

# Stormwater Climate Action Fund (SWCAF)

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FINANCE AND CORPORATE SERVICES COMMITTEE PRESENTATION

PRESENTED BY: EVAN CHEN, PROJECT MANAGER



# Agenda

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1. Staff Report Recommendations and Program Objectives
2. Public Engagement
3. Program Details
4. Questions and Answers

# STAFF REPORT RECOMMENDATIONS

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1. Stormwater Climate Action Fund (SWCAF) be implemented in 2023 with the rates being approved as part of the 2023 budget process at existing service level standards.
2. The adoption of SWCAF Corporate Policies outlined in Appendix A and B of the Staff Report.
3. Complete the next phase of the project to update our existing water and wastewater billing software
4. Hiring of Two (2) positions for the implementation and sustainment of the Stormwater Climate Action Fund. These positions include:
  - a. One (1) Dedicated Program Coordinator
  - b. One (1) Dedicated Financial Billing Analyst

# PROGRAM OBJECTIVES

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# Public Engagement Update

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**COMPLETED** – 1<sup>st</sup> Advisory Group Meeting – May 5<sup>th</sup>

**COMPLETED** – 1<sup>st</sup> Public Engagement Session – Jun. 3<sup>rd</sup>

**COMPLETED** – 2<sup>nd</sup> Advisory Group Meeting – Sep. 28<sup>th</sup>

**COMPLETED** – 2<sup>nd</sup> Public Engagement Session – Oct. 14<sup>th</sup>

# Survey Results

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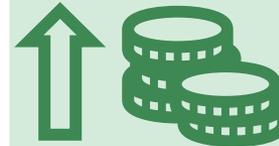
81.6% agree that stormwater costs should be equitably distributed across the community.



58.8% disagree that everyone should contribute the same amount to stormwater fees.



74.3% agree with the recommended stormwater user fee based on impervious area.



40% agree with starting with the current funding level and increasing gradually each year.



84% agree that credit or rebate programs are important for a stormwater funding system

# Community Feedback



Increase education about impacts of impervious areas for new developments and importance of the Green Development Standards



Environmental protection for Lake Simcoe



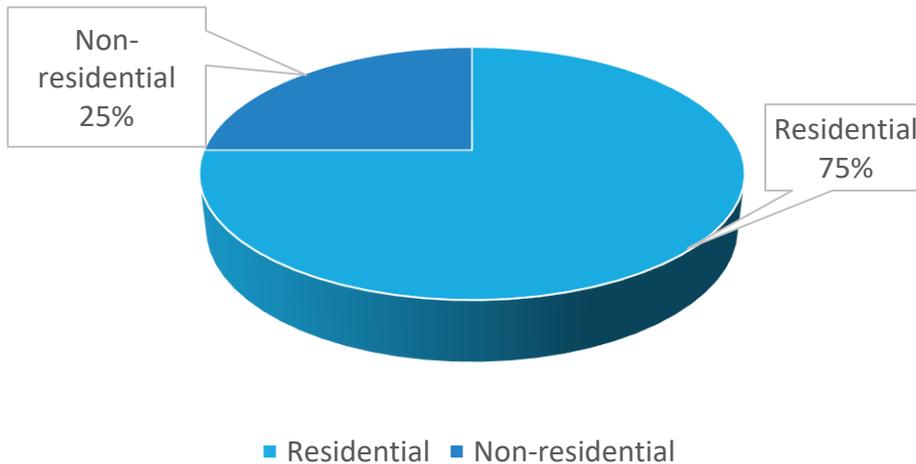
The City should lead by example to modify its own properties



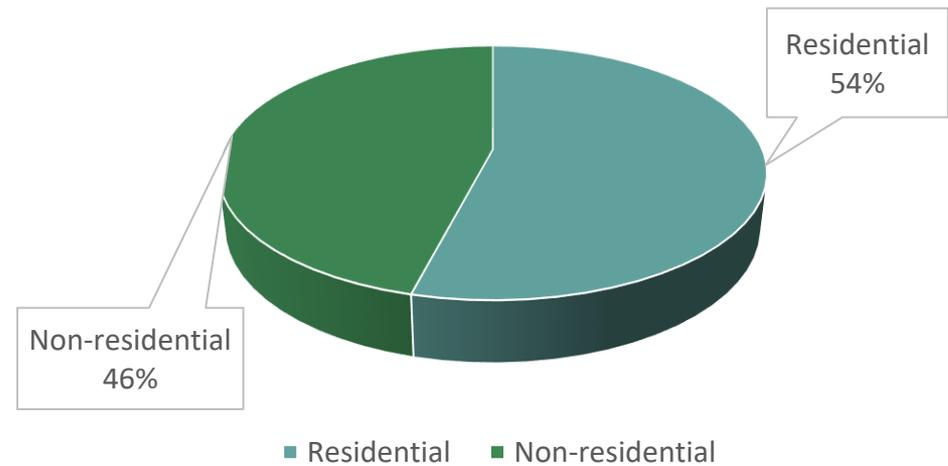
Incentivize property owners and launch new fees once credit/rebate mechanism is put in place

# Current Funding Model

Tax Levy Revenue Contribution

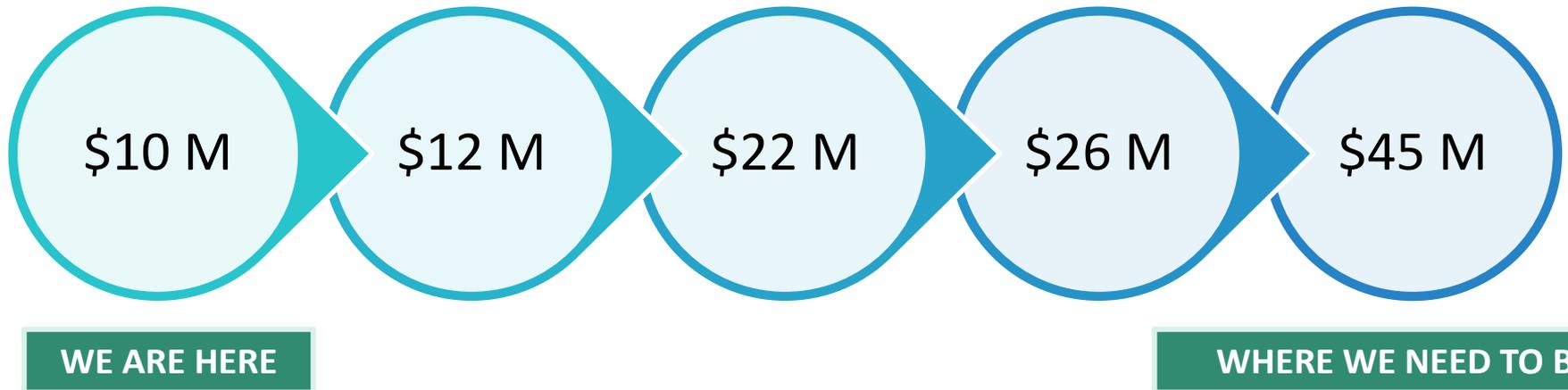


Imperviousness Area Totals



# Funding Level Needs

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# Stormwater User Fees in Ontario

- Currently 16 municipalities in Ontario have some variation of a stormwater user fee.
- Average monthly charge (for typical detached home) \$9.34, ranging from (\$3.00 - \$17.13)

No.	Community	Monthly Res. Fee	Year Created	Population (2016 Census)
1	London	\$17.13	1996	383,800
2	Aurora	\$7.09	1998	55,400
3	St. Thomas	\$11.36	2000	38,900
4	Kitchener	\$16.39	2011	233,200
5	Waterloo	\$13.64	2011	105,000
6	Richmond Hill	\$6.16	2013	195,000
7	Markham	\$4.25	2015	329,000
8	Mississauga	\$9.20	2016	721,600
9	Ottawa	\$12.90	2017	934,200
10	Vaughan	\$4.46	2017	306,200
11	Newmarket	\$6.64	2017	84,200
12	Orillia	\$3.00	2017	31,200
13	Middlesex Centre	\$15.37	2017	17,300
14	Guelph	\$6.40	2018	131,800
15	Whitchurch-Stouffville	\$8.00	2019	45,800
16	Brampton	\$7.42	2020	593,600
	<b>Average</b>	<b>\$9.34</b>	<b>2013</b>	<b>262,888</b>

# Model Recommendation

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Stormwater user fee (Detached Residential Unit)

1. Residential properties pay based on average impervious area by property type (house > townhome)
2. Non-residential properties pay based on actual impervious area
3. Credits and rebates offered to those properties that reduce their impact on the stormwater system



# Fee Groupings

Detached Home = 1.0  
DRU



Semi-Detached  
DRU factor = 0.7/home



Duplex  
DRU factor = 0.7/unit



3 and 5-Plex  
DRU factor = 0.5/unit



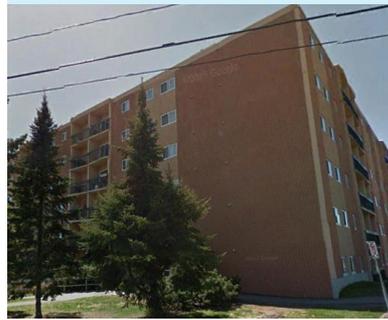
Condominium  
DRU factor = 0.5/unit



Townhouse  
DRU factor = 0.5/unit



7+ Unit Apartments  
DRU factor = 0.4/unit



# Tiered Fee Steps

Land Use	Existing Property Tax Contributions	Billing Unit Value	Annual Stormwater Fee	Difference
Detached Residential Unit (DRU)	\$174	1.0	\$129	 -\$45
Duplex (both units)	\$165	0.7 x 2	\$181	 \$16
Condo/ townhome	\$116/\$130	0.5	\$64	 -\$52/- \$66
7+ apartments (whole building)	\$2,585	0.4 x 40	\$2,076	 -\$509
ICI (average)	\$1,138	16.4	\$2,115	 \$977

# Credit Program Rationale

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## **Rationale follows what many other municipalities have concluded:**

- Non-residential properties are typically larger and have more impervious area so the construction of stormwater facilities will have a more significant impact on the City's stormwater system and natural receiving environment.
- Residential fees are too small to economically justify the construction of on-site storm water features that would qualify for a credit (i.e., insufficient payback).
- Enforcement and administration of residential credits is cost-prohibitive. Enforcement and administration of non-residential properties is more manageable (fewer properties).

# Reference Credit Program

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## Non-Residential Properties:

- Maximum Cumulative Credit 30-50%
- Runoff volume reduction (15-40%)
- Peak flow reduction(15-40%)
- Water quality treatment(10-30%)
- Education & operations (5-15%)

# Next Steps

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1. General Committee Staff Report and Presentation
2. Final Council Approval of Staff Report and Presentation
3. If approved, hiring and training of recommended project resources
4. Development of Master Billing File and Business Processes
5. Engage Financial System Vendors to complete necessary System Changes
6. Finalize Rates in preparation for 2023 Budget Approval process.

# Questions?

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