

# Submitted by: Heather Marshall EX11.2.1



**Date:** December 10, 2019

**To:** Executive Committee

**Re:** EX11.2 2020 Rate Supported Budgets - 2020 Water and Wastewater Consumption Rates and Service Fees

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Dear Members of the Executive Committee,

My name is Heather Marshall and I represent the Toronto Environmental Alliance, a non-profit organization with over 30 years of experience engaging in urban environmental policy and tens of thousands of supporters across Toronto. We are committed to building a greener city for all, and we hope you are too! I deputized at Budget Committee on Nov. 25th and am including my remarks below.

In early October, Council unanimously declared a climate emergency and committed to applying a climate lens to all decision making (including budgets), explore dedicated financing mechanisms to pay for climate solutions, and find ways to accelerate the work needed to reduce emissions and increase resiliency.

Given the major floods our city has experienced in recent years and the extreme weather in our forecast, our city has a big job ahead to climate proof all of our existing infrastructure and Toronto Water plays a significant role.

**In this year's budget, you will have multiple opportunities in front of you to accelerate climate action.** Toronto Water's proposal to consult with key stakeholders on stormwater pricing is worth your attention and your support. Here's 5 reasons why:

- 1) **The costs for flood protection and prevention as well as stormwater management are rising, but individual consumption of water is declining (thanks to water efficiency).** Relying on continued water rate increases to pay for stormwater costs is no longer viable nor is it a transparent financing mechanism. How much water you consume has no relation to how much stormwater you create. Separating the stormwater charge from the water rate would significantly reduce the cost of drinking water in Toronto instead of lead to further price hikes.
- 2) **The way stormwater management is currently paid for is unfair.** Some large stormwater contributors (such as parking lots) are paying nothing at all while some large water users with small footprints (such as beverage manufacturers and high-rise buildings) are paying far more than their fair share. A stormwater charge would be based on the size of the property and how much hard surface area they have.
- 3) **Properties are not aware of their contribution to stormwater and potential flooding impacts.** According to an earlier Toronto Water study, these large properties only represent 1% of all

the properties in Toronto, yet they represent over 40% of the hard surface area. Assessing and charging properties based on how much stormwater is generated on their property will create an accountability mechanism that can lead to transformative change.

- 4) **Large properties with a lot of hard surface area currently have no incentive to adopt solutions.** Stormwater pricing can create financial incentives to manage rainwater onsite by offering financial credits on their stormwater bill if substantial reductions are achieved.
  
- 5) **Stormwater pricing can motivate properties to sustainably manage rainwater onsite through various green technologies and natural infrastructure solutions, which offer multiple benefits.** Green technologies like permeable paving can reduce runoff while rainwater collection systems can reduce the amount of water purchased from the City. A community hub in Bathurst-Finch uses rain they collect from the roof to water their community garden. Building natural (or green) infrastructure such as green roofs, urban forests and bioswales can provide additional benefits such as energy savings, pollinator habitat, pollution prevention, and recreational space. To ensure that cost is not an immediate barrier to adopting green infrastructure, financial programs such as grants or loans should be considered.

TEA strongly supports Toronto Water's proposal to consult on the introduction of stormwater pricing. We believe the scope of this consultation should be extended to all industrial and commercial stakeholders and include various financing programs to incentivize the uptake of climate friendly solutions such as green infrastructure. By completing this consultation in time for the 2021 Budget, Toronto City Council can stick to their commitment to pursue dedicated financial tools for climate action next year.