



June 6, 2012

Dear, Chair of the Economic Development Committee

**RE: Proposed Energy and Water Efficiency Initiative for the Residential Sector**

On May 16, 2012 the Ministry of Municipal Affairs and Housing (MMAH) publicly posted a proposal to amend the Local Improvement Charges regulations under the Municipal Act, 2001 (O.Reg. 586/06) and the City of Toronto Act, 2006 (O.Reg. 596/06) (the proposal can be viewed at:

<http://www.ontariocanada.com/registry/view.do?postingId=6982&language=en>).

These proposed changes have been made in response to requests made by municipal governments, NGOs, unions and business leaders over the past few years. Once these regulatory changes take effect, municipal governments will be able to offer property owners a cost-effective means of financing energy and water efficiency retrofits to their property through a self-sustaining debt program.

I believe a well designed initiative that supports residents in implementing energy and water efficiency measures will:

- Create opportunities for additional economic activity within the City by generating new employment opportunities;
- Help Toronto residents save money on their utility bills that can be invested here in Toronto;
- Reduce capital costs for the utility companies as they continue to grow and maintain their infrastructure to meet growing demands associated with an ever-expanding Toronto;
- Reduce local sources of air pollution to improve local air quality and, in turn, help address health issues such as asthma;
- Reduce local greenhouse gas emissions; and
- Help achieve Council's stated emission reduction and energy conservation targets from the Climate Change Action Plan and the Sustainable Energy Strategy.
- Provide a program at, or near, zero net cost to city.

I know this, because such results already are occurring in municipalities across Canada, the United States and Europe and have been identified as possible here in Toronto. For example, the City's Home Energy Assistance Toronto program that concluded in April 2011 assisted 21,500 homeowners in making their property more energy efficient and by doing so created an estimated 175 person years of employment and resulted in an estimated reduction of 5,700 tonnes of greenhouse gases. Research prepared as part of the Tower Renewal initiative has documented that retrofitting the targeted 1,000 high rise buildings can generate in the order of 30,000 person years of employment while helping renew communities, reduce energy consumption and emissions.

Therefore, I ask that the Economic Development Committee request the City Manager, in consultation with the Chief Corporate Officer, the Director of the Toronto Environment Office, the Director of the Tower Renewal Office, the City Solicitor, the Chief Building Official, the Toronto Atmospheric Fund, the General Manager of Economic Development and Culture and the Director of Corporate Finance to prepare for the Executive Committee meeting in October, 2012 a report outlining a proposal for a pilot energy and (potentially) water efficiency program for residential property owners to be delivered in at least four distinct residential neighbourhoods (one per Community Council district) that:

1. Identifies the energy efficiency retrofit measures that will achieve optimal economic and environmental impact and therefore will be the key energy efficiency retrofit measures that will qualify under this program;
2. Uses the features of the Province's and the City's new Local Improvement Charge regulations (assuming it is adopted by cabinet in substantially the same form as has been publicly posted for comment) to provide self-sustaining, low cost financing that links repayment to the property being improved;
3. Establishes a financing repayment approach that is guided by the principle of allowing residents to repay the amount utilizing annual financial savings achieved through the energy and water efficiency retrofits;
4. Makes it simple and easy for property owners to participate in this program;
5. Generates local employment opportunities and potentially creates job training and development opportunities for select at risk populations;
6. Seeks to source, wherever permitted and feasible, locally produced products, goods and services;
7. Seeks to pre-qualify energy evaluators and contractors.

8. Engages and collaborates with key external parties, in particular Toronto Hydro, Enbridge Gas, and the Ontario Power Authority; and
9. Provides a business case and full cost assessment of the financial, economic, environmental and social costs and benefits of the proposed program.

I thank you for your consideration of this item and look forward to working with you on exploring the opportunities created by the Province's proposed changes to its Local Improvement Charges regulations to help residents save money, create employment and reduce emissions that cause air pollution.

Sincerely,



Mike Layton  
Toronto City Councillor  
Ward 19, Trinity-Spadina

**Signed on to letter:**

Toronto Real Estate Board  
Toronto Board of Trade  
Central Ontario Building Trades  
Sustainable Alternatives Consulting  
Environmental Defence Canada  
Samas Capital  
Toronto Environmental Alliance  
Toronto and York Region Labour Council  
Green Saver  
Project Neutral  
Leap Frog Sustainability  
Sustainable Housing Foundation  
Community Partners Group & CU Consulting Group

