

# ECOLOGY OTTAWA 2012 BUDGET RECOMMENDATIONS ON GREENING OTTAWA'S HOMES AND BUILDINGS

October 5, 2011

To Mayor Jim Watson:

Copies to George Young, City Councilors

Dear Mayor Watson:

Further to our [letter of September 14](#) outlining Ecology Ottawa's suggestions for the 2012 Budget, we would like to provide more detailed recommendations on Ottawa's Transition to Clean Energy and Efficient Buildings.

We propose that an allocation of \$200,000 be included in the 2012 budget to develop several city initiatives that would leverage significant community, provincial, and private sector investment into the greening of Ottawa homes and buildings.

1. Municipal Financing of Energy Retrofits. We recommend that a feasibility study be undertaken by staff on a revenue-neutral municipal financing program for building and home retrofits in which energy savings are greater than annual payments, and in which the benefits and costs can be transferred to new owners. **Suggested 2012 budget allocation: \$75,000**

It is our understanding that a study of this type will be among the recommendations from city staff in their report on building efficiency to be presented to Council this fall, as city staff have been participating in a province-wide research project on this financing concept during the past year. Experience in the U.S. and elsewhere shows that a program can be designed to be revenue-neutral to a municipality and yet leverage significant home and building owner investment into energy efficiency retrofits.

The feasibility study should review program options in which the necessary changes in *Municipal Act* regulations are made to allow loans to be assessed against individual properties, and also options where repayments could be made in other ways without these regulatory changes. The feasibility study should include the following topics:

- Basic program elements and design for revenue neutral programs serving both the housing retrofit and building upgrade markets
- Roles of departments and contracted out services for each market
- Sources of financing—options / pros and cons
- Program costing—cash flow forecasts
- Risk analysis
- Legal issues including provincial regulatory changes needed
- An analysis of the anticipated administrative costs for start-up and operations, including establishing eligibility criteria and protocols and developing evaluation criteria
- Identification of packages of measures and associated financing
- Means of qualifying contractors, installers, etc
- Support for collaboration with other stakeholders

2. Community Owned Solar Power Systems on City Facilities. The City of Ottawa has an agreement with Hydro Ottawa to install solar power systems on 20 city-owned facilities. We recommend that the city develop a program that would allow community investment in other city facilities through Renewable Energy Cooperatives or community organizations and assist these organizations to develop solar projects. **Suggested 2012 budget allocation: \$25,000**

For example, city staff are considering this option following a proposal from the Ottawa Renewable Energy Cooperative to install a solar system on Dovercourt Pool in Kitchissippi Ward. There is considerable interest among community members in investing in solar power in their own community and this program would provide them with the opportunity.

The proposed budget allocation would be used to consult with the community and develop a clear set of conditions under which community entities could lease city-owned roofs or land.

3. Low Income Energy Efficiency Assistance Strategy. In the past, the City of Ottawa has worked closely with the Envirocentre, Enbridge Gas, Hydro Ottawa and the Province to provide energy efficiency advice and financial assistance to low income families who do not live in social housing units. We recommend that the city develop a new strategy with these partners that would provide home and electricity audits, financing options and technical assistance. **Suggested 2012 budget allocation: \$100,000.**

The budget allocation would be used to define a low income threshold for support in cooperation with community and social service agencies; identify and leverage available provincial and federal funding; and work on audit, financing and other delivery mechanisms with partners. This strategy would not cost the city significant program dollars but could have far reaching benefits for low income families. It could include the convening of a “Low-Income Energy Retrofit” summit among partners.

An example of a Provincial program that could be leveraged by the city for low income support is the new Ontario Power Authority Multi-Family Buildings Rebate program. This program offers financial incentives to building owners and property managers wishing to undertake energy efficiency improvements. Buildings that contain more than six housing units are eligible. Financial incentives cover HVAC systems, lighting, appliance replacements, building envelope, controls, water heating, motors, pumps and fans. Energy audit and resident education subsidies are also available. Several municipalities across Ontario are using this program for low income support.

For more information please see [www.lowincomeenergy.ca/energy-assistance/](http://www.lowincomeenergy.ca/energy-assistance/).

Our objective in making these recommendations is to show that small budget allocations can lead to low or no cost city programs that would leverage significant community and private sector investment and produce long term significant results—improving the energy efficiency of a large proportion of Ottawa’s homes and buildings, lowering energy costs for families and business, and increasing the use of renewable energy.

We suggest that the proposed budget allocations be included in a new Greening Ottawa Homes and Buildings envelope in 2012 Budget Strategic Funding or in the Housing and Poverty Reduction, Economic Development, or Environmental Initiatives envelopes. The

amount suggested could be covered from the savings expected from the city's Smart Energy program and the income from the Hydro Ottawa solar installations.

We believe that our recommendations are closely aligned with the new program directions that are highlighted in *The Future of Buildings and Energy Supply* discussion paper, released in June 2011 by the organizers of Choosing Our Future. We also believe that these recommendations will help to implement your vision of Ottawa as one of the greenest cities in Ontario.

Kind regards,

A handwritten signature in black ink, appearing to read "Roger Peters".

Roger Peters  
Volunteer, Ecology Ottawa  
On Behalf of the Ecology Ottawa Steering Committee

A handwritten signature in black ink, appearing to read "Trevor Haché".

Trevor Haché  
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