

## **Supplementary Report - Water Users Consultation on Water Fees, Charges and Programs**

**Date:** July 12, 2021

**To:** City Council

**From:** General Manager, Toronto Water

**Wards:** All

### **SUMMARY**

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This supplementary report is in response to a request from the Infrastructure and Environment Committee at its meeting on July 5, 2021. It outlines possibilities for enhancements to the City of Toronto's communications with the public, residents and businesses, and communities regarding stormwater reduction, an incentive program related to stormwater reduction, and required timelines for Toronto Water to undertake public consultation for a city-wide review of a stormwater charge for all properties.

The report provides an overview of the City's current stormwater management information available to the public concerning stormwater reduction, and proposes possible enhancements to the City's future communication of such information including the development of new materials and links to stormwater management resources on City and external webpages, to supplement current communications materials.

This report also provides an overview of current and previous incentive programs offered by the City related to stormwater reduction. A summary of stormwater management incentive programs in other municipal jurisdictions is also provided in Attachment 1.

City staff estimate that 18 months will be required to complete a comprehensive city-wide review and public consultation on a stormwater charge and credits for all properties, which would be based on the stormwater charge consultation approach undertaken in 2016 and 2017. In addition to developing consultation materials and undertaking the consultation activities, this work would involve a review and update the 2017 stormwater charge and credits proposal based on current data which would necessitate the re-assessment of impervious area of properties across the city, updating the financial model and stormwater charge structure, and assessing cost impacts to different property classes and sizes, as well as updating costs for implementing a stormwater charge and credits program.

## FINANCIAL IMPACT

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There are no financial implications associated with this report.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

## DECISION HISTORY

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At its meeting on July 5, 2021, the Infrastructure and Environment Committee adopted the recommendations, as amended, in the report "Water Users Consultation on Water Fees, Charges and Programs" dated June 21, 2021 and requested the General Manager, Toronto Water to provide a supplemental report prior to the July 14, 2021 City Council meeting, outlining:

- possibilities for an enhanced information campaign regarding stormwater reduction;
- possibilities for an incentives program related to stormwater reduction; and,
- required timelines for public consultation for city-wide (all properties, including charge for residents, commercial and industrial) review for stormwater charge.
- Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.IE23.6>

At its meeting on September 21 and 22, 2011, City Council adopted the recommendations in the report "Wet Weather Flow Master Plan and Basement Flooding Protection Program Update" and authorized the discontinuance, effective 2012, of the Community Program for Stormwater Management and the funds in the amount of \$250,000 be redirected to support the development and dissemination of public education and communication program to inform homeowners and contractors about:

- climate change impacts, associated with intense storms, related to basement flooding;
- the importance of downspout disconnection and "home isolation" consisting of the installation of sewer backwater valves and the capping off of storm sewer laterals with the installation of a sump pump to help prevent basement flooding;
- the importance of other lot level controls (e.g. proper lot grading); and,
- the City's Basement Flooding Protection Subsidy Program.

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.PW7.6>

## COMMENTS

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### Stormwater Management Communications

Public education and outreach on wet weather flow management issues, programs, and projects is an important component of the City's Wet Weather Flow Master Plan (WWFMP), adopted by City Council in 2003.

Toronto Water uses a multi-faceted approach to increase public awareness and understanding of stormwater impacts on the environment, City infrastructure, private

property and to encourage the public to take actions that can help to reduce the impacts of stormwater.

Since the adoption of the WWFMP, Toronto Water has worked with partners such as the Toronto and Region Conservation Authority (TRCA) to deliver community education and outreach initiatives and campaigns concerning stormwater management. As the City implemented new programs to help reduce flooding (e.g. Basement Flooding Protection Program, Basement Flooding Protection Subsidy Program, and Mandatory Downspout Disconnection Program) over the past 10 to 15 years, educational campaigns and outreach activities have focused on increasing awareness and understanding of extreme storms and urban flooding, the City's programs and projects to reduce flooding, and actions by the public to reduce flooding risks and to improve water quality.

Some recent public education and outreach efforts by Toronto Water on stormwater management include:

- **Multi-media advertising campaigns** (e.g., websites, videos, social media, radio and TTC advertisements, print ads, etc.) to raise awareness of the causes of basement flooding, what the City is doing to reduce flooding, City programs available to the public (e.g., Basement Flooding Protection Subsidy Program) and other tips to reduce flooding on private property;
- **Stormwater webpage on the City's website** that provides information on the WWFMP, the City's stormwater management programs and projects to improve water quality and reduce basement flooding, and tips for residents to manage rainfall on their property. The stormwater webpage is <https://www.toronto.ca/services-payments/water-environment/managing-rain-melted-snow/>;
- **Brochures, pamphlets and other publications** that are distributed to the public (e.g. Live Green e-newsletter, utility bill inserts, basement flooding information packages, etc.), and are made available at City and community events (e.g. Councillor Environment Days, Public Information Events for Toronto Water Basement Flooding studies, City festivals, etc.); and,
- **TRCA Community Engagement Initiatives**, e.g. in the Humber River watershed to raise awareness of green infrastructure and its benefits and for community initiatives including tree plantings, habitat enhancement and educational signage.

City divisions (Transportation Services, City Planning and Toronto Water) have worked in collaboration to develop and make available documents that provide technical guidance on how to incorporate green infrastructure on public and private property to reduce stormwater runoff. These guidance documents include:

- **Design Guidelines for 'Greening' Surface Parking Lots** - Released by City Planning in 2007 and updated in 2013, the Design Guidelines provide design strategies and measures for surface parking lots to help meet Official Plan policies and environmental performance targets of the Toronto Green Standard. Specific stormwater management guidance includes site grading to reduce stormwater flows, integration of trees and vegetation to absorb water, installation of permeable pavement and opportunities to harvest rainwater from rooftops and other hard

surface for landscape irrigation. This guidance document is available upon request by contacting [sustainablecity@toronto.ca](mailto:sustainablecity@toronto.ca);

- **Green Streets Technical Guidelines** - Released by City Planning in 2017, this document provides technical guidance about green street techniques, design and construction considerations, and maintenance and monitoring considerations to successfully implement green infrastructure in the City's right-of-way and address challenges such as tree impacts, infrastructure conflicts, limited space, the need to retrofit sites based on unique site conditions, etc. These Guidelines are available on the City's website at <https://www.toronto.ca/services-payments/streets-parking-transportation/enhancing-our-streets-and-public-realms/green-streets/>
- **Wet Weather Flow Management Guidelines (WWFMG)** – As part of the development approval process, the WWFMG set out stormwater management control targets for all new and redevelopment sites in the city including water balance, water quality, water quantity, among others. This document is available at <https://www.toronto.ca/wp-content/uploads/2017/11/9191-wwfm-guidelines-2006-AODA.pdf>

While the City already provides extensive communications about stormwater reduction, the following are some possible further enhancements that the City could explore:

- Development of web-based information and social media (tips and resources) on actions property owners can take to reduce stormwater on their properties (e.g. implementation of green infrastructure such as permeable pavement, bioswales, tree planting, etc.) to supplement current information on Managing Water Around the House at: <https://www.toronto.ca/services-payments/water-environment/your-water-pipes-meter/managing-water-around-the-house/>;
- Incorporation of stormwater reduction information on City webpages such as BetterHomesTO (<https://betterhomesto.ca/>) which is managed by the Environment and Energy Division; and,
- Addition of web links on the City's stormwater webpage to stormwater reduction information and resources made available through the TRCA (<https://trca.ca/conservation/#livingcity>) and other jurisdictions.

Toronto Water, working with Strategic Communications, will explore the possible enhancements above for implementation to supplement information currently made available to the public on actions residents, businesses and communities can take to reduce stormwater.

## Stormwater Management Incentives

Stormwater management incentive programs are offered by many municipalities across North America, which could be considered by the City for possible implementation. The main types of municipal stormwater incentive programs are as follows:

- **Stormwater charge credits** - provide a credit or reduction on a stormwater charge for property owners that implement stormwater management measures to reduce stormwater contributions to municipal sewer systems. Stormwater charge credits promote more sustainable stormwater management on private property by

incentivizing green infrastructure/low impact development solutions and other best practices in stormwater management;

- **Stormwater grants or rebates** - provide a grant or rebate to residents, businesses, not-for-profit organizations and community groups for the installation of green roofs, cisterns, rain gardens and other green infrastructure solutions to reduce stormwater runoff and support other environmental and community benefits;
- **Stormwater management financing** - provide low-interest and/or long-term loans to property owners to assist in the implementation of stormwater management solutions on their properties;
- **Stormwater incentives for development** - incentives offered to developers during the process of applying for development permits if they incorporate more sustainable site design and green infrastructure. Typical incentives include expedited permitting, reduced permit fees, and increases in floor area ratios; and,
- **Awards and recognition programs** - showcase exemplary stormwater management projects for companies that have implemented sustainable practices on their properties.

Examples of stormwater management incentive programs in North American municipalities are provided in Attachment 1.

Many municipalities in Canada and the United States with a stormwater charge, offer a stormwater charge credit, which is an important element of a stormwater charge to incentivize improved stormwater management practices on private property.

Many municipalities, particularly in the United States, offer stormwater management grants or rebates to reduce stormwater and improve stormwater quality on private property. These programs require a dedicated funding source (e.g., revenue from the water rate or a stormwater charge) and the development of a program with staff resources to administer the program (e.g. review applications, grant issuance, respond to enquiries, etc.). Some of these programs include an inspections component and a few require agreements with property owners to ensure stormwater management infrastructure is properly installed and maintained.

Toronto Water provided grants to non-profit groups and organizations through the Community Program for Stormwater Management (CPSWM) from 2004 to 2011, which was delivered in partnership with TRCA and then the Toronto Environment Office. The purpose of the CPSWM was to provide grants to non-profit groups and organizations to help promote the principles of the Wet Weather Flow Master Plan (WWFMP) and community projects to help improve the city's river, stream and lake water quality by reducing the negative effects of stormwater runoff.

Toronto City Council allocated \$250,000 each year for the CPSWM. Project applications ranged from \$1,000 to \$25,000. Grants were awarded for projects that included creating educational websites, the creation of brochures and information kits in multiple languages, planting of trees and native plants, the naturalization of hard surface school yards, and the installation of green roofs and rainwater collection systems.

City Council authorized the discontinuation of the CPSWM, effective in 2012, and the funds were redirected to support the development and dissemination of public education and communication program to inform homeowners about:

- stormwater impacts related to basement flooding associated with intense storms;
- the importance of downspout disconnection and “home isolation” consisting of the installation of sewer backwater valves and the capping off of storm sewer laterals with the installation of a sump pump to help prevent basement flooding;
- the importance of other lot level controls (e.g. proper lot grading); and,
- the City’s Basement Flooding Protection Subsidy Program.

Other stormwater management incentive programs including financing, development incentives, and awards and recognition program are offered by a few U.S. municipalities. Many financing and awards and recognition programs have been discontinued in the past decade as municipalities have implemented a stormwater charge and credits program.

### **Public Consultation on a City-wide Review of a Stormwater Charge for all Properties**

In 2016 and 2017, Toronto Water, with the City's Public Consultation Unit, led an extensive consultation on a stormwater charge for all properties. The consultation process involved two rounds of consultation with residents and residents' associations and over 50 stakeholder groups including commercial and industrial businesses and business improvement areas, institutional properties, not-for-profit environmental organizations, consultants and other interested parties.

The stormwater charge consultation notification activities included e-mails to stakeholders, advertisements in local newspapers, social media postings, and post cards advising of the consultation and directing the public to the stormwater charge consultation webpage on the City's website. Consultation activities included open houses in communities across the city, in person pop-ups at community events, focus groups, and a city-wide survey.

These above activities were important to raise awareness and understanding of a stormwater charge and why the City was consulting on the topic, and to present and receive feedback on how to structure the stormwater charge and the cost impacts/shifts to properties in different classes and of different sizes. The consultation also presented and received feedback on stormwater incentives through a stormwater charge credit for large properties (greater than 1 hectare in size). While there was a diversity of perspectives on a stormwater charge in 2016 and 2017, the consultation process was well received by participants.

If directed by City Council to undertake consultation on a stormwater charge and credits program for all properties, Toronto Water staff recommend that a comprehensive communications and consultation approach similar to the stormwater charge consultation in 2016 and 2017 be undertaken. Staff estimate it would take 18 months to undertake of the stormwater charge consultation and would involve the review and update the stormwater charge considered by City Council in 2017. The stormwater consultation would be undertaken in conjunction with the Administrative Water Charge

consultation, if this recommendation is adopted by City Council at its meeting on July 14, 2021. The estimated time to complete the consultation and the types of consultation activities that would be undertaken (e.g. in-person open houses or virtual consultation events) may be impacted by the Covid-19 pandemic.

The stormwater charge consultation and review would also require updated technical and financial analysis by Toronto Water working with the Office of the Controller and other City divisions to update the financial model and stormwater charge structure, explore the potential phasing in of a stormwater charge, determine cost impacts/shifts to different property classes and sizes, and update costs to implement a stormwater charge and credits program. There may also be a need to procure consultant services to, for instance, advise on and apply advanced GIS technologies, which were not available in 2017, and to undertake the impervious area assessment for individual properties across the city. If consultant services and/or additional staff resources are determined to be required, funding would be requested through the 2022 Budget process.

## **CONTACT**

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## **SIGNATURE**

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Lou Di Gironimo  
General Manager, Toronto Water

## **ATTACHMENTS**

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Attachment 1: Stormwater Management Incentive Programs in Municipal Jurisdictions