



Electronic Council Communications Information Package

Date: April 26, 2024

Time: 12:00 PM

Location: ECCIP is an information package and not a meeting.

Description: An ECCIP is an electronic package containing correspondence received by Staff for Council's information. This is not a meeting of Council or Committee.

Alternate Format: If this information is required in an alternate format, please contact the Accessibility Coordinator, at 905-623-3379 ext. 2131.

Members of Council: In accordance with the Procedural By-law, please advise the Municipal Clerk at clerks@clarington.net, if you would like to include one of these items on the next regular agenda of the appropriate Standing Committee, along with the proposed resolution for disposition of the matter. Items will be added to the agenda if the Municipal Clerk is advised by Wednesday at noon the week prior to the appropriate meeting, otherwise the item will be included on the agenda for the next regularly scheduled meeting of the applicable Committee.

Members of the Public: can speak to an ECCIP item as a delegation. If you would like to be a delegation at a meeting, please visit the Clarington [website](#).

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File #: OPA 2023-002

Date of Decision: April 24, 2024

Related File(s): N/A

Date of Notice: April 25, 2024

Subject Lands: 4854 Concession Road 5
Part Lot 1, Concession 5,
Municipality of Clarington

Last Date of Appeal: May 15, 2024

The Regional Municipality of Durham

Notice of Adoption

With Respect to Amendment #198 to the Durham Regional Official Plan
Section 17(23) of the Planning Act

Purpose and Effect of the Requested Official Plan Amendment

The purpose and effect of this Amendment is to permit the severance of a dwelling rendered surplus as a result of the consolidation of non-abutting farm parcels on lands designated as “Prime Agricultural Areas”.

The Amendment and background materials are available for inspection at the Regional Planning and Economic Development Department, Regional Municipality of Durham, 605 Rossland Road East, Fourth Floor, P.O. Box 623, Whitby, Ontario, Monday to Friday between 8:00 a.m. and 5:00 p.m.

Related Planning Act Files

N/A

Written and Oral Submissions

Public consultation on the application was undertaken in accordance with the requirements of the Planning Act. The Region received no inquiry on the application. Further details regarding how the public input was considered is available in Commissioner’s Report #2024-P-8 and in the Planning and Economic Committee minutes dated April 4, 2023.

Decision of Regional Council

The Council of the Regional Municipality of Durham adopted Amendment #198 to the Durham Regional Official Plan by By-law #2024-018, on April 24, 2024.

When and How to File a Notice of Appeal

The last day for filing a notice of appeal is **May 15, 2024** (20 days after the day notice is given). Notice to appeal the decision to the Ontario Land Tribunal must:

- 1) be filed with the Regional Clerk at the following address:

Alexander Harras, Regional Clerk
The Regional Municipality of Durham
Corporate Services Department - Legislative Services Division
605 Rossland Road East, Level 1
P.O. Box 623
Whitby, ON L1N 6A3

- 2) set out the reasons for the appeal, and the specific part of the proposed official plan or plan amendment to which the appeal applies; and
- 3) be accompanied by the fee of \$1,100 in the form of a certified cheque or money order payable to the Minister of Finance, as required by the Ontario Land Tribunal.

This proposed Official Plan Amendment is exempt from approval by the Minister of Municipal Affairs and Housing. The decision of the Council of the Regional Municipality of Durham is final if a notice of appeal is not received on or before the last day for filing a notice of appeal.

Only individuals, corporations or public bodies may appeal a decision of the municipality to the Ontario Land Tribunal. A notice of appeal may not be filed by an unincorporated association or group. However, a notice of appeal may be filed in the name of an individual who is a member of the association or the group on its behalf.

No person or public body shall be added as a party to the hearing of the appeal unless, before the plan was adopted, the person or public body made oral submissions at a public meeting or written submissions to Council or, in the opinion of the Ontario Land Tribunal, there are reasonable grounds to add the person or public body as a party.



Regional Clerk

Amendment #198 to the Regional Official Plan

Purpose and Effect: The purpose and effect of this Amendment is to permit the severance of a dwelling rendered surplus as a result of the consolidation on non-abutting farm parcels on lands designated as “Prime Agricultural Areas”.

Location: The subject site is located on the north side of Concession Road 5, west side of East Townline Road. The property is municipally known as 4854 Concession Road 5 and is part of Lot 1, Concession 5 in the Municipality of Clarington.

Basis: The residential dwelling on the subject site is not required by and is surplus to the farm operation. The amendment conforms with the Durham Regional Official Plan, the Greenbelt Plan, and the Growth Plan for the Greater Golden Horseshoe and is consistent with the Provincial Policy Statement.

Amendment (current Regional Official Plan – 2020 Consolidation):

The Durham Regional Official Plan is hereby amended by adding the following policy exception to section 9A.3.2:

“9A.3.2 (iii) A surplus farm dwelling rendered surplus from the parcel identified as Assessment No. 18-17-030-080-13500 located in Part of Lot 1, Concession 5 in the Municipality of Clarington, subject to the inclusion of the provisions in the zoning by-law to prohibit the construction of any new dwelling on the retained parcel; and the use of the existing barn for housing livestock. In accordance with Provincial and Regional policies, no further severances of the property are permitted.”

Implementation: The provisions set forth in the Durham Regional Official Plan regarding the implementation of the Plan shall apply in regards to this Amendment.

Interpretation: The provisions set forth in the Durham Regional Official Plan regarding the interpretation of the Plan shall apply in regards to this Amendment.



Sent Via Email

April 25, 2024

Patrice Barnes
MPP, Ajax
230 Westney Rd. S
Ajax, ON L1S 7J5

**The Regional
Municipality of
Durham**

Corporate Services
Department –
Legislative Services
Division

605 Rossland Rd. E.
Level 1
PO Box 623
Whitby, ON L1N 6A3
Canada

905-668-7711
1-800-372-1102

durham.ca

**Alexander Harras
M.P.A.
Director of
Legislative Services
& Regional Clerk**

Dear Patrice Barnes:

RE: 2024 Annual Climate Change Progress Report (2024-COW-12), Our File: D19

Council of the Region of Durham, at its meeting held on April 24, 2024, adopted the following recommendations of the Committee of the Whole:

- “A) That Regional Council receive this 2024 Climate Change Progress Report for information; and
- B) That a copy of Report #2024-COW-12 of the Chief Administrative Officer be sent to all Durham MPs and MPPs, local area municipalities, Conservation Authorities, and local energy utilities, for their information and consideration.”

Please find enclosed a copy of Report #2024-COW-12 for your information.

Alexander Harras

Alexander Harras,
Director of Legislative Services & Regional Clerk
AH/sd

Enclosed

- c: E. Baxter-Trahair, Chief Administrative Officer
M. Holland, MP (Ajax)
J. Jivano, MP (Durham)
J. Schmale, MP (Haliburton/Kawartha Lakes/Brock)
P. Lawrence, MP (Northumberland/Peterborough South)
C. Carrie, MP (Oshawa)
J. O'Connell, MP (Pickering/Uxbridge)

If you require this information in an accessible format, please call 1-800-372-1102 ext. 2097.

R. Turnbull, MP (Whitby)
T. McCarthy, MPP (Durham)
L. Scott, MPP (Haliburton/Kawartha Lakes/Brock)
D. Piccini, MPP (Northumberland/Peterborough South)
J. French, MPP (Oshawa)
P. Bethlenfalvy, MPP (Pickering/Uxbridge)
L. Coe, MPP (Whitby)
J. Grossi, Clerk, Town of Ajax
F. Lamanna, Clerk, Township of Brock
J. Gallagher, Clerk, Municipality of Clarington
M. Medeiros, Clerk, City of Oshawa
S. Cassel, Clerk, City of Pickering
R. Walton, Acting Clerk, Township of Scugog
D. Leroux, Clerk, Township of Uxbridge
C. Harris, Clerk, Town of Whitby
C. Darling, CAO, Central Lake Ontario Conservation Authority
L. Laliberte, CAO, Ganaraska Region Conservation Authority
M. Majchrowski, CAO, Kawartha Conservation
R. Baldwin, CAO, Lake Simcoe Region Conservation Authority
J. MacKenzie, CEO, Toronto and Region Conservation Authority
J. Maclean, Elexicon Energy
J. Taylor, Oshawa Power
G. Lind, Hydro One
B. Lee, Enbridge

If you require this information in an accessible format, please call 1-800-372-1102 ext. 2097.

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 3802.



The Regional Municipality of Durham Report

To: Committee of the Whole
From: Chief Administrative Officer
Report: #2024-COW-12
Date: April 10, 2024

Subject:

2024 Annual Climate Change Progress Report

Recommendations:

That the Committee of the Whole recommends to Regional Council:

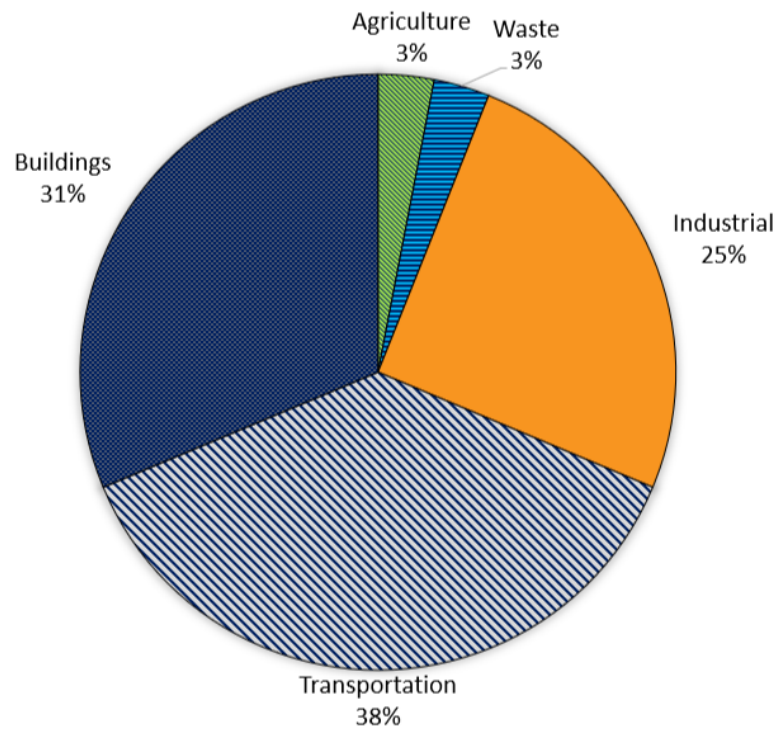
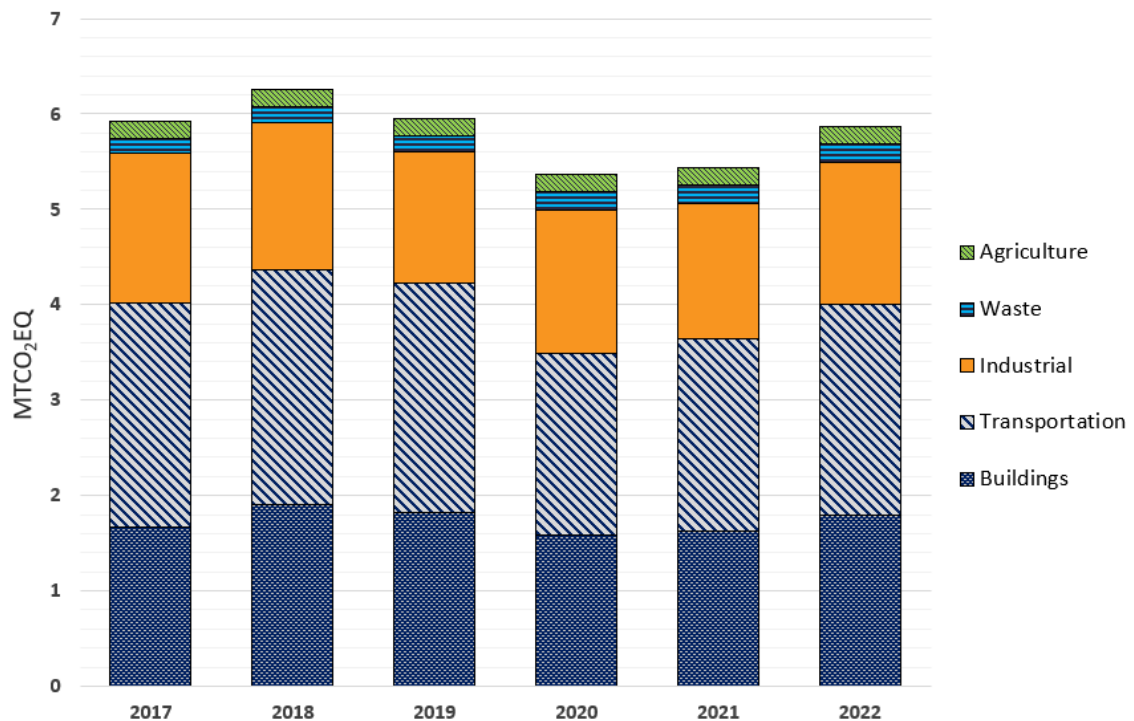
- A) That Regional Council receive this 2024 Climate Change Progress Report for information; and
 - B) That a copy of this report, be sent to all Durham MPs and MPPs, local area municipalities, Conservation Authorities, and local energy utilities, for their information and consideration.
-

Report:

1. Purpose

- 1.1 Leadership on climate change and sustainability is a key strategic priority for the Region, as reflected in the Region's strategic plan as well as within the new Council adopted Regional Official Plan. Regional Council's declaration of a climate emergency in January 2020 was a key decision point supporting the focus on climate action as a critical priority guiding municipal policy, investment, and operations. This annual climate change progress report provides a status update on the implementation of climate action plans endorsed by Regional Council.
- 1.2 Section 2 of this report provides an update on the [Durham Community Energy Plan](#) (DCEP). The DCEP was [endorsed](#) in principle by Regional Council and local area municipal councils in 2019 and outlines Durham's pathway to reduce greenhouse gas (GHG) emissions and facilitate the transition towards a clean energy economy through collaboration between the Region, local area municipalities, energy utilities, and other community stakeholders.

- 1.3 Section 3 of this report provides an update on the [Durham Region Corporate Climate Action Plan](#) (CCAP). The CCAP was endorsed by Regional Council in 2021 ([Report #2021-A-3](#)) and provides a framework for corporate decarbonization, including GHG reduction targets, and integration of a climate lens into the Region's business planning and budgets process. The CCAP was developed in collaboration with internal departments and operating divisions.
- 1.4 Section 4 of this report provides an update on the [Durham Community Climate Adaptation Plan](#) (DCCAP). DCCAP was endorsed by Regional Council in 2016 ([Report #2016-COW-103](#)) and sets out a vision, goals, and actions to help Durham Region adapt to climate change impacts. This plan was developed in collaboration between the Region, local municipalities, Conservation Authorities, energy utilities, and other local stakeholders.
- 1.5 **This is the fourth such annual climate progress report since Regional Council's 2020 climate emergency declaration. Previous annual climate update reports can be found on the [Region's website](#).**
2. **Durham Community Energy Plan (DCEP) Update**
- 2.1 Durham Region community-wide carbon emissions inventory update:
 - a. In late 2023, The Atmospheric Fund (TAF) published its annual [carbon emissions inventory report](#) for the Greater Toronto and Hamilton Area (GTHA). The report covered 2022 carbon emissions data across the four regional municipalities (Halton, Peel, York, and Durham) and single tier municipalities (Hamilton and Toronto) that make up the GTHA. TAF estimated that GTHA emissions increased annually by 8 per cent in 2022, which was the largest annual increase since 2015. Emissions increased across all six jurisdictions covered by the report, ranging from 5 per cent in Hamilton to 12 per cent in Halton Region. Carbon emissions in the GTHA will need to decrease by 9 per cent annually to reach 2030 targets in line with achieving net zero emissions by 2050.
 - b. Durham Region's emissions, as reported by TAF, and based on total activity within Durham's geographic boundaries, increased by 8 per cent in 2022 to 5.9 million tonnes of carbon dioxide equivalent (TCO₂e), nearly reaching pre-pandemic levels (see Figure 2 below). The transportation sector was the biggest driver for this increase, up 9 per cent, and continues to be the largest source of GHG emissions overall in Durham Region (see Figure 2: Durham Region Total Community Emissions, 2017-2022 (MtCO₂e)
 - c. below). The report acknowledges that most of the GTHA's agricultural activity is concentrated in Durham, making up 3 per cent of Durham's total emissions, and that food grown in Durham is consumed by communities across Ontario and beyond.

Figure 1: 2022 Durham Community GHG Emissions by Sector (MtCO₂e)**Figure 2: Durham Region Total Community Emissions, 2017-2022 (MtCO₂e)**

2.2 The Region continues to support the implementation of the DCEP in partnership with local area municipalities, energy utilities, and other organizations with influence over energy use and emissions in the community. Updates across key areas of the DCEP low carbon pathway are provided below.

2.3 **Existing Home Energy Retrofits**

- a. DCEP called for deep energy retrofits across all the roughly 200,000 existing single-family homes in Durham Region to align with a low carbon pathway to 2050. Achieving this goal requires a tripling of the rate of home energy retrofits, with each retrofit including both envelope upgrades (e.g., insulation) as well as upgrades to heating and cooling systems (e.g., switching from natural gas furnaces to electric air source heat pumps).
- b. The [Durham Greener Homes](#) (DGH) program was launched in April 2022 to provide residents with a comprehensive voluntary residential retrofit program to achieve energy efficiency upgrades and deep energy retrofits. The program includes expert energy coaching services, tailored incentives, and third-party financing services.
- c. To date, more than 1,000 Durham Region homes have registered to participate in the DGH program, and of those, close to 100 homes have completed a deep energy retrofit. In April 2024, the DGH program will be enhanced with the launch of a virtual home energy audit tool (VHEAT) that will enable insights into the energy performance of all 200,000 homes across Durham Region. The Region is working with its contracted program administrator, Windfall Ecology Centre, to implement a direct marketing campaign to invite homeowners to register through the secure DGH portal to access their VHEAT report and begin their retrofit journey. This will be supported by tailored incentives administered by the Region with the support of FCM Community Efficiency Financing Program grant funding.
- d. As outlined in Section 4.4 below, Regional staff are also working to develop an enhancement to the DGH program that will focus on supporting homeowners with implementing climate resilience retrofits that can address risks associated with flooding and extreme heat impacts. A full update to Council on the DGH program, including planned enhancement, is expected in Q2 2024.

2.4 **Existing Building Retrofits – Industrial, Commercial, Institutional, and Multi-Unit Residential Buildings.**

- a. In addition to single family homes, DCEP's low carbon pathway includes deep retrofits in all existing industrial, commercial, institutional, and multi-unit residential buildings in the Region.

- b. The [Durham Greener Buildings](#) (DGB) program launched in January 2024 to support building owners and managers in complying with the Province of [Ontario's Energy and Water Reporting and Benchmarking \(EWRB\) Initiative](#). The program seeks to build capacity around benchmarking by providing a Help Desk and training support services to build familiarity, among building owners with Energy Star Portfolio Manager (ESPM), and in turn, drive demand for energy efficiency improvements throughout the building sector.
- c. The Durham Greener Buildings program complements and expands on the Durham Greener Homes program and will include a focus on supporting benchmarking and disclosing energy and water usage data of municipally owned buildings to showcase local government leadership in addressing climate change. Additionally, the program facilitates compliance with [Broader Public Sector \(BPS\) reporting requirements](#). In subsequent steps, staff will explore financing and funding opportunities while collaborating with partners to facilitate deep energy building retrofits. For further program details, please refer to report [#2023-COW-16](#).

2.5 New Construction – Durham Green Development Program

- a. Given expected population growth in Durham Region, and the associated need to build thousands of new homes annually over the coming decades, the DCEP identifies high energy performance in new building construction as a critical piece of Durham's low carbon pathway. Specifically, the DCEP calls for local municipalities to implement a tiered set of energy and emissions performance standards through the planning approval process, with the first tier mandatory and upper tiers of energy and emissions performance standards voluntary, supported by incentives.
- b. Local area municipalities, including [Town of Whitby](#), [City of Pickering](#), and [Town of Ajax](#) (the municipalities), have implemented green development standards since the DCEP was endorsed. These standards include a tiered set of energy and emissions performance criteria.
- c. While the provincial government's Bill 23 initially appeared to limit the ability of municipalities to implement green development standards, subsequent amendments as outlined in a [Letter from the former Minister of Municipal Affairs and Housing, Steve Clark](#), recognize the important work being done by municipalities through green development standards. The Minister's letter further articulated that the Province intends to consult with municipalities and other stakeholders on a consistent province-wide approach for municipalities wanting to implement green building standards that are above the minimum requirements in the Ontario Building Code (OBC) although to date, such consultations have not yet occurred.

- d. As part of the implementation of the [Pan Canadian Framework on Clean Growth and Climate Change](#), the federal government has moved forward with a National Building Code that includes energy performance tiers that are designed to move the building industry to net zero by 2030. As part of the code harmonization process, the Province of Ontario is updating the OBC to align with National Codes. There is an emerging need for market transformation to align with the tiered approach.
- e. The Region has focused on industry training and capacity building initiatives in collaboration with the Durham Region Home Builders' Association (DRHBA), and Natural Resources Canada's (NRCan) Local Energy Efficiency Partnerships (LEEP) team. Together with DRHBA and LEEP, the Region hosted a series of technology forums for builders and developers that are focused on high performance new construction. These sessions are continuing into Q2 2024.
- f. In 2023, Regional staff began working to develop a Green Development Program with an aim of:
 - building alignment amongst local municipal green development standards the new national model energy code tiers, and with forthcoming changes to the OBC; and
 - supporting voluntary adoption of higher energy performance tiers.
- g. The program development process has included evaluating policy tools to enhance energy performance and reduce GHG emissions in new residential construction, and collaboration with local municipalities and cross-departmental municipal staff teams, including Finance and Planning. Staff have consulted with energy utilities and building industry stakeholders through focus group sessions. Staff anticipate bringing forward a comprehensive program proposal to Regional Council in mid-2024.

2.6 Low Carbon Thermal Networks – Sewer Heat Recovery/District Heating.

- a. The DCEP identifies district energy (DE) as a key strategy for building sector decarbonization in Durham Region, which can potentially contribute more than 15 percent of GHG emissions reductions to meet the 2050 target.
- b. Exploration of DE opportunities have initially focused on Courtice given the availability of heat from the Durham York Energy Centre (DYEC) and the planned high population and employment densities around the Courtice GO Station Major Transit Station Area (MTSA). A preliminary business case analysis was developed in 2023, and presented to Council in January 2024 in Report [#2024-COW-1](#). Following Council endorsement in principle of the DES project concept for the Courtice Transit-Oriented Community (CTOC), staff are evaluating service delivery model options for the Courtice district

energy system, as well as updating the preliminary business case. A report outlining the recommended next steps is expected to be presented to Council in Q3 2024.

- c. In addition to work to evaluate district energy in Courtice, the Region is working with Brookfield Residential and energy developer Creative Energy to determine the feasibility of utilizing thermal energy from the Region's sanitary sewer system to meet most of the space heating and cooling requirements of the Dockside Development in the Port of Whitby. Staff are currently undertaking the final round of consultations and will develop the required Memorandum-of-Understanding (MOU) and the necessary agreements. For further details, please refer to report [#2022-INFO-16](#).
- d. Staff will initiate an assessment of DE opportunities across strategic growth areas outlined in the Regional Official Plan as part of an overarching, comprehensive thermal energy demand mapping effort for the Region, in collaboration with local area municipalities and energy utilities.
- e. Given the relatively new nature of DE work in Durham Region, the projects will help inform the development of future policies, standard agreements, and protocols to support the pre-screening, review and approval of district energy and waste energy transfer projects.

2.7 Electric Vehicle Adoption

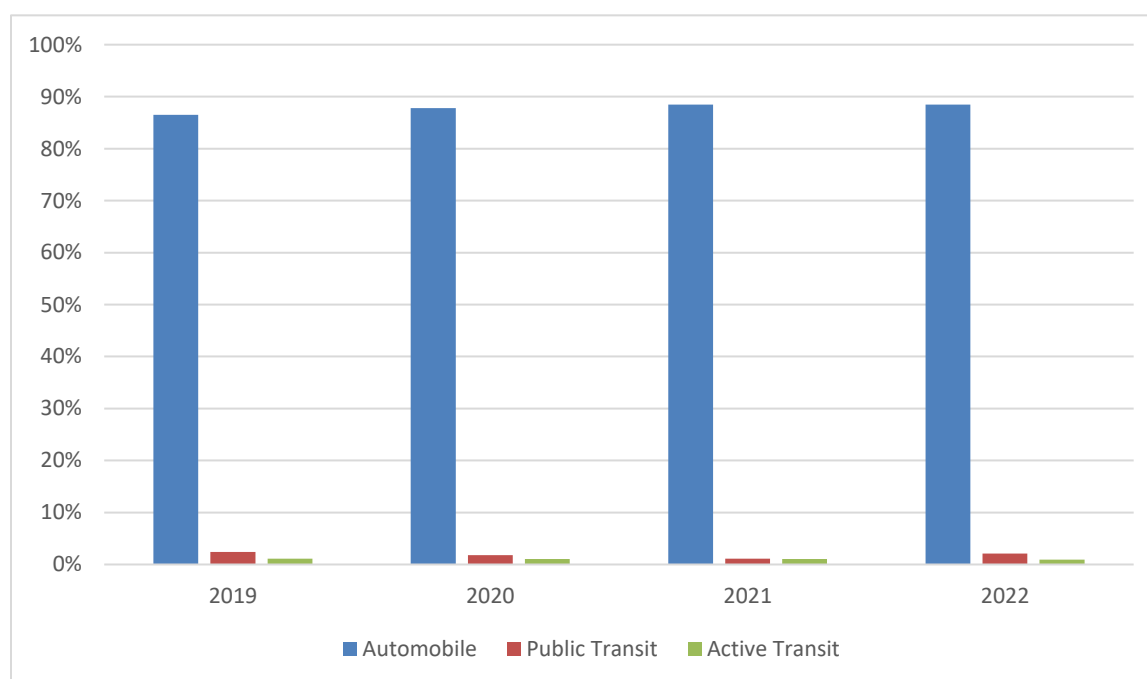
- a. The DCEP points to the transportation sector as a key area of focus, where electric vehicle (EV) adoption to reduce gasoline and diesel fuel use, will help to drive GHG reductions across Durham. As part of a multi-faceted approach to encourage the uptake of EVs across Durham, the Region, in collaboration with local municipalities and other public sector organizations have proceeded with the implementation of EV charging stations to support public and corporate fleet charging activities.
- b. To date, the Region has led on four collaborative proposals to NRCan for funding under the Zero Emissions Vehicle Infrastructure Program (ZEVIP) to support the implementation of EV chargers. Collaborative applications have been developed in partnership with local area municipalities, the Durham Catholic District School Board (DCDSB), Trent University Durham GTA, Oshawa Power and Utilities Corporation, and Central Lake Ontario Conservation Authority (CLOCA). In total, the Region secured \$ 2.7 million in approved grant funding to cover up to 50 per cent of eligible project costs related to the implementation of over 360 EV chargers to support public charging and corporate fleet applications.
- c. The installation of EV charging infrastructure plays a key role in stimulating consumer demand for EVs. In 2022, Durham experienced a surge in EV purchases compared to 2021, with 3,707 EVs (an increase of 80 per cent

over 2021) and 1,402 plug-in hybrid vehicles (PHEVs) (an increase of 34 per cent over 2021).

2.8 Public and Active Transportation

- a. Low carbon mobility options such as public and active transit are important for aligning community-wide carbon reduction outcomes with other priorities like community health, well-being and cost-of-living. As shown in Figure 3 below, the automobile remains the dominant form of transportation in Durham Region representing close to 90 per cent of total trips taken in 2022 (the latest year for which data is available). Auto mode share increased over the period from 2019 to 2022, with a commensurate decline in the share of trips taken by public transit and active modes. Transit did show an increase between 2021 and 2022, reflecting resumption of normal services from the COVID pandemic.

Figure 3: Durham Region – Percentage of total trips per mode¹



- b. The Region has a critical role to play in enabling low carbon mobility through public transit service, and through investment in active transportation infrastructure through the Regional Cycling Plan, including strengthening its Transportation Demand Management (TDM) offerings and policies under its Smart Mobility Durham program.

¹ Source: Google Environmental Insights Explorer – Transportation Activity Data for the Regional Municipality of Durham. Available here: <https://insights.sustainability.google/places/ChIJNWdhIINO1YkR3unhOZ62X88?hl=en-US&ty=2022>

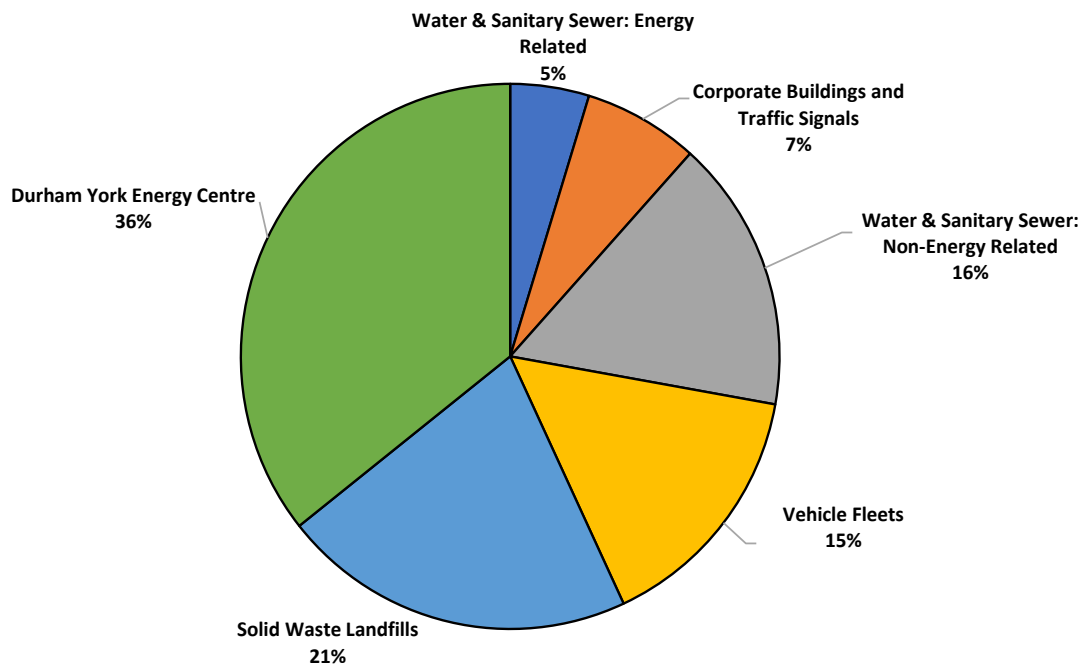
- c. In the fall of 2023, Durham Region Transit (DRT) saw record ridership levels which exceeded pre-pandemic levels. This was achieved despite a lower overall amount of service hours delivered by DRT in 2023 as compared to 2022 (~roughly 480,000 service hours in 2023 vs close to 590,000 service hours in 2022). Section 3.6a below provides additional information on planned investment to support increased transit service alongside bus fleet electrification.
- d. Through implementation of the Regional Cycling Plan (RCP) the Region continues to advance the installation of new cycling infrastructure. Since the adoption of the 2021 RCP, the Region has built approximately 52 kilometres (km) of cycling infrastructure for a total of approximately 121 km of regional cycling facilities. The 2024 budget approved funding for the construction of approximately 19 km of cycling infrastructure to be implemented as part of Regional Roads construction projects and \$0.9 million to advance shovel-readiness of cycling network infill projects.

2.9 Climate Governance and Public Reporting

- a. In addition to taking critical steps in advancing climate initiatives, the Region also undertook efforts to enhance community advisory capacity, and public facing communications on progress, as outlined below.
- b. **Durham Climate Roundtable (DCR)** – In 2023, the Durham Region Roundtable on Climate Change (DRRCC) advisory committee was integrated with the Durham Environmental Advisory Committee (DEAC), and a new arms-length Durham Climate Roundtable (DCR) was created, coordinated by Ontario Tech University. The DCR serves as a leadership accelerator, with membership representing diverse sectors across Durham Region, including regional and local government, corporate entities, and community organizations. The objectives of the DCR include providing advice to the Region of Durham on climate change matters and conducting climate change awareness and outreach activities. DCR member responsibilities include reviewing the annual DCR Report, participating in an annual Climate Forum, endorsing identified priorities for action by implementation teams, and acting as champions for climate action priorities within respective organizations, networks, and communities. For further details, please refer to report [#2022-COW-28](#).
- c. **Annual Durham Climate Forum** - the [Durham Climate Roundtable](#) (DCR) hosted the inaugural Durham Environment and Climate Forum on November 14th, 2023. The event showcased progress on climate action and celebrated the accomplishments of environment and climate change leaders across Durham Region. Staff are working with the Brilliant Energy Institute (BEI) and Ontario Tech University to deliver the upcoming annual climate forum, scheduled for fall 2024.

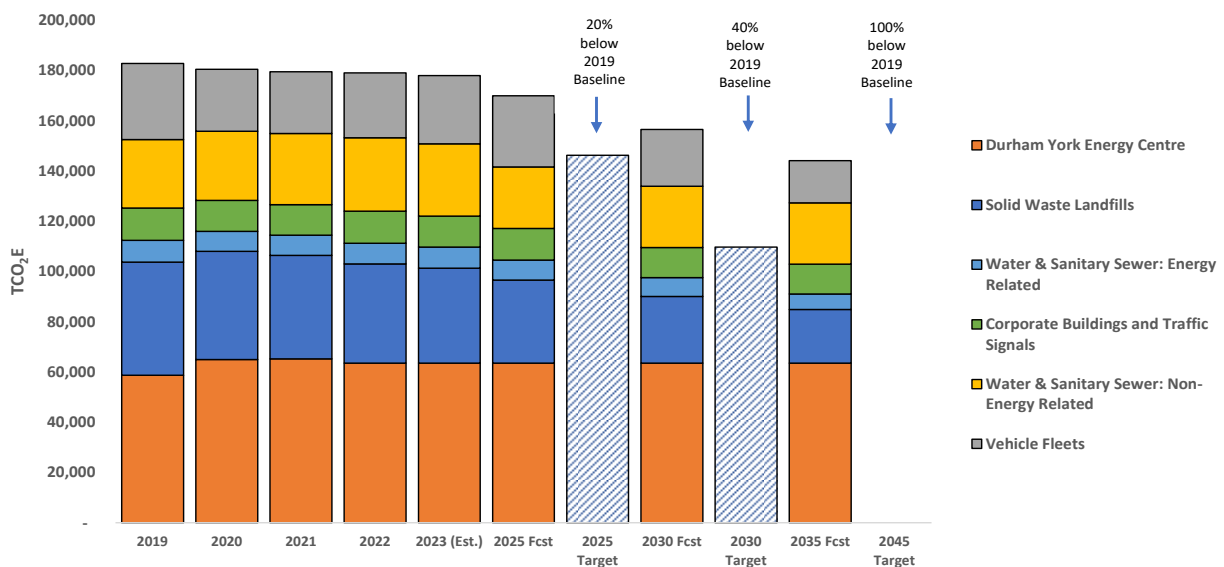
- d. **Durham Climate Dashboard** - The [Durham Climate Dashboard](#), formally launching later in April 2024, is an online platform designed to monitor the DCEP's progress in achieving the Region's climate targets. The dashboard displays local energy and emissions data and enables community members to see the progress and impact of climate action initiatives undertaken by the Region and area municipalities, and visually track the outcomes and impact of these actions.
3. **Durham Region Corporate Climate Action Plan Update – Leading by Example**
 - 3.1 Regional Council approved the [Corporate Climate Action Plan](#) (CCAP) in 2021 in support of municipal leadership in the community-wide transition to net zero and climate resilience. Key elements of the CCAP include GHG emission reduction targets for Regional operations, and a system to track, forecast and report progress annually against those targets to senior leadership and Regional Council.
 - 20 per cent GHG emissions reduction by 2025, below 2019 levels,
 - 40 per cent GHG emissions reduction by 2030, below 2019 levels, and
 - 100 per cent GHG emissions reduction by 2045, below 2019 levels.
 - 3.2 **Durham Region corporate GHG emissions inventory update:**
 - a. Durham Region's corporate emissions include energy consumption in regional buildings, vehicles, and infrastructure (e.g. water, wastewater, and solid waste management), as well as non-energy GHG emissions associated with the Region's solid waste management (closed landfill and DYEC emissions) and wastewater operations (process fugitive emissions).
 - b. Based on preliminary estimates, 2023 corporate GHG emissions were approximately 178,000 tonnes (tCO₂e, rounded), which represents a 1 per cent decrease from 2022 totals. Non-energy related emissions in solid waste management and wastewater treatment operations continue to represent the largest share of total corporate emissions.
 - c. For other corporate operating areas, GHG emissions are largely associated with fossil fuel consumption in fleets from gasoline and diesel fuel whereas GHG emissions in corporate buildings are largely related to natural gas use for space and water heating in buildings. Energy-specific emissions for which the Region is directly responsible for billing was approximately 27 per cent of the corporate totals (based on 2023 estimates and net of the York Region estimated share of Duffin Creek WPCP).

Figure 4: Corporate GHG Emissions by Operational Area for 2023 (Preliminary Estimate)



- 3.3 Progress in implementing the CCAP and aligning with Council-endorsed GHG reduction targets have been hindered by the extraordinary challenges facing the Region through the COVID-19 pandemic, ongoing supply chain constraints, and inflationary economic conditions. The Province of Ontario's Bill 23, passed in November 2022, added to these fiscal challenges through sweeping changes to regional land use planning and municipal financing that will place a greater burden on existing property taxpayers and ratepayers to cover the cost of future infrastructure for new community areas. In addition, the Region's corporate emissions profile includes complex emissions sources in solid waste management and wastewater treatment for which technology options are currently limited.
- 3.4 Figure 5 provides a projection of anticipated GHG reductions over the forecast period based on information contained within departmental 10-year capital plans. Based on current information and assumptions, large shares of the reductions are expected to be realized through fleet operations, including the planned electrification of transit service and through the natural decline of methane generation in closed landfills. As reported in 2022, there remains a significant gap between forecasted emissions, and Council endorsed corporate GHG reduction targets. As the findings and recommendations of the GHG Emission Reduction Pathways studies and Water & Wastewater GHG Management Strategy are developed and finalized, forecast estimates will be updated.

Figure 5: Durham Region Total Corporate Emissions, 2019 to 2023 (Estimated) (MtCO₂e)



3.5 Corporate Buildings

- Corporate buildings (owned and leased facilities, excluding water and sanitary sewer vertical infrastructure) and Regional traffic signals represent seven per cent of total corporate GHG emissions, but a much larger share of the energy-related emissions at just over 25 per cent. With buildings representing the second largest source of emissions community-wide, Regional action in this area is important to demonstrate corporate leadership. Furthermore, with Regional buildings often providing front line services to vulnerable residents (e.g. long-term care homes, childcare centers, and social housing), investments to support climate resilience are critical.
- With the adoption of the [Durham Standard](#) in April 2023, all Regionally-owned and operated buildings will be constructed, renovated, retrofitted or expanded to a corporately approved building standard that aligns with the Strategic Plan and CCAP. Specific to corporate climate action, the Durham Standard sets a zero GHG design target and mandates that there is no on-site combustion of fossil fuels (excluding backup power fuel requirements).
- The Region has a number of corporate decarbonization projects underway:
 - Traffic Operations /Health Protection at 101 Consumers Dr. (Whitby): deep retrofit will lead to the phase out of on-site fossil fuel consumption.
 - Durham Region Local Housing Corporation (DRLHC) deep retrofits at 155 King St. E. (Oshawa) and 655 Harwood Ave. S (Ajax): include

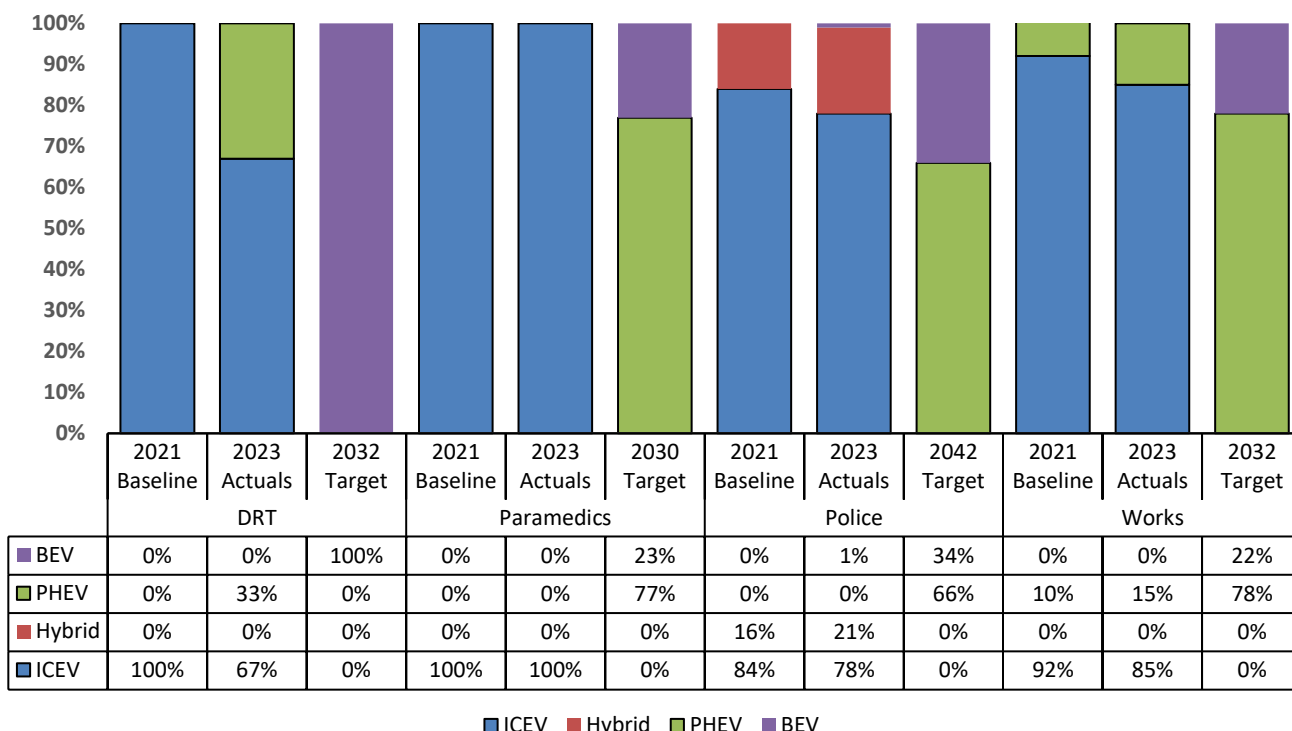
improved building envelopes and upgrades to building heating, cooling, and ventilation systems.

- Seaton Region of Durham Paramedic Services (RDPS) Station and Training Facility (Pickering): includes a geothermal system that will provide heating and cooling for the building and a solar photovoltaic (PV) system that will contribute to making this a zero-carbon building. This new build project is expected to be completed by the year end 2024.
 - Beaverton Transitional Supportive Housing Facility (Brock): all electric building systems and a rooftop solar PV system which will offset approximately 50 per cent of the building's electrical consumption.
 - Seaton Long Term Care (Pickering): is the first new building to be designed following adoption of the Durham Standard. As outlined in Report #2023-COW-34, the building will be 25 percent more efficient than OBC and future upgrades will be required to retrofit the building to meet the Region's target of net zero by 2045.
 - Clarington Police Complex Phase 2 (Clarington): is currently under construction and designed to include a geothermal field for heating and cooling. With DRPS requiring emergency redundancy for operations, natural gas will remain on site as a backup system.
 - DRT Thornton Rd. Transit Maintenance Facility (Oshawa): this project is in the early design phase with a goal of net zero GHG emissions. Design and issuance of the tender is planned for fall 2024, with construction beginning in early 2025 subject to the federal government's approval of the Regional funding application under the Zero Emissions Transit Fund.
- d. In addition to retrofit projects underway, staff are advancing the development of GHG Emission Reduction Pathways studies for all Regional buildings. Once complete at the end of 2024, measures recommended through these studies will be integrated into the 10-year capital plan and implemented through the annual budget process.

3.6 Corporate Fleet

- a. Corporate fleet vehicles made up 15 per cent of overall corporate emissions in 2023 but more than half of energy-related emissions. With transportation representing the largest share of community wide emissions (see **Figure 1**), action to reduce its fleet GHG emissions can serve as a leadership example for other public and private sector organizations.

- b. Regional investment to enhance public transit service can increase corporate GHG emissions in absolute terms while significantly reducing community-based emissions (e.g., growth of corporate transit fleet assisting in reducing passenger vehicle travel).
- In February 2023, Council approved Durham Region [Transit's 2023-2032 Transit Service and Financing Strategy \(Report #2023-DRT-05\)](#) which outlines an unprecedented 10-year investment in DRT services, including a 127 percent increase in revenue services, significant capital investments to implement the [DRT Fleet Electrification Plan](#), and priorities for infrastructure, accessibility, and passenger amenities. The 2024 budget includes an increase of 59,665 revenue service hours, bringing total service to 569,876 hours of conventional service and 174,692 hours of On Demand service.
 - DRT's first six battery electric buses are scheduled to be delivered in April 2024, and the bus fleet is anticipated to be fully electric by 2037. The 2024 budget includes the acquisition of 34 electric buses and supporting electrification infrastructure (pending federal funding approval). DRT's commitment to increasing revenue service hours and fleet electrification represents one of the most significant contributions the Region is making towards both community-wide and corporate decarbonization.
- c. In April 2023, Regional Council adopted a [Light Duty Fleet Electrification Plan](#) which outlines preliminary target years for 100 per cent electrification by fleet group. Figure 6 provides an update on the current state of light duty vehicle electrification across fleet groups, including battery electric vehicles (BEVs), plug-in hybrid electric vehicles (PHEV), hybrid electric vehicles (hybrid) and internal combustion engine vehicles (ICEVs). The 2024 budget includes investments of \$4.1 million for BEVs, PHEVs and hybrid vehicles in the Works and DRPS fleets.

Figure 6: Light Duty Fleet Electrification Plan - 2021 Baseline, 2023 Actual, Targets

- d. Staff are investigating the opportunity to pilot the use of renewable diesel as a seasonal diesel alternative for medium- and heavy-duty fleet during non-winter periods. A Request-for-Information (RFI) was undertaken by staff in the fall 2023 to assess market opportunities and understand the range of product offerings from various vendors, as well as associated environmental benefits and potential operating implications. Renewable diesel is a cleaner, green fuel, which could reduce the GHG emissions from summer diesel by 60 per cent or more (on a lifecycle basis). Potential cost implications continue to be assessed considering product price premiums, potential exemptions on applicable carbon fuel surcharges, and investments in the Region's fleet electrification plans.

3.7 Solid Waste Management.

- a. This source of emissions is related to the management of residential solid waste on behalf of a growing region of more than 250,000 households. Solid waste management makes up 57 per cent of corporate emissions, with DYEC contributing 36 per cent and closed Regional landfills contributing 21 per cent. Solid waste emissions are estimated to have declined by close to 2 per cent in 2023 due to a decrease in methane production at the Region's closed legacy landfills (DYEC held constant from 2022 values).

- b. Following Regional Council's decision to pause the procurement process for the Mixed-Waste Pre-Sort and Anaerobic Digestion (AD) Project in June 2022, staff developed an Organics Management Plan that was endorsed by Council in March 2023 ([Report #2023-WR-3](#)). The next steps to move the Region's organics management plan forward comprise of short- and long-term processes. The short-term process provides operational continuity by securing third-party organics processing capacity at a suitable AD facility beyond the end date of the current organics processing contract of June 30, 2024. The long-term process focuses on the future viability of the Region's AD Project. Regional staff will monitor the performance of the short-term organics management plan and adjust the long-term organics management plan requirements as appropriate.
- c. In October 2023, a biocover pilot project at the closed Oshawa landfill site was launched to determine if it can be an effective methane reduction method for closed landfill sites in the Region. The feasibility study estimates that a biocover could reduce methane emissions by up to 50 per cent and preliminary findings are promising. The pilot project will continue until March 2025, after which staff will determine whether the project warrants expansion.

3.8 Water and Wastewater

- a. Water and wastewater operations make up 21 per cent of total corporate emissions in 2023. This source of energy and non-energy emissions is related to the treatment, storage, and pumping of drinking water and wastewater for the benefit of residents, businesses, and institutions across the Region. Combined, water and wastewater produced approximately 37,200 tCO₂e (rounded), largely relating to wastewater treatment operations (mainly biosolids incineration at Duffin Creek WPCP, fugitive wastewater emissions and natural gas usage).
- b. In 2023, the Works Department initiated the development of a Water and Wastewater GHG Emission Management Strategy to provide a roadmap towards decarbonization across the Region's water and sanitary sewer treatment plants, storage facilities and pumping stations. Work to finalize the Strategy is underway, and is anticipated to be presented to Council in Q2 2024 with identified decarbonization measures incorporated into the 2025 business planning and budgets process, including the 2025-2034 ten year capital plan. The Strategy will identify measures such as renewable natural gas (RNG) generation from wastewater treatment plants, and thermal heat recovery from the Region's sewer network as key opportunities to align corporate leadership with community-wide decarbonization objectives.
- c. The Strategy will also make recommendations for inclusion of additional emissions within the Region's corporate emissions inventory, mainly related

to Regional wastewater process emissions not currently quantified and reported. It is expected that the Region's emissions reporting protocols and boundaries for GHG reporting will be expanded for the 2025 CCAP update to include these additional emission sources.

4. Durham Community Climate Adaptation Plan (DCCAP) Update – Towards Resilience

4.1 This section provides an update on climate adaptation and resilience measures, and highlights implementation progress, by sector, on the proposed programs recommended in the DCCAP approved by Council in 2016.

4.2 In 2020, the Region updated its future climate projections using the most up-to-date climate information. This updated [climate modelling](#) indicates that the [climate change impacts](#) already being felt will become more intense and severe over the coming decades.

4.3 **Cross-Sector** – Recommended Programs to increase climate resilience and action across departments and sectors and strengthen social cohesion in communities.

- a. **CS1: Protect Our Outside Workers** – Durham Region approved a [Heat Stress – Occupational Health and Safety Directive](#) in 2023 to ensure protective procedures are in place to reduce the hazard of heat stress to all Region of Durham employees who work in high temperature environments.
- b. **CS2: Social Infrastructure for Emergency Resilience** – Several local area municipalities have or are developing cross-sector adaptation and resilience plans to identify and address local climate risks and vulnerabilities, including:
 - [City of Pickering](#) (in development),
 - [Town of Ajax](#),
 - [Town of Whitby](#), and;
 - [Municipality of Clarington](#).
- c. Other initiatives to support community resilience and cross-sector climate action have been initiated including:
 - [Climate Resiliency: A Resident's Guide](#) developed by Durham Environment and Climate Advisory Committee (DECAC),
 - [Sustainable Neighbourhood Action Program \(SNAP\)](#) in Ajax and Whitby, and

- Planning for a new Toronto and Region Conservation Authority (TRCA) Climate Ready Towers program for multi-unit residential buildings.
- d. **Corporate Resilience** – The Region and local area municipalities are required to develop [corporate asset management plans and reports](#) which include reporting of risk and climate change adaptation and mitigation initiatives. Integration of climate adaptation into infrastructure design and operations occurs on a divisional basis. The Region is currently developing a Sustainable Infrastructure Design Policy and Standard in alignment with Strategic Plan goals and values, providing a tool to operationalize sustainability into Transportation, Water and Wastewater, and Waste infrastructure projects and facilities. Staff expect to present an overview of a draft policy and example standard to Council for information later in 2024.
- 4.4 **Building Sector** – Recommended programs to improve resilience of new and existing buildings to future climate conditions, through development standards and adaptation retrofits.
- a. **B1: The Durham Climate Resilience Standards for New Buildings** –, The Region and several local area municipalities have approved new standards incorporating climate resilience into new construction. In 2023, Durham Council approved the Durham Standard – A Standard for Regional Municipality of Durham Facility Construction and Renovation Projects requiring measures for asset resiliency, circular economy, water efficiency and ecology. [Town of Ajax](#), [City of Pickering](#), [Town of Whitby](#), and [Municipality of Clarington](#) have Green Development Standards approved or under development that promote cool roofs, natural heritage and urban forest, stormwater management, renewable energy, and greenspace protection. The Conservation Authorities have also developed technical and engineering guidelines for stormwater management, guided by provincial requirements.
- b. **B2: Building Retrofit for Climate Resilience** – The Region is working to expand the Durham Greener Homes (DGH) program (described above in Section 2.3) to include resilience measures such as basement flood mitigation, stormwater management and sustainable landscapes. This program will cross-promote emergency preparedness and heat protection programs. Staff expect to bring a proposed program update that includes resilience measures to Council for review and approval later in 2024.
- 4.5 **Flooding Sector** – Recommended programs to proactively reduce urban and riverine flooding risk, severity, frequency, and impact.
- a. **F1: Address Urban Flooding** –

- There have been several urban flooding and stormwater related assessments and projects led by the local area municipalities, for example [Whitby Bridge and Culvert Master Plan](#), and [Uxbridge Stormwater Management Master Plan](#).
 - Following a [Stormwater Management Funding Feasibility Study](#), the Town of Ajax introduced a Stormwater Fee and Credit Program in 2023 to support funding for the Town's stormwater management program, including system maintenance and rehabilitation.
 - There are also examples of low impact development (LID) implementation projects across the Region at public facilities, within municipal rights-of-way, and at demonstration sites, for example at [Ontario Tech University's North Oshawa Campus](#), and [Ajax Lakeshore Rain Gardens](#), and [permeable parking installations](#).
 - In Q2 2023, Durham Region launched [Flood Ready Durham](#), an information and resource hub about flood risk and resilience in the community. The website helps residents learn about their flood risk level, different types of flooding, and offers guides and other resources to help get flood ready and know who to call if flooding occurs.
- b. **F2: Redefine Flood Hazards to Consider Climate Change & F4: Address Riverine Flooding** – Durham conservation authorities have led several initiatives including updated floodplain mapping for Durham's watersheds including analysis of future climate change scenarios (e.g., TRCA [Duffin's Creek](#), GRCA [Lovekin, Bouchette Point, Port Granby Creeks, Wilmot, Graham Creek](#)), watershed flood studies and management plans (e.g., [Lynde Creek, Krosno Creek](#)) and dike rehabilitation projects (e.g., [Ajax](#)).
- c. **F3: Improve Flood Forecasting, Warning and Emergency Response** – Conservation authorities continue to provide flood forecasting, flood status indicators, and flood warnings to municipalities and the broader community. Updated flood modelling developed through studies such as the Region's Flood Vulnerable Road and Crossing Hydraulic Capacity Assessment (outlined below in Road Sector), provide information for emergency planning. Where possible, local area municipalities together with other municipalities, conservation authorities, and Ministry of Natural Resources and Forestry develop annual Flood Contingency Plans and Flood Preparedness Guides (e.g., [Clarington Flood Preparedness Guide](#)). Area specific plans have also been developed, including Town of Ajax Lower Carruthers Site Specific Emergency Response Plan.

- 4.6 **Human Health Sector** – Recommended programs to reduce health risks associated with extreme heat through advanced warning, protective measures for vulnerable residents, and reduced ambient summer temperatures.
- a. **HH1: Extreme Weather Alert and Response (EWAR) System** – In 2016, Durham’s Health Protection division launched [Durham Region’s Heat Warning and Information System \(HWIS\)](#), which provides advance notice of extreme heat conditions to municipalities, community partners and the public so that heat response plans can be activated in advance of extreme heat.
 - b. **HH3: “Cool Durham” Heat Reduction Program** - In 2018, Durham developed [Keeping Our Cool - Urban Heat Strategy](#) providing an overview of urban heat island causes, impacts, high risk areas in Durham, and recommended reduction measures. The Durham Region Standard (refer to Section 3.5) and local area municipal green building standards (see Section 2.5) integrate measures to encourage cooling of buildings as part of new construction or major renovation. Efforts to reduce urban heat have also been considered in local area municipal initiatives such as parks and recreation plans, urban forest initiatives, and Sustainable Neighbourhood Action Program (SNAP) in Ajax and Whitby.
 - c. Durham Region Health Department (DRHD) is currently developing a region-wide [Climate Change and Health Vulnerability Assessment](#) to examine the health-related impacts of climate change. These include extreme heat, extreme weather, vector-borne diseases (e.g., [tick-borne diseases](#) and [West Nile virus](#)) access and quality of food and water, poor air quality, and ultraviolet radiation.
- 4.7 **Road Sector** – Recommended programs to improve road performance and resilience to extreme heat and rain events and protect from washouts at stream crossings.
- a. **R1 Resilient Asphalt Program** – Heat resilient asphalt standards are now available. Climate-related increases in heat will be monitored and implemented when warranted.
 - b. **R2: Road Embankment Program** – The Region has led several successful pilots to address the impacts of extreme storm events on road embankments, with lessons applied to new projects where application is warranted.
 - c. **R3: Adaptive Culverts and Bridges** – Durham Region worked with TRCA in 2022 to develop a Flood Vulnerable Road and Crossing Hydraulic Capacity Assessment, identifying roads most vulnerable to flooding and recommendations to prepare for more frequent and intense rainstorms. This work informs asset management, disaster route planning, and

prioritizing future investments. CLOCA completed a similar study in 2023, and planning is underway for GRCA to undertake this work in 2024. All risk assessment results will be made available to regional staff through Durham's GIS mapping.

- d. Durham Maintenance Operations – Roads and Facilities staff successfully secured funding from [Canadian Wildlife Federation \(CWF\)](#) to lead a pilot to implement pollinator gardens along two regional roads and at regional depot facilities. The process and outcomes will be monitored and may help inform a broader strategy for pollinator plantings along strategic regional roads and facilities on a larger scale. This work is supported by the [Council-endorsed DECAC motion](#) regarding programming to support pollinators on Regional facilities and along Regional Rights-of-Way to support natural habitats and restoration.

4.8 Natural Environment Sector – Recommended programs to enhance natural capital and build climate resilience in the natural environment.

a. NE1: Achieving Climate Change Resilience in the Natural Environment

- In 2022, a TRCA Durham Natural System Climate Change Vulnerability Assessment was developed to identify natural system vulnerability to future climate conditions, helping inform Durham Region's Natural Heritage System (NHS) science, policy, and planning.
- Recent watershed planning is incorporating climate change scenarios into the process (i.e., [TRCA Carruthers Creek Watershed Plan](#)), and some conservation authorities are developing climate adaptation strategies (i.e., [LSRCA](#)).
- Protection and natural system resilience continues to be supported by local area municipalities and conservation authority's securement of environmentally sensitive land, ecological restoration and management projects, neighbourhood, or project-scale nature-based initiatives. The Town of Ajax has recently developed an [Urban Forest Study](#), [Invasive Species Awareness Program](#), and Invasive Phragmites Strategic Management Plan which will inform other local area municipality approaches.
- New ecosystem services tools have been developed including TRCA, Credit Valley Conservation (CVC), and LSRCA's [Natural Asset Carbon Assessment Guide and Toolbox](#) in 2022, developed to estimate green infrastructure carbon sequestration and storage . [Oshawa's Municipal Natural Assets Initiative](#) was initiated to understand and increase resilience of natural assets along the Oshawa Creek. TRCA's [Nature-Based Climate Solutions Siting Tool](#)

was developed in 2023 to identify strategic locations for green infrastructure and co-benefits, and can be applied outside TRCA jurisdiction.

- In 2022, Durham Region and its five conservation authorities launched [Durham TREES](#), a subsidized rural tree-planting program resulting in 218,000 trees planted in two (2) years. Planning is underway for a second phase, as well as a partnership with Trees for Life to support the Federal government's [2 Billion Trees program](#) across the Region.
- Since 2020, the Region and local area municipalities have partnered with LEAF (Local Enhancement and Appreciation of Forests) to plant over 1,300 native trees and shrubs. The LEAF planting program offers a subsidized rate through the Backyard Tree Planting Program for residents, multi-unit property owners, and commercial property owners in participating municipalities.

4.9 **Food Security Sector** – Recommended programs to address climate adaptation in the commercial agriculture and food supply sectors.

- a. **FS1: Convene Commercial Agriculture Task Force** – Following the approval of the Durham Community Climate Adaptation Plan in 2016, two addenda were developed to support development of climate adaptation strategies in the commercial agriculture and food supply sectors. In 2019 [Growing Resilience - A Durham Agriculture Sector Climate Adaptation Strategy](#) was developed by the Agricultural Sector Expert Task Force, identifying risks to the local agricultural sector and adaptation opportunities. In 2021, [Inspiring Next Steps - A Summary of Durham Region's Food Security Task Force](#) was developed summarizing climate change impact on residents' food access, the results of several food security initiatives and key recommendations on food security.
- b. In 2024, the Durham Food Policy Council published the first [Durham Food System Report Card](#), evaluating a range of local food system indicators including food access, production, farmland protection, waste, education and literacy, Indigenous food sovereignty, cultural connections to food, and farmers and food system worker welfare. This report card and the above noted strategies support the objectives of the citizen-led [Durham Food Charter](#) developed in 2009.

5. **Relationship to Strategic Plan**

5.1 This report aligns with the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Goal #1 – Environmental Sustainability

- Goal 1.1 - Accelerate the adoption of green technologies and clean energy solutions through strategic partnerships and investment;
- Goal 1.4 - Demonstrate leadership in sustainability and addressing climate change; and
- Goal 1.5 - Expand sustainable and active transportation.

b. Goal #3 – Economic Prosperity:

- Goal 3.4 - Capitalize on Durham’s strengths in key economic sectors to attract high-quality jobs.

6. Conclusion

- 6.1 Following Durham Region’s climate emergency declaration, staff have focused on driving implementation of the Region’s existing council-endorsed plans, and working to establish the Regional municipality as a leader in the context of community wide climate action. This report provides Council with an update on the implementation status of Region’s three Council-endorsed climate action plans covering work on community-wide energy transitions under the DCEP, community-wide climate resilience initiatives under the DCCAP, and corporate climate leadership programs under the CCAP. The report identifies key challenges, opportunities, and next steps to better align climate action efforts with the vision, goals and targets established by Regional Council.
- 6.2 Within the DCEP, implementation remains focused on supporting energy retrofits in existing homes and buildings with planned enhancements to the Durham Greener Homes (DGH) program to leverage digital technologies to enhance resident engagement, and the initial implementation of the Durham Greener Buildings (DGB) Program. Critical work continues in new building construction, including creation of a voluntary green development support program for the building industry, and work to advance the feasibility of district energy opportunities in strategic growth areas. Transportation-related emissions continue to represent the largest share of the Region’s community-wide carbon footprint, and will require sustained investment in public transit services, active transportation infrastructure, and EV charging infrastructure to see reductions in the coming years.
- 6.3 Within the CCAP, corporate building retrofits and high-performance new building construction are commencing, and GHG Emission Reduction Pathway studies are expected to be completed towards the end of 2024 for all building portfolios to enable integration of measures into the business planning and budgets process. The Water and Wastewater GHG Management Strategy is nearly complete and will provide a pathway towards decarbonization across Regional water and wastewater options, accounting for planned capacity growth to serve a growing population.

- 6.4 Within the DCCAP, implementation led by the Region, local area municipalities and conservation authorities is well underway across most recommended program areas. In 2024, the focus is on integrating resilience retrofit measures into the DGH program, developing a Durham Sustainable Infrastructure Design Policy and Standard, and completing Public Health climate vulnerability assessments. These will integrate equity considerations, leverage collaborations for collective impact, and consider strategic monitoring and evaluation to track change and demonstrate success.
- 6.5 This report has been reviewed by staff in Works, Finance, Planning, Social Services, Transit, DRPS, and Health, including RDPS and approved by Sandra Austin, Executive Director, Strategic Initiatives, 905-668-7711, extension 2449.
- 6.6 For additional information, contact: Ian McVey, Manager, Sustainability, at 905-668-7711, extension 3803.

Respectfully submitted,

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer

Sent Via Email



April 25, 2024

June Gallagher
Clerk
Municipality of Clarington
40 Temperance Street
Bowmanville, ON L1C 3A6

**The Regional
Municipality of
Durham**

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**Alexander Harras
M.P.A.
Director of
Legislative Services
& Regional Clerk**

Dear June Gallagher:

**RE: The Region of Durham's response to the Ontario
Regulatory Registry posting related to the "Proposal to
create regulation to support implementation of the GO
Transit Station Funding Act, 2023" (2024-COW-14), Our
File: T05**

Council of the Region of Durham, at its meeting held on April 24, 2024, adopted the following recommendations of the Committee of the Whole:

- "A) That the letter from Regional staff to the Ministry of Infrastructure as contained in Attachment 2 of Report #2024-COW-14 of the Commissioners of Finance and Planning and Economic Development, be endorsed as the Region of Durham's response to Ontario's Regulatory Registry post regarding the proposal to create regulation to support the implementation of the GO Transit Station Funding Act, 2023; and
- B) That a copy of Report #2024-COW-14 and Council resolution be sent to all area municipalities within the Region of Durham."

Please find enclosed a copy of Report #2024-COW-14 for your information.

Alexander Harras

Alexander Harras,
Director of Legislative Services & Regional Clerk

AH/sd

If you require this information in an accessible format, please call 1-800-372-1102 ext. 2097.

Enclosed

- c: N. Taylor, Commissioner of Finance
- B. Bridgeman, Commissioner of Planning and Economic Development

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2564.



The Regional Municipality of Durham Report

To: Committee of the Whole
From: Commissioner of Finance and Commissioner of Planning and Economic Development
Report: #2024-COW-14
Date: April 10, 2024

Subject:

The Region of Durham's response to the Ontario Regulatory Registry posting related to the "Proposal to create regulation to support implementation of the GO Transit Station Funding Act, 2023"

Recommendation:

That the Committee of the Whole recommends to Regional Council:

- A) That the letter from the CAO to the Province of Ontario as contained in Attachment 2 to Report #2024-COW-14, be endorsed as the Region of Durham's response to Ontario's Regulatory Registry post regarding the proposal to create regulation to support the implementation of the *GO Transit Station Funding Act, 2023*; and,
 - B) That a copy of this report and Council resolution be sent to all area municipalities within the Region of Durham.
-

Report:

1. Purpose

- 1.1 The purpose of this report is to seek Regional Council endorsement of Regional staff's submission to the Province dated March 27, 2024, regarding the feedback the Ministry of Infrastructure is seeking to develop a regulation to implement the Transit Station Charge (TSC) through the *GO Transit Station Funding Act, 2023*.

- 1.2 On December 4, 2023, the *GO Transit Station Funding Act, 2023* received Royal Assent. The legislation enables upper, single and lower-tier municipalities, as may be prescribed, to support the delivery of new GO stations through the collection of a TSC generated from development to pay for costs related to the construction of stations that the municipality has agreed to upfront finance.
- 1.3 The proposed feedback request from the Ministry of Infrastructure was posted for a 45-day comment period on the Ontario Regulatory Registry, which ended on March 29, 2024 (24-MOI003). As such, Regional staff submitted preliminary comments to ensure that the Region of Durham's comments were received prior to the commenting deadline. Should Regional Council wish to offer additional or different comments, a revised response to the Province will be submitted.

2. Background

- 2.1 The Region of Durham has been working with the provincial government for over 30 years to expand GO train service to Bowmanville, which is a 20-kilometre extension involving four proposed new GO stations in the City of Oshawa and the Municipality of Clarington.
- 2.2 On December 7, 2017, Metrolinx awarded a Technical Advisor contract to Stantec to provide technical advisory, design, and construction support services for the Lakeshore GO East Extension to Bowmanville. The Technical Advisor has designed the rail extension to approximately 50 per cent, excluding the stations, in anticipation of awarding a Construction Manager at Risk contract to refine and bring the rail extension to 100 per cent design and priced for construction.
- 2.3 In 2018, Metrolinx introduced its Market Driven Strategy. This strategy introduced the concept of "the benefiter pays", where the Province would no longer pay for new GO stations. Instead, Metrolinx would leverage the value of the new transit service and would work with landowners adjacent to GO stations, (who stand to benefit the greatest from the introduction of the transit service), to pay for the station in exchange for the rapid transit service.
- 2.4 The Market Driven Strategy is based on the ability of a single developer to pay for and build a GO station in exchange for the increased land value associated with the new transit infrastructure.
- 2.5 Despite having carried out an engagement process to identify station partners in Durham, it has proven challenging for Metrolinx to secure developer agreements to pay for any of the four stations, underpinned by the following reasons:

- a. The fragmented land ownership around the proposed stations means that no single land parcel can generate enough land value uplift to support paying for stations; and,
 - b. The land value uplift and Regional market conditions are not strong enough within the Durham context for any single developer to absorb the cost of a station while supporting a viable development.
- 2.6 On June 15, 2023, Metrolinx awarded the rail extension Construction Manager at Risk (CMAR) contract to Bowmanville Construction Partners which is a general partnership between Ledcor CMI Ltd. and Dragados Canada Inc. This consortium will advance the rail extension to 100 per cent design for Metrolinx and will be the preferred contractor to build the rail extension. At present, the CMAR contract does not include the design or construction of the four proposed stations.
- 2.7 On September 25, 2023, the Province introduced new legislation, titled the *GO Transit Station Funding Act, 2023*.
- 2.8 On December 4, 2023, the *GO Transit Station Funding Act, 2023* received Royal Assent and came into force. This legislation:
- a. gives municipalities the ability to pass a by-law to collect a TSC to be levied on lands subject to development to pay costs related to the construction of a proposed new GO Transit station within a prescribed area around a proposed new GO station, provided a by-law is passed before the construction of the GO station begins;
 - b. provides that the TSC may recover costs related to station construction, interest on any debt incurred to pay any costs to be recovered, and any other amount provided for in the by-law;
 - c. makes the TSC payable upon the issuance of a building permit, with some provisions for earlier or later payments;
 - d. establishes reporting requirements for participating municipalities and a recourse for unpaid charges;
 - e. requires municipalities that choose to enact a TSC by-law to undertake a background study to determine if a charge is payable in any particular case, set the rate of the charge, establish the land area where the charges will apply, complete public consultation, and receive consent from the Minister of Infrastructure to pass the by-law; and
 - f. exempts lands owned and used for the purposes of a municipality or school board.

- 2.9 The Ministry of Infrastructure is seeking feedback to prepare regulation under the *GO Transit Station Funding Act, 2023* to implement the TSC and the transit station by-law. It is critical that the Province moves quickly on these regulations, as the design of the rail corridor extension for the Lakeshore East GO Extension to Bowmanville continues to progress, whereas the design of the stations are lagging behind significantly. If the Region were to upfront the cost of these stations through this new legislation, the longer it takes to determine the viability of the program, the more costs the Region could incur in redesign to have the stations work integrated with the rail corridor works, thereby decreasing the overall project feasibility.

3. Proposal to create regulation to support implementation of the *GO Transit Station Funding Act, 2023*

- 3.1 The Ontario Regulatory Registry posting included a series of questions the Ministry of Infrastructure was requesting feedback on from stakeholders. The Ontario Regulatory Registry posting can be found in Attachment 2. Below includes a high-level summary of the Region of Durham staff's comments on the questions.

How municipalities should be directed to map the boundaries to which they can apply the Transit Station Charge?

- 3.2 The geographic boundaries for the collection of a TSC should relate to the impact that transit has on real estate value, as Bill 131 is based on land value capture.
- 3.3 Each community and each station site is unique, therefore the forecasted impact of the transit service on real estate value and development will be different. Broad considerations include the extent to which an area is urbanized, existing transit options, boundaries such as infrastructure, or natural features, and the status of land use permissions. As a result, mapping of the boundaries to which the TSC may apply should be determined by each municipality on a case-by-case basis as part of the preparation of the background study.
- 3.4 Any delineation is likely best started in the context of provincially delineated Major Transit Station Areas (MTSA) or Protected Major Transit Station Areas (PMTSA's) as the provincial policy that guides these delineations specifically prescribes policy benefits to land within a prescribed distance of a rapid transit station.
- 3.5 Flexibility related to the mapping should be provided to consider the following factors:

- a. the configuration/compact nature/walkability of the planned neighbourhood
- b. whether lands outside of the MTSA or PMTSA will be impacted by the presence of the rapid transit station and service
- c. the benefits provided to a wider geographic area from increased access to regional transit service.

What costs related to construction of a new GO station should be recoverable through the Transit Station Charge?

- 3.6 An excessive TSC will disincentivize development and is entirely contrary to the objective of equitably pooling land value uplift contributions by benefiting landowners in order to pay for a new GO station. It is critical that the TSC remains price sensitive and therefore cannot include endless costs to be recovered by Metrolinx and the municipality.
- 3.7 Construction costs for the station must be fixed at the time financing is being sought by the municipalities, as municipalities should not be involved in the delivery and oversight of the construction of the GO stations. Accordingly, it should not be the municipality's responsibility to pay for project cost over runs or unknown conditions.
- 3.8 The recoverable costs through the TSC should include:
 - All costs associated with the studies needed to complete the background study including those required to assess the feasibility and risks of paying for the station(s), legal and advisory fees for the design, implementation, financing and administration of the station funding by law; and
 - All design and construction costs including municipal advisory services for station design oversight.

The methodology and considerations to be included when calculating the charge and any additional requirements of the background study?

- 3.9 Reliable station costs should be examined against a conservative long term, market-based development forecast tested under several amortization time periods and interest rates scenarios.
- 3.10 Recognizing that a TSC is different than a development charge that seeks to achieve complete cost recovery, the methodology should consider the principles of equity and certainty for the private sector to have trust and confidence that the charge will reflect land value capture.

- 3.11 Municipalities should be allowed to vary the TSC throughout the geographic area the by-law is subject to as justified through the background study work related to land value uplift (i.e. varying the charge based on proximity to station), which will contribute to the overall calculation of the charge.
- 3.12 Municipalities should be permitted to use a conservative development forecast as municipalities cannot take on undue risk. There must be flexibility to allow for changes to the charge under exceptional circumstances.
- 3.13 A detailed methodology is included in Attachment 2.

What are acceptable offset strategies or measures that prescribed municipalities can consider?

- 3.14 The introduction of transit infrastructure and fast frequent service, combined with municipally and provincially sponsored land use permissions that allow for a range of high-density developments increases land value for landowners, which creates a significant offset to landowners developing within the area. This increase in land value coupled with reduced parking standards, expedited municipal approvals, and guaranteed access to municipal services are offsets that the municipalities can consider.

What is the methodology for calculating municipal offsets and co-ordinating offsets with the requirement for fee payment?

- 3.15 The offsets identified above are the primary drivers of land value increases that support the TSC payment. All other municipal fees and requirements, such as planning application fees, reduced parking standards, access to servicing, etc., should be incorporated into the analysis to show total value to the landowner and present it in the context of the difference in value if there were no station or transit service. The regulation should allow for a broad range of value related offsets such as guaranteed transit service based on municipal financial risk, as well as municipal offsets to ensure that this legislation continues to be based in a market driven strategy where the benefiter pays and does not become a municipal subsidy.

In addition to the draft by-law and background study, what additional information, if any, should the Minister of Infrastructure require from municipalities before deciding to approve a Transit Station Charge by-law?

- 3.16 Municipal commitment to ensure transit supportive land uses, densities and policies are in place along with servicing.

- 3.17 Overall, the regulation should provide prescribed municipalities as much flexibility as possible to identify the appropriate components and TSC that will work for their community to deliver new GO stations.
- 3.18 The municipality should retain the right to terminate all agreements in the event the Minister makes amendments to the by-law that render the TSC no longer feasible from the municipality's perspective.

Should the Province consider exemption for certain forms of development from the Transit Station Charge?

- 3.19 Yes, and these should be identified by the municipality relative to their local context and the amount of revenue the transit service will generate. In addition, government owned lands should be subject to the TSC unless the proposed form of development is an exempted land use as determined by the municipality.
- 3.20 Where public institutions are exempt, the exemption should only apply to the space being provided for public institutional purposes (i.e., not retail, or other commercial uses therein).
- 3.21 In addition to considering certain exemptions, municipalities should have the option to recover lost revenue from exemptions through the TSC, permit phase-ins for certain community uses such as non-profit housing, and pre-payment to hedge inflation, if in the municipality's view it is fair to the development industry and wouldn't disincentivize development.

Additional Items for Ministry Consideration

- 3.22 Interest costs paid by the municipality should be minimized wherever possible, and for this reason, no cost of any kind, and in particular interest costs, should be paid by a municipality until the designating TSC by-law is passed to collect the charge, and there is an agreement with Metrolinx that the station will be constructed.
- 3.23 In terms of Metrolinx staff costs to manage and deliver the project, this needs to be assessed in the context of whether the GO station is a planned capital project. Stations that are part of a planned Metrolinx capital extension project, such as the Bowmanville Go Extension, means that Metrolinx has already planned for the resources to deliver the project in its budget planning process. These fees should not be paid by the municipality and recovered from the private sector. If the station is not a planned capital project, the case for Metrolinx staff cost recovery may make sense.

- 3.24 In the case of a planned rail extension and the fact that there are finite costs that can be recovered, it does not make sense to seek land costs from the municipality which will be recovered through the private sector. The GO station asset and associated lands will be owned operated, maintained and leveraged for future optimization and as such, the private sector should not bear that cost either.
- 3.25 If the TSC results in funding that meets the target funding levels prior to debt retirement the municipality should be allowed to direct the surplus towards capital improvements that maybe necessary for accommodating improved services and increasing ridership.

4. Previous Reports and Decisions

- 4.1 On May 6, 2022, the Commissioner of the Planning and Economic Development Department released Council Information Report #[2022-INFO-38](#), “Approval of the Lakeshore East GO Extension to Bowmanville”, which provided Council with an update on the approved alignment of the Extension and identified next steps.
- 4.2 On March 29, 2023, Council considered and endorsed confidential Committee of the Whole Report #2023-COW-11 containing information regarding the Bowmanville GO Extension station funding strategies.
- 4.3 On November 29, 2023, Council considered and endorsed the recommendations of Committee of the Whole Report #[2023-COW-38](#), “Durham Region’s response to the proposed *GO Transit Station Funding Act, 2023* which is a section within Bill 131: *Transportation for the Future Act, 2023*”, which sought endorsement of Durham Region staff’s input into the draft *GO Transit Station Funding Act, 2023* legislation.

5. Next Steps

- 5.1 The Region will continue to explore the use of the new legislation as the regulation is developed as a means to ensure GO station delivery for the Bowmanville GO Extension project.
- 5.2 Regional staff will continue working with the Ministry of Infrastructure on the draft regulation, and report back to Council accordingly.

6. Relationship to Strategic Plan

- 6.1 The Lakeshore East GO Extension to Bowmanville will improve mobility and travel options, supports transit-oriented development and in particular, housing, and aligns

with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Goal 1 Environmental Sustainability: Objective 1.5: Expand sustainable and active transportation.
- b. Goal 2 Community Vitality: Objective 2.1: Revitalize existing neighbourhoods and build complete communities that are walkable, well-connected, and have a mix of attainable housing.
- c. Goal 3 Economic Prosperity: Objective 3.3: Enhance communications and transportation networks to better connect people and move goods efficiently.
- d. Goal 4 Social Investment: Objective 4.1: Revitalize community housing and improve housing choice, affordability, and sustainability.

7. Conclusion

- 7.1 The *GO Transit Station Funding Act, 2023* received Royal Assent and came into force on December 4, 2023.
- 7.2 The Ministry of Infrastructure is preparing regulations to implement the funding tools set out in the Act and is seeking feedback from stakeholders.
- 7.3 It is recommended that this Report and its recommendations be endorsed as the Region of Durham's response to the feedback request on the Ontario Regulatory Registry as the next step required to support the design and construction of new GO stations in the Metrolinx service area.
- 7.4 This report has been prepared in consultation with the CAO's office.

8. Attachments

Attachment #1: Ontario Regulatory Registry Posting 24-MOI003

Attachment #2: Region of Durham Submission to the Ontario Regulatory Registry, commenting on the Ministry of Infrastructure's proposal to create regulation to support implementation of the *GO Transit Station Funding Act, 2023*

Respectfully submitted,

Original signed by

Brian Bridgeman, MCIP, RPP, PLE
Commissioner of Planning and
Economic Development

Original signed by

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance


Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer

Act

Proposed GO Transit Station Funding Act, 2023

Regulation Number(s):	N/A
Instrument Type:	Act
Bill or Act:	GO Transit Station Funding Act, 2023
Summary of Decision:	<p>Bill 131, Transportation for the Future Act, 2023 was passed by the legislature and received Royal Assent on December 4, 2023. Schedule 2 of this Bill included the GO Transit Station Funding Act, 2023, which is now in force.</p> <p>The GO Transit Station Funding Act, 2023 will provide a new optional funding tool that will help municipalities to fund the design and construction of new GO stations. This tool will allow municipalities to recoup the costs through a charge on new development within specified areas surrounding those new stations.</p> <p>The Ministry of Infrastructure will consult on the regulation required to implement the GO Transit Station Funding Act, 2023 through a forthcoming Regulatory Registry posting.</p>
Analysis of Regulatory Impact:	<p>The Ministry of Infrastructure will be consulting on subsequent regulations required to implement this tool. Such regulations will focus on the prescribed information and requirements of the background study and for the creation of a by-law, amongst other items, will be consulted on through future Regulatory Registry postings. Feedback from this and future postings will inform this proposal.</p>
Further Information:	 GO Transit Station Funding Act, 2023
Proposal Number:	23-MOI004
Posting Date:	September 25, 2023
Summary of Proposal:	<p>The Province is consulting on the GO Transit Station Funding Act, 2023, that would, if passed, allow municipalities to fund the design and construction of new GO stations and recoup the costs through a charge on new development within specified areas</p>

surrounding those new stations.

The use of the tool, known as the station contribution fee, will only be permitted in municipalities where the Province has determined a new GO station is warranted. Municipalities will be required to provide a background study and pass a by-law which clearly identifies the area to which the station contribution fee will apply, to be forwarded to the Province for approval. Municipalities given approval to use the station contribution fee will be prescribed in a regulation.

Contact Address: Ministry of Infrastructure
Transit Oriented Communities Policy and Delivery
Branch
College Park
777 Bay St
4th Flr Suite 425
Toronto
ON M5G 2E5

Royal Assent December 4, 2023

Date:

Decision:

Approved

|

Sent Via Ontario Regulatory Register



March 27, 2024

Ministry of Infrastructure
 Transit Oriented Communities Policy
 & Delivery Branch College Park
 777 Bay Street, 4th Floor, Suite 425
 Toronto, ON M5G 2E5Address

**The Regional Municipality
 of Durham**

**Planning and Economic
 Development Department**

Planning Division

605 Rossland Road East
 Level 4
 PO Box 623
 Whitby, ON L1N 6A3
 Canada

905-668-7711
 1-800-372-1102
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durham.ca

**Brian Bridgeman, MCIP,
 RPP, PLE**
 Commissioner of Planning and
 Economic Development

**RE: Ministry of Infrastructure's Ontario Regulatory Registry
 proposal to create regulation to support the
 implementation of the GO Transit Station Funding Act,
 2023, Proposal No. 24-MOI003**

On behalf of the Region of Durham, please accept the following staff commentary in response to the "Proposal to create regulation to support the implementation of the GO Transit Station Funding Act, 2023". Please note that due to the commenting period on the Ontario Regulatory Registry, regional staff will be seeking endorsement of this letter at its Regional Council meeting on April 24, 2024. Should any modifications be made by Regional Council, I will immediately advise your office.

Regional staff continue to be supportive of the GO Transit Station Funding Act, 2023, which received Royal Assent on December 4, 2023, and which established the new funding tool to enable prescribed municipalities (referenced as "municipality" or "municipalities") to support the construction of critical new GO stations. The Region appreciates that the Ministry is now starting to develop the regulation needed to implement the Transit Station Charge (TSC) and urges the Ministry to continue to work collaboratively with its stakeholders to develop the regulation in a timely manner, understanding the compressed timeline that the Region of Durham continues to operate within.

Please find Regional staff comments and feedback below related to the questions posed in the Ontario Regulatory Registry posting.

**How municipalities should be directed to map the boundaries
 to which they can apply the Transit Station Charge?**

The geographic boundaries for the collection of a TSC should relate to the impact that transit has on real estate value, as Bill 131 is based on land value capture.

Each community and each station site is unique, therefore the forecasted impact of the transit service on real estate value and development will be different. Broad considerations include the extent to which an area is urbanized, existing transit options, boundaries such as infrastructure, or natural features, and the status of land use permissions. As a result, mapping of the boundaries to which the TSC may apply should be determined by each municipality on a case-by-case basis as part of the preparation of the Background Study.

In general, the process for mapping the boundaries should include the following:

- **Review MTSA Boundaries.** Many municipalities will have established Major Transit Station Area (MTSA) boundaries for future transit expansions as there is provincial policy that guides these delineations and specifically prescribes policy benefits to land within a prescribed distance of a rapid transit station. This work should be reviewed and considered as the minimum boundaries for the TSC. The MTSA (or PMSTA) boundaries should be reviewed against lands available for redevelopment and the impact on the overall community.
- **Lands Available for Redevelopment.** An analysis of the local area that considers the pattern of existing land use and the probability of redevelopment as a result of the transit investment – often called a “soft site” analysis – should be undertaken. Sites that are close to, but not within the boundary of the MTSA might be included if it is determined that the transit service would have a material impact of the development or redevelopment of the area.
- **Impact on the overall community.** The boundary may also be influenced by the overall impact on the community. Where the transit offers a new service in an area where it is expected that the market impacts extend beyond the MTSA a larger TSC area might be considered. For example, for Greater Golden Horseshoe communities that rely heavily on highway infrastructure to access the City of Toronto, the introduction of GO services may have a much more significant market impact than that experienced in more urban areas.

What costs related to construction of a new GO station should be recoverable through the Transit Station Charge?

As a precursor to advising on what would be fair to ask the private sector to pay in terms of cost recovery, it is critical to state that there is only so much cost that the private sector will be willing to bear, and that an excessive TSC will disincentivize development and is contrary to the objective of equitably pooling land value uplift contributions by benefiting landowners in order to pay for a new GO station. The TSC must be price sensitive and therefore cannot

include endless costs to be recovered by Metrolinx and the municipality.

In addition to identifying what is fair for the private sector to pay, it is critical to ensure that construction costs for the station are fixed at the time financing is sought by the municipalities, as municipalities should not be involved in the delivery and oversight of the construction. Accordingly, it should not be the municipality's responsibility to pay for project cost over runs or unknown conditions.

The recoverable costs through the Transit Station Charge should include:

- All costs associated with the studies needed to complete the Background study, including those required to assess the feasibility and risks of paying for the station(s), legal and advisory fees for the design, implementation, financing and administration of the station funding by law.
- All design and construction costs including municipal advisory services for station design oversight.

The methodology and considerations to be included when calculating the fee and any additional requirements of the background study?

Reliable station costs should be examined against a conservative long term, market-based development forecast tested under several amortization time periods and interest rate scenarios.

Recognizing that a TSC is different than a development charge that seeks to achieve complete cost recovery, the methodology should consider the principles of equity and certainty for the private sector to have trust and confidence that the charge will reflect land value capture.

Municipalities should be allowed to vary the TSC throughout the geographic area the by-law is subject to as justified through the background study work related to land value uplift (i.e., varying charge based on proximity to station), which will contribute to the overall calculation of the charge.

Municipalities should be permitted to use a conservative development forecast, as municipalities cannot take on undue risk. There must be flexibility to allow for changes to the charge under exceptional circumstances.

The following summarizes the key steps Durham Region believes should be included as part of the Background Study methodology:

- **Identify probable TSC area boundaries:** As discussed above several scenarios should be developed to evaluate/assess the impact of various approaches to the boundaries of the TSC collection areas.
- **Identify soft sites:** Within each boundary scenario identify development or redevelopment sites and calculate the probable development yield from each site in terms of gross floor area and unit yields for the forecast period.
- **Growth Forecasts:** A long term, market based, development forecast should be prepared based on the expected long-term demand for intensified land uses within the Station Areas based on:
 - The growth forecast for the community.
 - The market attributes of the station area geographic location including the pattern of existing and surrounding land uses.
 - The amount of growth forecasted for higher density development forms from a municipal perspective.
 - Lands that may attract development that could form competitive supply.
 - Long term demand forecast.
 - Market experience/observed growth of mixed use / medium and high-density development within the community to establish a baseline growth forecast – (without transit)
 - Review medium and high-density historical observed growth within existing Transit Oriented Community (TOC) sites in comparable market areas to establish a basis for forecasting.
 - An analysis will be conducted to consider how non-residential uses will be treated through the TSC.
- **Estimate TOC Capture** – Estimate the total forecasted demand for mixed use / medium and high-density growth within the community and how much of the forecasted demand might be captured within the MTSA (or adjusted TSC area) understanding that a component of the forecasted development could be captured elsewhere within the community.
- **Estimate the Land Value Uplift** – a financial model should be developed that tests the probable land value increase a developer's land would experience based on the new transit investment and the increased land use planning entitlements. This could be accomplished by developing a residual land value model that tests the supportable land value of a development – considering all costs, revenues and profit – of a development without transit. This analysis could then be compared to the same development with the increase in revenues and sales absorptions associated with the

development with transit in place. The land value uplift is the theoretical maximum amount a developer could direct toward a TSC without impairing the feasibility of the development.

- **Develop assumptions for testing** - Based on the above analysis a range of TSC charges based on per square foot of development area could be established for testing as well as other assumptions such as inflation rates.

Financial Testing - The information from the aforementioned market-based growth forecasts and land value uplift should now be used to forecast how much revenue may be collected over the forecast/borrowing period to pay down all eligible costs including the debt requirement for funding the new station (as costed by Metrolinx). An amortization schedule that includes assumptions related to borrowing period, interest rates, gross floor area requiring a TSC, the proposed TSC inflation, offsets, and other factors, as necessary. This analysis should be repeated for each boundary scenario proposed for the TSC.

The model may be used to test the sensitivity and make recommendations with respect to the following:

- The impact of various interest rates on the ability to pay off the Municipal debt along with timing of when the debt is incurred (i.e., before or at completion of station construction).
- The impact of increased or decreased development relative to base market-based growth forecasts.
- Exempt development types (i.e., affordable housing). In this case, testing should make clear assumptions of the proposed exemption(s). For example, affordable housing exemptions should look at the percentage of units required, the minimum building size, the type of development (rental and condo), the target affordability level and duration of affordability.

What are acceptable offset strategies or measures that prescribed municipalities can consider?

The introduction of the transit infrastructure and fast frequent service, combined with municipally and provincially sponsored land use permissions that allow for a range of high-density developments increases land value for landowners, which creates a significant offset to developers. This increase in land value coupled with reduced parking standards, expedited municipal approvals, and guaranteed access to municipal services are offsets that the municipalities can consider.

Municipalities that are successful in obtaining funding from other levels of government should be able to apply this funding to the debt.

What is the methodology for calculating municipal offsets and co-ordinating offsets with the requirement for fee payment?

The offsets identified above are the primary drivers of land value increases that support the TSC payment. All other municipal fees and requirements such as planning application fees, reduced parking standards, access to servicing etc., should be incorporated into the analysis to show total value to the landowner, and presented in the context of the difference in value if there were no station or transit service. The regulation should allow for a broad range of value related offsets such as the guaranteed transit service based on municipal financial risk, as well as municipal offsets to ensure that this legislation continues to be based in a market driven strategy where the benefiter pays so that this does not become a municipal subsidy.

In addition to the draft by-law and background study, what additional information, if any, should the Minister of Infrastructure require from municipalities before deciding to approve a Transit Station Charge by-law?

- Municipal commitment to ensure transit supportive land uses, densities and policies are in place along with servicing.
- Overall, the regulation should provide municipalities as much flexibility as possible to identify the appropriate components and TSC that will work for their community to deliver new GO stations.
- The municipality should retain the right to terminate all agreements in the event the Minister makes amendments to the by-law that render the TSC no longer feasible from the municipality's perspective.

Should the Province consider exemption for certain forms of development from the Transit Station Charge?

Yes, and these should be identified by the municipality relative to their local context and the amount of revenue the transit service will generate. In addition, government owned lands should be subject to the TSC unless the proposed form of development is an exempted land use as determined by the municipality.

Where public institutions are exempt, the exemption should only apply to the space being provided for public institutional purposes (i.e., not retail, or other commercial uses therein).

In addition to considering certain exemptions, municipalities should have the option to recover lost revenue from exemptions through the TSC, permit phase-ins for certain community uses such as non-profit housing and pre-payment to hedge inflation, if in the municipality's view it is fair to the development industry and wouldn't disincentivize development.

Additional Items for Ministry Consideration

- Interest costs paid by the municipality should be minimized wherever possible, and for this reason, no cost of any kind, and in particular interest costs, should be paid by a municipality until the designating by-law is passed to collect the TSC, and there is an agreement with Metrolinx that the station will be constructed.
- In terms of Metrolinx staff costs to manage and deliver the project, this needs to be assessed in the context of whether the GO station is a planned capital project or not. Stations that are part of a planned Metrolinx capital extension project, such as the Bowmanville GO Extension, means that Metrolinx has already planned for the resources to deliver the project in its budget planning process. These fees should not be paid by the municipality and recovered from the private sector. If the station is not a planned capital project, the case for Metrolinx staff cost recovery may make sense.
- In the case of a planned Extension and the fact that there are finite costs that can be recovered, it does not make sense to seek land costs from the private sector. The GO station asset and associated lands will be owned operated, maintained and leveraged for future optimization and as such, the private sector should not bear that cost either.
- If the TSC results in funding that meets the target funding levels prior to debt retirement the municipality should be allowed to direct the surplus towards capital improvements that maybe necessary for accommodating improved services and increasing ridership.

Regional staff continue to welcome the opportunity to meet and further discuss the regulation to support the Transit Station Charge through the GO Transit Station Funding Act, 2023.

Sincerely,

Colleen Goodchild

Colleen Goodchild, RPP, MCIP
Director of Planning
Regional Municipality of Durham

SENT VIA EMAIL



**The Regional
Municipality of
Durham**

Corporate Services
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**Alexander Harras
M.P.A.
Director of
Legislative Services
& Regional Clerk**

April 25, 2024

June Gallagher
Clerk
Municipality of Clarington
40 Temperance Street
Bowmanville, ON L1C 3A6

Dear Ms. Gallagher:

**RE: Durham Agricultural Advisory Committee Resolution re:
Stormwater Management Fees, Our File: C00**

Council of the Region of Durham, at its meeting held on April 24, 2024, adopted the following recommendations of the Planning & Economic Development Committee:

“Whereas Stormwater Management fees are intended for urban infrastructure needs and flood prevention, the Durham Agricultural Advisory Committee (DAAC) believes that bona fide farmers on agricultural properties should be exempt from paying Stormwater Management fees in the Region of Durham; and, that this resolution be circulated to Durham’s area municipalities for their information.”

Alexander Harras

Alexander Harras,
Director of Legislative Services & Regional Clerk

AH/vw

c: B. Bridgeman, Commissioner of Planning & Economic
Development



The Regional Municipality of Durham Information Report

From: Commissioner of Planning and Economic Development
Report: #2024-INFO-29
Date: April 26, 2024

Subject:

2023 Annual Building Activity Review, File: D03-02

Recommendation:

Receive for information

Report:

1. Purpose

- 1.1 This report summarizes the key findings of the 2023 Annual Building Activity Review. This annual report includes building permit and construction activity for Durham Region and the Greater Toronto and Hamilton Area (GTHA) for 2023, with comparisons to 2022.

2. Background

- 2.1 The Planning and Economic Development Department conducts ongoing monitoring activities to assess the effectiveness of the Durham Regional Official Plan (ROP) and other Regional policies. These monitoring activities assist in identifying emerging issues and trends.
- 2.2 Building activity is monitored as an indicator of Regional housing and employment activity, the level of local investment and economic performance. It is also an indicator of the local market for various new building types. This report provides a comprehensive analysis of construction activity from the start of the process (i.e. issuance of building permits), to the construction and occupancy of new residential

units into the market. The report concludes with a comparison of Durham's building activity with the other GTHA municipalities.

- 2.3 The 2023 Annual Building Activity Report (Attachment 1) presents key findings in both the residential and non-residential sectors along with trends, forecasts and housing market information. Attachment 2 to this report provides the background data and analysis used to produce the annual report.

3. Previous Reports and Decisions

- 3.1 The 2022 Annual Building Activity Review and historical reports can be found on the [Planning for Growth](#) page on the Region's website.

4. Key Highlights

The following summarizes key highlights from the 2023 Annual Building Activity Review:

Residential building activity in Durham

- The total value of building permits issued in Durham decreased slightly by 0.4%, from \$2.89 billion in 2022 to \$2.87 billion in 2023.
- Residential building permit value decreased by 24.2%, from \$2.17 billion in 2022 to \$1.65 billion in 2023.
- The total number of permits issued for new residential units in Durham decreased 10.1%, from 6,530 units in 2022 to 5,869 units in 2023.
- Nearly 17.2% of new units (1,008 units) in 2023 were accessory apartments or additional dwelling units to an existing home, representing a 25.2% increase compared to 2022.
- A total of 78% of new residential units in Durham were in multiple residential forms including row houses and apartments.
- There was a 33.3% decrease in the number of housing starts from 5,797 in 2022 to 3,864 in 2023. At the same time, completions increased by 28.1% from 3,828 to 4,904.
- The average cost of a new single-detached dwelling in Durham increased 21.9% from \$993,940 in 2022 to \$1,211,552 in 2023. It should also be noted that the average cost of a new single-detached dwelling in Durham in 2023 was 11.2% below the GTHA average.

- The average price of a resale dwelling (all dwelling types) in Durham decreased by 8.6%, from \$1024,570 to \$936,023 in 2023. The average price of a resale single-detached dwelling also decreased by 8.3% from \$1,130,814 in 2022 to \$1,036,698 in 2023. It should be noted that the average bank rate increased by 107.4% from 2.42% in 2022 to 5.02% in 2023.

Non-residential building activity in Durham

- The value of non-residential building permits increased by 71.6%, from \$716.6 million in 2022 to \$1.23 billion in 2023.
- Major non-residential construction projects initiated in 2023 included:
 - A new warehouse/distribution centre in Ajax (cumulative value of \$179.3 million);
 - A new warehouse/distribution centre development in Ajax containing three buildings (cumulative value of \$160.3 million);
 - A new industrial building in Whitby (cumulative value of \$73.5 million);
 - A new industrial building in Oshawa (cumulative value of \$70.1 million);
 - A new long-term care facility in Clarington (\$61.3 million);
 - A new long-term care facility in Ajax (cumulative value of \$57.3 million);
 - A new warehouse in Oshawa (\$49.5 million);
 - A new industrial development in Pickering for FGF Food Campus (cumulative value of \$40.1 million);
 - A new industrial building in Whitby (\$30 million);
 - A new industrial building in Whitby (\$28.6 million);
 - A new industrial building in Pickering (\$26.9 million);
 - Site servicing and foundation for a new school in Oshawa (\$21.5 million);
 - A new Porsche Experience Centre in Pickering (\$20.2 million);
 - Renovations to a Regional facility in Whitby (\$18 million);

- A new commercial development in Whitby (cumulative value of \$17.7 million);
- A new foundation for a commercial building in Oshawa (15.1 million); and
- A new commercial development in Oshawa (cumulative value of \$12.6 million).

Greater Toronto and Hamilton Area

- Across the Greater Toronto and Hamilton Area, the total value of building permits issued (both residential and non-residential) increased by 5.1% from \$29.6 billion in 2022, to nearly \$31.2 billion in 2023.
- In 2023, there were 62,629 building permits issued for new residential units in the GTHA, compared to 59,634 units in 2022 (+5%). Notably, Hamilton, York, and Toronto experienced an increase in the number of permits issued for new residential units, while Peel, Halton, and Durham experienced decreases.
- The total value of residential building permits in the GTHA increased slightly by 0.3%, from \$18.7 billion in 2022 to \$18.8 billion in 2023.
- The value of non-residential building permits issued in the GTHA increased by 13.4% from \$10.9 billion in 2022, to nearly \$12.4 billion in 2023.

5. Relationship to Strategic Plan

5.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Priority 3.1 (Economic Prosperity) – Position Durham Region as the location of choice for business; and
- b. Priority 5.3 (Service Excellence) – Demonstrate commitment to continuous quality improvement and communicating results.

6. Conclusion

- 6.1 In 2023, Durham's residential sector experienced a decrease in the overall value of building permits¹ (-24.2%) and in the number of permits for new units (-10.1%). The breakdown of new unit types indicates that the number of permits for apartments increased by nearly a third, while permits for single, semi-detached, and townhouse units decreased. The data indicates Durham's continued upward growth trend in units offering a higher degree of diversity and affordability of housing options occurring in both intensification and greenfield areas. The availability of more apartment units coincides with recent challenges in housing affordability, and this trend can be expected to continue to accommodate housing needs in new and existing communities.
- 6.2 Comparisons between the 2023 building permit data for new residential units and development charge receipts collected by the Finance Department indicate that development charges (DCs) have been received for 75% of new units. Development charges are not collected for not-for-profit housing units, as well as additional residential units or accessory apartments. Furthermore, the collection of DCs for rental housing, retirement homes, and long-term care homes commence at occupancy, therefore these units are not recognized at the building permit stage. Additionally, the pending exemption of affordable units will be a factor in the future. These factors contribute to the difference between the total number of units recognized from building permits and units tied to DC collection.
- 6.3 Non-residential building permit value increased (+71.6%) compared to 2022 in all sectors, including all investment such as renovations to existing units, and new, additional, and temporary floorspace.
- 6.4 The Canada Mortgage and Housing Corporation (CMHC), in their Housing Market Outlook for Canada and Metropolitan Areas noted that following the decline in housing prices 2023 due to climbing interest rates, prices for homes in the Greater Toronto Area are expected to rise in 2024 and 2025 as mortgage rates gradually decline². The decrease in the number of housing starts in 2023 is also expected to contribute to rising prices in the resale market.
- 6.5 A copy of this report will be forwarded to the area municipalities for information.

¹ The value of residential building permits includes new units, additions, renovations, and miscellaneous alterations.

² [Housing Market Outlook](#), Canadian Metropolitan Areas, Spring 2023. Canada Housing and Mortgage Corporation.

7. Attachments

Attachment #1: 2023 Annual Building Activity Review

Attachment #2: Background Data and Analysis

Respectfully submitted,

Original signed by

Brian Bridgeman, MCIP, RPP, PLE
Commissioner of Planning and
Economic Development



Planning &
Economic
Development
Department



2023 ANNUAL BUILDING ACTIVITY R E V I E W

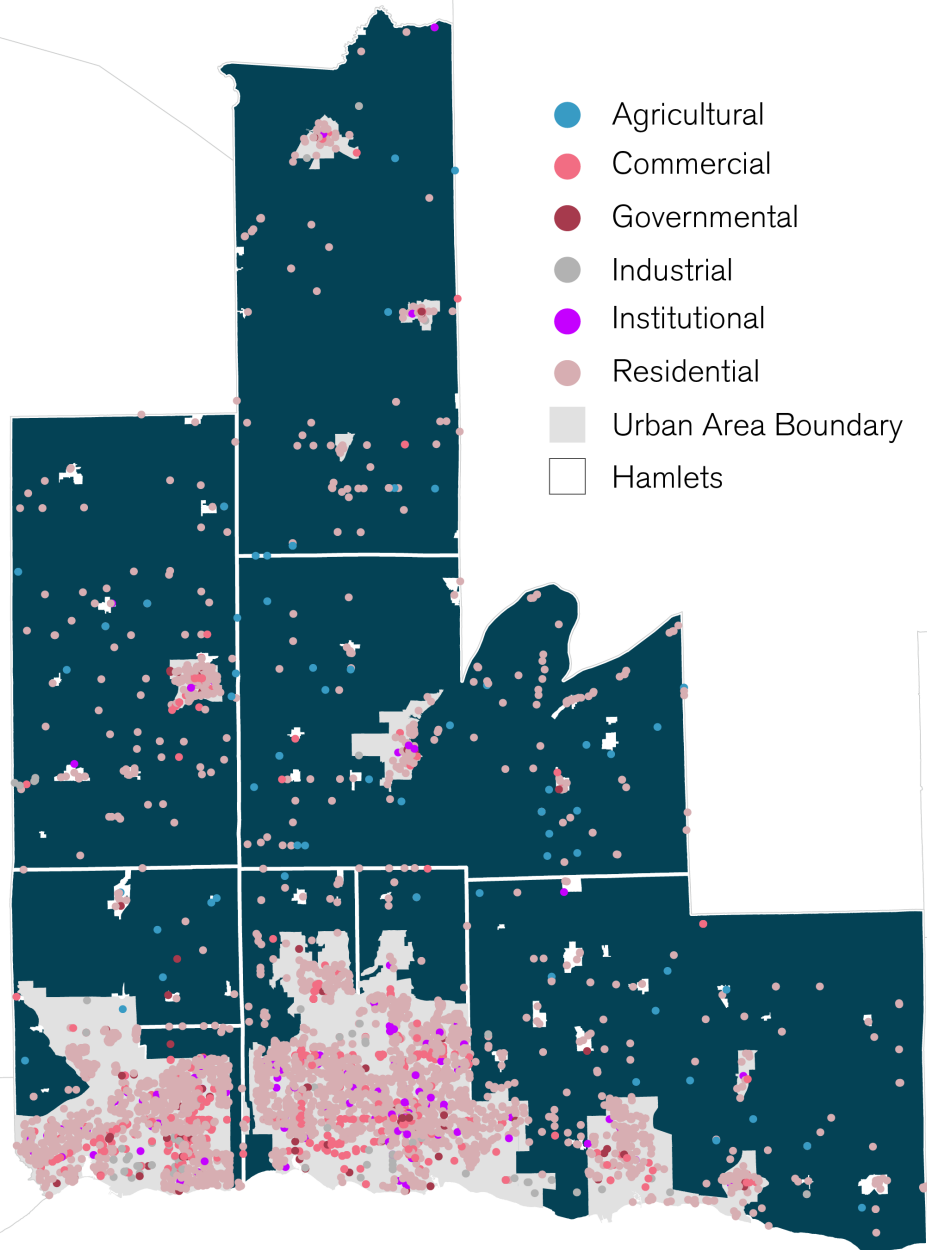
In 2023, Durham's residential sector experienced a decrease both in the number of permits for new residential units (-10.1%) and the value (-24.2%) of permits overall, compared to 2022.

The value of non-residential building permits increased significantly in Durham (+71.6%) compared to 2022.

Regional staff continue to monitor the impact of market-based shifts and inflationary pressures on building activity over the course of 2024.

The Planning and Economic Development Department conducts ongoing monitoring activities to assess the effectiveness of the Durham Regional Official Plan and other Regional policies.

Building activity is also an indicator of regional housing and employment activity, the level of local investment, and economic performance.

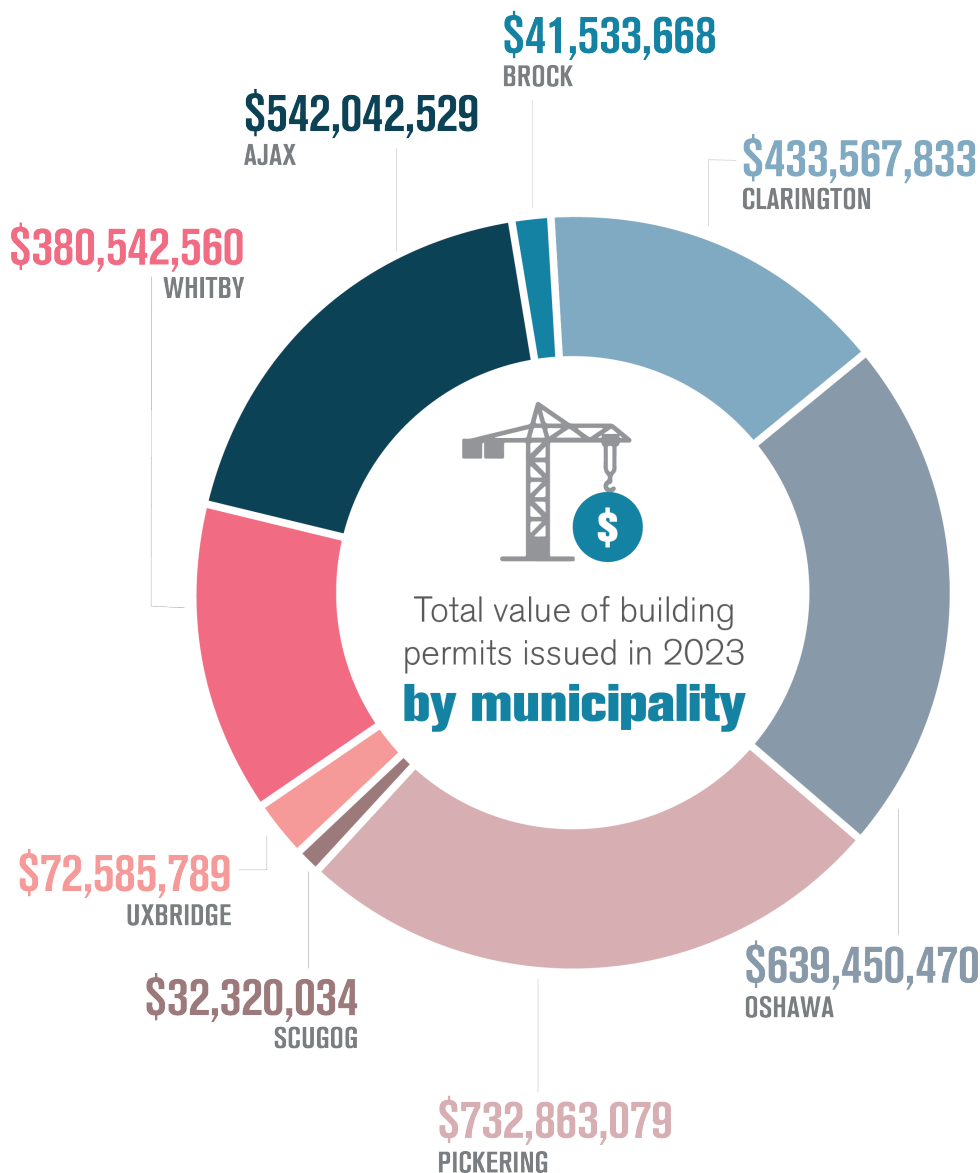


2023 HIGHLIGHTS



\$2,874,905,963^{-0.4%}

Total value of building permits issued



\$1,229,904,244^{+71.6%}

Total value of non-residential permits



\$1,645,001,719^{-24.2%}

Total value of residential permits issued



Permits issued for **new** residential units **5,869^{-10.1%}**

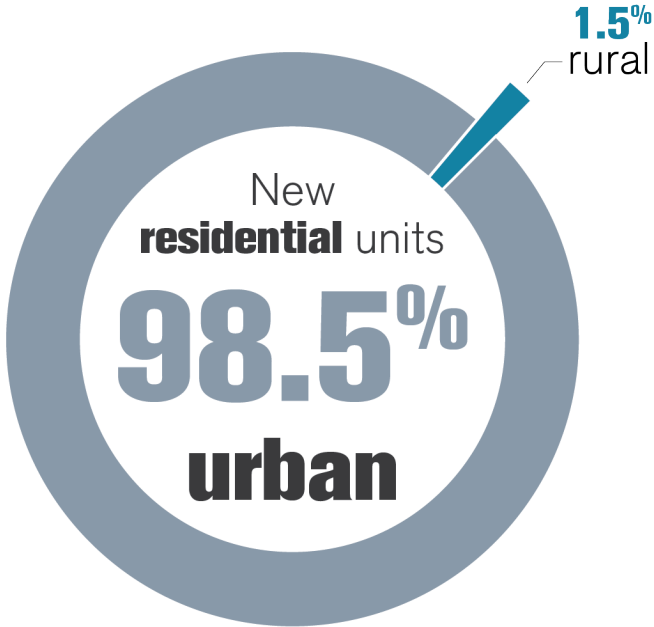
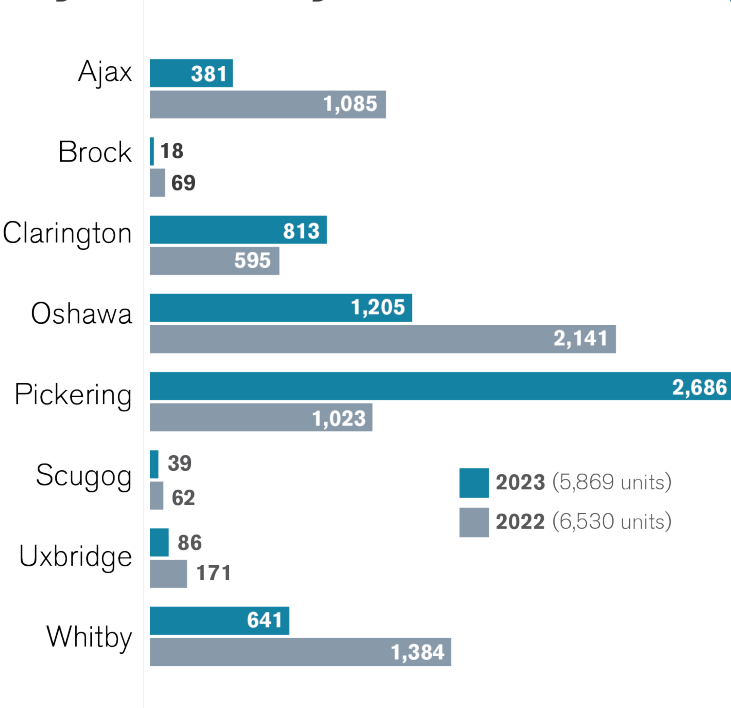


RESIDENTIAL

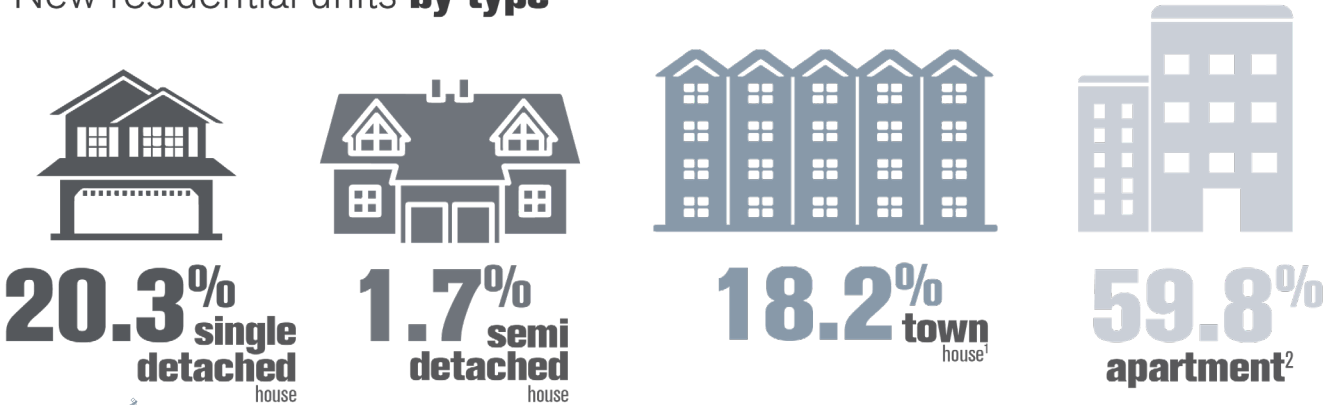


\$1.65 billion
of **residential investment**
in Durham last year

New residential units
by municipality



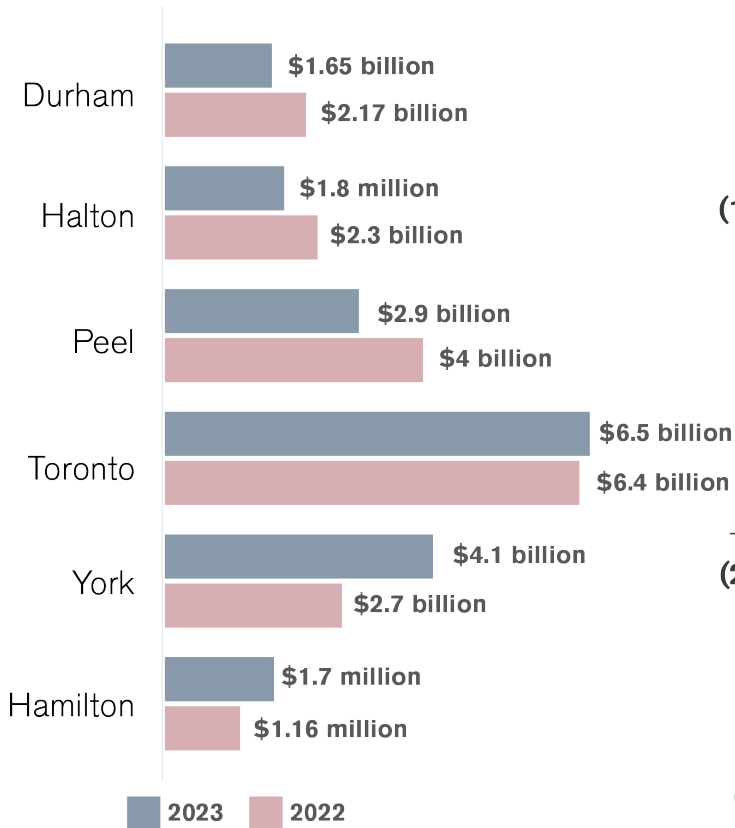
New residential units by type



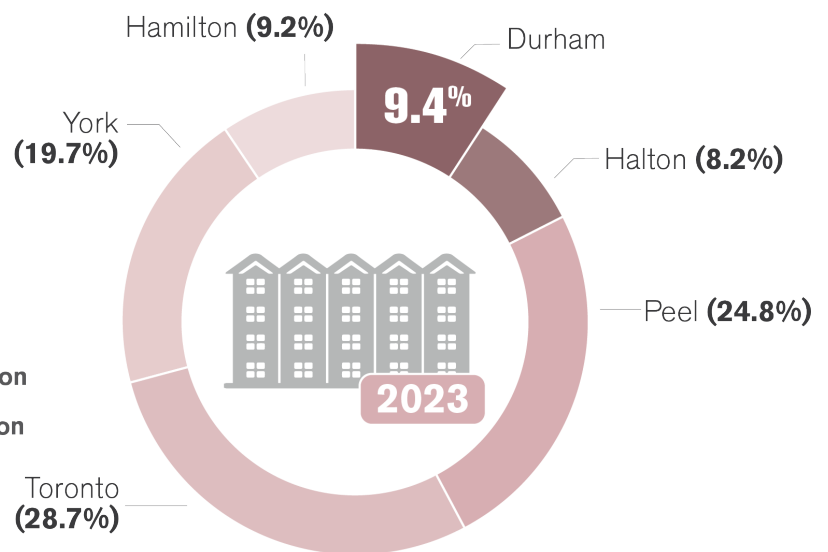
¹Includes all forms of town houses, including stacked townhomes and row housing.
²Includes apartments, condominiums, and accessory apartments/dwelling units.



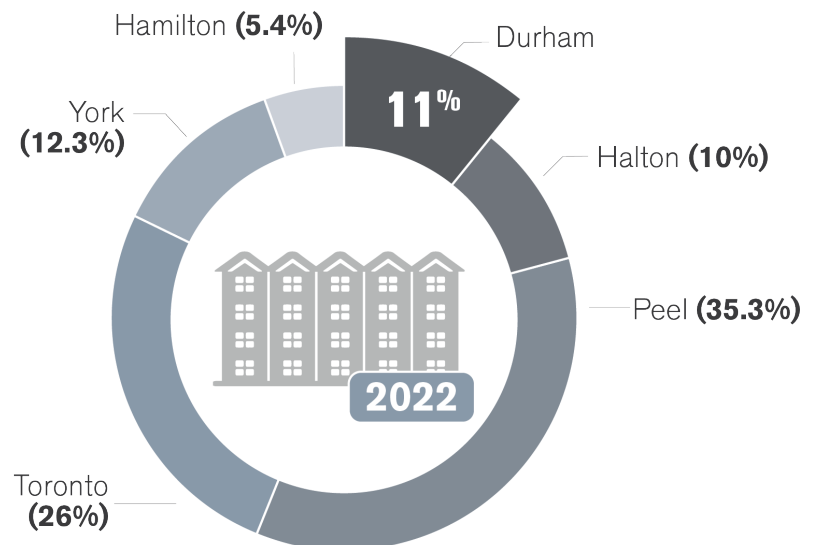
Residential permit value by region



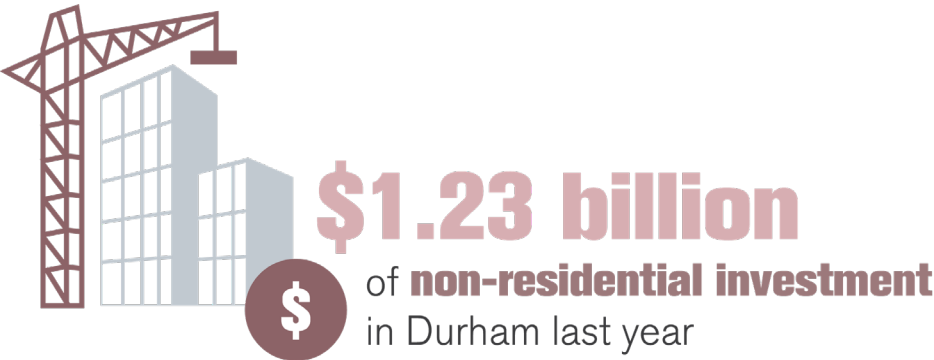
New residential units by region



\$18.8 billion
of residential investment
in the GTHA last year



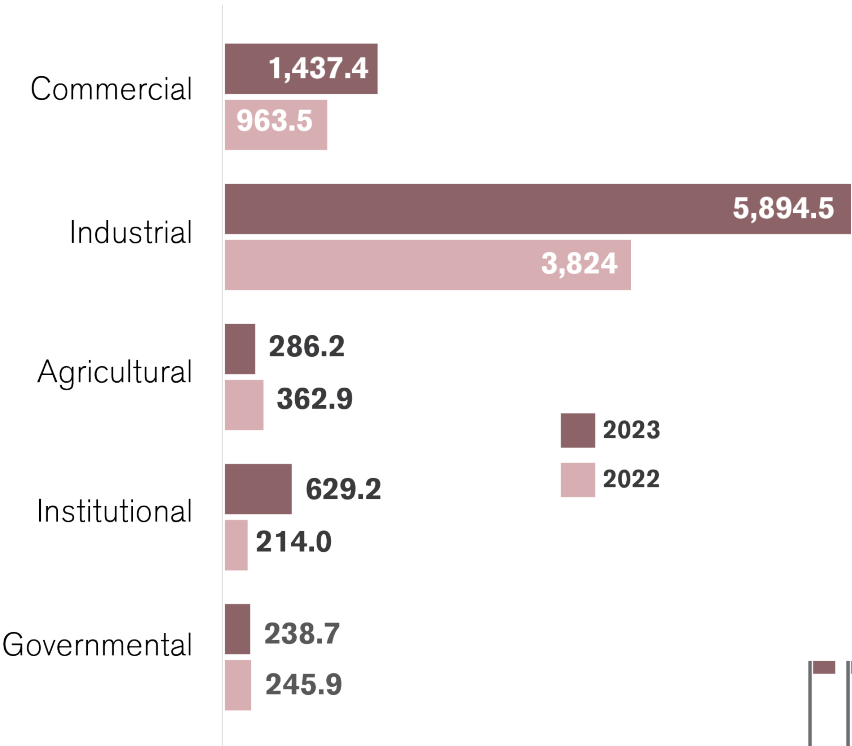
NON-RESIDENTIAL



Non-residential investment **by sector**



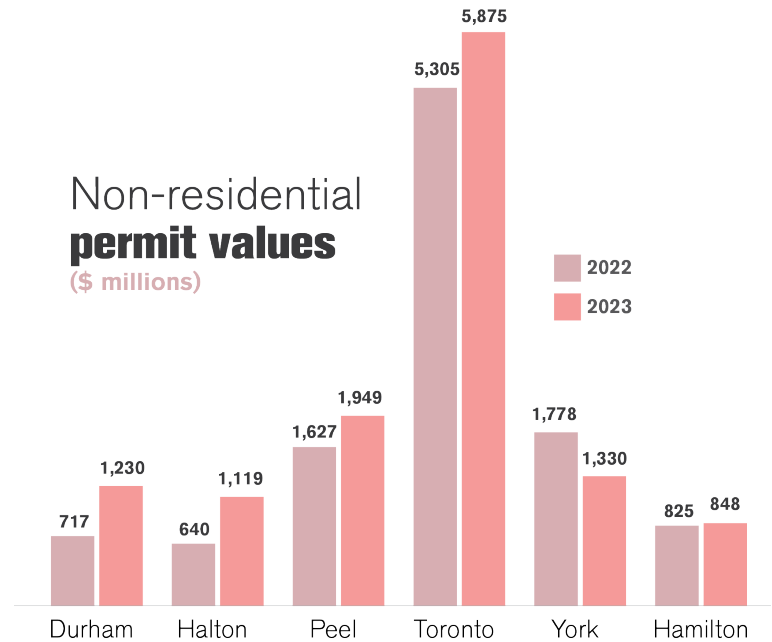
Non-residential **floorspace** (’000 square feet)



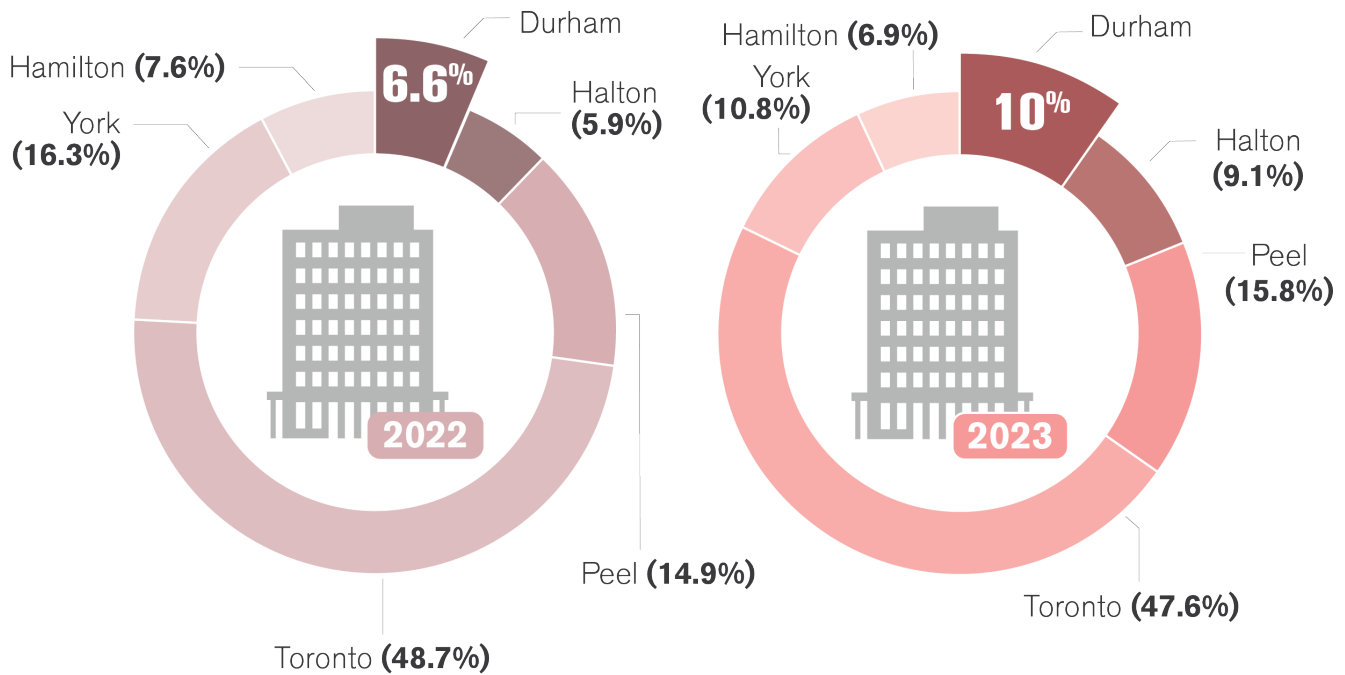


\$12.4 billion
of **non-residential investment**
in the GTHA last year

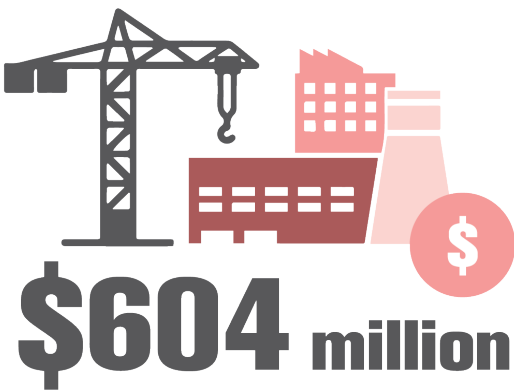
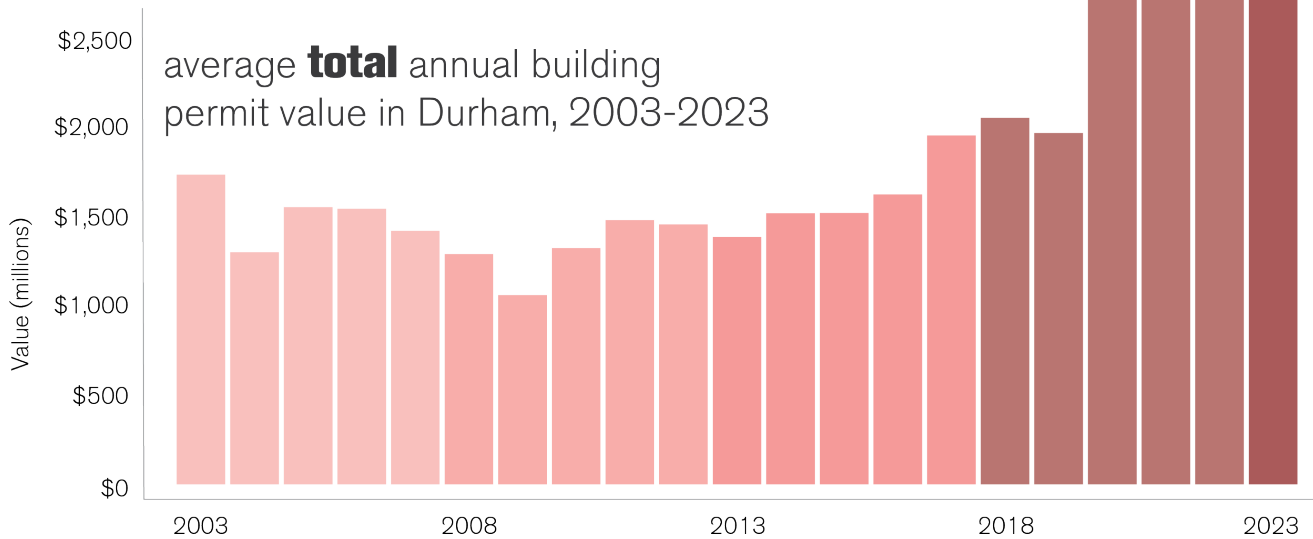
Non-residential permit values (\$ millions)



Non-residential investment **by region**

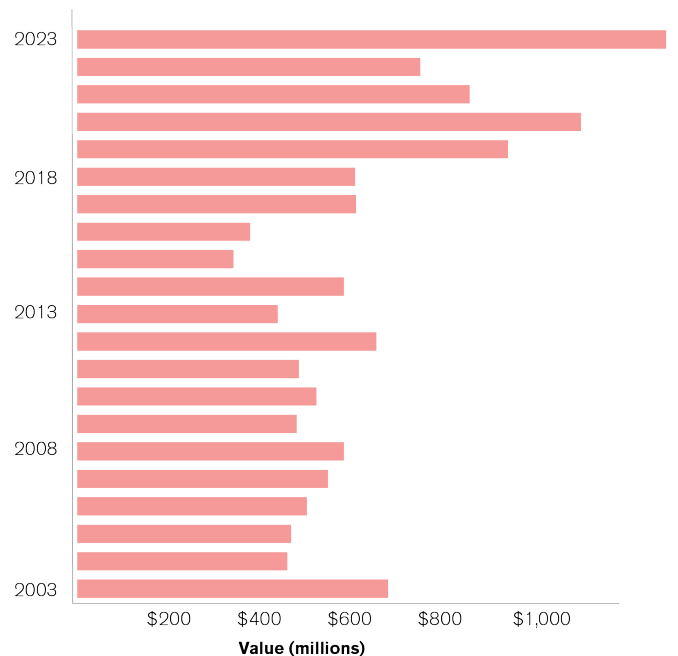


\$1.8 billion



\$604 million

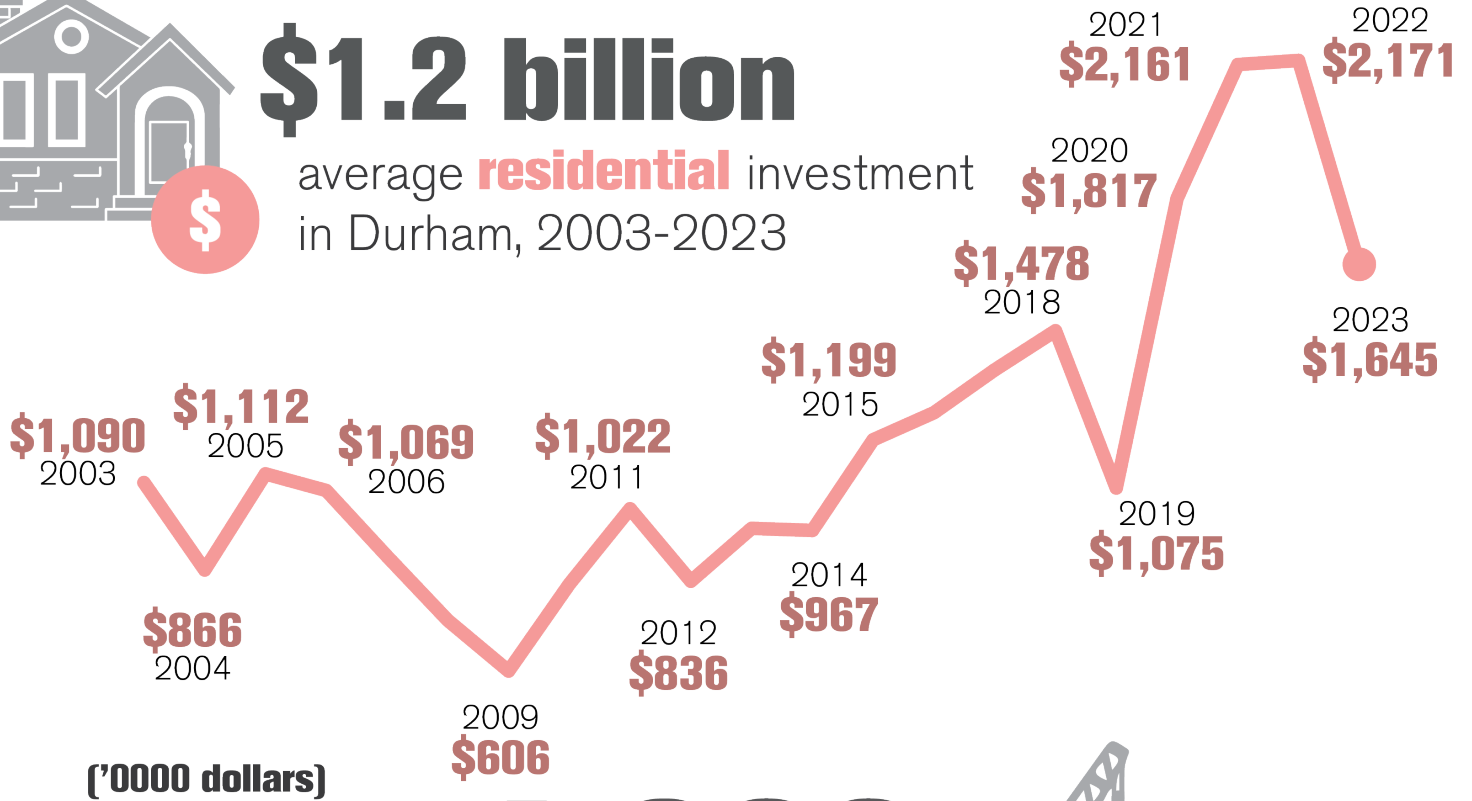
average **non-residential** investment in Durham
2003-2023





\$1.2 billion

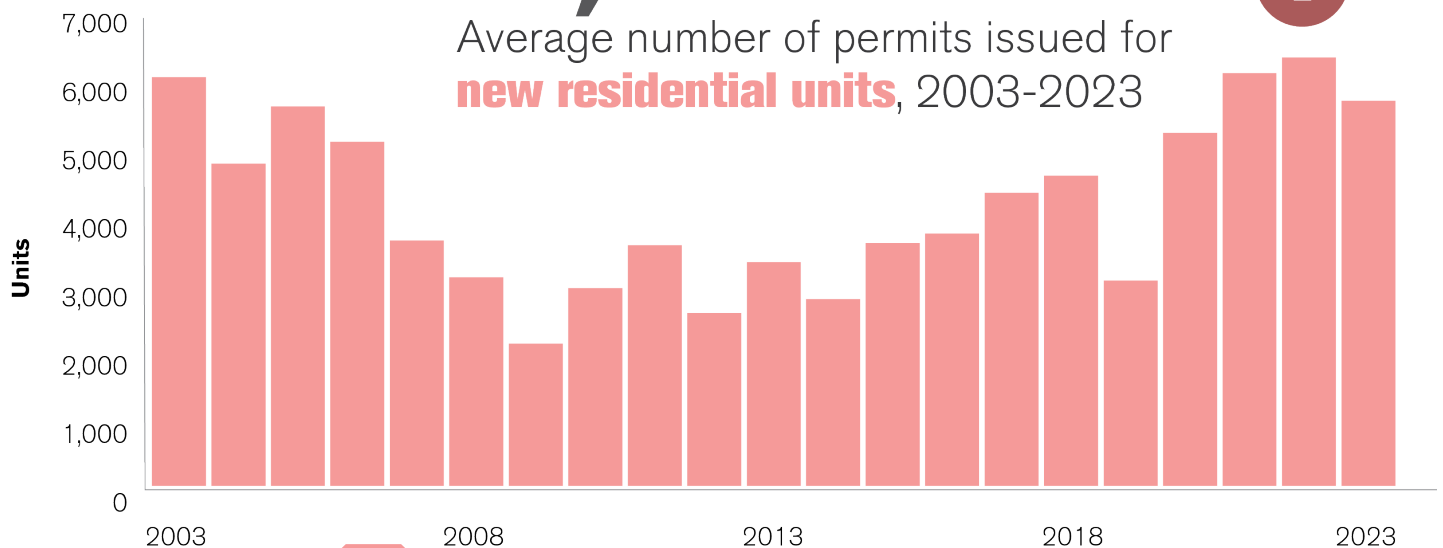
average **residential** investment
in Durham, 2003-2023



4,322

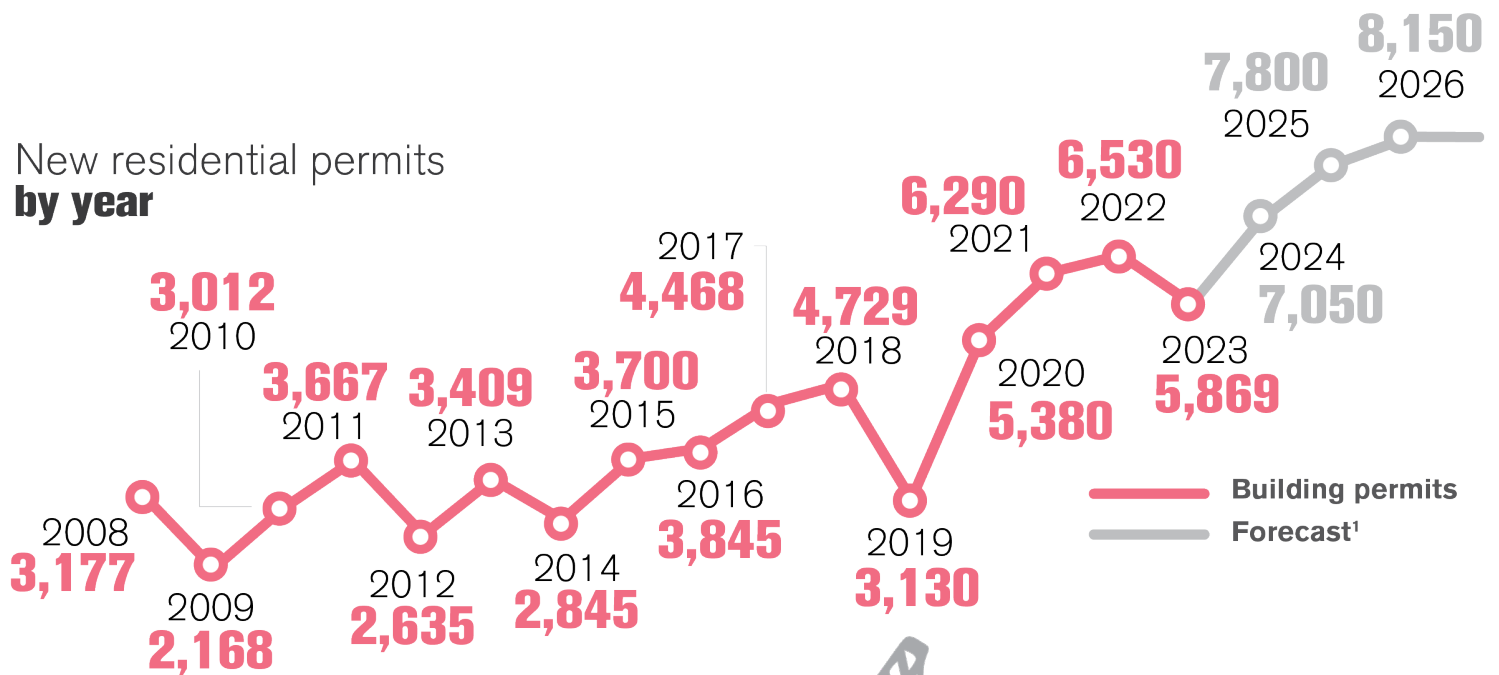


Average number of permits issued for
new residential units, 2003-2023

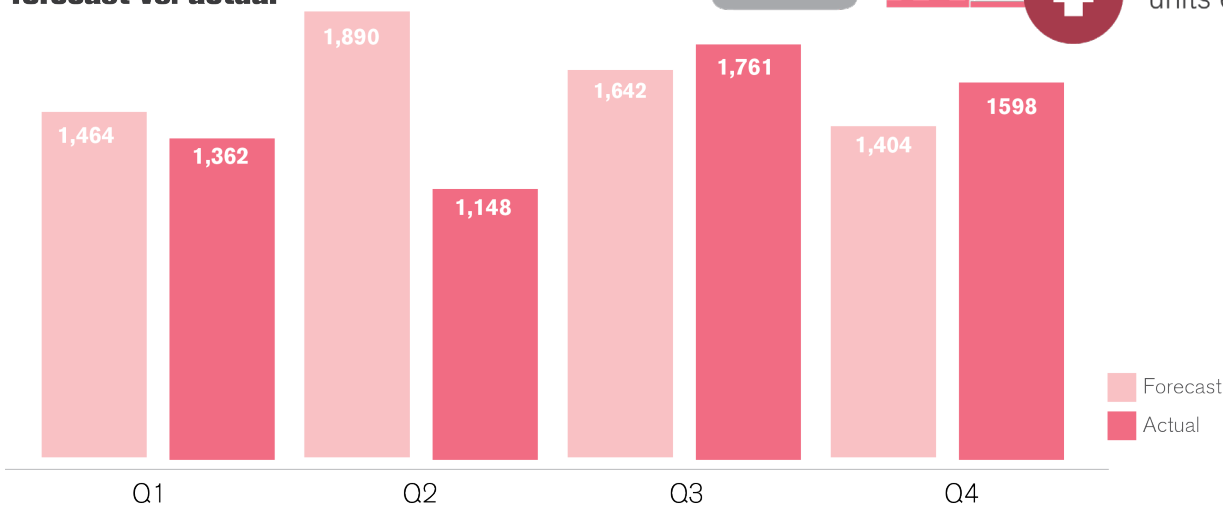


FORECAST

New residential permits by year



2023 building permits forecast vs. actual



7,050

Permits for new residential units expected in 2024

¹ Durham Region Planning & Economic Development Department - Residential growth forecasts for infrastructure planning, Spring 2023.

Note: The building permit forecasts are based on achieving Durham's overall population forecast of 1.3 million to 2051 as identified in the Council-adopted Regional Official Plan, pending approval from the Province at the time this document is being published.



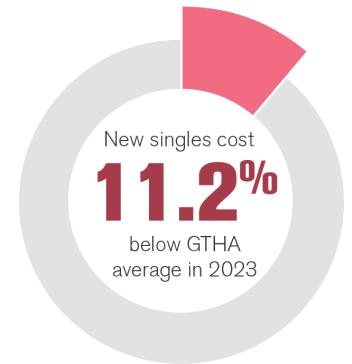
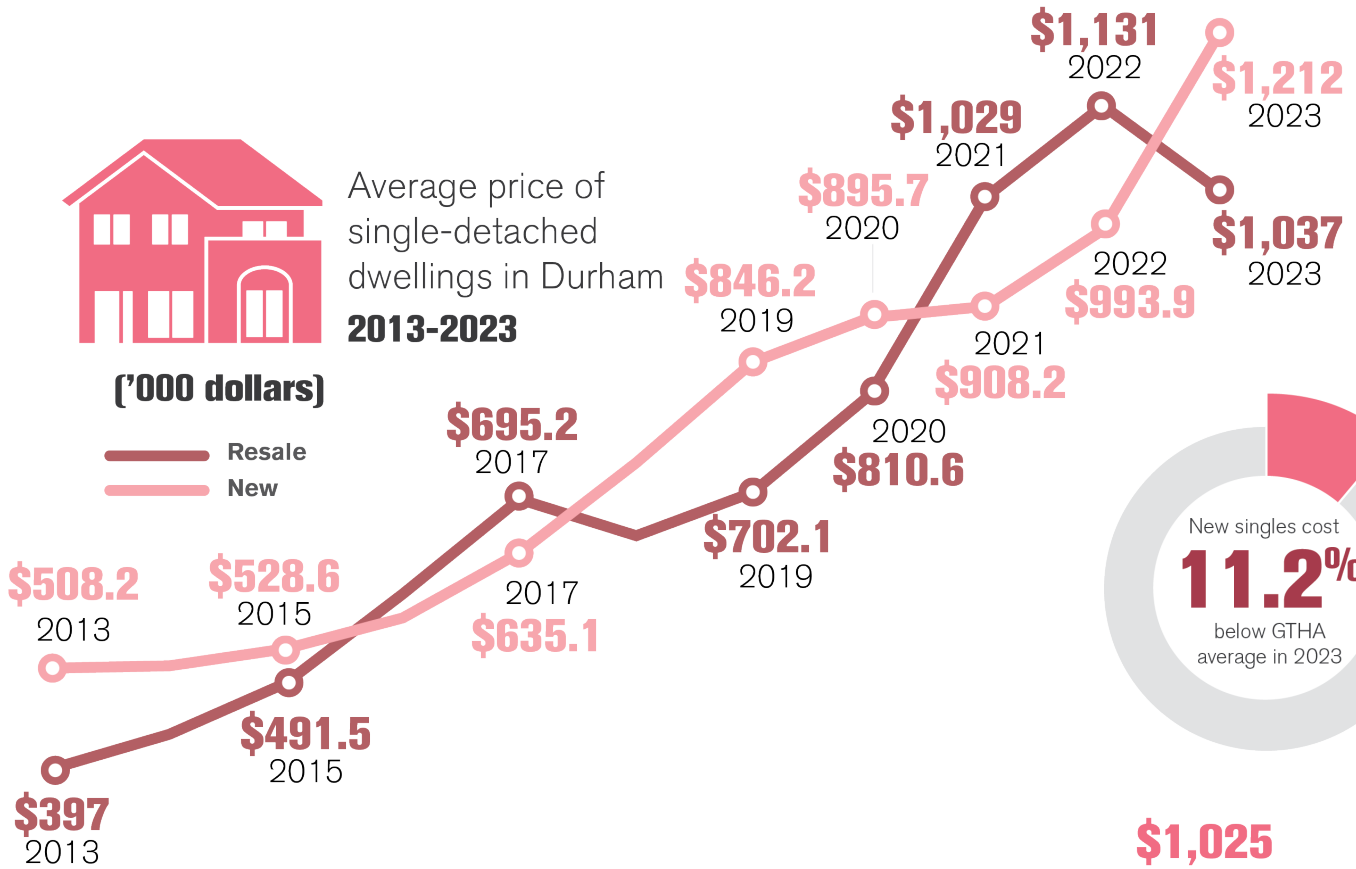
HOUSING MARKET



Average price of
single-detached
dwellings in Durham
2013-2023

(‘000 dollars)

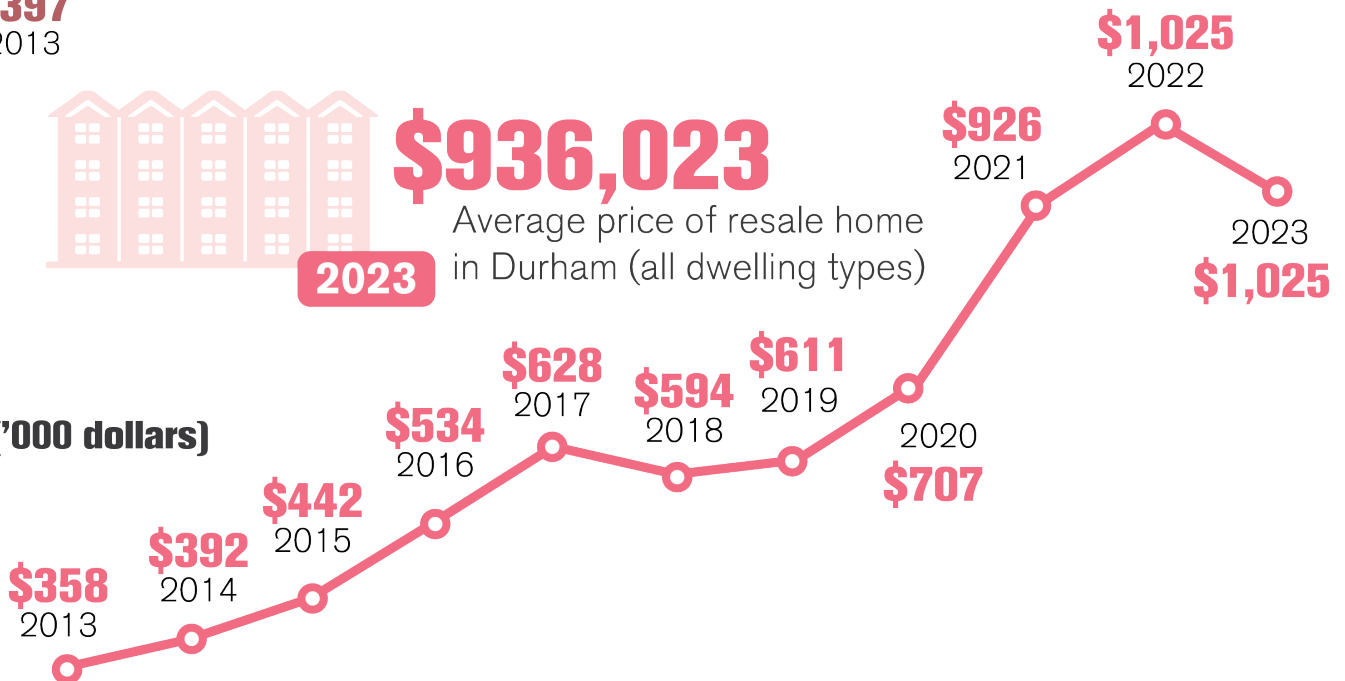
— Resale
— New



\$936,023

Average price of resale home
in Durham (all dwelling types)
2023

(‘000 dollars)



The Regional Municipality of Durham
Planning & Economic Development Department
605 Rossland Road East, Whitby, ON
905-668-7711 or 1-800-372-1102
www.durham.ca



If this information is required in an accessible format,
please contact 1-800-372-1102 ext. 2546.

Attachment 2
Building Permit Activity in Durham - January to December

Table 1
Total value of building permits (\$ million)

Key Indicators	2022		2023		% change
	#	%	#	%	
Total value of building permits (\$ millions)	2,887.3	100%	2,874.9	100%	-0.4
a) By area municipality:					
Ajax	308.1	10.7	542.0	18.9	76.0
Brock	49.3	1.7	41.5	1.4	-15.8
Clarington	309.3	10.7	433.6	15.1	40.2
Oshawa	902.3	31.3	639.5	22.2	-29.1
Pickering	471.0	16.3	732.9	25.5	55.6
Scugog	35.8	1.2	32.3	1.1	-9.8
Uxbridge	91.7	3.2	72.6	2.5	-20.8
Whitby	719.8	24.9	380.5	13.2	-47.1
b) By permit type:					
Residential	2,170.7	75.2	1,645.0	57.2	-24.2
Non-Residential	716.6	24.8	1,229.9	42.8	71.6

Table 2
Total value of residential building permits (\$ million)

Key Indicators	2022		2023		% change
	#	%	#	%	
Total value of residential building permits (\$ millions)	2,170.7	100%	1,645.0	100%	-24.2
a) By area municipality:					
Ajax	199.4	9.2	75.9	4.6	-61.9
Brock	34.9	1.6	13.2	0.8	-62.1
Clarington	196.2	9.0	312.7	19.0	59.4
Oshawa	762.5	35.1	375.0	22.8	-50.8
Pickering	374.3	17.2	621.0	37.8	65.9
Scugog	31.0	1.4	24.5	1.5	-21.1
Uxbridge	75.8	3.5	58.9	3.6	-22.3
Whitby	496.5	22.9	163.7	10.0	-67.0
b) By construction type:					
New residential units	1,999.4	92.1	1,504.9	91.5	-24.7
Renovations, additions and improvements	170.7	7.9	140.1	8.5	-18.0

Note: All figures rounded

Source: Durham Region Planning Division building permit summaries.

Table 3
Permits issued for new residential units (# of units)

Key Indicators	2022		2023		%
	#	%	#	%	Change
Permits issued for new residential units	6,530	100%	5,869	100%	-10.1
a) By unit type:					
Single	1,365	20.9	1,189	20.3	-12.9
Semi	199	3.0	101	1.7	-49.2
Town	2,320	35.5	1,069	18.2	-53.9
Apartment	2,646	40.5	3,510	59.8	32.7
b) By area municipality:					
Ajax	1,085	16.6	381	6.5	-64.9
Brock	69	1.1	18	0.3	-73.9
Clarington	595	9.1	813	13.9	36.6
Oshawa	2,141	32.8	1,205	20.5	-43.7
Pickering	1,023	15.7	2,686	45.8	162.6
Scugog	62	0.9	39	0.7	-37.1
Uxbridge	171	2.6	86	1.5	-49.7
Whitby	1,384	21.2	641	10.9	-53.7
c) By urban/rural area:					
Urban	6,446	98.7	5,780	98.5	-10.3
Rural	84	1.3	89	1.5	6.0
d) By average dwelling size (square feet):					
Single	2,651		2,576		-2.8
Semi	1,743		1,879		7.8
Town	1,709		1,698		-0.6
Apartment*	1,019		786		-22.9

Note: All figures rounded

Source: Durham Region Planning Division building permit summaries.

Table 4
Value of non-residential building permits (\$ millions)

Key Indicators	2022		2023		% Change
	#	%	#	%	
Value of non-residential building permits	716.6	100%	1229.9	100%	71.6
a) By sector:					
Commercial	206.9	28.9	244.5	19.9	18.2
Industrial	411.5	57.4	722.6	58.8	75.6
Agricultural	10.0	1.4	15.7	1.3	56.8
Institutional	36.9	5.1	200.0	16.3	442.6
Governmental	51.4	7.2	47.1	3.8	-8.3
b) By area municipality:					
Ajax	108.6	15.2	466.1	37.9	329.1
Brock	14.4	2.0	28.3	2.3	96.4
Clarington	113.1	15.8	120.8	9.8	6.9
Oshawa	139.8	19.5	264.5	21.5	89.1
Pickering	96.7	13.5	111.8	9.1	15.6
Scugog	4.8	0.7	7.9	0.6	63.8
Uxbridge	15.8	2.2	13.7	1.1	-13.8
Whitby	223.3	31.2	216.9	17.6	-2.9
c) Commercial, industrial, and agricultural sectors:	628.4	100.0	982.8	100.0	56.4
Value Associated with New Construction	400.0	63.7	753.6	76.7	88.4
Value of Renovations, Additions and Improvements	228.4	36.3	229.2	23.3	0.4
d) Institutional and governmental sectors:	88.2	100.0	247.1	100.0	180.1
Value Associated with New Construction	14.7	16.7	135.8	55.0	821.3
Value of Renovations, Additions and Improvements	73.5	83.3	111.3	45.0	51.4

Table 5
Non-residential floor space (thousand sq. ft.)

Key Indicators	2022		2023		% Change
	#	%	#	%	
Non-residential floorspace (thousand sq. ft.)	5,610.3	100%	8,486.0	100%	51.3
a) By sector:					
Commercial	963.5	17.2	1,437.4	16.9	49.2
Industrial	3,824.0	68.2	5,894.5	69.5	54.1
Agricultural	362.9	6.5	286.2	3.4	-21.1
Institutional	214.0	3.8	629.2	7.4	194.0
Governmental	245.9	4.4	238.7	2.8	-2.9
b) By area municipality:					
Ajax	815.5	14.5	3,738.9	44.1	358.4
Brock	118.8	2.1	154.6	1.8	30.1
Clarington	1,226.9	21.9	1,048.5	12.4	-14.5
Oshawa	320.6	5.7	756.1	8.9	135.9
Pickering	657.3	11.7	423.9	5.0	-35.5
Scugog	130.1	2.3	123.5	1.5	-5.1
Uxbridge	173.5	3.1	157.7	1.9	-9.1
Whitby	2,167.7	38.6	2,082.8	24.5	-3.9

Note: All figures rounded

Source: Durham Region Planning Division building permit summaries.

Table 6
Building permit activity in the Greater Toronto and Hamilton Area (GTHA)

Key indicators		2022	2023	% Change		
1. Durham's share of GTHA building permit activity (%)						
Total Value	9.7	9.2	-0.5			
Residential Value	11.6	8.7	-2.8			
Residential Units	11.0	9.4	-1.6			
Non-Residential Value	6.6	10.0	3.4			
		2022	2022	2023	2023	%
		#	%	#	%	Change
2. Total value of building permits issued (\$ millions)						
GTHA	29,640.1	100.0%	31,150.9	100.0%	5.1%	
Durham	2,887.3	9.7%	2,874.9	9.2%	-0.4%	
Halton	2,989.4	10.1%	2,953.4	9.5%	-1.2%	
Peel	5,598.0	18.9%	4,932.5	15.8%	-11.9%	
Toronto	11,681.2	39.4%	12,410.8	39.8%	6.2%	
York	4,501.2	15.2%	5,452.7	17.5%	21.1%	
Hamilton	1,983.0	6.7%	2,526.6	8.1%	27.4%	
3. Value of residential building permits issued (\$ millions)						
GTHA	18,749.4	100.0%	18,800.7	100.0%	0.3%	
Durham	2,170.7	11.6%	1,645.0	8.7%	-24.2%	
Halton	2,349.9	12.5%	1,834.7	9.8%	-21.9%	
Peel	3,970.6	21.2%	2,984.0	15.9%	-24.8%	
Toronto	6,375.9	34.0%	6,535.7	34.8%	2.5%	
York	2,723.8	14.5%	4,123.2	21.9%	51.4%	
Hamilton	1,158.5	6.2%	1,678.2	8.9%	44.9%	

Note: This data may contain estimated values by Statistics Canada. As such, this data is subject to change

Sources: Statistics Canada (Halton, Peel, Toronto, York), City of Hamilton, and Durham Region Planning / Area municipal building permit records

Table 7
Permits issued for new residential unit types in the GTHA

Key indicators	2022 #	2022 %	2023 #	2023 %	% Change
GTHA	59,634	100.0%	62,629	100.0%	5.0%
Single	7,307	12.3%	5,337	8.5%	-27.0%
Semi	667	1.1%	470	0.8%	-29.5%
Town	7,680	12.9%	6,322	10.1%	-17.7%
Apartment	43,980	73.7%	50,500	80.6%	14.8%
Durham	6,530	11.0%	5,869	9.4%	-10.1%
Single	1,365	18.7%	1,189	22.3%	-12.9%
Semi	199	29.8%	101	21.5%	-49.2%
Town	2,320	30.2%	1,069	16.9%	-53.9%
Apartment	2,646	6.0%	3,510	7.0%	32.7%
Halton	5,941	10.0%	5,155	8.2%	-13.2%
Single	1,075	14.7%	536	10.0%	-50.1%
Semi	32	4.8%	97	20.6%	203.1%
Town	753	9.8%	1,381	21.8%	83.4%
Apartment	4,081	9.3%	3,141	6.2%	-23.0%
Peel	21,068	35.3%	15,502	24.8%	-26.4%
Single	1,606	22.0%	677	12.7%	-57.8%
Semi	169	25.3%	22	4.7%	-87.0%
Town	1,080	14.1%	929	14.7%	-14.0%
Apartment	18,213	41.4%	13,874	27.5%	-23.8%
Toronto	15,494	26.0%	18,000	28.7%	16.2%
Single	879	12.0%	857	16.1%	-2.5%
Semi	46	6.9%	70	14.9%	52.2%
Town	539	7.0%	592	9.4%	9.8%
Apartment	14,030	31.9%	16,481	32.6%	17.5%
York	7,361	12.3%	12,353	19.7%	67.8%
Single	1,834	25.1%	1,778	33.3%	-3.1%
Semi	137	20.5%	131	27.9%	-4.4%
Town	1,957	25.5%	2,047	32.4%	4.6%
Apartment	3,433	7.8%	8,397	16.6%	144.6%
Hamilton	3,240	5.4%	5,750	9.2%	77.5%
Single	548	7.5%	300	5.6%	-45.3%
Semi	84	1.1%	49	10.4%	-41.7%
Town	1,031	14.1%	304	4.8%	-70.5%
Apartment	1,577	21.6%	5,097	10.1%	223.2%

Table 8
Value of non-residential building permits issued in the GTHA (\$ millions)

Key indicators	2022 #	2022 %	2023 #	2023 %	% Change
GTHA	10,890.7	100.0%	12,350.2	100.0%	13.4%
Durham	716.6	6.6%	1,229.9	10.0%	71.6%
Halton	639.5	5.9%	1,118.7	9.1%	74.9%
Peel	1,627.4	14.9%	1,948.5	15.8%	19.7%
Toronto	5,305.2	48.7%	5,875.1	47.6%	10.7%
York	1,777.5	16.3%	1,329.6	10.8%	-25.2%
Hamilton	824.5	7.6%	848.4	6.9%	2.9%

Note: This data may contain estimated values by Statistics Canada. As such, this data is subject to change

Sources: Statistics Canada (Halton, Peel, Toronto, York), City of Hamilton, and Durham Region Planning / Area municipal building permit records

Table 9
Housing Market Supply of New Units in Durham - January to December

Key Indicators	2022		2023		%
	#	%	#	%	Change
1. Housing Supply					
a) Total Supply	11,432	100%	10,330	100%	-9.6
Pending Starts	2,514	22.0	2,496	24.2	-0.7
Under Construction	8,891	77.8	7,827	75.8	-12.0
Completed & Not Absorbed	27	0.2	7	0.1	-74.1
b) Starts	5,797		3,864		-33.3
c) Completions	3,828		4,904		28.1
2. Total Supply	11,432	100%	10,330	100%	-9.6
a) By unit type:					
Single	2,629	23.0	2,180	21.1	-17.1
Semi	279	2.4	208	2.0	-25.4
Town	3,613	31.6	2,210	21.4	-38.8
Apartment	4,911	43.0	5,732	55.5	16.7
3. Absorptions	3,769	100%	4,651	100%	23.4
a) By unit type:					
Single	1,276	306.0	1,582	90.6	24.0
Semi	266	63.8	164	9.4	-38.3
Town	1,443	346.0	2,208	126.5	53.0
Apartment	784	188.0	697	39.9	-11.1
b) By area municipality:					
Ajax	292	70.0	233	13.3	-20.2
Brock	0	0.0	0	0.0	0.0
Clarington	629	150.8	398	22.8	-36.7
Oshawa	1,104	264.7	1,299	74.4	17.7
Pickering	417	100.0	1,746	100.0	318.7
Scugog	0	0.0	0	0.0	0.0
Uxbridge	71	17.0	88	5.0	23.9
Whitby	1,256	301.2	887	50.8	-29.4

Source: Canada Mortgage & Housing Corporation (CMHC) - Local Housing Market Tables, 2022/23 and Housing Market Information Portal

Table 10
Housing Market Indicators - January to December

Key Indicators		2022	2023	% Change
1.	Average Interest Rates¹			
	Conventional Mortgage Rates (%):			
	1 Year Term	4.46	7.15	60.4
	3 Year Term	4.90	6.61	34.9
	5 Year Term	5.65	6.68	18.3
	Bank Rate (%):	2.42	5.02	107.4
2.	Average Cost of a New Single Detached Dwelling²			
	Durham Region:	\$993,940	\$1,211,552	21.9
	Ajax	\$1,658,181	\$1,295,925	-21.8
	Brock	--	--	--
	Clarington	\$924,469	\$1,177,541	27.4
	Oshawa	\$895,504	\$1,199,216	33.9
	Pickering	\$1,236,773	\$1,232,638	-0.3
	Scugog	--	--	--
	Uxbridge	--	\$1,534,682	--
	Whitby	\$959,566	\$1,172,438	22.2
	City of Toronto	\$2,075,673	\$2,064,866	-0.5
	York Region	\$1,531,070	\$1,629,377	6.4
	Peel Region	\$1,210,599	\$1,172,823	-3.1
	Halton Region	\$1,060,496	\$1,192,312	12.4
	Hamilton	\$622,445	\$710,968	14.2
3.	Resale Housing Market in Durham³			
	Number of Sales	9,875	8,487	-14.1
	Number of New Listings	18,164	16,389	-9.8
	Average Price (all dwelling types)	\$1,024,570	\$936,023	-8.6
	Average Price (single-detached dwelling)	\$1,130,814	\$1,036,698	-8.3

Sources: 1. Bank of Canada Website: <http://www.bankofcanada.ca/rates/interest-rates/canadian-interest-rates/>
2. CMHC, Housing Now - Greater Toronto Area, December 2022/2023 and Housing Market Information Portal. Prices rounded.
3. Toronto Regional Real Estate Board - Market Watch, December 2022/2023. Prices rounded.

April 23, 2024

The Honourable Doug Ford
Premier of Ontario
Legislative Building
1 Queen's Park
Toronto, ON M7A 1A1

Sent via email: premier@ontario.ca

**Re: Provincial Regulations Needed to Restrict Keeping of Non-native ("exotic") Wild Animals
Our File 35.11.2**

Dear Premier Ford,

At its meeting held on April 8, 2024, St. Catharines City Council approved the following motion:

WHEREAS Ontario has more private non-native ("exotic") wild animal keepers, roadside zoos, mobile zoos, wildlife exhibits and other captive wildlife operations than any other province; and

WHEREAS the Province of Ontario has of yet not developed regulations to prohibit or restrict animal possession, breeding, or use of non-native ("exotic") wild animals in captivity; and

WHEREAS non-native ("exotic") wild animals can pose very serious human health and safety risks, and attacks causing human injury and death have occurred in the province; and

WHEREAS the keeping of non-native ("exotic") wild animals can cause poor animal welfare and suffering, and poses risks to local environments and wildlife; and

WHEREAS owners of non-native ("exotic") wild animals can move from one community to another even after their operations have been shut down due to animal welfare or public health and safety concerns; and

WHEREAS municipalities have struggled, often for months or years, to deal with non-native ("exotic") wild animal issues and have experienced substantive regulatory, administrative, enforcement and financial challenges; and

WHEREAS the Association of Municipalities of Ontario (AMO), the Association of Municipal Managers, Clerks and Treasurers of Ontario (AMCTO) and the Municipal Law Enforcement Officers' Association (MLEOA) have indicated their support for World Animal Protection's campaign for provincial regulations of non-native ("exotic") wild animals and roadside zoos in letters to the Ontario Solicitor General and Ontario Minister for Natural Resources and Forestry;

THEREFORE BE IT RESOLVED that the City of St. Catharines hereby petitions the provincial government to implement provincial regulations to restrict the possession, breeding, and use of non-native ("exotic") wild animals and license zoos in order to guarantee the fair and consistent application of policy throughout Ontario for the safety of Ontario's citizens and the non-native ("exotic") wild animal population; and

BE IT FURTHER RESOLVED that this resolution will be forwarded to all municipalities in Ontario for support, the Premier of Ontario, Ontario Solicitor General, Ontario Minister for Natural Resources and Forestry, MPP Jennie Stevens, MPP Sam Oosterhoff, MPP Jeff Burch, AMO, AMCTO, and MLEAO.

If you have any questions, please contact the Office of the City Clerk at extension 1524.



Kristen Sullivan, City Clerk
Legal and Clerks Services, Office of the City Clerk
:av

cc: The Honourable Michael S. Kerzner, Solicitor General
The Honourable Graydon Smith, Minister of Natural Resources and Forestry
Local MPPs
Association of Municipalities of Ontario (AMO)
Association of Municipal Managers, Clerks and Treasurers of Ontario (AMCTO)
Municipal Law Enforcement Officers' Association of Ontario (MLEAO)
All Municipalities of Ontario

From: [ClerksExternalEmail](#)
To: [Chambers, Michelle](#)
Subject: Decision on Excess Soil Regulation Amendments
Date: April 25, 2024 10:37:50 AM

Greetings,

I am reaching out to share that Ontario has finalized amendments to O. Reg. 406/19: On-Site and Excess Soil Regulation (“Excess Soil Regulation”) and Rules for Soil Management and Excess Soil Quality Standards (“Soil Rules”). These amendments increase soil management flexibility and support greater reuse of excess soil from housing, infrastructure, and other construction projects.

To reduce burden and increase opportunities for beneficial reuse of excess soil, while protecting our province’s people and environment and working to stop the illegal dumping of potentially contaminated soil, Ontario has now made the following amendments to the Excess Soil Regulation:

- Enhanced usability of project leader-owned or controlled storage sites (Class 2 soil management sites and local waste transfer facilities) and soil depots to allow for larger volumes of soil being managed without requiring a waste approval, now up to 25,000 m³ with additional flexibility for public bodies, and having greater alignment of rules across sites;
- Increased opportunities for reuse of salt-impacted soil in lower-risk circumstances;
- Exempting specified small projects and undertakings (generating or reusing 5m³ or less) from hauling records, and clarifying required information and responsibility for hauling records;
- Exempting landscaping projects at enhanced investigation project areas from reuse planning requirements, as long as the area of excavation is assessed as not likely to be impacted by contamination;
- Clarifying the responsibility of the qualified person when substances such as polymers are used for dewatering or solidification of liquid soil;
- Enabling temporary storage of sediment and soil near waterbodies for projects excavating in or adjacent to that waterbody;
- Clarifying sampling requirements for tunnelling projects, salt-impacted soils, stormwater management ponds, and use of past sampling reports to avoid over-sampling; and
- Providing additional clarifications to assist with better understanding and

consistent implementation of requirements.

The ministry had also consulted on proposed amendments to exempt additional soil management depots from needing a waste environmental compliance approval while following regulatory rules (i.e., aggregate reuse depots and small liquid soil depots), as well as proposals to file notices on the Excess Soil Registry for these depots and other existing sites. Based on the feedback received suggesting that more consideration and detail on the operational requirements is needed, the ministry has not yet finalized its decision on these matters.

More information on the finalized amendments may be found in the [decision notice](#) posted on the Environmental Registry. Links to the regulation and Soil Rules as well as existing guidance to help understand the regulatory requirements can be found on MECP's [Handling Excess Soil website](#). For information on using the Excess Soil Registry, please refer to the [Resource Productivity and Recovery Authority website](#).

MECP will continue to work collaboratively with stakeholders and Indigenous communities on implementation of these amendments and the Excess Soil Regulation in general.

Please pass this information along to colleagues, members of your organization, other organizations and anyone else that may be interested.

We would like to thank everyone who took the time to share input on this proposal. If you have any questions or would like to discuss these amendments or other aspects of the Excess Soil Regulation and Soil Rules, please contact Reema Kureishy or Chris Lompart at MECP.LandPolicy@ontario.ca.

Sincerely,

Original Signed by:

Robyn Kurtes

Director, Environmental Policy Branch

Ministry of the Environment, Conservation and Parks



357-2024-265

April 22, 2024

Dear Sir/Madam,

I am writing to you in response to your request for a comprehensive environmental assessment for the Regional Municipalities of York and Durham's (Regions) proposed increase in treatment capacity at the Durham York Energy Centre (DYEC) from 140,000 to 160,000 tonnes per year (the Project).

Following the publication of the Notice of Completion of the Environmental Screening Process, the Ministry of the Environment, Conservation and Parks (ministry) received seven elevation requests asking that the Regions be required to prepare an environmental assessment for the Project.

Please be aware that changes were made to the environmental assessment program as of February 22, 2024. To implement Ontario's move to a project list approach, Part II of the *Environmental Assessment Act* (EAA) and O. Reg. 101/07 (Waste Projects) were revoked and Part II.3 of the EAA, and O. Reg. 50/24 (Part II.3 Projects – Designations and Exemptions) and O. Reg. 53/24 (General and Transitional Matters) came into force. In addition, the *Guide to Environmental Assessment Requirements for Waste Management Projects* (the Guide) was amended and the screening process was renamed the Environmental Screening Process for Waste Management Projects. The new regulations designate the Project as a Part II.3 Project and also transition the project under the new provisions without further assessment requirements.

Based on all of the information before me, I have decided to deny the requests for elevation for the reasons set out below. In making my decision, I have carefully considered the factors set out in the screening process, including the concerns raised in the elevation requests I received, the Regions' response to the requests, the Regions' Environmental Screening Process documentation, and the consultation record.

Reasons

Part B of the Guide establishes the process through which projects of this type can be carried out, and includes identifying, describing and assessing potential environmental effects of a project, including completing relevant studies, undertaking consultation with interested persons and Indigenous communities, and developing impact management measures. The results of the screening process and conclusions reached are documented in an Environmental Screening Report. Based on the Environmental

Screening Report for the Project, the Regions have carried out the process in accordance with the screening process.

The concerns raised in support of the elevation requests received included the potential for negative impacts to air quality and public health, ecological impacts, water impacts, proximity of the DYEC to specified areas, and concerns about the adequacy of reports and responses provided by the Regions. Based on all of the information before me, I am satisfied that the concerns raised in the requests have been addressed by the Regions through the previous environmental assessment processes and through commitments made in its Environmental Screening Report.

The Environmental Screening Report demonstrates that the anticipated emissions associated with the Project would be within regulated provincial limits. I am therefore satisfied that the anticipated emissions from the Project are not likely to adversely impact air quality, groundwater or surface water. The Regions have committed to completing an updated Human Health and Ecological Risk Assessment for any future expansions of the DYEC to assess any potential impacts to human and ecological health.

Additionally, further technical review of air emissions will occur through the application process for an amendment to the DYEC Environmental Compliance Approval (ECA) for Air. The ECA regulates air emissions from the facility and includes conditions of approval that are protective of human health and the natural environment.

I am also satisfied that meaningful opportunities for public, government agency, and Indigenous engagement and consultation were provided by the Regions during the process.

Based on the above, I am of the opinion that there is no public benefit from requiring the Project to proceed through a comprehensive environmental assessment.

With this decision having been made, the Regions can now proceed with the Project, subject to any other permits or approvals required. The Regions must ensure that the Project is implemented in the manner set out in the Environmental Screening Report, and inclusive of all mitigating measures and commitments, and environmental and other provisions therein.

I would like to thank you for bringing your concerns to the ministry's attention.

Sincerely,



Andrea Khanjin
Minister of the Environment, Conservation and Parks

c: Kathleen O'Neill, Director, Environmental Assessment Branch, MECP,
Kathleen.oneill@ontario.ca



If this information is required in an alternate format, please contact the Accessibility Co-ordinator at 905-623-3379 ext. 2131

March 16, 2022

To Interested Parties:

Re: Update and Next Steps: Municipal Comments on the Durham York Energy Centre Throughput Increase from 140,000 to 160,000 Tonnes per Year

File Number: PG.25.06

At a meeting held on March 14, 2022, the Council of the Municipality of Clarington approved the following Resolution #C-062-22:

That [Report PDS-016-22](#), and any related communication items, be received;

That the responses from the Regions of Durham and York (Regions) to the Municipality's comments on the Durham York Energy Centre (DYEC) throughput increase (from 140,000 to 160,000 tonnes per year) Environmental Screening Process be received;

That Staff be directed to submit an Environmental Assessment elevation request to the Director of the Environmental Assessment and Approvals Branch, MECP; and

That Staff be directed to request the Ministry of Environment, Conservation and Parks (MECP):

- i. confirm their review and acceptance of the air quality modelling methodology, data inputs, and Air Quality Impact Assessment completed as supporting documentation to the Environmental Screening Process, and
- ii. respond to concerns regarding elevated levels of nitrogen dioxide, sulphur dioxide and benzo[a]pyrene in the local airshed and the relative contributions of the DYEC; and further

That Staff be directed to prepare a briefing document on planned future development in the South Courtice Area to support DYEC emissions dispersion modelling considerations by the Regions and MECP during the subsequent Environmental Compliance Approval Amendment process.

Yours truly,



June Gallagher, B.A., Dipl. M.A.
Municipal Clerk

JG/lp

c: Gioseph Anello, Manager of Waste Planning & Technical Services
Andrew Evans, Project Manager - Waste Planning & Technical Services
Linda Gasser
Wendy Bracken
Kerry Meydam
Karrie Lynn Dymond
Celeste Dugas, Manager - York Durham District Office
Philip Dunn, Senior Environmental Officer
Muneeb Farid, Contract Management Engineer, Environmental Services
A. Burke, Senior Planner
R. Windle, Director of Planning and Development Services

Orono DBIA Meeting Minutes

April 18, 2024

Location: Orono Town Hall

Present: Karen Lowery, vice chair
Merissa and Brad Beckstead
Gavin Crab
Scott Story
Julie Cashin-Oster
Councillor Marg Zwart
Perry Kirkbridge
Heather Maitland
Frank Maitland
Leah McKnight

Regrets: Manish Jagwani, Prisco Teves Jr. Tammy
Rendell Ron Liu, Amin Rawdah, Raymond Bishay, Tina Barrie
Nava Subramaniam, Jessi Hoey, Jac Woog
Lisa Roy and Timothy Jackson

Guests: Sam Kent, Kent Farms

Karen Lowery called the meeting to order at 8:33

Inclusion Statement

The Municipality of Clarington is situated within the traditional and treaty territory of the Mississaugas and Chippewas (chip-uh-WUH) of the Anishinabeg (uh-NISH-in-NAH-bek) known today as the Williams Treaties First Nations.

Our work on these lands acknowledges their resilience and their longstanding contributions to the area now known as the Municipality of Clarington

Approval of Agenda

Motion: Gavin

Seconder: Heather

Approval of February Minutes

Motion: Gavin

Second: Heather

Heather Maitland as Executive Secretary for D.B.I.A

Motion: Karen

Second: Frank, Gavin, Julie, Brad and Perry.

To be discussed with the sub-committee.

- a. Discussion of Moving Forward with the Orono Downtown
- b. including rental of empty buildings
- c. washrooms – Town Hall &/or Orono Library
- d. Bike Rental program
- e. Dog waste stations
- f. Orono sign installation
- g. Heather Maitland to discuss cost increase of Orono swag
- h. Update of Website and Arena advertising program
- i. Farmers market possibility inside & downtown
- j. Coffee shop / cyclists
- k. Cross promotion of local & surrounding businesses.

- 1) Alister hasn't approved the ORONO town sign and if he will be on his property. We aren't sure how much power it's going to take to run it and need further investigation.
- 2) Board of Trade - we need to reschedule the discussion on filling the empty buildings and touching base with trying to get tenants in the empty buildings. In addition, adding to the downtown by adding green to the community, ie, scooters or something with the trails. Another meeting will be set up for May.
- 3) Washrooms are available in the library - we need to advertise this and when they're open. They're open 6 days a week. Heather will reach out to Samantha. Laura at invest Clarington had the original discussion. The bistro and building beside it are listed for \$695,000.

- 4) Swag: Heather sent information to Brad on the swag, he got 3 costs that have savings varying from 10-150%. 150% savings is better quality but only 1 print and 100 of each. You can get different sizes, but not different colours or prints. Potentially a booth at the Orono fair to sell the swag or at the farmers market. Brad has brainstormed a few different options in terms of designs for the swag - " what is Orono all about" Moving depot Oshawa or Scugog sales can do 2-3 prints no charge with a minimum 10 order. It's all dependent on how many we're going to want to sell. The Co-op and The Orono General Store are also selling them but the one's from the DBIA all proceeds go back into the down and DBIA. If we bought 100, 10 businesses could each put their logo on the side of the t-shirt to promote their business in-town. Timothy could help us by re-posting it on Facebook and promote the sale of the swag. Brad's suggestion is save the 150% and he will send out the costing and designs to the DBIA.
- 5) The arena website won't be available until the Orono Fair. We want 20 new slides for once the arena opens back up. The slides will run on the TV in the arena. Each business needs to sign off their slide content prior to them being submitted to be displayed at the arena to ensure accuracy.
- 6) Sam Kent is reinstating the Farmers Market website. A sponsor was obtained for portable washrooms. A couple new vendors are coming on-board. Once a month they will have a food truck. It will alternate between pizza and Hawaiian food. They're going to have different themes, ie kids serve customers. The sign on the 115 was submitted to the province but it will take 2-3 years. Wild Hearts Farm in Newtonville is helping with the sign. The first market will likely be mid-June. After the dog show, it will be at the Orono Arena. Vendor's can apply through the website. A post is coming out next week to advertise vendor applications. The next meeting is at the fairgrounds on April 30. The hours will be 2-6. The farmers market will end in October. They have applied for a \$2500 grant from the province. Downtown banners will be put up for the farmers market. We have new banners downtown for veterans as well. The banners and flags will be put up within the next month. Baskets on the west side and boxes on the east side will be displayed. A grant will be applied for but funding for this could be used from the Big Box fund.
- 7) Karen reached out to Chris at Classic Designs regarding a price to rewire the Christmas lights. Karen talked to Nick about parking - he's the president of the fair board. We can have the parking at the north end for the antique market and all other parking can be at the fairgrounds for the car show. Philip owns the property at the north end - Brad asked him if we could use it for parking and he said we could. Antique festival is August 10 from 10-4.
- 8) Scott had a meeting with the head organizer of the Wyatt car show that is a fundraiser for Sick Kids. It will be July 27 - he is reaching out to the OCC to see if anyone can help with it. They need volunteers. Scott will ask him if he can come out to a meeting to talk about asking for volunteers. The easter egg hunt went well, 60 kilos of chocolate was used for the hunt. Next year, there is an idea for potentially a photo opportunity display with the easter bunny volunteer. This year, we ran out of

cups, next year we need to buy more for hot chocolate.

- 9) Scott has organized the Tea for Sandy on April 26 at Rebekah's Hall from 1-3. It's an informal drop-in. Tea, coffee, a small cake and potentially some sandwiches. Brad will provide flowers for the Tea. Councillor Marg has a plaque for Sandy. Heather to help with decorations.

-Previous minutes adopted-

Bank - \$32,784.07 remaining in Big Box fund and \$7859.40 in main bank account

Date of Next Meeting – May 16, 2024, 8:30am, Orono Town Hall

Meeting Adjourned at 9:39 A.M.

April 25, 2024

Nicole Pincombe
Director, Business Planning and Budgeting
Region of Durham
605 Rossland Road East
Whitby, Ontario, L1N8Y9
Nicole.Pincombe@durham.ca

RE: 2023 Audited Financial Statements

Dear Ms. Pincombe:

Section 38(3) of the Conservation Authorities Act, R.S.O. 1990, c. C.27 requires that upon receipt of the auditor's report of the examination of our accounts and transactions, that we forward a copy of the report to each participating municipality and to the Minister.

Enclosed is a copy of our 2023 Audited Financial statements approved by the Board of Directors as per resolution #41/24.

If you have any questions or require further information, please feel free to contact myself directly.

Sincerely,



Jonathan Lucas, CPA
Director, Corporate Services

Enclosures: 2023 Audited Financial Statements, Kawartha Conservation

*cc. Mark Majchrowski, Chief Administrative Officer, Kawartha Conservation
Joanne Cermak, Director, Financial Services, Region of Durham
Ken Nix, Chief Administrative Officer, Township of Scugog
Ralph Walton, Acting Director, Corporate Services/Clerk, Township of Scugog
Michelle Willson, Chief Administrative Officer, Township of Brock
Fernando Lamanna, Clerk/Deputy CAO, Township of Brock
Mary-Ann Dempster, Chief Administrative Officer, Municipality of Clarington
June Gallagher, Deputy Clerk, Municipality of Clarington*

KAWARTHA CONSERVATION
277 Kenrei Road, Lindsay, ON K9V 4R1
705.328.2271 Fax 705.328.2286
KawarthaConservation.com

Our Watershed Partners:

City of Kawartha Lakes • Region of Durham • Township of Scugog • Municipality of Clarington • Township of Brock • Municipality of Trent Lakes • Township of Cavan Monaghan

Kawartha Region Conservation Authority
Financial Statements
For the year ended December 31, 2023

Kawartha Region Conservation Authority
Financial Statements
For the year ended December 31, 2023

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MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of Kawartha Region Conservation Authority (the "Authority") are the responsibility of the Authority's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Authority's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by Management.

Members meet with Management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Authority. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Authority's financial statements.



Chair
Pat Warren
April 1, 2024

DocuSigned by:

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Vice Chair
Harold Wright
April 1, 2024



Independent Auditor's Report

To the Members of Kawartha Region Conservation Authority

Opinion

We have audited the financial statements of Kawartha Region Conservation Authority, (the "Authority") which comprise the statement of financial position as at December 31, 2023, and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2023, and the results of its operations, changes in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authorities internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authorities ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authorities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Authority to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Barrie, Ontario
April 1, 2024

Kawartha Region Conservation Authority Statement of Financial Position


December 31	2023	2022
Financial assets		
Cash and cash equivalents (Note 3)	\$ 3,611,626	\$ 3,395,977
Accounts receivable (Note 4)	<u>332,045</u>	<u>323,338</u>
	<u>3,943,671</u>	<u>3,719,315</u>
Financial liabilities		
Accounts payable and accrued liabilities	448,397	390,287
Deferred revenue (Note 5)	1,140,054	1,011,057
Deferred revenue - source water protection (Note 5)	75,599	105,609
Deferred revenue - planning and regulation (Note 5)	469,980	454,004
Deferred capital contributions	<u>62,412</u>	<u>55,440</u>
	<u>2,196,442</u>	<u>2,016,397</u>
Net financial assets	<u>1,747,229</u>	<u>1,702,918</u>
Non-financial assets		
Tangible capital assets (Note 6)	3,722,398	3,660,227
Prepaid expenses	<u>28,191</u>	<u>36,901</u>
	<u>3,750,589</u>	<u>3,697,128</u>
Accumulated surplus (Note 9)	<u>\$ 5,497,818</u>	<u>\$ 5,400,046</u>

Contingent Liabilities (Note 12)

Approved by Board

 Chair

DocuSigned by:

 Harold Wright

Vice Chair

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Kawartha Region Conservation Authority

Statement of Operations and Accumulated Surplus

For the year ended December 31	Budget 2023 (Note 2)	2023	2022
Revenue			
Municipal levies:			
General operating	\$ 1,715,325	\$ 1,715,325	\$ 1,653,325
Special operating	106,900	67,625	45,059
General benefiting	40,000	33,018	6,160
Special benefiting	1,009,900	702,840	499,357
	2,872,125	2,518,808	2,203,901
Planning and development services (Schedule A)	603,200	629,740	615,027
Integrated watershed management (Schedule B)	70,400	91,802	64,857
Stewardship and conservation lands (Schedule C)	136,250	112,603	251,827
Corporate services (Schedule D)	86,800	208,581	117,925
Special projects (Schedule E)	222,400	395,843	224,070
Capital contributions	-	22,953	5,528
	3,991,175	3,980,330	3,483,135
Expenses			
Planning and development services (Schedule A)	865,686	873,932	702,285
Integrated watershed management (Schedule B)	549,585	554,684	507,579
Stewardship and conservation lands (Schedule C)	390,099	461,811	438,555
Corporate services (Schedule D)	790,330	854,819	768,482
Special projects (Schedule E)	1,349,000	1,137,312	768,647
	3,944,700	3,882,558	3,185,548
Annual surplus	46,475	97,772	297,587
Accumulated surplus, beginning of year	5,400,046	5,400,046	5,102,459
Accumulated surplus, end of year	\$ 5,446,521	\$ 5,497,818	\$ 5,400,046

Kawartha Region Conservation Authority

Statement of Change in Net Financial Assets

For the year ended December 31	Budget 2023 (Note 2)	2023	2022
Annual surplus	\$ 46,475	\$ 97,772	\$ 297,587
Acquisition of tangible capital assets	-	(143,515)	(63,243)
Amortization of tangible capital assets	-	78,833	75,190
Loss on disposal of tangible capital assets	-	2,511	5,016
	46,475	35,601	314,550
Change in prepaid expenses	-	8,710	(15,299)
Change in net financial assets	46,475	44,311	299,251
Net financial assets, beginning of year	1,702,918	1,702,918	1,403,667
Net financial assets, end of year	\$ 1,749,393	\$ 1,747,229	\$ 1,702,918

Kawartha Region Conservation Authority

Statement of Cash Flows

For the year ended December 31	2023	2022
Operating Transactions		
Annual surplus	\$ 97,772	\$ 297,587
Non-cash changes to operations:		
Amortization of tangible capital assets	78,833	75,190
Loss on disposal of tangible capital assets	2,511	5,016
Changes in non-cash operating items:		
Accounts receivable	(8,707)	19,969
Prepaid expenses	8,710	(15,299)
Accounts payable and accrued liabilities	58,110	(76,104)
Deferred revenue	128,997	116,211
Deferred revenue - source water protection	(30,010)	(24,300)
Deferred revenue - planning and regulation	15,976	50,743
Total Operating Transactions	352,192	449,013
Capital Transactions		
Deferred capital contributions	6,972	3,450
Acquisition of tangible capital assets	(143,515)	(63,243)
Total Capital Transactions	(136,543)	(59,793)
Increase in cash and cash equivalents	215,649	389,220
Cash and cash equivalents, beginning of year	3,395,977	3,006,757
Cash and cash equivalents, end of year	\$ 3,611,626	\$ 3,395,977
Supplemental cash flow information:		
Cash	\$ 3,558,407	\$ 3,345,007
Money market funds	53,219	50,970

Kawartha Region Conservation Authority

Notes to the Financial Statements

December 31, 2023

1. Summary of Significant Accounting Policies

Nature of the Authority

Kawartha Region Conservation Authority (the "Authority") was established on October 31, 1979, in accordance with Section 3(1) of the Conservation Authorities Act of Ontario. The Authority is classified as a registered charity under the Income Tax Act (Canada) and as such, is not subject to income taxes provided certain disbursement requirements are met. The objective of the Authority, as stated by the Conservation Authorities Act R.S.O. 1990 is "to provide for the organization and delivery of programs and services that further the conservation, restoration, development and management of natural resources in watersheds in Ontario".

Management's Responsibility

The financial statements of the Authority are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board ("PSAB") of The Chartered Professional Accountants of Canada.

Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting whereby they are reflected in the accounts in the year in which they have been earned and incurred, respectively, whether or not such transactions have been settled by the receipt or payment of money.

Various revenue and expense items flow through the statement of financial activities based on their general nature in relation to operating activities. To the extent that these revenue and expense items relate to specific reserve balances, these items are reflected on Schedule F - Continuity of Reserves

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term cashable investments. Short-term investments are highly liquid, subject to insignificant risk of changes in value.

Kawartha Region Conservation Authority

Notes to the Financial Statements

December 31, 2023

1. Summary of Significant Accounting Policies (continued)

Non-Financial Assets, Tangible Capital Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations.

(i) Tangible Capital Assets

Tangible capital assets are recorded at cost, less accumulated amortization. Cost includes all amounts directly attributable to acquisition, construction, development or betterment of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset using the following rates:

Buildings	10 - 40 years
Conservation area improvements	10 - 50 years
Gauge stations and monitoring wells	10 - 50 years
Vehicles	10 years
Furniture and fixtures	7 - 10 years
Equipment	5 - 10 years
Computers and computer software	3 - 10 years

Assets under construction are not amortized until the asset is available for productive use, at which time, they are capitalized.

(ii) Contributed Tangible Capital Assets

Tangible capital assets received as contributions are recorded at the fair value at the date of receipt.

Vacation pay and lieu time liabilities

Vacation credits earned but not taken and lieu time entitlements are accrued as earned. Vacation credits earned do not vest over time.

Reserves

Reserves are established under approval of the Kawartha Region Conservation Authority (Kawartha Conservation) Board of Directors. The recommendation of reserves and appropriations fall under the authority of the CAO and the Director of Corporate Services. Increases or decreases in these reserves are made by appropriations to or from operations. Any use of funds from a reserve shall be authorized by the Board of Directors as outlined in procedure.

Kawartha Region Conservation Authority

Notes to the Financial Statements

December 31, 2023

1. Summary of Significant Accounting Policies (continued)

Government transfers

Government transfers and municipal levies are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Government transfers and municipal levies are recognized as deferred revenue when transfer stipulations give rise to a liability. Government transfers and municipal levies are recognized in the statement of operations as the stipulation liabilities are settled.

Restricted Revenue

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the external contributor, and are recognized as revenue when used for the purpose specified. Contributions relating to capital assets are deferred and amortized over the useful life of the related asset.

Other Revenue

Other grants, donations and contributions, investment income and authority-generated revenue including permit fees are recognized when the related services are performed.

Pension Plan

The Authority is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Authority has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Authority records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

Use of Estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements include accounts receivable, estimated provisions for accrued liabilities, the estimated useful lives of tangible capital assets and valuation of tangible capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

Kawartha Region Conservation Authority

Notes to the Financial Statements

December 31, 2023

1. Summary of Significant Accounting Policies (continued)

Financial Instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable and accounts payable are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

The Authority's financial assets comprise of cash and cash equivalents including investments which are recorded at fair value; and accounts receivable which are recorded at amortized cost. The Authority's financial liabilities comprise of accounts payable and accrued liabilities which are recorded at amortized cost.

Asset Retirement Obligation

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

Kawartha Region Conservation Authority

Notes to the Financial Statements

December 31, 2023

2. Budget Figures

The Budget for 2023 was adopted by the Board of Directors on May 25, 2023. The budget was prepared on a cash basis (based on expected cash inflows and outflows), while Canadian public sector accounting standards now require the reporting of actual results on the financial statements to be prepared on a full accrual basis. The budget figures presented in the statements of operations and change in net financial assets represent the 2023 budget adopted by the Board.

	Revenue	Expense	Net
Board approved budget:			
Operating	\$ 4,566,550	\$ 4,601,550	\$ (35,000)
Less: Budgeted internal revenues	512,650	512,650	-
Budgeted capital expenses	-	144,200	144,200
Budgeted transfer from reserves	62,725	-	62,725
Adjusted budget per the statement of operations	\$ 3,991,175	\$ 3,944,700	\$ 46,475

The budgeted numbers are unaudited.

3. Cash and Cash Equivalents

Cash equivalents is comprised of funds held in money market funds. Investment in money market funds are recorded at fair value.

As at year end, the Authority held \$53,219 (2022 - \$50,970) in money market funds with a fair value of \$53,219 (2022 - \$50,970).

4. Accounts Receivable

	2023	2022
Municipal levies	\$ 53,764	\$ 73,979
Federal and provincial	15,731	52,502
HST receivable	70,978	47,664
Other	191,572	149,193
	\$ 332,045	\$ 323,338

Kawartha Region Conservation Authority
Notes to the Financial Statements

December 31, 2023

5. Deferred Revenue and Government Transfers

Revenue received but not earned at year end is as follows:

Deferred Revenue	2023	2022
Government Funding - Special Benefiting Projects:		
Durham - Plan Implementation	\$ 134,560	\$ 155,558
Durham - East Cross Forest	168,185	131,610
CKL - Lake Dalrymple	30,877	18,188
CKL - Plan Implementation	431,543	536,062
MOE, Conservation and Parks	-	4,925
Trent Lakes - Blue Canoe	8,521	8,521
Trent Lakes - Flood Plain Mapping	220,150	-
Government Funding - Special Joint Benefiting Capital Projects:		
City of Kawartha Lakes and Durham Region	64,427	34,208
Government Funding - Other Deferred Projects:		
Digitization of Corporate Records	27,287	24,955
Environmental Monitoring Strategy Implementation	2,132	-
Levy Stability	7,428	7,426
Other Deferred Projects:		
Grants and Self-Generated	44,943	89,604
	\$ 1,140,053	\$ 1,011,057

Deferred Revenue - Source Water Protection	2023	2022
Government Funding - Source Water Protection Program	\$ 75,599	\$ 105,609

Deferred Revenue - Planning and Regulation	2023	2022
Section 28 Regulations - Large Scale Fill	\$ 274,513	\$ 283,538
Permit and Subdivision Applications	195,467	170,466
	\$ 469,980	\$ 454,004

These amounts are recognized as revenue as directly related expenses are incurred. Unless otherwise noted, deferred revenue received comes from non-government sources.

Kawartha Region Conservation Authority
Notes to the Financial Statements

December 31, 2023

6. Tangible Capital Assets

	2023						
	Land and Land Custodianship	Conservation Area Improvements	Buildings	Vehicles	Machinery and Equipment	Furniture and Fixtures	Total
Cost							
Balance, beginning of year	\$ 2,629,799	\$ 428,640	\$ 1,204,955	\$ 180,788	\$ 444,059	\$ 121,068	\$ 5,009,309
Add: Additions during the year	6,614	32,699	11,549	-	92,653	-	143,515
Add: Transfers	-	-	-	-	-	-	-
Less: Disposals during the year	-	(44,908)	-	(46,539)	(117,787)	(15,499)	(224,733)
Balance, end of year	2,636,413	416,431	1,216,504	134,249	418,925	105,569	4,928,091
Accumulated amortization							
Balance, beginning of year	-	267,049	485,196	151,162	328,649	117,026	1,349,082
Add: Amortization during the year	-	10,424	30,649	6,237	30,100	1,423	78,833
Less: Amortization on disposals	-	(44,908)	-	(46,539)	(115,276)	(15,499)	(222,222)
Balance, end of year	-	232,565	515,845	110,860	243,473	102,950	1,205,693
Net book value of tangible capital assets	\$ 2,636,413	\$ 183,866	\$ 700,659	\$ 23,389	\$ 175,452	\$ 2,619	\$ 3,722,398

Kawartha Region Conservation Authority
Notes to the Financial Statements

December 31, 2023

6. Tangible Capital Assets (continued)

	2022						
	Land and Land Custodianship	Conservation Area Improvements	Buildings	Vehicles	Machinery and Equipment	Furniture and Fixtures	Total
Cost							
Balance, beginning of year	\$ 2,628,934	\$ 379,911	\$ 1,204,955	\$ 180,788	\$ 444,741	\$ 121,068	\$ 4,960,397
Add: Additions during the year	865	48,729	-	-	13,649	-	63,243
Less: Disposals during the year	-	-	-	-	(14,331)	-	(14,331)
Balance, end of year	2,629,799	428,640	1,204,955	180,788	444,059	121,068	5,009,309
Accumulated amortization							
Balance, beginning of year	-	260,598	454,541	144,881	307,584	115,603	1,283,207
Add: Amortization during the year	-	6,451	30,655	6,281	30,380	1,423	75,190
Less: Amortization on disposals	-	-	-	-	(9,315)	-	(9,315)
Balance, end of year	-	267,049	485,196	151,162	328,649	117,026	1,349,082
Net book value of tangible capital assets	\$ 2,629,799	\$ 161,591	\$ 719,759	\$ 29,626	\$ 115,410	\$ 4,042	\$ 3,660,227

Tangible capital assets under construction have a value of \$47,834 (2022 - \$41,503) and have not been amortized. Amortization of these assets will commence when the assets are put into service.

Kawartha Region Conservation Authority

Notes to the Financial Statements

December 31, 2023

6. Tangible Capital Assets (continued)

Included in land and land custodianship is \$25,000 contributed to the acquisition of Dewey's Island. The Authority contributed to the acquisition of Dewey's Island by the Nature Conservancy of Canada in 1993. The Authority felt the acquisition was necessary to ensure the long-term protection of this Class 1 wetland. A custodial agreement was negotiated with The Nature Conservancy of Canada by the Authority. The agreement gives the Authority the management responsibilities for the property, as well as the first option to purchase in the case of any eventual sale by the Nature Conservancy of Canada.

Included in land and land custodianship is \$10,000 contributed to the acquisition of Tuckerman property. The Authority contributed to the acquisition of the Tuckerman property by Ontario Heritage Trust in 2004. The Authority felt the acquisition was necessary to ensure the long-term protection of this Class 1 wetland. A custodial agreement was negotiated with Ontario Heritage Trust and Ducks Unlimited Canada by the Authority. The agreement gives the Authority the management responsibilities for the property, as well as the first option to purchase in the case of any eventual sale by Ontario Heritage Trust.

7. Credit Facility

The Authority has a \$350,000 revolving line of credit held with Royal Bank of Canada at prime plus 0% interest. As at December 31, 2023, no amount has been drawn (2022 - \$Nil).

8. Related Entity

Kawartha Conservation Foundation is a registered charitable organization whose mission is to support the vision and mandate of Kawartha Conservation, by raising funds and promoting awareness to the community to restore and sustain a healthy environment for future generations.

9. Accumulated Surplus

Accumulated surplus consists of the following:

	2023	2022
Surpluses		
Internal 'current' and 'capital' funds	\$ 1,560,559	\$ 1,509,719
Invested in tangible capital assets	3,659,986	3,604,787
Reserves	277,273	285,540
Accumulated surplus	\$ 5,497,818	\$ 5,400,046

Kawartha Region Conservation Authority
Notes to the Financial Statements

December 31, 2023

10. Expenses by Object

	2023	2022
Amortization	\$ 78,833	\$ 75,190
Consulting and other professional fees	233,702	214,285
Grants	54,844	37,801
(Gain)/Loss on disposal of capital assets	(2,762)	5,016
Insurance	55,530	45,216
Interest and bank charges	4,966	4,091
Office	114,021	92,499
Program related	501,274	357,845
Repairs and maintenance	72,709	66,652
Training	18,249	6,596
Utilities and property taxes	41,236	39,388
Vehicle and travel	43,728	23,237
Wages and benefits	2,672,723	2,224,052
	\$ 3,889,053	\$ 3,191,868

11. Pension Plan

The Authority makes contributions to the Ontario Municipal Employees' Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all full-time members of its staff. The plan is a defined benefit plan, which specifies that amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including the investment of assets and administration of benefits. OMERS provides pension services to more than 500,000 active and retired members and approximately 1,000 employees.

Each year an independent actuary determines the status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2023. The results of this valuation disclosed total actuarial liabilities of \$136.2 billion in respect of benefits accrued for service with actuarial assets at that date of \$132 billion indicating an actuarial deficit of \$4.2 billion. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Authority does not recognize any share of the OMERS pension surplus or deficit. Contributions made by the Authority to OMERS for 2023 were \$201,544 (2022 - \$156,561).

12. Contingent Liabilities

The Authority, as is common with all regulatory agencies, may be subject to appeals and lawsuits in regard to decisions rendered. Legal defence costs are accrued when such an action commences but damages and penalties are only accrued when action is considered to be of reasonable merit.

There are no unresolved legal claims outstanding against the Authority as at December 31, 2023.

Kawartha Region Conservation Authority
Notes to the Financial Statements

December 31, 2023

13. Financial Instruments Risks

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Authority is exposed to credit risk resulting from the possibility that a counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Authority's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The majority of the Authority's receivables are from government resources.

There has been no change to this risk from the prior year.

Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Authority will not have sufficient funds to settle a transaction on the due date. The Authority is exposed to this risk mainly in respect of its accounts payable. The Authority mitigates this risk by ensuring that it always has sufficient cash to allow it to meet its liabilities when they become due.

There has been no change to this risk from the prior year.

14. Comparative Figures

Certain comparative figures have been reclassified to conform with current year presentation.

Kawartha Region Conservation Authority Notes to the Financial Statements

December 31, 2023

15. Program Information

Certain allocation methodologies are employed in the preparation of program financial information. Government grants, user charges, transfers from other funds, and other revenue are allocated to the specific program or service they relate to. Expense allocations are both internal and external. Activity based costing is used to allocate internal support costs to departments. These costs include the net expenditures for departments, such as human resources, information systems, finance and others, commonly referred to as overhead. The Authority allocated its activities into four main program areas which are reported in the accompanying supplementary schedules to the financial statements.

Planning and Development Services

This department is responsible for planning, permitting and enforcement. Planning and Development Services fulfills the delegated responsibility of commenting on behalf of the Province of Ontario on planning matters related to natural hazards, administers Section 28 Regulation of the Conservation Authorities Act, Ontario Regulation 182/06 and ensures compliance of development activities impacting natural regulated features within the watershed.

Integrated Watershed Management

This department's primary responsibilities include protecting people and property across the watershed from flooding, developing and implementing watershed management plans, monitoring water quality and quantity, conducting research and assessments and supporting our stakeholders and partners by providing environmental spatial information to assist with decision making.

The department works closely with municipalities to provide technical expertise and advice on issues related to climate change, stormwater management, watershed planning and other technical information. The objective of the Integrated Watershed Management department at Kawartha Conservation is to maintain health and sustainability of the region's watersheds for the benefit of both the environment and the community.

Stewardship and Conservation Lands

Kawartha Conservation owns and manages over 1,300 hectares of Conservation Lands with visitors including the general public, schools, special interest groups, and tourists. This department is responsible for supporting the advancement of the Conservation Lands programs including property maintenance, trail management and development, invasive species control, infrastructure improvements, and contributing to the strategic goals and advancement of the department.

Stewardship initiatives are primarily supported through special projects within the City of Kawartha Lakes and Region of Durham through Special Projects.

Kawartha Region Conservation Authority
Notes to the Financial Statements

December 31, 2023

15. Program Information (continued)

Corporate Services

Corporate Services supports each of the departments and the organization as a whole by providing administrative support, coordination, policy development and implementation, program direction and development, strategic and business planning and Board support including agendas and minutes. Corporate Services is responsible for Finance, Human Resources, Health & Safety, Asset Management, Information Technology, Records Management and Corporate Communications.

Special Projects

Special benefiting projects are designed to meet the needs or concerns of a specific municipality, and thus directly benefit the individual municipality. The benefiting municipality funds the projects entirely or in apportionment with another benefiting municipality. Special projects include development and implementation of Lake Management Plans, updates to our watershed plans in the Region of Durham, floodplain mapping and tree planting initiatives. General benefiting projects have a watershed wide benefit and the levy is shared by the municipal partners on the same apportionment percentage as the operating levy. General projects include website enhancements and the digitisation of corporate records and implementation of our 10-year Environmental Strategy.

Kawartha Region Conservation Authority
Planning and Development Services
Schedule A

For the year ended December 31, 2023 with comparative information for 2022

	2023 Budget (Note 2)	2023 Actual	2022 Actual
Revenue:			
Drinking Water Source Protection	\$ 63,200	\$ 56,666	\$ 101,050
Planning and Permitting Fees	420,000	489,389	405,787
Large Scale Fill Permits	10,000	12,773	13,246
Municipal Agreement, Risk Management Official	60,000	53,402	44,792
MOU, Flood Plain Mapping	50,000	17,510	50,152
Total Program Generated Revenue	603,200	629,740	615,027
Municipal Levy	262,486	262,486	187,849
Total Revenue	865,686	892,226	802,876
Expenses:			
Clean Water Act Enforcement	60,000	53,402	44,792
Drinking Water Protection	63,200	56,666	101,050
Large Scale Fill	5,000	-	1,327
MOU, Flood Plain Mapping	1,000	1,005	7,500
Planning and Development Services	808,200	824,656	585,392
	937,400	935,729	740,061
Internal Fee for Service	(71,714)	(61,797)	(37,776)
Total Expenses	865,686	873,932	702,285
Net Surplus for the Year	\$ -	\$ 18,294	\$ 100,591

Kawartha Region Conservation Authority
Integrated Watershed Management
Schedule B

For the year ended December 31, 2023 with comparative information for 2022

	2023 Budget (Note 2)	2023 Actual	2022 Actual
Revenue:			
Fee for Service	\$ 1,000	\$ 175	\$ 452
Grants and Donations	10,300	9,635	3,231
Innovation Hub	34,500	57,352	36,534
MNRF Transfer Payment	24,600	24,640	24,640
Total Program Generated Revenue	70,400	91,802	64,857
Municipal Levy	481,765	479,185	529,628
Total Revenue	552,165	570,987	594,485
Expenses:			
Environmental Information Services	123,950	125,866	81,587
Environmental Monitoring	338,000	332,119	298,064
Flood & Water Level Monitoring	16,350	23,317	77,612
Watershed Management & Support	162,900	140,042	122,576
Innovation Hub	28,350	36,402	18,145
	669,550	657,746	597,984
Internal Fee for Service	(119,965)	(103,062)	(90,405)
Total Expenses	549,585	554,684	507,579
Net Surplus for the Year	\$ 2,580	\$ 16,303	\$ 86,906

Kawartha Region Conservation Authority
Stewardship and Conservation Lands
Schedule C

For the year ended December 31, 2023 with comparative information for 2022

	2023 Budget (Note 2)	2023 Actual	2022 Actual
Revenue:			
Conservation Areas	\$ 58,950	\$ 63,160	\$ 54,638
Donations	15,000	2,957	8,011
Education	4,300	12,691	1,852
Grants	18,000	23,318	96,275
Restoration Management	40,000	10,477	91,051
Total Program Generated Revenue	136,250	112,603	251,827
Municipal Levy	253,849	253,849	229,687
Total Revenue	390,099	366,452	481,514
Expenses:			
Dewey Island	100	-	-
Education Program	1,300	12,454	5,700
Fleetwood Creek Natural Area	8,700	8,560	9,295
Habitat Comp. Program	40,000	8,728	20,445
Ken Reid CA	49,050	69,692	62,138
Land Management & Support	429,000	487,230	417,976
Pigeon River Headwaters	10,450	4,867	8,644
Windy Ridge CA	3,750	3,038	2,099
	542,350	594,569	526,297
Internal Fee for Service	(152,251)	(132,758)	(87,742)
Total Expenses	390,099	461,811	438,555
Net Surplus (Deficit) for the Year	\$ -	\$ (95,359)	\$ 42,959

Kawartha Region Conservation Authority
Corporate Services
Schedule D

For the year ended December 31, 2023 with comparative information for 2022

	2023 Budget (Note 2)	2023 Actual	2022 Actual
Revenue:			
Donations	\$ -	\$ 2,124	\$ 2,308
Grants and Other Revenue	24,200	32,758	39,974
Investment Income	62,600	173,699	75,643
Total Program Generated Revenue	86,800	208,581	117,925
Municipal Levy	673,930	673,930	706,161
Capital Levy Contribution	45,875	45,875	-
Total Revenue	806,605	928,386	824,086
Expenses:			
Amortization	60,000	78,833	75,190
Communication	138,200	157,529	140,178
Corporate Services	785,850	761,210	674,193
(Gain)/Loss on Disposal of TCA	-	(2,764)	5,016
Internal Recovery - Vehicle & Equipment Pool	(25,000)	4,958	(5,556)
	959,050	999,766	889,021
Internal Fee for Service	(168,720)	(144,947)	(120,539)
Total Expenses	790,330	854,819	768,482
Net Surplus for the Year	\$ 16,275	\$ 73,567	\$ 55,604

Kawartha Region Conservation Authority
Special Projects
Schedule E

For the year ended December 31, 2023 with comparative information for 2022

	2023 Budget (Note 2)	2023 Actual	2022 Actual
Revenue:			
Climate Change Funding	\$ 18,000	\$ 18,000	\$ 18,000
Fee for Service	38,400	35,574	14,038
Grants and Other	139,000	310,425	161,674
Product Sales	27,000	31,844	30,358
Total Program Generated Revenue	222,400	395,843	224,070
General Benefiting	40,000	33,018	6,160
Special Benefiting	1,009,900	702,840	499,357
Special Operating	106,900	67,625	45,059
Total Revenue	1,379,200	1,199,326	774,646
Expenses:			
CKL - Flood Plain Mapping	-	57,875	12,483
CKL - Implementation Science	160,200	127,585	95,925
CKL - Implementation Stewardship	316,900	295,843	249,358
CKL - Lake Dalrymple	69,300	56,612	65,322
CKL & Durham - Tree Planting Program	187,700	217,192	136,193
Durham - ECF	106,900	97,484	55,999
Durham - Implementation Science	83,020	80,360	49,662
Durham - Implementation Stewardship	65,800	49,768	47,259
Durham - LSEP	41,580	51,980	33,666
Durham - Watershed Planning	27,300	28,234	22,620
Digitization Project	15,000	11,353	160
Monitoring Strategy	25,000	10,176	-
Trent Lakes - Flood Plain Mapping	250,300	52,850	-
Total Expenses	1,349,000	1,137,312	768,647
Net Surplus for the Year	\$ 30,200	\$ 62,014	\$ 5,999

Kawartha Region Conservation Authority
Continuity of Reserves
Schedule F

For the year ended December 31, 2023 with comparative information for 2022

2023	Balance, December 31, 2022	Appropriation (to) from Operations	Additions	Balance, December 31, 2023
Unrestricted	\$ 857,599	\$ 50,840	\$ -	\$ 908,439
Capital Assets Acquisitions	538,765	-	-	538,765
Conservation Initiatives	113,355	-	-	113,355
Externally Restricted				
Durham East Cross Forest Conservation Area	39,600	-	-	39,600
Windy Ridge Conservation Area	22,826	(788)	-	22,038
Ken Reid Conservation Area	89,450	-	-	89,450
Scugog Land Acquisitions	133,664	(7,479)	-	126,185
	1,795,259	42,573	-	1,837,832
Capital Reserve	3,604,787	55,199	-	3,659,986
	\$ 5,400,046	\$ 97,772	\$ -	\$ 5,497,818
2022	Balance, December 31, 2021	Appropriation (to) from Operations	Additions	Balance, December 31, 2022
Unrestricted	\$ 706,295	\$ 151,304	\$ -	\$ 857,599
Capital Asset Acquisitions	400,532	138,233	-	538,765
Conservation Initiatives	83,594	29,761	-	113,355
Externally Restricted				
Durham East Cross Forest Conservation Area	39,600	-	-	39,600
Windy Ridge Conservation Area	24,124	(1,298)	-	22,826
Ken Reid Conservation Area	89,450	-	-	89,450
Scugog Land Acquisitions	133,664	-	-	133,664
	1,477,259	318,000	-	1,795,259
Capital Reserve	3,625,200	(20,413)	-	3,604,787
	\$ 5,102,459	\$ 297,587	\$ -	\$ 5,400,046