

From: [Catherine Marshall](#)
To: [Infrastructure and Environment](#); [Mayor Chow](#)
Cc: [Amber Morley](#)
Subject: [External Sender] Re: IE26.3 - TransformTO Net Zero Strategy: Action Plan (2026-2030)
Date: December 1, 2025 10:03:40 AM
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Infrastructure and Environment Committee
City of Toronto
100 Queen St W
Toronto, ON
December 4, 2025

RE: IE26.3 - TransformTO Net Zero Strategy: Action Plan (2026-2030)

To: Mayor Chow and Members of the Infrastructure and Environment Committee,

I am writing on behalf of RealAlts, a Toronto-based real estate investment consultancy that is experienced in working with building owners on sustainability, including complying with New York City's Building Emissions Performance Standards (BEPS). Based on this experience, I urge you to move forward on Toronto BEPS.

What is critically important for you to know is that there are many **low-to-no cost options offered by experts to decarbonize buildings** due to the growth of Canada's sustainable finance industry. In fact, **Toronto has the power to further enhance building owners' sustainable finance options** by supporting BEPS with a new Commercial PACE program here.

Decarbonizing leads to energy efficiency. When supported by sustainable financing, this makes buildings more profitable **and more affordable to tenants who are protected from utility increases**. But an additional affordability consideration is that climate change is putting residential tenants in danger from overheating. Decarbonizing buildings using sustainable finance to install heat pumps is **the lowest-cost way to providing cooling and may not increase operating costs at all**. Heat Pumps are a misnomer because they provide cooling and heat from the same unit. But, in the absence of BEPS, should cooling regulations be introduced, building owners with gas boilers would add a Chiller Unit and apply to the Residential Tenancy Board for an above guideline increase. **So BEPS can guide residential building owners to affordably implement cooling without a bylaw**.

Why don't building owners and their associations know what decarbonizing buildings can do for them? Cost cutting was not a priority during a 30-year real estate boom. That's over, but building owners are having trouble adjusting. They need BEPS **to prioritize and focus executive attention on learning about cost savings through energy efficiency** and associated decarbonization.

You should also support BEPS because it will help Toronto economically:

- Capital spending on buildings has a huge economic multiplier effect on the local economy.
- Retrofits are labour intensive projects that will employ construction workers as work in other sectors dries up. So far, 40,000 “green” new jobs have been created by New York City’s version of BEPS.
- The city needs to stay competitive for global capital and global occupiers

You, the political leaders of Toronto, need to show tremendous leadership by supporting BEPS and demonstrating the economic benefits to upper levels of government - and their real estate and trade union supporters. You can use NYC – the longest-standing BEPS program – as proof of the benefits. New York City’s vacancy rate is low at a time when the opposite is true in much of the US, and rents and real estate values are increasing.

The Wall Street Journal reported last month that “New York City’s office market is enjoying its biggest boom in nearly two decades, leaving the rest of the U.S. in its dust.”

Why? Because in Europe and Asia, the energy transition is well underway, and global real estate investors and occupiers realize green buildings are future-proofed. The US’s U-turn on the energy transition is out of step with global trends, and is a huge risk to the US economy. In contrast, NYC is an American city that is well positioned for the future.

BEPS makes good sense. Building owners don’t realize it yet, but it will help them and their tenants. It will help the economy and jobs. Ultimately, it will support Toronto’s position as a global city in a changing world.

Sincerely,



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