

# Memorandum to Council

Office of the Chief Administrative Officer

Strategic Initiatives Division



**To:** Mayor and Members of Council

**CC:** Sarah Klein, Director Strategic Initiatives

**Acknowledged by M. Gaskell,  
Chief Administrative Officer**

**From:** Jade Schofield, Project Manager -  
Sustainability & Climate Change

**Date:** March 2, 2022

**File #:** n/a

**Subject: Proposed Changes for the Next Edition  
of Ontario's Building Code**

This memo is to advise Council that a draft of the next edition of [Ontario's Building Code](#) (OBC) has been released and comments are being accepted until March 13, 2022. Staff have reviewed it specific to how the proposed OBC changes will impact energy performance and greenhouse gas emissions and affect the Whitby Green Standard and have prepared the following recommendations for Council's consideration.

## Recommendation:

- 1) That Staff be directed to provide the comments within the memorandum from S. Klein, Director, Strategic Initiatives, dated March 2, 2022 regarding Proposed Changes for the Next Edition of Ontario's Building Code, to the Environmental Registry of Ontario regarding the changes to the Ontario Building Code pertaining to energy performance and greenhouse gas emissions
- 2) That the Clerk be directed to send correspondence to the Minister of Municipal Affairs and Housing requesting the Province to:
  - Ensure the adoption of the tiered National Building Code model immediately results in higher Energy Efficiency Requirements across all building types in comparison to the current OBC.
  - Adopt the National Building Code model that includes the tiered standards alongside a timeframe for advancement to higher tiers to ensure a pathway towards net zero emissions and energy.
  - Provide authority to municipalities to require increased performance in energy efficiency through the implementation of tiered and advancing Green Standards.

- Facilitate capacity, education and training in the implementation of the Tiered National Building Code model for municipal planning and building inspection staff, developers, and homebuilders to help build capacity in areas such as airtightness testing, building envelope design and building science.
- 3) That a copy of this correspondence and memorandum be sent to Durham Region municipalities and Ontario's Big City Mayors.

## Background

The Ontario Building Code is updated approximately every five years. This code sets out the requirements for new construction, renovation, and change of use of buildings.

The Ministry of Municipal Affairs and Housing has released a proposal for the next edition of the Ontario Building Code, which includes how the Province intends to harmonize with the updated national codes expected to be released in the Fall of 2022.

It is important to note that although the final National Building Code has not been released, Provincial Governments have been provided with a final version in advance, and the draft National Building Code is publically available.

## Discussion:

The draft National Building Code indicates a tiered approach for energy performance. This would mean that those with authority over the Building Code could choose to require or incentivize builders to meet one or more tiers of the Code. This is an alternate approach to the National Building Code's current prescriptive requirements. This stepped approach is important as it ensures that new development is advancing and aligning with energy efficiency and greenhouse gas reduction goals over a period of time. A stepped approach also allows municipalities to enforce Green Development Standards through the Building Code Process.

The Environmental Registry of Ontario (ERO) has posted the proposed changes to the Ontario Building Code and the Province **is not proposing a Tiered code**; instead, they are proposing to adopt:

1. Tier 3 requirements of the National Building Code for part 9 buildings.
  - Part 9 buildings are defined as three or fewer storeys in height and smaller than 600 m<sup>2</sup> in area.
  - Tier 3 for Part 9 buildings would maintain energy efficiency requirements equivalent to the current 2017 Ontario Building Code resulting in no improvements in energy efficiency requirements.
2. Tier 1 requirements of the National Building Code for part 3 buildings.
  - Part 3 buildings are classified buildings exceeding 600 m<sup>2</sup> in building area or exceeding three storeys in building height.
  - From an energy efficiency perspective, Tier 1 for part 3 buildings would be less stringent than the current 2017 Ontario Building Code and therefore reduce the required energy efficiency of larger buildings.

## **Whitby Green Standard**

As of now, the Whitby Green Standard Tier 1 criteria indicates a minimum energy performance of 15% above the 2017 Ontario Building Code regardless of building classification. The Whitby Green Standard was developed to align with the proposed Tiered National Building Code while also aligning with surrounding municipalities that enact Green Development Standards as part of the development process.

The Province has indicated an 18-month transition to the National Building Code, meaning that by the time this comes into effect, Whitby would have advanced to version 2 of the Whitby Green Standard and will be requiring 25% increased energy efficiency above the 2017 Ontario Building Code.

This proposal would put pressure on municipalities to increase the need for minimum energy standards in Green Development Standards while continuing to prevent municipalities in having authority to enforce Green Standards through the Building Code.

## **Climate Change**

Thirty percent of the Region's total greenhouse gas emissions come from buildings. In 2018, Durham households, businesses and other organizations paid \$2.5 billion for fuel and electricity. Electricity comprises 36%, and natural gas is 10% of these total costs (Durham Community Energy Plan, 2019).

In order to align with local, Regional, Provincial, and Federal government climate goals, a reduction in greenhouse gas emissions must take place. The proposed Tiered National Building Code offers the opportunity to outline how these greenhouse gas reductions will be achieved.

Whitby has developed a Whitby Green Standard to support the development of complete sustainable communities. Support for Green Development Standards through the Ontario Building Code will help ensure environmental, social and economic innovation. It would facilitate an advancing pathway to net zero new buildings by 2032 and allow for deep energy retrofits to take place between now and 2050 in order to achieve the climate goals for all governmental levels.

The proposed Provincial approach does not align with the Town's, the Province's or the Federal Government's Greenhouse Gas emission reduction targets.

## **Affordability**

Households that spend more than 6% of their after-tax household income on home energy services (or roughly twice the national median) have high home energy cost burdens, and are said to be experiencing energy poverty.

According to the [Canadian Urban Sustainability Practitioners Energy Poverty and Equity Explorer](#), between 15 – 24% of Whitby households spend more than 6% of their household income on heating and electricity costs.

Advancing stronger energy efficient Building Code requirements will ensure a reduction of energy poverty pressures for owners and tenants of both new development and retrofitted buildings. Sustained funding programs should be offered to bridge the gap between standard building methods and green standard building methods for qualifying affordable housing projects.

Studies show that energy efficient buildings have a quick payback meaning that the increased cost to build or retrofit an energy efficient home will result in offsetting energy savings over a number of years. It is more cost effective to build energy efficient homes new than completing deep energy retrofits on existing buildings. However, all buildings need to be upgraded to meet energy and climate pressures and by not advancing energy efficiency standards in the Building Code, this will add future energy and retrofit costs onto taxpayers in the future.

The Town recognizes the housing affordability crisis and by not increasing energy efficiency improvements, one of the root issues of operational affordability for homeowners will not be addressed.