

# **City of Toronto Water Fees, Charges & Programs Consultation**

## **Round Two Consultation Report**

**June 2021**

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## Table of Contents

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<b><u>Section</u></b>	<b><u>Page</u></b>
Introduction	3
Purpose of this Report	3
Notification Activities	4
Consultation Activities	4
<b><u>Summary of Round 2 Consultation Feedback</u></b>	<b>5-7</b>
Toronto Water Support Programs for Industrial, Commercial and Institutional Customers	5
Municipal Code Chapter 681 ("Sewers By-law")	5
Water Fees and Charges	6
Stormwater Management Incentives for Industrial and Commercial Businesses	7
<b><u>Appendix: Round 2 Consultation Comments, Questions and Suggestions</u></b>	<b>7-20</b>
Toronto Water Support Programs for Industrial, Commercial and Institutional Customers	7
Municipal Code Chapter 681 ("Sewers By-law")	10
Water Fees and Charges	12
Stormwater Management Incentives for Industrial and Commercial Customers	18

## Introduction

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Toronto Water and Economic Development and Culture, as directed by City Council, are undertaking consultation with water users on water fees, charges, programs and other measures designed to support business retention, economic growth, investment and employment ("Consultation").

The purpose of the Consultation is to receive stakeholder feedback on options being explored by the City of Toronto (City) with respect to water fees, charges and current programs to further support the economic competitiveness of the City's industrial and commercial businesses and the objectives of the City's Resilience Strategy.

The Consultation process comprises two rounds of stakeholder consultation in Fall 2020 and Spring 2021.

The scope of consultation topics includes:

- **Current Toronto Water support programs** for industrial, commercial and institutional (ICI) customers
- **Current policies and practices under Municipal Code Chapter 681, Sewers**, with a view to identifying potential opportunities for administrative efficiencies
- **Water fees and charges** including:
  - The possible decoupling of industrial and commercial (I&C) customers' water rate from costs associated with stormwater management services
  - A potential dedicated stormwater management charge (SW Charge) for owners of commercial parking lots
- **Possible incentives for industrial and commercial businesses to undertake sustainable stormwater and flood management solutions**, including stormwater management charge credits and green infrastructure funding

## Purpose of this Report

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This report presents a summary of notification and consultation activities, and feedback on the consultation topics and options noted above from the second round (Round 2) of the Consultation which took place between April and May 2021. Detailed participant comments, and questions and responses from City staff, from the Round 2 consultation are presented by topic area in the Appendix to this report (Round 2 Consultation Report). A Round 1 Consultation Report was posted on the City's website in March 2021.

This Round 2 Consultation Report is intended solely for general information reporting purposes and is being made available as part of the consultation process to provide an overview of Round 2, and for consultation purposes only. The views expressed reflect the feedback received by the City and the related discussion among participants of consultation topics and options during Round 2 of the Consultation.

## Round 2 Notification Activities

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In an effort to notify water users and interested persons of the opportunities to become engaged and provide feedback in the consultation process, a number of activities were undertaken during Round 2 as follows:

- emails and/or letters to industrial, commercial, institutional water users and associations, commercial parking lot companies, not-for-profit environmental sector, City and external agencies, and the consulting sector
- creation of a consultation webpage on the City's website: [Water Fees, Charges & Programs Consultation \(toronto.ca/waterconsultation\)](https://toronto.ca/waterconsultation)
- a consultation email account - [waterconsultation@toronto.ca](mailto:waterconsultation@toronto.ca)

## Round 2 Consultation Activities

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This section outlines the consultation activities undertaken in the Round 2 consultation from May to June 2021.

These activities included two virtual sessions with water users and other interested persons at which City staff presented the options being considered, any modifications to options presented in the first round of consultation, suggested frameworks for options, the assessment of options, and participant feedback from the first round of consultation. An opportunity was provided for participant questions and comments.

The virtual consultation sessions were as follows:

- **Toronto Industry Network Virtual Session** on April 30, 2021. Ten (10) people participated in the session.
- **Multi-Stakeholder Virtual Session** on May 7, 2021. Sixty-three (63) people participated in the session representing industrial and commercial, institutional, environmental not-for-profit and consulting sectors.

A consultation meeting was also held with staff from the Toronto Parking Authority on May 3, 2021.

## Summary of Round 2 Consultation Feedback

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This section provides a high-level summary of participant feedback by topic area from the Round 2 consultation. Detailed comments, suggestions, questions and City staff responses, as well as submissions received are presented in the Appendix. Only options for which comments were received are presented below. All the options are presented at: [toronto.ca/wp-content/uploads/2021/05/8f7f-City-of-Toronto-Water-Fees-Charges-and-Programs-Consultation-Presentation-May-7-2021.pdf](https://toronto.ca/wp-content/uploads/2021/05/8f7f-City-of-Toronto-Water-Fees-Charges-and-Programs-Consultation-Presentation-May-7-2021.pdf)

### Toronto Water Support Programs for Industrial, Commercial and Institutional Customers

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#### Industrial Water Rate (IWR) Program

- **Option: Remove the Water Conservation Plan Requirement**
  - The water conservation plan requirement may be contributing to low uptake for the IWR Program due to initial costs, particularly for smaller companies to develop a conservation plan and implement water efficiency projects

#### Sewer Surcharge Rebate (SSR) Program

- **Option: Offer a three year annual renewal option for SSR Program participating customers with process metering at their facilities**
  - Process metering may not help better measure water input vs. output, and accurate metering depends on properly operating meters, which can be a challenge
  - Flow meters are not applicable to some processes which have to be calculated, e.g. evaporation from a cooling tower, and metering outgoing flow to the sanitary sewer is in many cases quite challenging
  - Installing process metering is a very expensive undertaking and, in some cases, cannot be done because of accessibility issues
  - The 10 percent year-to-year differential proposed for variances in a facility's water input vs. wastewater output should be increased to 20% to realistically reflect normal variances in operating conditions of most facilities

### Municipal Code Chapter 681 ("Sewers By-law")

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- **Option: Development of a Toronto Sewers By-law Navigation Guide**
  - Support for the development of a Toronto Sewers By-law Navigation Guide
- **Option: Self-Monitoring and Reporting - allow companies to self-report effluent sampling, testing and analysis to the City**
  - The City should allow companies to self-report effluent samples for the Sewers By-law, using accredited laboratories, while the City would retain an auditing function
  - Self-reporting and monitoring is permitted in other municipal jurisdictions and federal and provincial programs
  - The City should consider a self-reporting pilot project with one or two large industrial facilities
- **Other Comments and Suggestions**

- Sewers By-law Review to start in Fall 2021 should include new and emerging substances of concern such as PFAs (Perfluoroalkyl or polyfluoroalkyl substances)

## **Water Fees and Charges**

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- **Option: Establish an Administrative Water Charge**
  - The City should implement a water administration fee based on the principle of fairness since currently, large water users subsidize smaller ones simply because they use more water which has no bearing on administration costs
- **Option: Decouple Stormwater Costs for Industrial and Commercial (I&C) Customers from the Water Rate Through the Establishment of a Stormwater Charge for Industrial and Commercial Properties**
  - The City should implement a stormwater charge for industrial and commercial customers to support the City's Resilience Strategy objectives and create real change in the way stormwater is managed, and based on the principle of fairness
  - Stormwater charge should start with industrial and commercial customers and be expanded to all property types
  - Concerns about cost impacts of an I&C stormwater charge for properties with large impervious areas
  - There should be exemptions to the I&C stormwater charge for properties that can demonstrate they do not discharge stormwater to the City's sewer systems (i.e., capture and re-use stormwater in facility processes)
- **Option: Establish a Stormwater Charge for Commercial Parking Lots**
  - The application of a stormwater charge for commercial parking lots needs to consider how parking lots are designated and licensed as "commercial parking lots"
  - This option would have a significant cost impact to private parking lot owners and operators and magnify losses due to Covid-19 pandemic; commercial parking lot companies to do not anticipate parking volumes to return in the foreseeable future
  - Administratively burdensome to implement compared to revenues that would be generated
  - There are other opportunities to build resiliency on parking lot properties, and companies are taking measures to "green" their properties
  - Most commercial surface parking lots in the Greater Toronto Area will going through development soon; for these parking lots, investing in stormwater management infrastructure doesn't make financial sense for the owner and operator
  - Toronto Parking Authority (TPA) concerns about the significant impacts a stormwater charge may have on the precarious balance of providing affordable short-term parking while achieving financial viability for the City agency, as well TPA funding for its programs (e.g. Green P+ Program, State of Good Repair Program) that implement green initiatives at existing facilities to conform to the City's Parking Lot 'Greening' Guidelines

## **Stormwater Management Incentives for Industrial and Commercial (I&C) Customers**

- **Option: Establish an I&C Stormwater Charge Credits Program (with an I&C SW Charge Option)**
  - I&C Stormwater Charge Credits should also be offered to properties smaller than 1 hectare in size
- **Option: Establish an Industrial and Commercial (I&C) Stormwater Grant Program**

- Consider providing both grants and SW Charge credits to I&C properties
- Stormwater grants should be aimed at promoting green infrastructure/low-impact development (GI/LID) solutions
- **Other Comments and Suggestions**
  - Important to remember that green infrastructure brings multiple benefits in addition to stormwater management, including urban heat mitigation, improvements to air quality (as well as water quality), physical and mental health benefits, increased biodiversity, etc. These additional benefits should be factored into consideration of these options.

## **Appendix: Round 2 Consultation Comments, Questions and Suggestions**

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This Appendix presents a compilation of comments, suggestions and questions received by the City in the Round 2 consultation, as well as responses from City staff to questions. Only options for which participants provided comments, suggestions or questions are presented.

### **Toronto Water Support Programs for Industrial, Commercial and Institutional Customers**

Round 2 Comments and Questions	Round 2 City Staff Responses
<b>Industrial Water Rate (IWR) Program</b>	
<b><i>Option: Removing the Water Conservation Plan</i></b>	
<p>Given that water is a renewable resource, the Toronto Industry Network (TIN) questions the need for a conservation plan. Perhaps one of the reasons that there has been such a low uptake for the Block 2 program is the initial cost involved of doing a conservation plan and water balance study and implementing them which can be punitive to smaller companies.</p> <p>We also question the estimated \$346,018 annual cost savings highlighted. Although the conservation plan can certainly provide some significant initial savings, further conservation is often difficult to make these savings continue year after year.</p> <p>The payback period of 1.8 years although an attractive proposition, may not be sufficient for some TIN members on Block 2 who may require a one-year payback period.</p>	<p>Comment noted</p>
<b>Sewer Surcharge Rebate (SSR) Program</b>	
<b><i>Option: Offer a three year annual renewal option for customers with process metering at their facilities participating in the SSR Program</i></b>	

Round 2 Comments and Questions	Round 2 City Staff Responses
<p>The technical feasibility of process metering is very challenging for industry.</p> <p>Are technical feasibility and process constraints for the addition of process metering reflected in the assessment for this option?</p>	<p>It is reflected in that the three year renewal period would be optional for SSR Program participants. If companies don't have process metering at their facilities, they would remain on the annual renewal cycle.</p>
<p>Concerns with this option from Toronto Industry Network:</p> <ul style="list-style-type: none"> <li>• If process metering would help better measure water input vs. output, meters would have been installed in our plants a long time ago.</li> <li>• Accurate metering depends on properly operating metering devices which can be a challenge.</li> <li>• There is no flow meter for evaporation – for a cooling tower, for example. Evaporation has to be a calculated number.</li> <li>• The metering of the outgoing flow to the sanitary sewer is in many cases quite challenging because: the sewer is usually below ground; it may not be running full of liquid; and, the characteristics of the liquid may have impacts on certain meter types</li> <li>• Installing process metering is a very expensive undertaking and, in some cases, cannot be done because of accessibility issues. It is not reasonable to reject mass balance studies and require flow meters to obtain a three-year renewal window for the program.</li> <li>• The 10 percent year-to-year differential proposed for variances in a facility's water input vs. wastewater output should be increased to 20% to realistically reflect normal variances in operating conditions of most facilities – for example most industries has seen variance of more than 10% from March 2020 to May 2021.</li> </ul>	<p>Comments noted</p>
<p>What is the intention of the adding the process metering? Is it to measure effluent leaving the building? Would the rebate be based on the engineering study done every 3 years or using the process meter data?</p>	<p>The intent is that process meters would be installed at the facility in sub-sequence, where all volumes would be captured and counted towards the rebate. The years (Years 1 and 2) in which a company would not be applying for the rebate renewal, the</p>



Round 2 Comments and Questions	Round 2 City Staff Responses
	<p>City would identify the variance in discharges using the process meter data.</p> <p>The City would review the renewal application on the 3<sup>rd</sup> year. The rebate value would be based on the renewal application in the 3<sup>rd</sup> year using the process meter data. If processes cannot be captured by process meters, the City is open to use the engineering studies for those portions that cannot be captured with a process meter.</p>
<p>Will SSR Program participants be required to be in compliance with the Sewers By-law?</p>	<p>All current eligibility criteria will have to be maintained. Sewers By-law compliance is not currently a requirement for the SSR Program.</p>
Other Comments, Suggestions and Questions	
<p>The CBB Program uptake rates and projected uptake rates seem low. Is there a plan for the City to reach out to more customers to increase the uptake rates?</p>	<p>Toronto Water participates in outreach to customers with ED&amp;C to promote the CBB Program.</p> <p>Note that the uptake rate of 0.04% is based on the number of active businesses in the City with employees and may include a number of businesses that would not benefit from this program. It's targeted at attracting smaller businesses with simple operations and equipment such as restaurants.</p> <p>All of the options proposed are aimed at increasing program uptake</p>
<p>Now more than ever, businesses are looking to their expense line items and there's a focus on power and natural gas. Water is one thing that restaurants and hotels want to look at for savings. Is there information that you could send like a one pager that showcases options as the uptake numbers appear to be low.</p>	<p>There are one page fact sheets on all of the City's ICI support programs. We have contacts from Restaurants Canada that we can provide to you.</p>
<p>Where might I find information on what's considered "commercial"? Is a rental residential building commercial?</p>	<p>The terms refer to the tax class of a property.</p>

**Municipal Code Chapter 681 ("Sewers By-law")**

Round 2 Comments and Questions	Round 2 City Staff Responses
<b>Option: Develop a Toronto Sewers By-law Navigation Guide</b>	
The Toronto Industry Network supports the development of a Navigation Guide to the Sewer By-law.	Comment noted
Will the Sewers By-law Navigation Guide be made available in multiple languages and formats to increase access? Will Toronto Water coordinate with Toronto Public Health's ChemTRAC Program so that the navigation guide provides industry specific information on safe chemical substitutions that could be explored to maintain compliance and reduce environmental, health and safety risks?	The City develops materials in multiple languages when needed. We will consider this for the Sewers By-law Navigation Guide. Toronto Water will work with Toronto Public Health for the review.
<b>Option: Industrial Waste Surcharge Agreements - Increase number of exceedances (e.g., to 4 or 5) of the parameter limits (less than 20%) per Term of the Agreement</b>	
The number of exceedances does not reflect the effluent treatment.	An alternative option to this one for the City to reassess IWSA Schedule 1 limits is now being considered.
<b>Option: Establish a Self-Reporting and Monitoring Option in the Sewers By-law</b>	
If labs that the private sector use for effluent sampling analysis are accredited labs, would that not overcome the question of data reliability?	Data reliability is one concern. The key concern is the integration of sampling data from 3rd party labs in the City's database. Other municipalities that allow for this option, has commented that timing is an issue with facilities sometimes not having sampling data available.
Many other regulatory sectors rely on independent labs. Industries should be able to use independent labs. Perhaps the way forward with this option would be a pilot of the program? Maybe the way forward would be to pilot this option with one or two companies?	The City cannot use independent sources, in order to keep the data valid for Sewers By-law enforcement. The pilot project suggestion has been noted.
Toronto Water currently takes grab samples Are you recommending 24 hour composite samples if so, why?	The City uses composite sampling for the surcharge program. The other parameters in the Bylaw use grab samples.
Many Toronto Industry Network (TIN) members are supportive of self-monitoring and reporting. This is already permitted in other jurisdictions (e.g. Durham Region allows it for surcharge invoicing and it is written in the schedule, how frequently the sampling needs to be taken by the facility). Other Examples of governments accepting testing by and reporting from third party accredited laboratories are the	Comment noted

Round 2 Comments and Questions	Round 2 City Staff Responses
<p>federal NPRI and Provincial Environmental Compliance Approvals</p> <p>Self-reporting should really be considered for Toronto as well. Basing surcharge on 3 measurements in a quarter may not capture the true essence of what is happening at a facility. The City should allow the company to provide a true understanding of what the facility is discharging. There are different ways to incorporate self reporting. Toronto should be open to this option.</p>	
<p>Could this option be integrated with monthly reporting for permits with MECP? Could we use the data we already have for self monitoring for other programs for surcharge sampling?</p>	<p>The City takes various samples for various monitoring purposes. This comment has been noted for future consideration.</p>
<p>It is becoming a common practice that customers should be responsible for monitoring. The data can come from accredited labs. If the Sewers By-law has to be changed, the Bylaw changes should be made.</p>	<p>Comment noted</p>
<p>Is there a potential to involve facilities in coordinating sampling with City staff if self-reporting is not possible (i.e. case where discharge is intermittent and unannounced sampling by City staff may not be practical)?</p>	<p>Toronto Water EM&amp;P does not typically schedule an appointment for sampling. The company is welcome to take a sample at the same time as when EM&amp;P staff are taking a sample.</p>
<p><b><i>Other Comments, Suggestions and Questions</i></b></p>	
<p>Will the Sewers By-law review planned for this fall, likely to review the scheduled chemical substances and include new and emerging substances of concern such as PFAs (Perfluoroalkyl or polyfluoroalkyl substances)?</p>	<p>The Sewers By-law review will be comprehensive and is intended to include emerging chemical substances.</p>

## Water Fees and Charges

Round 2 Comments and Questions	Round 2 City Staff Responses
<b><i>Option: Establish an Administrative Water Charge</i></b>	
<p>Toronto Water should implement a water administration fee based on the principle of fairness since currently, large water users subsidize smaller ones simply because they use more water which has no bearing on account administration costs.</p> <p>Fairness should be considered in the assessment of this option.</p>	<p>The principle of fairness is captured in participant comments and in staff's assessment of this option with respect to aligning with the user pay principle. This will be reflected in the report back to Council.</p>
<p>Could the suggested administrative water charge tier rates be adjusted to mitigate increases to customers with small water consumption profiles?</p>	<p>The tiered rate structure mitigates the shift in costs to some degree compared to another option we looked at which is to apply a flat rate charge equally to all water accounts.</p>
<p>How is the exponentially higher Tier 3 cost compared to Tier 1 for the administrative water charge option justified?</p> <p>The cost should be based on maintaining water meters to ensure accuracy and managing the data generated to produce an invoice</p>	<p>The tiered rates reflect costs associated with administration costs, e.g. water billing costs and meter servicing. We also looked at different municipalities with a similar charge and how they apply the values in each tier based on water meter size.</p>
<b><i>Option: Decouple Stormwater Costs for Industrial and Commercial Customers from the Water Rate Through the Establishment of a Stormwater Charge for Industrial and Commercial Properties</i></b>	
<p>Given Toronto's Resiliency policies and changing climatic conditions, Toronto Industry Network urges Toronto Water to implement a stormwater charge that will help create real change to the way stormwater is managed by both all the users and the city staff. It is a good idea to limit the charge initially to the Industrial and Commercial sectors with the goal of expanding the program to all sectors</p>	<p>Comments noted</p>
<p>Toronto Water should implement a stormwater charge based on the principle of fairness since currently, large water users subsidize smaller ones simply because they use more water which has no bearing on the amount of stormwater run-off.</p>	<p>Comments noted</p>
<p>What would be the timeline for residential properties being included in the stormwater charge? The concern is that industrial and commercial properties would be left funding the increasing costs for storm water management.</p>	<p>The stormwater charge option is for industrial and commercial properties only based on the direction from City Council to report back on possible decoupling of stormwater costs for these properties from the water rate.</p>

Round 2 Comments and Questions	Round 2 City Staff Responses
	Other property classes would pay for stormwater services through the water rate based on their water consumption.
The stormwater charge for industrial and commercial properties supports the principle of fairness reflecting that some users are paying for services that others are using. Fairness should be emphasized in the assessment of this option. There would also be environmental benefits.	The principle of fairness is captured in participant comments and in staff's assessment of this option with respect to aligning with the user pay principle. This will be reflected in the report back to Council. Participant comments about environmental benefits arising from the stormwater charge credits option will also be reflected.
Appreciate that implementing a stormwater charge for industrial and commercial properties only would pose challenges. However, it could be a starting point to roll out the stormwater charge to all property classes. In short, start with something that is simpler.	A stormwater charge for industrial and commercial properties poses challenges that a stormwater charge for all properties would not pose. The implementation of this option would be more complex than the stormwater charge for all property classes considered in 2017.
<p>Humber College is happy to support the City's Resilience Strategy objectives to provide a more resilient sewer infrastructure.</p> <p>I am writing to express some concerns with the I&amp;C Stormwater Charge and Credits option. With the proposed rates, Humber College would be expecting an 80% increase in water utility costs. Without a more detailed outline of the I&amp;C SW Credits and its potential to reduce stormwater costs, it is difficult to predict the overall budget required.</p>	Comments noted. The stormwater charge option would apply only to properties in the commercial and industrial tax class.
For sites that currently have managed stormwater with zero discharge, how would they be treated?. Would it be a credit system with the site getting 100% rebate, or could a site apply for an exemption if they can demonstrate zero discharge?	<p>Comments with respect to properties seeking exemptions to the I&amp;C SW charge will be considered. However, while a property may not directly discharge stormwater to the City's storm sewer system, the property may still contribute stormwater runoff from impervious areas to the City's sewer systems.</p> <p>The I&amp;C stormwater charge option as presented in the consultation, would apply to all properties in the commercial and industrial tax class. The SW Charge would be based on the property's impervious area size, which is representative of stormwater runoff contributions.</p> <p>The I&amp;C SW Charge Credits option proposed a maximum 50 per cent reduction on the I&amp;C SW</p>

Round 2 Comments and Questions	Round 2 City Staff Responses
	Charge based on meeting stormwater management requirements on the property, which would be determined during implementation, if this option were to be implemented.
<b>Option: Establish a Stormwater Charge for Commercial Parking Lots</b>	
<p>The application of this option should be approached very carefully.</p> <p>The City of Toronto changed its legal definition of a Commercial Parking Lot in TMCC 545 in 2015 when it replaced the Public Garage License with the Commercial Parking Lot license (“CPL”). Along with those changes there were exemptions put into place that exempted now described Commercial Parking Lots from the requirement to obtain a license. Since the Local Planning Appeal Tribunal struck down the zoning prohibitions under 569-2013 on pay parking in R and R1 zoned Residential Parking Lots this cleared the way for those lots to obtain CPL’s in compliance with TMC 545 with the necessary clearance in the form of the Preliminary Planning Review related to zoning issues.</p> <p>Because of the various exemptions in obtaining a CPL such as Green P, Hospitals and by definition any property that levies a charge by the week instead of the hour the possession or requirement to obtain a CPL is now widely varied and is required in non commercial zoned settings. These R and R1 license holders or operations are already within an MPAC category outside the commercial and industrial zoned properties.</p> <p>For example, you may be required to have a CPL at a 6 parking spot location next to a 600 space hospital car park that is exempt for the CPL requirement. Simply having a CPL is not a description of the use of the property anymore. A pre-existing apartment building which in 2019 obtained a CPL for 10 parking spots that have been used and existed as parking spots for the last 50 years the building was present would now be subject to a fee that they would otherwise be subject to even though no change to the property zoning or use has taken place. This is because for the last 20 years its pay parking was considered and pre-</p>	<p>The option contemplates that the stormwater charge would apply to properties in the commercial tax class without a City water account and that contribute stormwater to the City’s sewer system through direct discharges or stormwater runoff, i.e. surface parking lots and parking garages with a roof. Underground parking lots would not be included.</p> <p>The comments provided will be considered further in determining properties to which the stormwater charge option would apply.</p>

Round 2 Comments and Questions	Round 2 City Staff Responses
<p>existing non-conforming use of the harmonized zoning by law that was captured by the change in definition in 2015. Essentially you would have a situation where the City was assigning these fees to some and not to others by way of exemption for the same use.</p> <p>Consequently if you were to make such a fee or charge against a surface parking lot in the downtown area which operated as a stand-alone business and not as ancillary to the use of the property that property could change its method of charging. Simply by making the parking lot pay for 7 days at a time instead of daily the lot would no longer be required to obtain a CPL and therefore not be subject to the water charge.</p>	
<p>Traffic volumes have been drastically reduced since the onset of the pandemic in March 2020, and parking and parking-related revenues have correspondingly fallen. With many continuing to work remotely for 2021, and with uncertainties surrounding when restrictions may be eased, we do not anticipate traffic volumes to return for the foreseeable future</p>	<p>Comments noted</p>
<p>This option would seemingly be administratively burdensome to implement compared to the revenues that would be generated. Impark is concerned about how a potential charge would impact our ability to best serve our communities and ultimately, our customers across the City of Toronto</p>	<p>Comments noted</p>
<p>There are other opportunities to build resiliency in a more proactive manner. Impark's client-facing management – around 15 people – are certified by the Green parking Council, and we are “deputized” to act on the Council's behalf certifying Green Parking Garages.</p>	<p>Comments noted</p>
<p>Most commercial surface parking lots in the Greater Toronto Area will going through development soon. Why would we be motivated to spend money on greening the parking lot when it will soon be developed?</p>	<p>Comments noted</p>
<p>Toronto Parking Authority (TPA) is concerned about the potential application of a new stormwater charge</p>	<p>Comments noted</p>



Round 2 Comments and Questions	Round 2 City Staff Responses
<p>and the significant impacts it may have on the precarious balance of providing affordable short-term parking while achieving financial viability.</p> <p>The impacts of the Covid-19 pandemic on TPA have been significant and a recovery period extending over multiple years is forecasted. In 2020, TPA sat at approx. 30% of its revenues and our annual dividend to the City fell from \$65 in 2019 to \$12 M in 2020. In 2021, TPA is forecasting a break even operation with no dividend provided to the City</p> <p>New charges will also serve to magnify TPA's financial difficulties in the coming years as TPA rebounds from the impacts of the Covid 19 pandemic. adding in new fees will have a significant impact on TPA operations going forward as we recover from the impacts of Covid.</p> <p>New SW fees will push a number of TPA's parking facilities into loss making operations. as a self-sustaining agency, TPA cannot operate at a loss.</p>	
<p>A preliminary financial review has found that the proposed stormwater fee would represent approximately 3% of TPA's annual revenue and an estimated cost of approximately \$3 to \$5 million.</p> <p>This would impact TPA's ability to fund programs to name a few such as SOGR, including TPA's Green P+ Program, which funds the implementation of greening initiatives at existing facilities.</p> <p>TPA's ability to raise parking rates to offset stormwater charge impacts to revenue would ultimately need to be acknowledged by the TPA's Board and affected Ward Councillor.</p> <p>TPA's rate setting strategy has been developed to encourage short-term parking that supports local business while discouraging commuter travel behaviour. Rate adjustments to offset additional administrative costs may no longer allow TPA to offer competitive rates that support its rate setting strategy or mandate.</p>	<p>Comments noted</p>



Round 2 Comments and Questions	Round 2 City Staff Responses
<p>In addition, these charges will be passed on to the other commercial parking and commuter lots that TPA operates on behalf of other City Divisions, Agencies and Corporations, including Parks, Forestry &amp; Recreation, Corporate Real Estate Management, CreateTO, Toronto Transit Commission, TDSB and Toronto Public Library.</p>	
<p>Under TPA's Net Revenue Sharing Agreement with the City of Toronto, 85 % of the net income generated by TPA is provided to the City to fund other programs, services and projects. Any new charges imposed on TPA will result in funds flowing directly to Toronto Water and a corresponding reduction to the annual dividend provided to the City.</p>	<p>Comments noted</p>
<p>As part of TPA's 2015 Capital Budget, brought forward a multi-year plan and commitment to retrofit and apply the City's Design Guidelines for 'Greening' Surface Parking Lots. 'Greening' a surface parking lot can include planting trees, providing good quality soil and generous landscaped areas, enhancing pedestrian and cycling infrastructure, managing stormwater on-site, reducing the urban heat island effect, and using sustainable materials and technologies.</p> <p>On an annual basis, TPA undertakes its' Surface Car Park Repaving Program (SCPRP) which identifies surface car parks where pavement surfaces have reached the end of their lifecycle and need to be replaced.</p> <p>As part of the SCPRP, TPA's Green P+ program is used to fund permeable pavers, landscaped areas and new energy efficient lighting.</p> <p>The SCPRP is the most cost and time effective means to retrofit and apply the Greening Surface Parking Lots design guidelines, as the Program already functions to identify the surface parking lots in need of improvement. A major retrofit to an existing car park generally occurs on an approximate 20-year life cycle.</p>	<p>Comments noted</p>

Round 2 Comments and Questions	Round 2 City Staff Responses
<p>TPA is working to ensure that the inventory of TPA car parks are retrofitted to conform to the Greening Guidelines within a 20-year period. All new TPA parking facilities are designed to address the on-site attenuation and treatment of stormwater runoff and meet the requirements of the City's Wet Weather Flow Management Guidelines and Ministry of the Environment, Conservation and Parks' Stormwater Management Guidelines.</p>	
<p>TPA operations are increasingly a temporary use of City lands to be repurposed for affordable housing, parks, etc... The parking offers the opportunity to generate some revenue for the City in the interim. Within this context, installing a SWM system doesn't make financial sense for either TPA or the City.</p>	<p>Comments noted</p>
<p>Would the stormwater charge apply to stormwater runoff generated by other hard surface areas (e.g. City streets)?</p>	<p>The stormwater charge would apply to properties and not City streets and roads, which are designed to handle stormwater runoff and are part of the stormwater conveyance system. Parking spots in the City's Right-of-Way would not be included in the stormwater charge.</p>
<p>What would be the implementation timeline if this option was approved?</p>	<p>The estimated timeframe to implement a SW Charge is 18 months to two years.</p>

**Stormwater Management Incentives for Industrial and Commercial (I&C) Customers**

Round 2 Comments and Questions	Round 2 City Staff Responses
<p><b><i>Option: Establish an I&amp;C Stormwater Charge Credits Program (with an I&amp;C SW Charge Option)</i></b></p>	
<p>Highly recommend offering credits to smaller size properties in addition to those 1 hectare or greater in size.</p>	<p>The City received similar comments when a stormwater charge and credits was considered in 2017.</p> <p>In the suggested framework for the I&amp;C SW Charge option, stormwater credits would apply only to properties 1 hectare or greater in size. This is based on the work done for the SW Charge proposal in 2017 which identified 1 ha or greater properties (less than 5000) account for 42% of hard surface area in the City. Providing credits to these larger properties is would achieve more significant reductions in stormwater runoff. It is also more</p>

Round 2 Comments and Questions	Round 2 City Staff Responses
	administratively practical to implement than providing credits to properties of all sizes.
<p>As a parking lot owner, how could a parking lot property apply for the SW Charge credit option?</p> <p>There is little benefit to parking lot property owners to implement GI/LID solutions because many of the surface parking lots in the Greater Toronto Area will be developed soon. Why spend the money to apply for a SW Charge credit when the property will be developed?</p>	<p>The property could implement green infrastructure/low impact development (GI/LID) solutions to reduce stormwater runoff and improve stormwater quality such as permeable pavement, bioswales, green area on different parts of your property,</p> <p>Comment noted. There is data showing that surface parking has decreased in the City's downtown by 40% from 1978 to 2019.</p>
<p><b>Option: Establish an Industrial and Commercial (I&amp;C) Stormwater Grant Program</b></p>	
<p>Could a property apply for both a SW Charge Credit and Stormwater Grant?</p>	<p>In the City of Philadelphia, eligible properties can apply for a stormwater grant and the stormwater management projects implemented can be used to apply for the a SW Charge credit. This is something that could be considered.</p>
<p>Has the grant option considered criteria or added incentives to promote the adoption of local green solutions and services (which would contribute to local economic development and job creation)? And why are grants being considered for retroactive existing property retrofits when there will likely be enough of a need to support proactive measures?</p>	<p>The option has not considered promoting local green solutions and services.</p> <p>Clarification that that "existing" refers to properties not undergoing development or redevelopment. The intention of the grant option is to incentivize the implementation of green infrastructure/low impact development (GI/LID) solutions to improve stormwater management on industrial and commercial properties proactively.</p>
<p>Are there options for low interest loans for stormwater management?</p>	<p>This option was suggested in the first round of consultation. The suggestion has been noted but staff have not explored this option for this consultation</p>
<p><b>Other Comments, Suggestions and Questions</b></p>	
<p>There is a focus here on the economic case for/against the stormwater credits/incentives/grants. That makes sense given how this consultation is framed, but I think it's important to remember that green infrastructure brings multiple benefits in addition to stormwater management, including urban heat mitigation, improvements to air quality (as well as water quality), physical and mental health benefits, increased biodiversity, etc. These</p>	<p>Comments noted</p>

Round 2 Comments and Questions	Round 2 City Staff Responses
additional benefits should be factored into this discussion.	
What is considered green infrastructure?	Green infrastructure or low impact development (GI/LID) solutions can be in various forms (e.g. permeable pavement, bioswales, green roofs, etc.). It is infrastructure that absorbs stormwater and infiltrates it into ground to reduce stormwater runoff entering the City's sewer system.
How much is Toronto Water investing in green infrastructure solutions in its 10 year Capital Plan?	The Toronto Water 10 year plan 2021-2030 approved budget is approximately \$5.5 M for the GI/LID for the City's Green Streets initiative. Transportation Services Division's Green Streets Program has planned an estimated \$6.4 million for green infrastructure projects for the years 2021 to 2024. Parks Forestry and Recreation Division also contributes funding for GI/LID projects.