

To: COUNCIL

Meeting Date: 4/11/2023

Subject: Waterloo Region Green Development Standards Phase 2 Project Launch

Submitted By: Lisa Prime, Chief Planner, MCIP, RPP

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Report No.: 23-205-CD

File No.: D18.01.08

Wards Affected: All Wards

RECOMMENDATIONS:

THAT Report 23-205-CD Waterloo Region Green Development Standards Phase 2 Project Launch be received;

AND THAT Council direct staff to initiate Phase 2 of the Green Development Standards Project and to bring a recommendation back to Council.

EXECUTIVE SUMMARY:

Purpose

The purpose of this report is to highlight the work of the Land-Use and Energy Working Group (Working Group) and support its recommendations to design harmonized Green Development Standards (GDS) for Waterloo Region.

Key Findings

After conducting internal research and hiring an external consultant to help with stakeholder engagement in Phase 1 of the Green Development Standards project, the Working Group found that:

- There is broad support among urban-area municipalities and utilities in Waterloo Region to develop a leading (i.e. tiered, mandatory) GDS.
- There is interest and capacity to create a harmonized GDS across the three urban municipalities and, potentially, the townships. This would be unique in Ontario and simpler for developers.
- Waterloo Region is well positioned for success because of our strong interdisciplinary partnerships, the involvement of utility providers, our ability to

draw on experiences from other communities, and our ability to leverage the local non-profit and business landscape.

Financial Implications

The Working Group is preparing an application to NRCan's Code Accelerator Fund to design the GDS. Should the grant application be successful, there would be no financial implications on the City.

If the grant is not successful, staff would fund the project through the existing 2023 operating budget in the amount of \$8,150 and include an additional one-time operating expense of \$16,300 in 2024 and \$8,150 in 2025.

STRATEGIC ALIGNMENT:

- Strategic Action; or
- Core Service

Objective: RESILIENCY - Use a future-oriented, proactive approach to climate action and emergency preparedness

Strategic Action: Take action to combat climate change

Program: Not Applicable

Core Service: Not Applicable

Designing and implementing Green Development Standards for Waterloo Region will further support actions being taken in the Region to combat climate change.

BACKGROUND:

In 2021, WR Community Energy formed a Land-Use and Energy Working Group (Working Group) with the purpose to integrate energy considerations into the planning process. The City of Cambridge was a founding member of the Working Group.

In 2022, the Working Group established a subcommittee to study the impacts of a Green Development Standard (GDS) in the Region. A GDS is a planning and/or design policy consisting of comprehensive principles to ensure all developments align with our community environmental, energy, and sustainability goals. GDS have been successfully designed, implemented, and defended by many communities across Ontario over the last fifteen years. GDSs were deemed important to study considering its explicit or implicit reference in the following Council approved documents:

- Climate Action WR (2013),
- Community Energy Investment Strategy (2018),

- Climate Emergency Declaration (Resolution 19-230 to 232) (2019),
- Corporate Energy Conservation and Demand Management Plan (2020),
- Transform WR (2021),
- Regional Official Plan (adopted by Regional Council in 2022 and with the Province for decision), and
- Cambridge Official Plan (2018).

The Working Group (and GDS Subcommittee) includes:

- Amanda Kutler, Region of Waterloo (GDS Subcommittee)
- Kathy Padgett, City of Cambridge (GDS Subcommittee)
- Janine Oosterveld, City of Kitchener (GDS Subcommittee)
- Max Kerrigan, City of Waterloo (GDS Subcommittee)
- Allen Chan / Shaun Wang, Enova Power Corp.
- Blair Hiseler, Enbridge
- Umar Waqas, GrandBridge
- Michele Kamphuis, Kitchener Utilities
- Matthew Day, WR Community Energy (GDS Subcommittee)

The GDS work was planned for 2 phases. Phase 1 focused on informing municipal and agency staff on how other municipalities established a GDS including enabling policies and best practices for implementing a GDS to assist in determining whether and how to collaborate and on what scale. Phase 2, pending the completion of Phase 1, would focus on community and industry engagement and the design of a GDS.

In early 2022, the GDS Subcommittee retained Urban Equation and The Planning Partnership to conduct the Phase 1 work. These consultants were chosen based on their successful work developing GDS with the Town of Whitby and the City of Pickering. Drawing from these experiences and an understanding of Waterloo Region's context and needs, a Phase 1 Report (see Appendix A) was completed in three parts: Policy Review, Best Practice Review, and Engagement Summary.

EXISTING POLICY / BY-LAW:

Consideration will be given to include policies on Green Development Standards as part of the next Cambridge Official Plan update.

A GDS would be applied through projects requiring Planning Act approval such as site plan and subdivision approvals. The Municipal Act also enables a municipality to pass by-laws around environmental well-being including respecting climate change.

ANALYSIS:

The Phase 1 GDS Report provides a summary of policy review and engagement and provides key building blocks to support the creation of a leading GDS to the Regional and urban-area municipalities, utilities, and other municipal partners. By helping build consensus among this group, the report serves as a tool to facilitate the creation of community-wide standards that are compatible with leading GDS across the country. To this end, the Phase 1 report completes foundational work needed to enable the next phase of the project through the following building blocks:

- Understanding best practices across leading municipalities;
- Understanding how policies can support Green Development Standards;
- Collection of baseline information to secure Phase 2 work;
- Engagement and education approaches to effectively foster partner buy-in; and
- An overview of anticipated Phase 2 work.

The Phase 1 GDS Report found that:

- There is broad support among urban-area municipalities and utilities in Waterloo Region to develop a leading (i.e. tiered, mandatory) GDS.
- There is interest and capacity to create a harmonized GDS across the three urban municipalities and, potentially, the townships. This would be unique in Ontario and simpler for developers.
- Waterloo Region is well positioned for success because of our strong interdisciplinary partnerships, the involvement of utility providers, our ability to draw on experiences from other communities, and our ability to leverage the local non-profit and business landscape.

The Phase 1 GDS Report ends with a proposed Phase 2 Work Plan. The Phase 2 work will occur over the course of the next two years with community and industry engagement at each stage of the project. A detailed workplan will be established as a first step in conjunction with the retention of a consultant team to support various aspects of the project. It is anticipated that a report back to participating municipal Councils for a decision would occur late in 2024 or early 2025.

FINANCIAL IMPACT:

The Working Group is preparing an application to NRCan's Code Accelerator Fund to design the GDS. Should the grant application be successful, there would be no financial implications on the City.

If the grant is not successful, staff would fund the project through the existing 2023 operating budget and include an additional one-time operating expense of \$16,300 in 2024 and \$8,150 in 2025, as outlined in the chart below.

GDS Phase 2: Consultancy Fees Contribution (Traditional WRCE model)				
Partner	Total %	2023	2024	2025
Region of Waterloo	20%	\$8,150	\$16,300	\$8,150
City of Kitchener	20%	\$8,150	\$16,300	\$8,150
City of Cambridge	20%	\$8,150	\$16,300	\$8,150
City of Waterloo	20%	\$ 8,150	\$16,300	\$ 8,150
Kitchener Utilities	5%	\$2,038	\$4,075	\$2,038
Enbridge	5%	\$2,038	\$4,075	\$2,038
Enova	5%	\$2,038	\$4,075	\$2,038
GrandBridge	5%	\$ 2,038	\$4,075	\$2,038
Consultants Total	100%	\$40,750	\$81,500	\$40,750
GDS Phase 2: Project Management Costs				
WRCE	100%	45,000	90,000	45,000

PUBLIC VALUE:

Sustainability:

This project will support sustainability by encouraging innovative approaches through Green Development Standards.

Collaboration:

Collaboration will involve working in partnership with the Region, area municipalities and the utility companies, in consultation with a wide variety of stakeholders, to produce Green Development Standards in the Region.

ADVISORY COMMITTEE INPUT:

Advisory Committees Consulted:

The Cambridge Environmental Advisory Committee will be consulted in Phase 2 of the Green Development Standards project.

PUBLIC INPUT:

A wide community consultation is planned for Phase 2 of the Green Development Standards project including developers, home builders' associations, community leaders, environmental groups, planners, etc.

INTERNAL / EXTERNAL CONSULTATION:

The project team includes membership from the Region and Cities of Cambridge, Kitchener and Waterloo and utilities. A wide community consultation is planned for Phase 2 of the project.

CONCLUSION:

This report summarizes the collaborative process being undertaken to create a harmonized Green Development Standard across the three urban municipalities and, potentially, the townships.

REPORT IMPACTS:

Agreement: **No**

By-law: **No**

Budget Amendment: **No**

Policy: **Yes**

APPROVALS:

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

Deputy City Manager

Chief Financial Officer

City Solicitor

City Manager

ATTACHMENTS:

1. 23-205-CD Appendix A – Green Development Standard Phase 1 Summary Report