

Afternoon Comments Tim

Let me add my thanks to all of you who have responded so generously today with your time.

This afternoon we will build on the work this morning and yes we are going to ask you to do a little more work which will be more fun than listening to another speech

I will keep this brief

This morning we have heard from -

Graeme: The opportunity in the Towers is real – they are Toronto gems and a core part of our fabric – which with care and feeding should last 200 years or more – We heard about over cladding – when designed and completed properly over cladding can create an attractive and highly versatile and energy efficient barrier – savings of 25% and up and adding to the longevity of the building.

Derek: There are many proven engineering examples of how to and what can be achieved 25% is almost a minimum – find and hire an independent experienced project manager. Use a bundle of measures – fixing the low hanging fruit only creates more work later in the short and medium terms

Mary: The split incentive that arises from sub metering reduces the incentive for the landlord to retrofit buildings. We are left with many questions - is sub metering going to achieve the goals of conservation and protection of tenant interests? What ways could the new potential act to be modified to create new incentives to landlords to retrofit?

Michael: Partner with the ‘stakeholders’ and create workable incentives (deeper you go the more you get paid – KISS) Incentives work. They send all the right messages and directly impact decisions made by business owners to retrofit and that: Prescriptives work too!

This afternoon you will learn from

Nestor: Working with the BBP can ensure a much smoother project and the independence provided by the BBP will also create confidence in the estimates. The knowledge base owned by the City can be a vital and instrumental part of and owner’s decision. Incentives exits and more are coming!

Also ---

GTAA: Recently I attended the seminar run by the GTAA and Brad Butt (CEO) That seminar was very complimentary to ours and created a highly useful

seminar that provide many whys and many “how to’s”. The core message “it can be done – and it is all real. I think Gloria Solomon the Chair of the GTAA (who is here today) would support those comments.

SO Why is TAF committed to Tower Wise?

Size of the opportunity -the opportunity for leadership, acceleration of market transformation and reduction of GHG is highly significant in an absolute sense

As you have heard today the City inventory indicates 25% of all GHG’s come from the residential sector – the high – rise sector represents 40% - 44% of the green house gas emissions in the residential sector in the City of Toronto.

Dwellership: 450,000 units – Over a million in the province residence – not a small number – large influence and impact on results

Both the high rise sector and the condominium sector have been slow to move to energy efficient measures So let’s consider

- 1) The business case can be made
 - a) Condominiums built in the past 2 years can be RETROFITTED! and achieve a 25% reduction in energy costs by using standard measures (not untested “Star Trek Approaches”
 - b) New condos can achieve 40% better results than Model National Energy Code and some are trying to achieve 50% or even greater
 - c) High-rise rental buildings can achieve a 25 to 50% reductions

At 25% alone that is a potential total of xxx (to be calculated)

That creates the “Green Dollar” – dollars that pay for capital costs from something that goes away – that being energy costs – look at high rise rentals as an example

- d) The capital investment produces immediate cash flow – how many capital investments pay for themselves? – And no rent increase – creating a competitive building in a changing market place - Paybacks are well within acceptable limits

And then there is the value factor

- e) The value of a 100,000 in new annual cash flow can add \$1,000,000 to the value of a building (without raising rents)
- f) On top of that ROI 220% on a \$500 investment

What is stopping the sector? Combination of issues – may of which you have or heard or will hear today – here are some highlights:

- 1) Confidence in the information that guarantees ‘green dollars’
- 2) Time and effort by owners, employees and volunteers
- 3) The present condo act – needs changes to allow lenders to have a comfort level in the new build sector (ACT – see Cliff)
- 4) Cheap energy in a total sense (30 dollars a month – goes to 35 – not a big deal – 1 and 1 ½ cups of coffee at Starbucks per month and in a relative to total costs sense 30% of total operating costs and will do until prices are driven up. What if they were 22% - could the \$150,000 per year in savings
- 5) Split Incentives (the new sub metering is a “conservation measure” but is it structural prevention measure?) and fairness conflicts - who pays and who gets the benefits?
- 6) Trust factors – owners and renters
- 7) Building demographics - see Length of time in apartments/condos and add in the issues regarding the more mature generation and their caution levels
- 8) Financing availability – appraisals not recognizing the new value after investment and banks institutions unable to finance the retrofit as the value and cash flow cannot be counted
- 9) Lack of incentives
- 10) Bureaucracy, both at the government level and in “business”

So What Can the City do to help! Many things! But First the City will use the help that you have given today.

TAF’s Unique Position - Bring together core players who don’t always have the chance to interact in an open sharing forum that is co-operative and yet policy centered. We have one “axe to grind” the reduction of GH and noxious gases that are harming our environment and our health.

And that is why TAF has put this Forum together – our unique position of independent agent for climate change allows us to take your thoughts and ideas create a summary of recommendations and actions and information to the right areas of the City to accelerate the process of GHG reduction in the high-rise sector

So that is our commitment to you. We at TAF will create **a forum statement** that we will provide back to you and that we will take to key influential decision makers at the City of Toronto in a follow up meeting.

Thank you again please enjoy the rest of the day (and back to you Phil/Jeff)