
City Council

NOTICE OF MOTION

MM30.6	ACTION			Ward: All
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Property Tax Exemption for LEED Certified Buildings - Moved by Councillor Palacio, seconded by Councillor Jenkins

- Notice of this Motion has been given.*
- This Motion is subject to referral to the Executive Committee. A two-thirds vote is required to waive referral.*

Recommendations

1. That the Acting Deputy City Manager and Chief Financial Officer, in consultation with the Toronto Environment Office, be requested to report to an upcoming meeting of the Executive Committee on the feasibility of a property tax exemption program for LEED Certified buildings in the City of Toronto.

Summary

Toronto has a unique opportunity to lead on encouraging environmentally sustainable development through property tax exemptions for LEED standard buildings. Leadership in Energy and Environmental Design (LEED) is an emerging internationally recognized objective rating and certification system for green and sustainable building design. Architects and Builders who design their buildings to meet LEED criteria can have their building deemed LEED Certified, LEED Silver, LEED Gold or LEED Platinum.

Toronto does not have the authority to compel developers to comply with the LEED standard, but does have the ability to offer very valuable incentives to do so. Buildings produce 30% of Canada's greenhouse gas emissions.

LEED certification uses a points system that rewards a wide variety of environmentally friendly building design features such as cutting edge energy efficiency; solar panels and green roofs; water efficiency; efficient travel options for users such as bicycle storage, among many other environmentally friendly characteristics. The Canadian rating system is an adaptation of the US Green Building Council's (USGBC) LEED Green Building Rating System, tailored specifically for Canadian climates, construction practices and regulations. The rating system is adapted to the Canadian market through an inclusive process that engages stakeholders and experts representing the various sectors of the Canadian industry. City ABCs, including the Toronto Police Service have already committed to building to a LEED Silver standard.

Using reasonable tax incentives to encourage and promote LEED design would have an

unprecedented positive impact not only on the interest in LEED design in Toronto's construction and design communities, but also on the City's desire to show leadership on climate change. Several U.S. and European jurisdictions have already implemented similar LEED property tax incentives. Ideally Toronto could take the boldest steps yet, buildings could enjoy a property tax exemption for a number of years once LEED Certified. This would apply to any new buildings built or retrofitted to a LEED standard.

City Council - January 27, 2009