



**FINANCE DEPARTMENT
MEMORANDUM**

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TO: MAYOR J. LEHMAN AND MEMBERS OF COUNCIL

FROM: C. MILLAR, DIRECTOR OF FINANCE/TREASURER

NOTED: D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES

M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RE: WATER WASTEWATER FIXED RATE CREDIT PROGRAM UPDATE

DATE: MAY 25, 2020

The purpose of this Memorandum is to provide members of Council with an update on the utilization of the Water Wastewater credit program.

On April 15, 2020, Council approved the following motion:

- a) That staff implement a needs-based program for residential customers that eliminates the fixed charge for water and wastewater on their next bi-monthly bill through an online application form that requires customers to attest to financial hardship caused by COVID-19;
- b) That staff include a requirement in the attestation that landlords pass the water bill relief onto tenants if water charges are included in rent paid by tenants.
- c) That the revenue loss resulting from the program be funded equally from the Water and Wastewater Rate Stabilization Reserves up to a cap of \$500,000 and this amount be transferred at the conclusion of the program to the Water and Wastewater Capital Reserves and that staff in the Finance Department report back to General Committee on the utilization of the program in May 2020; and
- d) That staff work with the business organizations such as the Downtown Barrie Business Association (BIA) and the Barrie Chamber of Commerce to investigate potential mechanisms for water bill relief for small businesses closed by the Ontario non-essential business Emergency Order.

Utilization of the Fixed Charge Credit

The current residential billing cycle is for 63 days, the total value of the fixed charge water wastewater credit is \$68.63 per account. With a maximum funding cap of \$500,000, this credit is available up to 7,285 accounts.

As of May 15th, the number of applications received is 2,444 for a total value of \$167,731.72. This represents 34% of the available funding.

Approximately 1,700 or 70% of the applications were received over the first 3 days the application was posted on the City's Website on Tuesday, April 21st, 2020. Over the last week the average daily number of applications has declined to just 14. As the City's water wastewater billing cycle is over eight weeks, there is still time for some impacted residents to submit an application.



Investigation of Mechanisms for Water Bill Relief for Small Business Owners

The Director of Economic and Creative Development and the Director of Finance participated in preliminary meetings with both the Greater Barrie Chamber of Commerce and the Downtown Barrie Business Association (BIA). Initial feedback suggested economic recovery help is needed, but a onetime credit similar to the residential program, while welcome, would not have a significant impact to most small business owners. There was also concern raised of a timing delay when small businesses would receive the benefit of water bill relief, as many small businesses rent space and pay water wastewater costs to landlords through monthly rental payments. While other feedback included concerns of Development Charges related to the Downtown, there was some acknowledgement of the City's own financial commitments and administrative costs associated with administering a relief program.

At both meetings it was agreed that staff should continue to investigate opportunities through the consultation process related to the COVID-19 Barrie Business Recovery Action Plan being led by the City's Economic and Creative Development Team. Through this process staff will be reporting back to Council in June.