become more [resilient](#) to the impacts of climate change, proactively mitigating climate risks and reducing future costs.

This guide outlines how to apply for program design study funding for local residential resilience financing programs, based on the PACE financing model. Models other than PACE may be considered on a case-by-case basis, in consultation with GMF.

LLCA is made possible with generous support from the Government of Canada. GMF is a key partner supporting the delivery of the Government of Canada Adaptation Action Plan.

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

## How to use this guide

This guide, including the appendices, contains information about GMF's RRF initiative and instructions on how to prepare a complete and accurate application for program design study funding, which is a prerequisite for capital program funding.

**IMPORTANT:** Please visit our [funding webpage](#) before reading this application guide or starting your application. The webpage has essential information about the RRF offer, funding application windows and eligibility.

**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 is committed to supporting communities of all sizes to become [resilient](#) to the impacts of climate change. GMF offers a funding concierge service to help you develop and submit your application. Email us at [gminfo@fcm.ca](mailto:gminfo@fcm.ca) or call 1-877-417-0550 to find out more.

# About the RRF funding offer

## When to apply

GMF will be accepting and processing applications for RRF program design studies on a rolling basis until January 15, 2026, unless funds are exhausted sooner. Consult our [funding webpage](#) for information on application windows and future funding rounds.

## What RRF funds

Applicants must complete a program design study before applying for capital program funding. The program design study may be funded through an RRF study grant or completed independently.

RRF program design study grants are for studies that support the expansion of existing municipal PACE financing programs, or those that are under development, to help homeowners invest in [climate resilience](#) measures (e.g., flood protection, wildfire mitigation, extreme weather resilience), alongside financing for energy efficiency improvements such as those covered under GMF's [Community Efficiency Financing](#) (CEF) initiative. Studies will address how resilience-focused financing can complement existing home energy retrofit programs, thus providing a holistic approach to climate resilience.

Program design studies funded through the RRF initiative must describe, at minimum:

- Target audience ([geographic area](#), types of homes, occupant demographics) for your local residential resilience financing program
- Rationale, supported by a technical [climate hazard assessment](#) in the community
- Program financing model, process flow and program delivery model
- Proposed financing terms and conditions offered to homeowners
- Program uptake analysis and projections
- Sources of funding for capital and operating expenses, including long-term sustainability considerations
- Residential resilience evaluation mechanisms, and how eligible retrofit measures will be recommended to homeowners
- Retrofit activities eligible for financing
- Internal processes to differentiate between energy efficiency and resilience financing
- Risk mitigation plan
- Outcomes of engagement processes with key [stakeholders/rights holders](#), or a plan to undertake engagement
- Program monitoring and evaluation plan

## Eligibility considerations

### Financing model

The RRF initiative supports program design studies and capital local residential resilience financing programs based on the PACE financing model. Other models 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](mailto:gmfinfo@fcm.ca) or calling 1-877-417-0550.

### Existing energy efficiency programs

Applicants may include existing CEF- and non-CEF-funded PACE energy efficiency retrofit programs to further augment the impact of these programs and embed residential resilience improvements. Applicants who are interested in completing a program design study for a new energy efficiency retrofit program may include the additional resilience component through the [CEF Program Design Study offer](#).

### Enabling legislation

Before applying for program design study funding, applicants must determine whether their province or territory has enacted PACE-enabling legislation that permits resilience improvements as eligible measures.

To do this, a good starting point is GMF's report [Unlocking the Potential of PACE Financing: A Comprehensive Report on Canadian Legislation](#) that offers guidance on the potential eligibility of resilience PACE initiatives in each province and territory.

# Program design study grants

## Funding overview

- Grant of up to 80 percent of eligible study costs, to a maximum of \$150,000.
- Program design studies that meet GMF's Program Excellence [criteria](#) are eligible for up to 90 percent of eligible costs.
- Funding is determined as a percentage of eligible costs and not necessarily for total project costs. Eligible costs are defined by GMF and are based on the date incurred and the activity type. For a list of eligible costs, see [Appendix B: Eligible costs](#).

Program design studies for local residential resilience financing programs are expected to build on market intelligence and research to meet stakeholder needs and municipal priorities. They need to lay the foundation for a financing program for resilience upgrades by documenting the parameters to obtain approval by a municipal government. Based on the needs of the applicant, a program design study may address the following design considerations:

- [Climate hazards](#)
  - home-level [climate hazard assessment](#) tools
  - geographic prioritization of hazard mitigation
  - eligible retrofit activities
  - cost allowances for retrofit activities
- Target audience
  - participant eligibility criteria
  - eligible measures list
  - identification of [equity-deserving groups](#), if applicable, and benefits they would receive from participation
- Funding sources and budgets
  - sources of capital funding and administration funding, both start-up and operations.
  - capital and operating budgets
- Recommended financing model (i.e., PACE)
  - financing terms and conditions
  - de-risking strategies (e.g., credit assessment)
- Program activities
  - program delivery model(s) to be used
  - a program theory logic model outlining how the program will address local barriers and support market transformation
  - integration with other relevant incentive programs
  - consumer protection measures
  - marketing and communications strategies
  - workforce training needs
- Program setup and administration
  - program implementation plan
  - stakeholder roles and responsibilities, including consultation with insurance providers and the establishment of post-loss event improvement opportunities
  - client journey and application process
  - program process flow diagrams
  - program monitoring and evaluation

- Legal and risk issues
  - risk identification and management strategies
  - contracting and procurement

## Evaluation criteria

RRF program design study applications are assessed as to the completeness of the application and how well it meets 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 study has the potential to generate measurable environmental, economic and social benefits for one or more municipalities.
- **Implementation:** The study is designed holistically, with careful consideration given to all the variables impacting implementation, including internal and external stakeholder engagement, planning, risk management, and resourcing.

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

Impact	Implementation
<ul style="list-style-type: none"> <li>• Program financing</li> <li>• Economic benefits</li> <li>• Resilience benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Engagement plan</li> <li>• Team and partners</li> <li>• Budget and work plan</li> <li>• Risk management</li> </ul>

In addition, program design studies that sufficiently embed GMF’s Program Excellence criteria will be awarded an additional 10 percent in grant funds and receive a competitive advantage during the evaluation process.

To benefit from the program excellence incentive, your study must include a strategy to incorporate Reconciliation and anti-racism, equity and inclusion into your program, as well as meet at least one of two additional criteria: [Inclusive engagement](#) and [Build Back Better](#). More information about Build Back Better can be found in [Appendix E: Build Back Better program mechanism proposal](#).

Program excellence
<ul style="list-style-type: none"> <li>• Reconciliation and anti-racism, equity and inclusion</li> <li>• Inclusive engagement</li> <li>• Build Back Better</li> </ul>

# Complete your application

## Part A Applicant information

### 1. Participating organizations

a) Please provide information about each participating organization in your program design study.

In the table in the application form, provide the name and role of each participating organization in your program design study:

- **Lead applicant:** the municipality or partner organization that would sign the contract with FCM, oversee the local residential resilience 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 residential resilience 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.

Under organization role, indicate if you are the lead applicant.

If there are multiple participating organizations, please indicate it in the application form. Click on the content or the table and then click the + sign in the bottom right corner to add more names and roles.

#### b) 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 study. 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 study will be undertaken with additional non-municipal partners, provide evidence of their board or CEO's support, financial and/or in-kind contributions, partnership agreements and other relevant documentation.

**Note:** Contractors or consultants are not to be included as partners.



## 2. Study contacts

Provide the names of the primary contacts for your study.

In this section of the application form, provide information about the primary contact for the lead applicant's organization.

If your organization is not a municipal government, the study 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.

To list multiple primary contacts, click on the table in the application form and then click the '+' sign in the bottom right corner.

## Part B Program design study details

In this section, provide details about your study and your planned resilience financing program, the anticipated benefits, why it is important and how you intend to implement it.

### 1. Overview

Indicate your program design study's working title.

Specify which financing model(s) your study will evaluate.

RRF funding is mainly focused on the PACE financing model. If your study is considering a different financing model, please speak with a GMF representative before proceeding with your application.

### 2. Rationale and objectives

Provide a short description of the rationale for your study and the key objectives.

Summarize your study in a couple of paragraphs, being sure to answer the following questions:

- Why is the resilience PACE financing program a priority for your municipality or organization?
- What barriers will your study address to improve homeowners' access to local resilience financing (e.g., high upfront cost of improvements, property-tied versus unsecured financing, information gaps, low uptake among specific demographics or underserved segments)?

Include any other information that explains your local context, the scope of your study and the intended outcomes.

Non-municipal lead applicants may provide additional details on their partnership(s) with the lead municipality and any other partnering municipalities.

### 3. Legal authority

RRF program design study funding is contingent on participating residential resilience financing programs being located in jurisdictions with PACE-enabling legislation that allows financing of resilience measures.

In this section of the application form, you are asked to confirm your organization's legal authority to administer or participate in local resilience financing programs, including conducting a review of enabling legislation where applicable.

### 4. Program features

In this section of the application form, provide details about the key features of your energy efficiency PACE financing program and the planned resilience PACE financing program. If there is additional detail in your supporting documents, indicate the name of the relevant document and the page number(s) in your answer.

**a) Describe your organization's existing energy efficiency PACE financing program, including quantifiable achievements such as number of retrofits, amount of loans, GHG emissions reduction, and energy savings.**

- If your efficiency financing program is in development, outline anticipated plans and projected outcomes.

**b) When do you anticipate launching your local residential resilience financing program?**

- Specify the target quarter and year.

**c) What are the target audiences for your program? Indicate geographic area, types of homes, occupant demographics and other relevant features.**

**d) Which [climate hazard\(s\)](#) will your program address?**

- Provide a rationale for your choices, supported by existing or planned risk assessments, technical mapping or data use.
- Note that the RRF initiative provides funding for the following climate hazards: flooding, extreme heat, severe weather (wind, hail), wildfire and drought.

**e) What categories of residential resilience upgrades will your program address?**

- The selected resilience upgrades must correspond with a climate hazard identified in the previous question. A sample list of categories of resilience measures can be found in [Appendix D: Eligible and ineligible measures](#).

**f) Will your study explore the development of a [Build Back Better](#) post-loss event mechanism?**

- See [Appendix E: Build Back Better program mechanism proposal](#) for more information on a proposed model.

## Part C Program approach

In this section, tell us how you will manage the development of your study and how your approach will help achieve its objectives.

### 1. Study team

**Describe the roles and responsibilities of your study team.**

In the table in the application form, identify the key members of your study team and attach their resumés or other documents, or provide descriptions, that show their professional qualifications and experience. Include at least one individual from each of the organizations identified in [Part A: Participating organizations](#). If your study is sponsored or championed by a municipal elected official, include them as well.

To add new rows, click on the table in the application form and then click the ‘+’ sign in the bottom right corner.

If some study team members have yet to be assigned or contracted, add the position to the list of team members and indicate “to be assigned” or “to be determined” under Name. Include their anticipated title and expected scope of responsibilities.

You should also include external consultants who will be providing services to complete the study. If the external consultants have not yet been retained, include draft requests for proposals or other documentation indicating the professional qualifications you will be seeking.

If applicable, attach an organizational chart that illustrates the study team’s structure, including all key internal and external team members.

### 2. Program implementation risks

**List the biggest risks and challenges you anticipate facing in designing and administering your local residential resilience financing program.**

Describe the risks and challenges you anticipate facing and your plans to mitigate these risks.

Examples of implementation risks include:

- Lower-than-expected uptake
- Insufficient labour (e.g., contractors to deliver the program)
- Potential mortgage lender issues
- Insufficient quality assurance and control of home resilience upgrade installations
- Lack of coordination and integration with existing offerings
- Higher-than-expected number of default payments
- Lack of internal staffing capacity and competencies
- Lack of robust consumer protection measures (e.g., price controls, quality assurance oversight mechanisms, debt burden considerations, protocols to help struggling borrowers)
- Limited insurer engagement in post-loss improvements
- Other environmental, social, financial, technical, regulatory or timing risks

To include a list of risks and add multiple rows of information in your application form, click on the table in the application form and then click the '+' sign in the bottom right corner.

### 3. Engagement strategy

#### a) Describe your study's engagement plan with key stakeholders and rights holders.

Describe the key municipal and external [stakeholders](#) or [rights holders](#) involved in planning and implementing the study, particularly those who will be impacted by the local residential resilience financing program or play a critical role in ensuring its success.

Provide an overview of each stakeholder's role or potential contributions, emphasizing their involvement in generating broad municipal and community support, ensuring program uptake and contributing to the program delivery and operations.

To add new rows, click on the table in the application form and then click the '+' sign in the bottom right corner.

Key stakeholders and rights holders may include:

- Insurance providers, who can provide insights into climate risks, hazard mitigation opportunities and post-loss retrofit or recovery strategies. Engaging with insurance providers early in the process can clarify how resilience measures reduce risk exposure and influence insurance premiums, thus improving program design and uptake.
- 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.

#### b) Describe any inclusive engagement practices that were or will be part of your study or describe how you plan to develop these practices with stakeholders or rights holders.

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

In your response, outline your efforts to build relationships with underrepresented groups and ensure their equitable participation. If you have not yet established inclusive engagement practices, outline your plan to develop and incorporate them into the study and during program implementation.

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) faced by equity-deserving groups.
- Making adjustments based on feedback from inclusive engagement activities.
- Using multiple methods of communication to help reach diverse community groups.
- Reviewing communication materials to improve accessibility (e.g., written clearly in a plain language style; translated into the languages spoken in the community; formatted with high-contrast colours, accessible fonts, alt text for visuals).

**Note:** An inclusive engagement strategy is one of GMF's Program Excellence criteria. Meeting the Program Excellence criteria may result in a 10 percent increase in the grant amount.

### *Post-loss retrofits*

If your study will explore implementation models for post-loss retrofits and processes to identify incremental residential resilience improvements, provide details about your engagement strategy with insurers. For example, your study could consider models where municipalities establish direct collaboration agreements with insurers to integrate resilience-focused interventions during the recovery process. In such a model, insurers may cover the upfront cost of resilience measures, with municipalities reimbursing the expense through a PACE charge or similar mechanism. See [Appendix E: Build back better program mechanism proposal](#) for more information on a proposed model.

**Note:** Engagement with the insurance industry toward a post-loss Build Back Better mechanism is a GMF Program Excellence criterion. Meeting the Program Excellence criteria may result in a 10 percent increase in the study grant amount.

## 4. Reconciliation and anti-racism, equity and inclusion

GMF is firmly committed to fostering [Reconciliation](#), [anti-racism](#), [equity](#) and [inclusion](#) in all aspects of its work. This commitment extends to ensuring that the interests of all [stakeholders](#) and [rights holders](#)—municipalities, lenders, and end beneficiaries—are represented, considered and prioritized equitably. The information in this section of the guide will help you address this commitment as you develop the program design study for your local resilience financing program.

### a) Describe your community's overarching equity goals, if any, for climate adaptation and resilience?

GMF encourages consideration of [equity-deserving](#) and marginalized groups in all climate change adaptation projects. This can improve outcomes by addressing:

- **Disproportionate impact:** Equity-deserving and marginalized groups often bear the brunt of climate change impacts due to their location, socioeconomic status and lack of resources. For instance, they may live in areas more prone to flooding or extreme weather events, or they may lack the financial resources to adapt to or recover from such events.

- **Inclusion and fairness:** Including these groups in planning and implementation helps ensure their unique needs and perspectives are considered, promoting fairness and equity. It also helps ensure that existing inequalities are not inadvertently exacerbated.
- **Empowerment:** Involving these groups in adaptation efforts can empower them by giving them a voice in decision-making processes and helping them build resilience.
- **Effectiveness:** Adaptation measures are likely to be more effective if they are designed with the needs of *all* community members in mind.

In your response, outline your community's overarching [equity](#) goals for climate adaptation and resilience, and describe how your proposed local residential resilience financing program aligns with and supports these goals. Where relevant, describe the specific barriers your program will need to address, as well as the design features you will consider making resilience upgrades more equitable, accessible and attractive to homeowners.

**b) Describe how your program design study will identify and address the needs of equity-deserving and/or marginalized groups in your target audience.**

Please note the specific [equity-deserving groups](#) in your target audience whose needs your study will address. Note that equity-deserving groups or marginalized groups might include but are not limited to [people with low income](#), [newcomers to Canada](#), linguistic minorities, [racialized persons](#), seniors, [people living with disabilities](#). In addition, list the specific avenues you will use to enhance the accessibility of equity-deserving and/or marginalized groups in your target audience.

Equity-related measures could include:

- Establishing strong consumer protection measures
- Building [equity](#) into procurement practices (e.g., implementing social procurement practices)
- Ensuring that programs, services and materials are accessible through different means of communication and in various languages
- Establishing a separate grant carve-out for low- to moderate-income households
- Advertising no-cost/low-cost measures alongside financeable measures
- Stacking incentive programs
- Creating a streamlined approval process
- Lowering interest rates
- Developing flexible underwriting criteria

GMF's resource [Integrating Equity Principles Within Community Efficiency Financing Programs: A Guide for Canadian Municipalities and Partners](#) provides practical guidance on how to design inclusive financing programs for home energy retrofits. While the guide focuses on home energy retrofits, it is also a starting point for considering equity in the design of RRF programs.

Note: Mechanisms to increase participation by equity-deserving groups is one of GMF Program Excellence criteria. Meeting the Program Excellence criteria may result in a 10 percent increase in the study grant amount. To benefit from the program excellence incentive, your study must include a strategy to incorporate Reconciliation and anti-racism,

equity and inclusion into your program, as well as meet at least one of two additional criteria: [Inclusive engagement](#) and [Build Back Better](#).

## Part D Program characteristics

### 1. Financing program continuity

RRF supports local residential resilience financing programs that scale up by offering services to more end beneficiaries and mobilizing additional capital, which will ultimately lead to market transformation. As such, RRF targets existing local financing programs that will sustain their energy efficiency operations into the future and expand the scope through additional residential resilience improvements.

Describe how your program design study will address the following:

**a) How will your study assess the continuity of your existing energy efficiency program while also integrating residential resilience upgrades?**

- Elaborate on how your resilience financing program will build on your current energy efficiency PACE program. What challenges and synergies do you anticipate in this transition? How will the energy efficiency side of operations continue into the future?

**b) How will your study assess the anticipated rate of capital deployment and uptake of your local residential resilience financing program?**

- Describe the level of homeowner participation you expect for your proposed resilience financing program, and what factors will influence adoption (e.g., awareness campaigns, affordability, insurance incentives, local climate risk perception)? How will you assess the demand for residential resilience financing in your community?

**c) How will your study assess your local residential resilience financing program's scalability and long-term financial sustainability?**

- What mechanisms will be put in place to ensure the long-term success and expansion of the program? What steps will be taken to maintain financial sustainability beyond the initial funding phase? Describe your organization's plans for continued funding and program expansion in your response.

### 2. Economic benefits

**How will your study assess the potential economic benefits of adding the local residential resilience financing component to your existing or planned PACE program?**

Indicate how combining resilience and efficiency measures will generate economic benefits for homeowners, the municipality, the community and other stakeholders and rights holders. Potential economic benefits might include:

- Job creation in climate-resilient construction and retrofits
- Expanded contractor training opportunities
- Reduced repair and recovery costs after extreme weather events
- Improved long-term affordability for households
- Health and safety benefits
- Reduced long-term financial risks for homeowners and municipality(ies)
- Increased property values
- New partnerships (e.g., formal or informal partnerships with entities such as utilities, insurers, contractors, delivery partners, non-profit organizations, other orders of government)

### 3. Resilience benefits

**What resilience outcomes do you expect to achieve from your local residential resilience financing program, and what approach will be used to measure achievement of these outcomes?**

Describe the actual or potential resilience benefits or outcomes that your local residential resilience financing program is expected to achieve, and how these outcomes will be measured. Show how your program will enhance [community well-being](#) and community resilience, reduce climate-related risks for homeowners, and contribute to broader municipal or regional adaptation strategies. If available, list the indicators your program plans to track or measure.

RRF recognizes that quantifying the environmental and financial impact of residential resilience measures can be challenging. If specific measurable metrics are not available, provide a qualitative or outcome-based narrative that explains the expected benefits.

Potential residential resilience-related indicators include:

- Number of homes retrofitted with resilience measures
- Total financing provided for residential resilience upgrades
- Alignment with community hazard mitigation goals (e.g., flood or wildfire risk reduction)
- Customer surveys to assess:
  - Repeat damage after extreme weather events
  - Changes in insurance premiums or availability
  - Perceived improvements in home safety and comfort

If applicable, provide details on how indicators will be monitored and how they will be used to improve the program.

## Part E Budget and work plan

As part of your program design study application, you will need to complete a project workbook that you will upload along with the application form and required supporting documents.

In the workbook, you are asked to provide information on your budget, workplan and sources of funding. As you complete the project workbook, consider the following:



- Is the budget complete and does it reflect the full scope of the proposed project described in the application form?
- Does the budget represent good value for money based on the described deliverables?
- Are costs reasonably broken out and explained?
- Does the “cost categories” column show who will be completing each task, as appropriate? For example:
  - For lead applicant staff time, select Staff remuneration
  - For tasks to be paid out to consultants and other service providers, select Services
  - For non-lead-applicant staff time that will not be reimbursed, select In-kind and place this in the ineligible column
- Are the timelines reasonable to complete the study?
- 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?

## **Part F Declaration and signature**

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

# Overview of the application process

## **Step 1      Contact the GMF representative**

Email [gmfinfo@fcm.ca](mailto:gmfinfo@fcm.ca) or call 1-877-417-0550 to talk to the GMF representative and learn more about the RRF initiative and whether your program design study may be eligible for funding. If so, the GMF representative will email you the application form and project workbook.

## **Step 2      Prepare and submit your application package**

Your program design study application package consists of:

- A completed application form (Word document)
- A completed project workbook (Excel file)
- Required supporting documents, as per [Appendix A: Required supporting documents](#)

GMF staff are available to answer your questions about the application form, project workbook and supporting documents. Please double check that your application package is complete before submitting it.

Once you are ready to submit, contact the GMF representative for instructions on uploading your attachments online using a unique link.

## **Step 3      GMF review**

GMF staff will review your proposal for accuracy and completeness, and, if necessary, work with you to resolve questions or concerns. Applications cannot proceed to the peer review step without all required documents.

## **Step 4      Peer review**

A peer review panel evaluates your application. Feedback from the peer review panel is shared with you.

## **Step 5      Funding decision**

Funding decisions are made by GMF leadership on behalf of GMF Council and FCM's Board of Directors. The estimated process from application submission to a funding decision may take up to 3 months.

## **Step 6      Contracting**

If your program design study application is successful, GMF staff will work with you to draft a funding agreement that outlines disbursement terms and reporting requirements.

# Appendices

## 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., resilience benefits) and reference specific page numbers from the supporting documentation in your application.

Application category	Documents
All applications	<ul style="list-style-type: none"> <li>Completed application form</li> <li>Completed project workbook</li> <li>Study team organizational chart and resumes</li> <li>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 study</li> <li>A letter from each confirmed funding source specifying the amount contributed and/or the value of staff time or in-kind contributions to the study (see <a href="#">Appendix C: Sample letters</a>).</li> <li>Letter confirming that consultation with the provincial or territorial government has taken place (see <a href="#">Appendix C: Sample letters</a>). Consultation with the provincial or territorial government for municipal lead applicants is a requirement of FCM's funding agreement with the federal government.</li> </ul>
Additional information required from <b>municipal partner applicants</b>	<ul style="list-style-type: none"> <li>Founding articles of incorporation of the lead applicant and/or other constating documents</li> <li>A signed agreement between the partner organization and the participating municipality or municipalities showing the contractual obligations of all parties</li> <li>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 study and funding application</li> <li>A complete wire diagram of the partner organization's corporate structure, including sponsors, shareholders, borrowers, guarantors and their material subsidiaries.</li> </ul>

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

## Appendix B Eligible and ineligible costs

Cost category	Eligible costs	Ineligible costs
<b>1) Pre-application</b>	Costs of up to \$5,000 to write the program study design application (including completing the project workbook), incurred up to 90 days prior to GMF's receipt of the application.	Any other costs incurred prior to the application receipt date, including stakeholder engagement or research that took place to support the completion of the application or project workbook.
<b>2) Administrative</b>	Administrative costs that are directly linked to and have been incurred for the study, such as: <ul style="list-style-type: none"> <li>• Communication costs (e.g., long-distance calls, faxes)</li> <li>• Required permits or certifications</li> <li>• Printing or photocopying by outside suppliers</li> <li>• Acquisition of documents used exclusively for the study</li> <li>• Document translation</li> </ul>	Office space, supplies and general overhead costs incurred in the ordinary course of business.
<b>3) Advertising</b>	Advertising costs related to communicating with relevant stakeholders about the study, as well as study evaluation, such as: <ul style="list-style-type: none"> <li>• Developing advertising or website materials</li> <li>• Media distribution</li> </ul>	Advertising costs for general education or publicity that are a result of ongoing or other business activities and not specific to the study.
<b>4) Equipment rental</b>	Rental of tools and equipment related to the study.	Rental of tools or equipment related to ongoing or other business activities.
<b>5) Meetings and public gatherings</b>	Costs related to meetings and public gatherings to raise awareness about the study with the public and collect feedback, such as: <ul style="list-style-type: none"> <li>• Facility rental</li> <li>• Audiovisual equipment rental</li> <li>• Public surveys</li> </ul>	Hospitality expenses such as: <ul style="list-style-type: none"> <li>• Food and drink</li> <li>• Alcohol</li> <li>• Door prizes</li> <li>• Entertainment</li> <li>• Music</li> <li>• Decorations or flowers, etc.</li> </ul>

Cost category	Eligible costs	Ineligible costs
<b>6) Services</b>	Costs for professional or technical consultants and contractors.	Costs for engineering studies, audit studies or feasibility studies for which grants or contributions are provided by or committed to be provided by any program of the Government of Canada.
<b>7) Staff remuneration</b>	<p>Costs paid by the eligible recipient (Lead Applicant) to its employees (including permanent and contract employees) in Canada for time worked on the implementation of the study, including staff time to participate in FCM-led capacity-building activities related to community financing programs for residential resilience upgrades. The daily rate per employee includes the following costs:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Fringe benefits, in accordance with the eligible recipient's policies, as follows: <ul style="list-style-type: none"> <li>a) Time-off benefits (prorated to the annual percentage of time worked on the implementation of the study): allowable number of days to be paid by the eligible recipient for the payable absences of statutory holidays and annual vacation</li> <li>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 study). This includes the eligible recipient's contribution to employment insurance and workers' compensation plans where applicable, health and medical insurance, group life insurance, and other</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Overtime pay</li> <li>• Bonuses/performance pay</li> <li>• Fringe benefits, such as sick days, maternity leave, parental leave, pension plan and any other fringe benefits not listed as eligible</li> <li>• Costs related to ongoing or other regular business activities and not specifically required for the study</li> <li>• Employee wages while receiving training or attending learning events</li> <li>• Professional membership fees or dues</li> <li>• Employee remuneration for which FCM has provided (or committed to provide) a grant or contribution</li> </ul>

Cost category	Eligible costs	Ineligible costs
	mandatory government benefits. <b>Note: For private (for-profit) entities only, the value of total staff remuneration cannot exceed 10 percent of the study's eligible costs.</b>	
<b>8) Supplies and materials</b>	Supplies and materials that are specifically needed to undertake the study.	Costs related to ongoing or other business activities that are not a specific requirement of the study.
<b>9) Transportation, shipping and courier charges</b>	Transportation expenses for delivery of materials and services essential to the study.	Transportation expenses related to ongoing or other business activities.
<b>10) Travel and accommodation</b>	Travel and accommodation expenses related to the study for the eligible recipient and consultants, to the extent that the travel and accommodation rates comply with Treasury Board of Canada guidelines and to the extent that the such travel is necessary to complete the study. This includes travel and accommodation costs to attend capacity-building activities organized by FCM for the RRF initiative.	<ul style="list-style-type: none"> <li>• Travel, accommodation and fees to attend conferences, missions, trade shows, etc.</li> <li>• Travel and associated expenses of a partner in the study.</li> </ul>
<b>11) Taxes</b>	The portion of taxes for which your organization is not otherwise eligible for rebate.	The portion of taxes for which your organization is eligible for rebate (provincial, territorial, or federal).
<b>12) In-kind</b>	Lead applicants may include staff time costs for time worked on the implementation of the study, listing this as "staff remuneration."  See #7, Staff Remuneration, above.	Any goods and services that are received through donation or in-kind.
<b>13) Training</b>	<ul style="list-style-type: none"> <li>• Staff training necessary for the design and implementation of the study.</li> <li>• Costs associated with market building activities such as renovation contractor training, workforce skills development and energy advisor training.</li> </ul>	Hospitality costs (unless they are necessary for cultural protocols), such as: <ul style="list-style-type: none"> <li>• Alcohol</li> <li>• Door prizes</li> <li>• Entertainment</li> <li>• Decorations, flowers, etc.</li> </ul>

## 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: [study 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 program design study.

As part of the application process, FCM requires Lead Applicants to supply evidence of consultation with the [provincial/territorial] government about the study, 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 program design study application: [study 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 program design study and for which funding is requested from the Green Municipal Fund.

Yours sincerely,

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



## Appendix D Eligible and ineligible measures

The tables below provide examples of measures that may be deemed eligible or ineligible for local residential resilience financing programs. This is a sample list and offered as a guideline.

Select measures have been deemed ineligible under the RRF initiative due to insufficient risk mitigation performance, the risk of maladaptation or legislative requirements pertinent to non-affixed measures. Programs may also identify additional ineligible measures.

Non-affixed measures (marked by \*) that support resilience outcomes may be eligible via rebates or grants when tied to financing of eligible measures.

Measure category	Measures that may be eligible	Measures ineligible for funding under RRF
<b>Roof</b>	<ul style="list-style-type: none"> <li>Laminated architectural asphalt shingles, white (cool) shingles, rubber, metal, green roofs, concrete tiles, clay tiles</li> <li>Underlayment</li> <li>Hurricane clips or attachment strengthening</li> <li>Soffit fireproofing</li> <li>Spark arrestor screens</li> </ul>	<ul style="list-style-type: none"> <li>Industry standard asphalt shingles</li> </ul>
<b>Exterior walls and siding</b>	<ul style="list-style-type: none"> <li>Aluminum, fibre cement board, cementitious stucco, steel, brick</li> <li>In low wildfire risk areas: Wood composite, insulated vinyl</li> <li>Wall sheathing</li> <li>Insulation</li> </ul>	<ul style="list-style-type: none"> <li>Industry standard vinyl siding</li> </ul>
<b>Windows</b>	<ul style="list-style-type: none"> <li>Impact-resistant windows</li> <li>Window films</li> <li>Window shutters</li> </ul>	<ul style="list-style-type: none"> <li>Non-impact-resistant glass</li> </ul>
<b>Doors</b>	<ul style="list-style-type: none"> <li>Impact- and fire-resistant doors</li> <li>Door sealing</li> <li>Storm-resistant garage doors</li> </ul>	
<b>Landscaping and yard</b>	<ul style="list-style-type: none"> <li>Yard grading correction</li> <li>Fire-resistant deck and deck enclosure</li> <li>FireSmart-aligned perimeter hardscaping</li> <li>Coastal living shorelines restoration</li> <li>Vegetative coastal wave buffers</li> </ul>	<ul style="list-style-type: none"> <li>Hardscaping and shoreline protection along streams and rivers</li> <li>Coastal riprap and revetments</li> <li>Outdoor water fixtures*</li> <li>Secured storage*</li> </ul>
<b>Water management</b>	<ul style="list-style-type: none"> <li>Downspout disconnection</li> <li>Sump pump with battery backup</li> <li>Backup sump pump</li> <li>Sump pit</li> <li>Water drainage system</li> </ul>	<ul style="list-style-type: none"> <li>Aerators and faucets*</li> <li>Temporary flood barriers</li> </ul>

	<ul style="list-style-type: none"> <li>• Backwater valve</li> <li>• Weeping tile disconnection</li> <li>• Indoor waterproofing</li> <li>• Window well covers</li> <li>• Envelope sealing</li> <li>• Foundation sealing</li> <li>• Foundation elevation</li> <li>• Permeable pavement</li> <li>• Water efficient toilets</li> <li>• Water cistern</li> <li>• Greywater system</li> <li>• Tankless water heater</li> </ul>	
<b>Ventilation and cooling</b>	<ul style="list-style-type: none"> <li>• HVAC air purifier</li> <li>• Demand controlled ventilation</li> <li>• Heat pump</li> <li>• HVAC elevation or enclosure</li> </ul>	<ul style="list-style-type: none"> <li>• HVAC filters</li> </ul>
<b>Electrical systems</b>	<ul style="list-style-type: none"> <li>• Elevation of electrical systems</li> <li>• Waterproof enclosure of electrical equipment</li> <li>• Installation of battery backup power</li> </ul>	<ul style="list-style-type: none"> <li>• Solar panel installation</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>• Water-resistant basement materials</li> </ul>	<ul style="list-style-type: none"> <li>• Fire or carbon monoxide detectors*</li> </ul>

## Appendix E Build Back Better program mechanism proposal

The PACE model for retrofits relies on a proactive approach, whereby homeowners apply to a program and, following an assessment, have a contractor install approved measures. GMF's RRF initiative expands the scope of municipally delivered programs, giving homeowners opportunities to improve energy performance and reduce losses from climate hazard events.

While proactive retrofits following this model introduce significant new opportunities for homeowners to access financing for climate-proofing measures, RRF explores and supports a potential new model to support post-loss build back better financing.

Following consultations with members of the insurance industry, the proposed model builds on insurance processes as a potential avenue for expansion of a proactive retrofit approach.

Typically, an insured loss event follows the following process:

1. A hazard event (flood, fire, hail) event occurs, causing damage.
2. The policyholder informs the insuring organization.
3. The insurer deploys emergency cleaning services, where required (e.g., drainage of sewage water, mould prevention, removal of fire-damaged materials).
4. The insurance adjuster inspects the property to evaluate damage, estimate repair costs, and determine coverage eligibility based on the policy. The insurance company calculates the payout based on policy terms and a settlement offer is made.
5. Restoration services (sometimes using company-owned contractors prescribed by the insurer, sometimes contractors in an approved network, and sometimes using unknown contractors who must submit quotes for approval) repair the home as per the settlement offer, which typically requires a like-for-like replacement. Contractor invoices are sent to the insurer.
6. The insurer closes the claim and may adjust the policy based on the event.

A proposed model would integrate residential resilience financing into the PACE model beginning with Step 4.

This model, where retrofits would be allowed in a post-loss scenario involving the insurance industry, requires pre-emptive agreements between the municipality operating the retrofit program and insurers offering policies in the community. A negotiated agreement would permit insurance adjusters to include recommendations for incremental improvements in materials or restoration works, informing the policyholder that financing is available through the municipality for improvements beyond what is covered in the policy. The adjuster would be empowered by the municipality to approve and/or submit an application for expedited approval (with details to be determined in consultation between the insurers and the delivering municipality) that would bind the homeowner to repaying the municipality.

The incremental resilience work would then be undertaken by the contractor with approval from the insurer, taking advantage of a streamlined process that would not require multiple installations. Contractor bills would be paid by the insurer, who would then invoice the municipality for the incremental costs above policy coverage. Municipal costs would be recouped through the PACE mechanism.

Here are two examples of how the mechanism could work:

- A severe storm with large hail causes extensive damage to an asphalt roof, requiring replacement. Insurance policy coverage would allow for a like-for-like replacement. Incremental costs covered by the municipal PACE program could include the installation of stronger roof attachments to prevent uplift damage, and a metal roof instead of asphalt.
- Intense precipitation causes sewer backup into a basement. Incremental costs covered by the municipal PACE program could include the installation of a sump pump with battery backup, backflow valve and water -resistant flooring and paneling.

In both cases, while material costs would be higher, leveraging existing operational work reduces costs, and may prevent cost increase during the policy adjustment phase and/or work to maintain insurability, due to incremental work leaving the home better prepared for damage during future events.

RRF program design studies can fund consultation and costs associated with the development of this model, or of comparable Build Back Better mechanisms that provide expedited support following a loss.

## Appendix F Glossary of key terms

Term	Definition
<b>Anti-racism</b>	An active process of identifying, challenging and changing the values, structures, policies and behaviours that perpetuate systemic racism and inequality. This involves recognizing the existence of racism in all forms—individual, institutional and structural—and taking deliberate action to oppose and dismantle it, while promoting equity, justice and inclusion for all racialized groups.
<b>Build Back Better</b>	The process of post-disaster recovery and reconstruction that not only restores what was lost, but also strengthens the resilience of communities, infrastructure and ecosystems to future climate risks. Build Back Better emphasizes the integration of adaptive measures, sustainable development principles, and social equity to reduce vulnerability and enhance long-term climate resilience.
<b>Climate hazard</b>	A potentially harmful physical event, trend, or impact directly or indirectly related to climate variability or climate change. This includes extreme weather events (e.g., floods, heatwaves, hurricanes) and slow-onset changes (e.g., sea-level rise, drought, permafrost thaw) that pose risks to human health, ecosystems, infrastructure, and economies.
<b>Climate hazard assessment</b>	A process of identifying and evaluating the potential effects of climate change on a local government. This process employs climate models, geospatial analysis, and historical data to identify, quantify, and map climate-related hazards. This assessment evaluates the frequency, magnitude, and projected changes of hazards such as flooding, wildfires, droughts, and extreme temperatures. The results inform infrastructure planning, risk mitigation strategies, and resilience-building efforts.
<b>Climate resilience</b>	The capacity of communities, ecosystems and systems to anticipate, prepare for, respond to and recover from the impacts of climate change in ways that preserve their essential functions, identity and structure. Climate resilience involves reducing vulnerabilities, adapting to changing conditions, and enhancing the ability to absorb and recover from climate-related shocks and stresses.
<b>Community well-being</b>	The overall quality of life experienced by individuals within a community, encompassing factors such as health, safety, economic stability, social connections, access to services and environmental quality. Community well-being includes positive outcomes that improve local well-being, such as social inclusion, better public health outcomes, job creation, support for local businesses and environmental improvements, all aimed at addressing community needs and enhancing quality of life.

<b>Equity</b>	A principle and process that promotes fair conditions so all people can fully participate in society. In contrast with equality, equity recognizes that all people have the right to be treated equally; however, all people do not experience equal access to resources, opportunities or benefits. Equity-based activities or strategies address specific needs, barriers and accommodations to ensure all people have equal access and opportunity to participate in all aspects of society and its benefits. Equity is the process of analyzing and addressing unfair systems and practices toward the creation of equal outcomes.
<b>Equity-deserving group</b>	A group of people who, because of systemic discrimination, face barriers that prevent them from having the same access to the resources and opportunities available to other members of society, and that are necessary for attaining just outcomes. These groups are often underrepresented in decision-making processes. This phrase can refer to Indigenous peoples, newcomers to Canada, non-binary persons, people who are a part of the LGBTQ2+ communities, people living with disabilities, people living with medical conditions, people with low income, racialized persons, religious minority groups, the elderly, children and women.
<b>Geographic area</b>	With regard to the RRF initiative, geographic area means only the geographic area where the climate-change-related risk reduction interventions will be implemented by the program.
<b>Inclusion</b>	A feeling of being welcome or having a sense of belonging, with the capacity to engage and succeed in any environment. Inclusion can also refer to recognizing, reducing and removing barriers to belonging and true participation. It is an active, intentional and continuous process to address inequities in power and privilege and build a respectful and diverse community that ensures welcoming spaces and opportunities to flourish for all.
<b>Inclusive engagement</b>	Entails identifying and engaging with equity-deserving groups that have an interest in the program, reducing barriers to participation, empowering diverse groups to be part of decision-making, and building relationships and connections.
<b>Indigenous communities</b>	A status granted by a province or territory through an act or regulation that designates a community as a municipality or an Indigenous community (which includes First Nations, Metis, and Inuit) that is undertaking in partnership with municipal government an eligible project, or has a shared service agreement for any purpose with a municipal government related to municipal infrastructure, climate change or adaptation.
<b>Meaningful engagement</b>	An intentional process undertaken with the purpose of working in inclusive and respectful ways with all stakeholders and rights holders to shape decisions, actions, impacts or change.
<b>Newcomers to Canada</b>	A self-identified group that may include people who have obtained landed immigrant status, refugee status or permanent resident status up to five years prior to a given census year.

<b>People living with disabilities</b>	People who have a long-term or recurring physical, mental, psychiatric, intellectual or sensory impairment that, in interaction with various attitudinal and environmental barriers, hinders their full and effective participation in society on an equal basis with others. This is a self-identified status and does not require an external or formal recognition of disability.
<b>People with low income</b>	Individuals that earn significantly less than the median income level in their area, placing them at an economic disadvantage compared to the general population. People with low income often face barriers to accessing essential services like healthcare, education and housing, which can perpetuate cycles of poverty and social exclusion.
<b>Racialized persons</b>	A person or group of people categorized according to ethnic or racial characteristics and subjected to discrimination on that basis.
<b>Reconciliation</b>	The process of repairing and strengthening relationships between Indigenous and non-Indigenous communities, reconciliation addresses historical injustices while encouraging communities to come together towards a shared future. At the heart of reconciliation lies the commitment to fostering a nation-to-nation relationship. This entails recognizing Indigenous communities as equal partners, respecting their sovereignty, and engaging in meaningful consultation and collaboration. It is imperative that reconciliation in the local government setting is viewed through an Indigenous lens. This entails recognizing and respecting the values, traditions and governance systems of Indigenous peoples, and actively incorporating these elements into municipal projects and policies. Adopting this approach enables local governments to not only contribute to the broader national efforts toward reconciliation but also to enrich the inclusivity and efficacy of their projects.
<b>Resilient</b>	The ability of a system, community or asset exposed to hazards to resist, absorb, accommodate, adapt to, transform and recover from the effects of that hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions through risk management.
<b>Rights holders</b>	In Canada, Indigenous peoples have constitutionally protected rights. This means there is a duty to consult Indigenous peoples, as rights holders, in Canada (e.g., in resource development projects).
<b>Stakeholder</b>	An individual or group that is concerned about a particular issue and/or who holds legal or de facto rights to manage or make decisions about it.