

The Corporation of the Township of King Report to Council

From: Growth Management Services – Planning Division and Finance

Report Number: GMS-PL-2025-008

Date: Monday, April 14, 2025

Title: Incentives for the ThinKING Green: Sustainable Development

Program

Recommendation

1. That Council receive Report Number GMS-PL-2025-008.

- 2. That Council direct Staff to review potential non-financial incentives for the ThinKING Green: Sustainable Development Program.
- 3. That Staff report back to Council on non-financial incentive options in 2025.

1. Report Highlights

- Several environmental, social, health and economic benefits can be achieved through providing Sustainable Development Programs and incentives.
- Developing Sustainable Development Program incentives will achieve a key result of the Township's Corporate Strategic Plan (CSP) and assist in achieving the goals of the Township's King Community Climate Action Plan (KCCAP).
- Similar to King Township, four (4) other municipalities are exploring incentive options for Sustainable Development Programs out of thirty (30) municipalities reviewed in Ontario.
- Non-financial incentives are recommended to support the implementation of the ThinKING Green: Sustainable Development Program.

2. Purpose

The purpose of this Report is to present a summary of incentive opportunities for Sustainable Development and seek direction to develop non-financial incentives to support the implementation of the Township's ThinKING Green: Sustainable Development Program.

3. Background

King's Evolution with Sustainable Development Program

In 2012, King adopted an Integrated Community Sustainability Plan (ICSP) which set out sustainable goals and tasks for the Township. The ICSP encouraged the development of

green and sustainable buildings. In 2013, the Township introduced the Sustainable King Development Standards Checklist as part of the development application submission process. The checklist was submitted voluntarily with development applications to identify sustainable built form components of the development concept.

In 2018, the Township began developing its first green development standards program titled the Sustainable King: Green Development Standards Program. Township Council declared a climate emergency on July 7, 2019. The Program was endorsed by Council on September 23, 2019. In November 2020, the final draft of the Program was approved by Council and came into effect on February 1, 2021.

On May 13, 2024, Council endorsed the updated and expanded <u>ThinKING Green:</u> <u>Sustainable Development Program</u>, which took effect on September 1st, 2024. The expanded Program to applies to Draft Plan of Subdivision applications, in addition to commercial, institutional, industrial, on-farm diversified uses and multi-unit residential developments.

Through the update of King's Sustainable Development Program, Report <u>GMS-PL-2024-13</u> noted that incentive opportunities would be investigated during the implementation of the Program.

Corporate Strategic Plan (CSP) Alignment

The Township of King's <u>2023-2026 Corporate Strategic Plan (CSP)</u> has identified the development of a Sustainable (Green) Development Standards Incentive Program by 2026 as a key result. This report outlines a summary of incentive options for green development standard programs and a recommendation to explore a non-financial incentive to achieve the CSP key result.

King Community Climate Action Plan (KCCAP)

King Township's Climate Action Plan, entitled "King Community Climate Action Plan (KCCAP)" was endorsed by Council on September 9th, 2024. The KCCAP's goal is to reduce Community emissions by 35% by 2030 and achieve Net Zero community emissions by 2050. By developing Program incentives, the development community and landowners can be further encouraged to incorporate sustainable design practices in new buildings to assist in achieving the KCCAP's goals.

4. Analysis

Role of Incentives

Incentives are primarily used to improve the uptake of sustainable development standards programs and increase the number of sustainable buildings and developments that achieve higher targets. King's Sustainable Development Program requires a minimum of "Bronze" level score for both Site Plan and Draft Plan of Subdivision Applications. Incentives can encourage more applications to achieve higher than the minimum required "Bronze" level. Achieving higher Program scores ("Silver" and "Gold") will increase the number of new sustainably designed buildings and low-carbon neighbourhoods in the Township.

Incentives can be used as a tool to improve the uptake of specific metrics or increase the target levels in sustainable development programs. Program metrics can be incentivized to improve the uptake of less selected metrics or metrics deemed high priority. King's Sustainable Development Program outlines three target levels for each metric ("minimum", "level 1" and "level 2"). Incentives can be used to increase applications beyond the minimum target level, increasing the number of metrics identified at level 1 and/or level 2 target levels.

Benefits of Incentives

Incentives can help encourage property owners and developers to achieve higher score levels of the ThinKING Green: Sustainable Development Program. The Program encourages sustainable, resilient and healthy communities through efficient, innovative, and sustainable measures. The Program metrics are structured into five principles: Green Infrastructure, Energy and Conservation, Built Environment, Natural Environment, and Healthy Communities. The metrics seek to reduce the environmental and carbon footprint of developments by incorporating alternative energy sources, innovative landscaping, active transportation, and green technologies. The program also encourages a mix of housing types to support a diverse population and promotes aging in place and accessibility.

Increasing sustainable development can lead to numerous environmental, social, health and economic advantages. The Clean Air Partnership's Briefing Note dated July 2024 (Appendix 2), outlines that green development provides reduced greenhouse gas emissions and increased resilience to extreme weather events. The Briefing Note also identifies that sustainable development can improve physical and mental health though improved air quality and the encouragement of active lifestyles with the promotion of active transportation and enhanced access to green spaces. Furthermore, the Briefing Note identifies that the occupants of sustainable developments benefit from reduced operating costs for water and energy.

Incentivizing the ThinKING Green: Sustainable Development Program will further promote Township's vision and overarching goal of creating a sustainable, resilient and healthy community for all.

Incentive Opportunities

Incentives for sustainable development standards programs are commonly divided into non-financial and financial categories. Non-financial incentives, which do not involve monetary value, promote higher program scores through benefits such as additional support services, and/or recognition or awards. Financial incentives, such as grants, loans, or rebates, provide monetary value to encourage higher program scores.

Non-Financial Incentives

Examples of non-financial incentives and their specific considerations are listed below:

1. **Recognition and Award Programs:** This program would recognize or award applications that achieve higher sustainability program scores. Recognition and award programs can enhance the marketability of green buildings. Additionally, recognizing

and awarding exemplary projects can create a competitive environment, encouraging more developers to adopt higher levels of sustainable standards. The <u>Canada Green Building Council (CAGBA)</u> recognizes members contributing to the advancement of green building in Canada. The awards are organized into green building awards and leadership awards. The <u>Canadian Construction Association (CCA)</u> also awards exceptional contributions to the Canadian construction industry and provides an award for environmental achievement.

- 2. Education: This incentive aims to provide the public and development community with sustainable building details through information sessions and workshops on Sustainable Development Standards and incentives. Education sessions can help bridge knowledge gaps and ensure stakeholders are well equipped to undertake sustainable projects and achieve higher standards. Education sessions can be enhanced through the use of collaborative networks, bringing together a diverse group of interests from the private and public sectors, as well as the development and sustainability industries, to share knowledge, case studies and insights on various sustainability practices and solutions.
- 3. Expedited Review: This incentive aims to accelerate the review process for planning applications that commit to achieving higher sustainability program scores. By providing property owners and developers greater certainty with respect to the overall review timeframe they will be able to achieve overall construction planning and cost efficiencies. This support may encourage the adoption of higher sustainable development standards more swiftly. If directed by Council to explore non-financial incentives, examples of these opportunities which will be further explored by Staff include:
 - i. expedited internal commenting circulation timelines and deadlines:
 - ii. priority queuing for the scheduling of statutory public planning meetings and other Council meeting agenda scheduling; and,
 - iii. delegated approval authority to Staff for specific types of applications (eg. condominium applications, Holding removals, consents, temporary use by-laws, etc.).

It is noted that the ability to apply expedited review timeframes will largely depend on the complexity of the development application. Additionally, an expedited review process may only be suitable for internal review processes since external agencies may not be able to adhere to an accelerated commenting timeline. A challenge in implementing this type of incentive is ensuring that the required Staff time and resources which will be required to achieve this accelerated review will not impact Staff's ability to ensure that the processing times for other development applications (i.e. those which are not accessing an expedited review stream) are still completed within the legislated timelines. To ensure the effectiveness this type of incentive, the Township will need to explore robust methods to verify that applicants follow through on implementing the sustainable measures outlined in their proposals. Further

exploration of this type of incentive would be necessary and can be completed through the next steps of program development.

4. Marketing: This incentive would advertise projects that achieve higher sustainability scores on homebuyers' maps, the municipal website and/or social media platforms. Highlighting projects of successful green development projects can serve as powerful motivators. Showcasing to the public the positive impact of these projects on the environment, economy, and community can demonstrate the tangible benefits of adopting higher levels of green development standards. Raising public awareness about green buildings can also significantly enhance their visibility, attracting more attention and support from the community and potential purchasers.

Financial Incentives

There are various factors to consider when implementing and administering financial incentives. Appendix 3 provides detailed examples and specific considerations for these incentives. Currently, staff do not recommend pursuing financial incentives due to potential budgetary and administrative impacts.

Additional Incentives Offered by External Agencies

Other agencies and organizations provide incentives for sustainable design that can be accessed by applicants in King. Township Staff will continue to research and explore external incentives that can be a resource for applicants. At this time, the following external programs/incentives may be available for applicants to review:

- Green Municipal Fund (FCM) Sustainable Affordable Housing Fund;
- Savings by Design Affordable Housing by Enbridge Gas Distribution;
- Savings by Design Commercial & Multi-Residential by Enbridge Gas Distribution;
- Net Zero Ready Discovery Homes by Enbridge Gas Distribution;
- ENERGY STAR® for New Homes offered by Enbridge Gas Distribution; and
- Sustainable Development Through LEED® by York Region.

Status of Incentives in Ontario Municipalities

A jurisdictional scan, outlining the status of sustainable/green development standards programs and incentives in other municipalities in Ontario dated January 2025, is attached as Appendix 1. A detailed summary of jurisdictional scan findings is attached as Appendix 4.

Similar to King, four (4) municipalities (Cities of Brampton, Mississauga, Burlington, and the Town of Halton Hills) are currently at the preliminary stage of exploring incentive opportunities. The City of Brampton has identified they are exploring options for non-financial incentives.

To break down the scan further into King's context, Table 1 illustrates the status of green development standard programs, incentives and a dedicated GDS staff member in the Northern Six (N6) municipalities of York Region.

Table 1: Status of Green Development Standards Incentives Status in Northern Six (N6) Municipalities in York Region (January 2025)

Municipality	Does the Municipality have a Green Development Standards Program (or equivalent)?	Status of Program Incentives	Does the Municipality have a Dedicated GDS Staff Resource?
Whitchurch- Stouffville	No	N/A	N/A
Newmarket	No	N/A	N/A
Aurora	Yes	No program incentives and not currently reviewing options for incentives.	No
East Gwillimbury	Yes	No program incentives and not currently reviewing options for incentives.	No
Georgina	No	N/A	N/A

In comparison to the Northern Six (N6) municipalities of York Region, no other municipalities are reviewing incentives for sustainable/green development standards programs at this time.

Recommendation for Non-Financial Incentives

Staff recommends exploring non-financial incentives further to support the ThinKING Green: Sustainable Development Program. Non-financial incentives, such as public recognition, can encourage developers to voluntarily adopt higher levels sustainable standards. Incentives such as offering education, workshops, and access to resources can foster innovation among the development industry. This can lead to the creation of more sustainable and efficient building practices. Expedited application review can assist in speeding up the adoption of higher levels sustainable development standards. Development proposals that are recognized and awarded for environmentally friendly practices can receive enhanced marketing to attract potential customers and investors who value sustainability.

Developing non-financial incentives also positions King as an early adopter of incentives, which demonstrates King's commitment to sustainability and environmental responsibility.

Next Steps

Consultation is essential to developing incentives that will be beneficial to applicants and encourage applicants to achieve higher program score. If directed by Council to develop non-financial incentives, consultation with the public and development industry can begin in May 2025 and Staff can report back on non-financial incentives options later in 2025. The following identifies the workplan and next steps:



5. Financial Considerations

At this time the non-financial incentives will not impose any budgetary implications while still providing benefits to the Sustainable Development Program and achieving a key result of the Township's Corporate Strategic Plan (CSP) and assist in achieving goals of the Township's King Community Climate Action Plan.

6. Alignment to Strategic Plan

The 2023-2026 Corporate Strategic Plan (CSP) was adopted by Council on June 12, 2023. The CSP reflects the priorities of upmost importance to the community and defines the obligations and commitments of the Township of King to its citizens and to the public. The CSP is aligned with the Townships long-term vision defined in the "Our King" Official Plan. The CSP also aims to ensure that staff initiatives focus on and work towards supporting King's Vision, Mission and Values.

This report is in alignment with the CSP's Priority Area(s), and/or associated Objective(s) and/or Key Result(s):

Priority Area: A Greener Future

Objective: Develop environmentally sustainable solutions that reduce King's footprint and mitigate against the impacts of climate change.

Key Result: Develop a Green Development Standards Incentive Program by 2026.

This report directly aligns with the key result of developing a Sustainable (Green) Development Standards Incentive Program by 2026. This report provides a recommendation

to develop non-financial incentives to support ThinKING Green: Sustainable Development Standards Program.

7. Conclusion

Developing non-financial incentives is recommended to support the implementation of the ThinKING Green: Sustainable Development Program. This recommendation takes into account the intent of providing incentives, incentive options available, the status of sustainable/green development standard incentives in other Ontario municipalities as of January 2025, and the use of Township Staffing resources. The incentive recommendation aligns with the CSP and the KCCAP.

If directed by Council to develop non-financial incentives, consultation with the public and development industry can begin in May 2025 and Staff can report back on non-financial incentives options in 2025.

8. Attachments

- Appendix 1 Jurisdictional Scan of Green Development Standards Incentives Status in Ontario Municipalities (January 2025)
- Appendix 2 Clean Air Partnership's Briefing Note on Municipal Green Development Standards dated July 2024
- Appendix 3 Examples of Financial Incentives for Sustainable Development Standards and Considerations (March 2025)

Appendix 4 – Summary of Jurisdiction Scan Findings (January 2025)

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