Town of Whitby 575 Rossland Road East Whitby, ON L1N 2M8

Dear Whitby Town Council,

We at Clean Air Partnership are writing in support of the Town of Whitby's proposed Green Standard.

Clean Air Partnership is a charitable environmental organization that enables municipalities to take bold climate action through network facilitation, research, and action. We have supported many other Ontario municipalities with their green standards, including Toronto, Vaughan, Brampton, Richmond Hill, and Halton Hills, among many others.

As the first Ontario municipality outside of Toronto to adopt a tiered, mandatory standard, Whitby is demonstrating strong policy innovation that will encourage other jurisdictions to follow. I can't express enough how important Whitby's leadership on Green Development Standards would be in driving progress on advancing the sustainability of new developments not just in Whitby, but across the GTHA region and beyond.

Green standards for new developments are a critical implementation and policy tool for municipalities. By using Green Development Standards, municipalities can more effectively achieve their Official Plan objectives, their GHG reduction targets, their health and affordability goals, all while stimulating the local economy. These standards are also well aligned with recently declared climate emergencies.

We are particularly supportive of the tiered approach in the proposed Green Development Standard. These standards will reduce utility costs for home and building owners, reduce flood risk and infrastructure costs for the Town and improve the sustainability of new developments and the community as a whole. The Whitby Green

Standard is an important climate solution and will be critical to meeting the Town's climate targets. In addition to the environmental benefits, a tiered approach with mandatory compliance is proven to guarantee minimum standards while also encouraging competition and innovation in the building industry. Furthermore, it will create high quality, energy efficient housing for Whitby residents, especially as the Town increases its standards for developments over time.

I did want to address common concerns often raised related to Green Standards, such as affordability and competitiveness. The perception that Green Standards will harm affordability is often raised. For low rise new developments, some of the home builders that participated in CMHC's Equilibrium Program found they were able to get the cost of getting to Net Zero Ready to about 20Kⁱ. At that cost that would mean a payback of just over 10 years (for a building that will be functioning for at least 50 years) based on an average direct energy costs (not including delivery costs) of \$2,000 per household per yearⁱⁱ. It is fully expected that these costs of building to a higher standard will reduce significantly as the market advances and Green Development Standards are critical for advancing the market.

In addition, we know that every building built to the Ontario Building Code requirement will need to be retrofitted within 10 – 15 years at a much higher cost and lower result than if they had been built with energy efficiency as a goal. That is what this Green Standard will achieve, motivating the development community to think about lifecycle costs of property owners rather than simply focusing on their up-front capital costs. For addressing any potential up-front capital cost increases that may occur, there are financial mechanisms that can address purchase price differentials such as Community Improvement Loans, on-bill financing, local improvement charges, and a number of other options that can be paid back through operational savings over time.

For the Multi-Unit Residential/Commercial Sector, low emission buildings can be achieved at present without any differential in price between conventional natural gas buildings, especially for higher density properties through green loans, or utility type models that use operational savings to pay back the higher up front costs.

Regarding the competitiveness concern often raised, I understand that it is a very competitive market and that developers would want to ensure they are not undersold by neighbouring developments. This is an issue that is temporary in nature and can be addressed by education, marketing and financial models that help property owners address up front costs. In addition, Whitby's leadership in being the first municipality to move towards a tiered system (which incidentally is also the direction the National Model Building Code, the BC Step Code, Vancouver's Green Standard and Toronto's Green Standard have chosen), will be critical to setting the bar for where other Ontario municipalities will go, thereby addressing competitive concerns. Please do not underestimate your leadership role on this effort.

A major program of Clean Air Partnership over the past year has been the Climate Action Support Centre (CASC) project, to which Whitby was a key contributing partner. This project collaboratively designed a toolkit for municipalities to implement Green Development Standards in their communities.

Congratulations to the Town of Whitby for developing its Green Development Standards and improving housing and the sustainability of your new developments for years to come. We look forward to tracking the results of this decision and program and sharing the lessons learned with other Ontario municipalities developing their Green Standards.

Kind regards,

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i http://cleanairpartnership.org/cac/meetings/net-zero-energy-nze-housings-role-in-getting-us-to-net-zero-communities/

ii https://www.ivey.uwo.ca/energycentre/blog/2019/06/a-closer-look-at-hydro-quebecs-electricity-price-advantage-over-ontario/