



Marilyn Toft, Council Secretariat
12th floor, West Tower, City Hall
100 Queen Street West
Toronto, ON M5H 2N2
email: councilmeeting@toronto.ca

Re: Support for strengthened incentives for Toronto Green Standard

Dear Council members:

Efficiency Canada is the national voice for an energy efficient economy. We envision a future where Canada uses energy efficiency to its fullest potential. This means maximizing the benefits of energy efficiency resulting in a sustainable environment, a productive economy, and a just and equitable society.

We are well-positioned to observe how leading municipalities like the City of Toronto are leveraging green development standards to enhance livability and affordability for their residents, build the resilience necessary to adapt to a changing climate, and realize the social and economic benefits of better performing buildings. From this position, we have three recommendations that will help the City continue to demonstrate leadership in its journey to net-zero emissions:

- 1. We urge Council to adopt the recommendations within the June 28, 2022 Report from the Chief Financial Officer and Treasurer, and Chief Planner and Executive Director, City Planning**
- 2. We recommend increasing development charge refund incentives for Tier 2 of the TGS V4 to offset the widely acknowledged inflation of construction costs and encourage greater uptake.**
- 3. We recommend implementing development charge refund incentives for Tier 3 of TGS V4 to encourage the development community to demonstrate that they have the ability and capacity to construct high performance new buildings.**

[The Toronto Green Standards bring immediate benefits](#)

As Toronto responds to the [affordable housing crisis](#), we need tools like TGS V4 to ensure owners and occupants of new buildings benefit from greater comfort, healthier indoor environments, as well as energy related savings for the life of the building. Advanced building performance measures like the TGS safeguard building owners and homeowners against higher operational costs, structural issues related to moisture, and other issues affecting occupant comfort and health. Moreover, TGS ensures that those who actually use the buildings are not stuck with higher cost and lower quality buildings that will be difficult and costly to retrofit in the coming years.

To encourage greater participation in TGS V4 Tier 2, we recommend increasing the development charge (DC) refund incentives for this tier to reflect ongoing inflationary pressures on construction costs.



Encourage excellence today and prepare for tomorrow

An increase in the TGS incentive structure will immediately encourage the development community to construct new buildings to the upper tiers of the TGS. In doing so, industry will have the opportunity to demonstrate their ability to construct long-standing, high performance buildings that serve the needs of Toronto's businesses and residents for decades to come.

To encourage excellence in new construction standards today and set the path for increased building performance in the future, we recommend introducing DC refund incentives for Tier 3 of TGS V4.

Increased DC refund incentives to embrace the upper tiers of the TGS set the stage for higher levels of building performance tomorrow. In the coming decades, the City of Toronto is expected to undergo rapid increases in development activity. To better harness this unique city-building opportunity, TGS incentives must be better aligned with the long-term timelines of the development industry.

An act of municipal leadership

Mandatory Green Development Standards are amongst the most powerful climate action communities can take to achieve a healthy, net-zero future and a significant step towards acting on TransformTO.

Buildings are responsible for 59% of Toronto's carbon emissions and it is crucial to get emissions from new construction under control and avoid locking in high energy, high emissions buildings for decades to come. Green Development Standards are the best tool to ensure each new building constructed is healthy, resilient, efficient and an enduring asset to the community.

Led by leaders such as the City of Toronto, Green Development Standards have become an important hallmark of the responsible, future-focused development and a much-needed act of municipal leadership.

We would be pleased to discuss further how the Toronto Green Standard has, and will continue to, generate employment in the clean-energy economy, stimulate innovative clean technology and help the buildings sector demonstrate the City of Toronto's leadership in Canada's transition to a low-carbon future.

Sincerely,

Kevin Lockhart
Efficient Buildings Lead, Efficiency Canada

cc:

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- Councillor Brad Bradford, councillor_bradford@toronto.ca
- Councillor Paula Fletcher, councillor_fletcher@toronto.ca
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