MEDIA RELEASE: Friday, May 24, 2013, 4:30 p.m.

REGIONAL MUNICIPALITY OF WATERLOO
ADMINISTRATION AND FINANCE COMMITTEE
AGENDA

Tuesday, May 28, 2013
Approximately 11:00 a.m.
(Immediately following Planning and Works Committee)
Regional Council Chamber
150 Frederick Street, Kitchener

1. DECLARATIONS OF PECUNIARY INTEREST UNDER THE MUNICIPAL
   CONFLICT OF INTEREST ACT

2. DELEGATIONS

   CONSENT AGENDA ITEMS
   Items on the Consent Agenda can be approved in one motion of Committee to
   save time. Prior to the motion being voted on, any member of Committee may
   request that one or more of the items be removed from the Consent Agenda and
   voted on separately.

3. REQUEST TO REMOVE ITEMS FROM CONSENT AGENDA

4. MOTION TO APPROVE ITEMS OR RECEIVE FOR INFORMATION
   a) F-13-047, 2013 Property Tax Capping (Approval)  1
   b) CR-13-007, Local Electric Vehicle Charging Stations (Information)  8
   c) CR-ITS-13-001, Wireless Network Infrastructure Implementation and Deployment
      Strategy – Corporate Buildings (Information)  12
   d) Minutes of the Audit Committee – May 8, 2013 (Approval)  14
   e) Audit Committee Summary – Attached and marked AUS-130508 (Approval)  17

   REGULAR AGENDA RESUMES

5. OTHER BUSINESS
   a) Council Enquiries and Requests for Information Tracking List  18

6. NEXT MEETING – June 18, 2013

7. MOTION TO GO INTO CLOSED SESSION
THAT a closed meeting of the Community Services Committee be held on Tuesday, May 28, 2013 immediately following the Administration and Finance Committee meeting in the Waterloo County Room, in accordance with Section 239 of the Municipal Act, 2001, for the purposes of considering the following subject matters:

a) labour relations

8. **ADJOURN**
TO: Chair Tom Galloway and Members of the Administration and Finance Committee
DATE: May 28, 2013
FILE CODE: F22-00
SUBJECT: 2013 PROPERTY TAX CAPPING

RECOMMENDATION:

THAT the Regional Municipality of Waterloo approve the following options for the 2013 Property Tax Capping Program:

a. Establish the annual limit on tax increases for properties in the commercial, industrial and multi-residential classes at the greater of ten percent (10%) of the previous year’s annualized capped taxes or 5% of the previous year’s current value assessment (CVA) taxes;

b. Establish thresholds for properties in the commercial, industrial and multi-residential classes such that if the taxes on the property calculated under the capping program are within $250 of the current value assessment (CVA) taxes, the CVA taxes will apply;

c. Continue with the “Stay at CVA” option and exclude properties in the commercial, industrial and multi-residential classes that were at their current value assessment taxes in 2012 from the 2013 capping and claw back program;

d. Continue with one aspect of the “Cross CVA” option and exclude properties in the commercial, industrial and multi-residential classes that were subject to a claw back in 2012 from becoming a capped property in 2013;

e. Fund the limits on tax increases for 2013 for the commercial, industrial and multi-residential classes by limiting 2013 tax decreases for properties in the same class.

AND THAT the required by-law to establish the options for the 2013 Property Tax Capping Program be included on the June 5, 2013 Regional Council agenda;

AND THAT the required by-law to establish 2013 claw back percentages for the commercial, industrial and multi-residential classes be included on the June 26, 2013 Regional Council agenda;

AND FURTHER THAT the Area Municipalities be notified accordingly.

SUMMARY:

Provincial legislation introduced for 2005 provided single tier and upper tier municipalities with options for determining the annual property tax capping program for multi-residential, commercial and industrial properties (the capped classes). Capping options must be approved on an annual basis or the default option that applied prior to 2005, where tax increases were limited to 5% of previous years capped taxes plus municipal budget increases, will apply. Since 2005, the Region has approved a number of the capping options including a ten percent (10%) limit, thresholds of $250, limits on tax decreases to fund capping costs within the same class and the “Stay at CVA”
option, one of the new capping options introduced by the Province in 2009. In 2011, the Region approved further changes to the program to establish the annual limit or cap at the greater of 10% of prior year’s capped taxes or 5% of prior year current value assessment (CVA) taxes and to implement the “Cross CVA” option to the extent that properties subject to a claw back in a given year were prohibited from moving to a capped status in the subsequent year. While the use of these capping program options assists the Region with its efforts to get out of capping, the fact remains that **there are currently two mitigation strategies in place, capping and the reassessment phase-in, when only one is required.** The recommended capping program for 2013 is the same program used in 2011 and 2012. The Area Treasurers are in agreement with the recommended capping program for 2013.

**REPORT:**

**Background**

In 1998, the Province passed legislation to temporarily protect Ontario businesses from large property tax increases resulting from property tax reform. The legislation limited property tax increases for commercial, industrial and multi-residential properties (the capped classes) to 10% in 1998 and a further 5% in each of 1999 and 2000. The 10-5-5 limits applied to tax increases related to property tax reform and budgetary increases were in addition to the limits. The limits on tax increases for the capped classes were financed by limiting tax decreases for other properties within the same class and there were no impacts on the uncapped property classes, including the residential class.

*The Continued Protection for Taxpayers Act, 2000* (Bill 140) established a permanent program to implement the Province's commitment of limiting tax increases for the capped classes. With Bill 140, the ability to pass municipal levy increases on to the capped classes depends on the tax ratios established for the capped classes relative to threshold ratios prescribed by the Province. Municipal levy or budget increases are in addition to the increases calculated under the capping program provided municipalities are at or below the threshold ratios for the capped classes as is the case in this Region. The approved tax ratios for the multi-residential, commercial and industrial classes for 2013, at 1.95, are all below the provincial thresholds. Under Bill 140, municipalities can finance all or part of the capping costs by limiting tax decreases for properties in the same class, through internal revenues, or through the general levy. Since capping began in 1998, annual capping costs in this Region have been funded by limiting decreases for properties in the same class without experiencing any shortfalls.

**Capping Program Options**

Effective 2005, the Province provided a number of capping options, rather than mandatory requirements, to enable municipalities to make decisions which respond to local conditions rather than conditions in other areas of the province. The options include:

1. an increase in the amount of the annual cap from 5% to up to 10% of previous year’s capped taxes;
2. the ability to set an upper limit at the greater of a 5% to 10% cap on previous year’s capped taxes or 5% of previous year’s current value assessment (CVA) taxes;
3. the ability to move capped and/or claw back properties directly to their current value assessment (CVA) taxes if they are within $250 of the CVA taxes;
4. the ability to combine option 3) with either of options 1) or 2);
5. the ability to use different options or combinations of options for each of the three capped classes.
An additional option to “phase-out” the preferential treatment given to new construction was adopted by Regional Council in 2005. Effective 2008, all new construction is taxed at its CVA taxes.

In 2009, the Province introduced further capping options to provide municipalities with increased flexibility under the business tax capping program. Those options include:

1. The “Stay at CVA” option which removes properties from the capping and claw back program once they have reached their CVA level taxes. For example, properties can be removed from the 2013 capping program if they were at their CVA taxes in 2012.

2. The “Cross CVA” option which prohibits properties that were capped in one year (2012) from becoming a clawed back property in the next year (2013) and/or prohibits properties that were clawed back in one year from becoming a capped property in the next year.

3. The “Both” option which allows municipalities to implement both the “Stay at CVA” and “Cross CVA” options.

For properties that exit the capping program under these options, future assessment changes would be mitigated by the province-wide assessment phase-in.

These options are intended to assist with the incompatibility that exists between capping programs and assessment phase-ins and enable municipalities to reduce capping impacts in terms of cost and number of properties capped. The options also eliminate the previous “taxpayer unfairness” where properties could continually be protected through subsequent reassessments and assist municipalities to get out of capping where capping is not needed.

The Region adopted the “Stay at CVA” option in 2010 and the “Cross CVA” option in 2011 to the extent that properties subject to a claw back could not cross over to become a capped property.

**Recommended Capping Program for 2013**

For 2013, staff is recommending a capping program based on the same options recommended and approved for the 2011 and 2012 programs. For 2013, staff is recommending that the tax increase or “cap” be based on the greater of 10% of previous year’s annualized capped taxes or 5% of previous year’s CVA taxes. There are some “outlier” properties that have received significant capping protection over the years with a cap based on 10% of prior years capped taxes as their capped taxes are significantly lower than their CVA taxes. Continued use of the 5% CVA cap for these properties moves these properties towards their CVA taxes at a faster rate.

The recommended 2013 program would continue to have thresholds of $250 applicable to both capped and claw back properties and include the “Stay at CVA” option so properties that were at CVA taxes in 2012 would be excluded from the 2013 capping and claw back program regardless of the tax increase or decrease for the property. The recommended program would also continue with the “Cross CVA” option to the extent that properties subject to a claw back in 2012 are prohibited from moving to a capped status in 2013. Finally, under the recommended program, capping costs would be funded by limiting tax decreases within the same property class.

This program is recommended for the following reasons:

- capping costs, number of capped properties and claw back percentages are the lowest;
- capping costs are funded by limiting decreases within the same property class; there are no shortfalls, no budget impacts, no need for other funding sources such as reserve funds and no impact on the other property classes;
• all three capped classes are treated the same which is simpler for area municipal staff to administer and easier for taxpayers who own property in more than one of the capped classes;
• the cap on tax increases is at the maximum allowed under legislation;
• the “Stay at CVA” option, which is one of the best tools to assist with the goal of “getting out of capping,” continues to prohibit properties that have reached their CVA taxes from returning to capped or claw back status;
• the “Cross CVA” option prevents properties from moving from claw back to capped status;
• essentially, the greatest number of properties are paying full CVA taxes and the lowest number of properties are affected by capping;
• progress towards the goal of getting out of the capping program altogether;
• assessment phase-in program continues to provide benefits to properties losing protection under the capping program;
• same program as previous years which simplifies capping for taxpayers.

Appendix 1, attached, shows a comparison of the 2013 capping options based on:
• the 5% Default program;
• the program used from 2005-2009 which included the use of $250 thresholds;
• the program used in 2010 which added the “Stay at CVA” option;
• the program used in 2011 and 2012 which added the option to limit increases at the greater of 10% of capped taxes or 5% of CVA taxes and the “Cross CVA” program to exclude claw back to capped movements (recommended program for 2013);
• the 2011/2012 program with the full “Cross CVA” program to exclude movement from both claw back to capped and capped to claw back (“Both”).

The recommended program for 2013, which is the same as 2011 and 2012, is noted in the second column from the right on Appendix 1. In all cases, the analysis is based on 2013 Area Municipal tax rates (approved and pending) and the data currently available in the OPTA system, which is provided by the Province and used to calculate capping impacts. Past experience has shown that capping costs and the number of properties impacted by capping generally decrease between the time the capping options are modeled and the data is finalized for billing.

With the recommended 2013 program, capping costs are $917,086 with 221 properties capped and 396 properties with a claw back and only 7.4% of all properties in the capped classes are affected by the program. While the recommended 2013 program and the program that includes the full “Cross CVA” option are essentially the same based on current data, the recommended program better aligns with the goal of getting out of capping as it prohibits properties from moving from claw back to capped status. The other options shown on Appendix 1 have higher capping costs and impact a greater number of properties, particularly the Default 5% program where capping costs are $3.32 million, 62.6% of all properties in the commercial, industrial and multi-residential classes are affected by the capping program and there is a capping shortfall in excess of $90,000. In the absence of a Council resolution approving a capping program for 2013, the Default 5% option will apply. Approval of recommended options for 2013 does not bind the Region to continue with the options in subsequent years as Council is required to approve capping programs annually.

Appendix 2 shows capping results for 2005 – 2012 (at a summary level) and the recommended program for 2013. Data for 1998, the first year of property tax capping, is also shown.

Reassessment Impacts – 2013 Capping

A province-wide reassessment was conducted during 2012 for the 2013 taxation year with properties valued as of January 1, 2012. Assessment increases will be phased-in over four years (2013-2016) while assessment decreases are effective in the first year (2013). Typically, capping
costs and number of capped properties increase in a reassessment year as properties previously at CVA taxes once again receive a capping benefit following reassessment (per 2008-2009 change on Appendix 2). The Stay at CVA and the Cross CVA capping options implemented over the past few years and recommended for 2013 have had a beneficial impact. With these options, properties at CVA taxes in 2012 continue to be excluded from the capping program regardless of the impact of the reassessment. For 2013, the first year of the reassessment phase-in, the capping costs and number of capped properties decrease compared to 2012 (per 2012-2013 change on Appendix 2).

As noted previously, there are currently two mitigation strategies in place, capping and the reassessment phase-in, when only one is required.

**Area Municipal Input**

The Area Treasurers support a capping program that does not result in capping shortfalls and positions the Region to get out of capping. The Area Treasurers are in agreement with the recommended program for 2013.

**Timing and By-law Requirements**

Under the Municipal Act, the Region must pass a by-law to include any of the capping options for 2013. If a by-law including the recommended options is not passed, the Default 5% capping option would apply. Tax increases for capped properties would be limited to 5% of previous year’s capped taxes plus budgetary increases. This would result in capping costs of $3.32 million and impact 62.6% of all properties in the capped classes compared to $0.917 million and 7.4% for the recommended option. There would also be a capping shortfall with the Default 5% program. While the Region has until the end of the year to establish the 2013 capping program, passing the 2013 capping by-law sooner enables the Area Municipalities to bill final taxes for the capped classes. Upon approval of the recommendation, the required by-law will be placed on the June 5, 2013 Council agenda. The final claw back percentages for 2013 will then be determined and the required by-law to establish those percentages will be placed on the June 26, 2013 Council agenda.

**CORPORATE STRATEGIC PLAN:**

Property tax policy and tax capping align with the strategic objective of ensuring all Regional programs and services are responsive, efficient, effective and accountable to the public.

**FINANCIAL IMPLICATIONS:**

The provincially mandated capping program is intended to assist property owners in the commercial, industrial and multi-residential property classes transition to the Current Value Assessment system. The recommend capping program for 2013 has the lowest possible capping costs and impacts the fewest number of properties in the capped classes. Capping costs will be funded by limiting decreases for other properties in the same class so there is no impact on the residential taxpayer and no impact on the total amount of property taxes collected for 2013.

**OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:** Nil

**ATTACHMENTS:**

Appendix 1 – 2013 Capping Program Options
Appendix 2 – Comparison of 2005 – 2012 Capping Programs

**PREPARED BY:** Angela Hinchberger, Director of Financial Services, Treasury and Tax Policy

**APPROVED BY:** Craig Dyer, Chief Financial Officer
## THE REGIONAL MUNICIPALITY OF WATERLOO
### 2013 CAPPING PROGRAM OPTIONS

#### 2013 as at May 21, 2013 (Actual Tax Rates)

<table>
<thead>
<tr>
<th>Class</th>
<th>Clawback %</th>
<th>Capping Costs</th>
<th>Clawbacks</th>
<th>Net Class Impact</th>
<th># of Prop Capped</th>
<th># of Prop Clawback</th>
<th># of Prop - Thresholds</th>
<th># of Prop - No Impact</th>
<th>Total Properties</th>
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<td>$94,919</td>
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<td>949</td>
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<td>($9,092)</td>
<td>41</td>
<td>110</td>
<td>171</td>
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<td>6</td>
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<td>16</td>
<td>23</td>
<td>8</td>
<td>902</td>
<td>949</td>
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<tr>
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<td>64.27%</td>
<td>$72,725</td>
<td>$72,725</td>
<td>$0</td>
<td>16</td>
<td>23</td>
<td>8</td>
<td>902</td>
<td>949</td>
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<td>$953,557</td>
<td>$0</td>
<td>213</td>
<td>597</td>
<td>82</td>
<td>4,922</td>
<td>5,814</td>
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<td>$769,701</td>
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<td>80</td>
<td>174</td>
<td>82</td>
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<td>$356,916</td>
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<td>72</td>
<td>149</td>
<td>105</td>
<td>1,544</td>
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<tr>
<td></td>
<td>23.87%</td>
<td>$356,916</td>
<td>$356,916</td>
<td>$0</td>
<td>72</td>
<td>149</td>
<td>105</td>
<td>1,544</td>
<td>1,544</td>
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<td>$2,233,168</td>
<td>($90,765)</td>
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<td>240</td>
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<td></td>
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<td>$917,086</td>
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<td>221</td>
<td>396</td>
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<td>8,330</td>
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<tr>
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<td>$917,086</td>
<td>$917,086</td>
<td>$0</td>
<td>221</td>
<td>396</td>
<td>302</td>
<td>8,330</td>
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### RECOMMENDED

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<tbody>
<tr>
<td><strong>MULTI-RESIDENTIAL</strong></td>
<td>Default 5%</td>
<td>10% Cap</td>
<td>10% or 5% CVA</td>
</tr>
<tr>
<td></td>
<td>100.00%</td>
<td>71.73%</td>
<td>100.00%</td>
</tr>
<tr>
<td><strong>COMMERCIAL</strong></td>
<td>34.78%</td>
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<td>35.54%</td>
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<td>46.76%</td>
<td>39.69%</td>
<td>35.54%</td>
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### % of Properties Affected

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<tr>
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<tbody>
<tr>
<td><strong>MULTI-RESIDENTIAL</strong></td>
<td>Default 5%</td>
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<td>10% or 5% CVA</td>
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<td></td>
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<td>100.00%</td>
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<td>46.76%</td>
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<td>35.54%</td>
</tr>
<tr>
<td><strong>INDUSTRIAL</strong></td>
<td>46.76%</td>
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<tr>
<td><strong>ALL CLASSES</strong></td>
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<td>39.69%</td>
<td>35.54%</td>
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### THE REGIONAL MUNICIPALITY OF WATERLOO
Comparison 2005 - 2012 Capping Programs

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<tr>
<td>% for CVA taxes</td>
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<td>0.0%</td>
<td>0.0%</td>
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<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>% for CVA taxes</td>
<td>0.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
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<tr>
<td>Capping threshold</td>
<td>$0</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
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<tr>
<td>Clawback threshold</td>
<td>0</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
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<tr>
<td>Stay at CVA</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>no</td>
<td>yes</td>
<td>yes</td>
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<tr>
<td>Exc. Claw back to Cap</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>no</td>
<td>no</td>
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<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>no</td>
<td>no</td>
<td>no</td>
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<td>no</td>
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<td>$917,086</td>
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<td>Clawback %</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Multi-res</td>
<td>52.80%</td>
<td>25.92%</td>
<td>49.21%</td>
<td>13.43%</td>
<td>10.43%</td>
<td>11.44%</td>
<td>7.69%</td>
<td>16.99%</td>
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<td>Commercial</td>
<td>52.50%</td>
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<td>46.92%</td>
<td>33.65%</td>
<td>22.36%</td>
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<tr>
<td>Industrial</td>
<td>43.30%</td>
<td>49.84%</td>
<td>31.89%</td>
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<td>13.15%</td>
<td>17.81%</td>
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<td>9.92%</td>
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<td>631</td>
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<td>743</td>
<td>595</td>
<td>440</td>
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<td>Properties at CVA Taxes</td>
<td>1,184</td>
<td>1,231</td>
<td>2,321</td>
<td>3,643</td>
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<td>6,153</td>
<td>6,446</td>
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<td>5,937</td>
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<td>248</td>
<td>303</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
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<tr>
<td>Clawback Properties</td>
<td>3,064</td>
<td>1,968</td>
<td>1,773</td>
<td>1,541</td>
<td>1,213</td>
<td>1,351</td>
<td>1,250</td>
<td>1,120</td>
<td>1,048</td>
<td>396</td>
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<td>Total Properties</td>
<td>7,576</td>
<td>7,834</td>
<td>7,948</td>
<td>7,972</td>
<td>7,982</td>
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<td>8,179</td>
<td>8,239</td>
<td>8,313</td>
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<td>% of Properties Affected</td>
<td>84.4%</td>
<td>43.0%</td>
<td>41.8%</td>
<td>31.0%</td>
<td>20.2%</td>
<td>26.1%</td>
<td>22.6%</td>
<td>18.9%</td>
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<td>Capping Shortfall</td>
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<td>$0</td>
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<td>$0</td>
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</tr>
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</table>

* Effective 2008, New Construction Taxed at full CVA taxes
REGION OF WATERLOO
CORPORATE RESOURCES
Facilities Management and Fleet Services

TO: Chair Tom Galloway and Members of the Administration and Finance Committee
DATE: May 28, 2013
FILE CODE: D06-80

SUBJECT: LOCAL ELECTRIC VEHICLE CHARGING STATIONS

RECOMMENDATION:

For Information

SUMMARY: Nil

REPORT:

In recent years, numerous plug-in electric vehicles (EVs) have been brought to the consumer market by several different auto manufacturers. Nationally there are estimates ranging from 150,000 – 600,000 EVs to be on the road in Canada by the year 2020 which is generally seen as an opportunity for green economic development and related technology advancement. In Ontario, this also represents a shift to a more sustainable means of meeting a portion of the energy demand for transportation by moving away from fossil fuels such as gasoline and diesel towards the many renewable power sources utilized within Ontario’s electricity grid (e.g. hydro, wind, solar).

The federal government and the automotive industry are investing millions of dollars into research and development for the electrification of transportation. Ontario’s provincial government also provides rebates and incentives to support the consumer market adaptation of EVs. There are several Canadian manufacturers of EV charging station equipment as well as local auto dealerships offering an increasing number of EV makes and models. Research shows that government subsidized charging stations initially helps to start a more community-wide development of public EV charging infrastructure as other institutional and private sector stakeholders become more involved. Municipalities can play an important role at the community level in this regard.

A increasing number of municipalities are supporting the evolving consumer market for EVs by directly or indirectly providing public EV charging stations. At least eight communities in southern Ontario have now installed multiple EV charging stations available to the public including but not limited to Toronto, Durham Region as well as the Cities of Guelph, Hamilton and London. Quebec and B.C. are also leading the way in establishing public EV charging infrastructure within developed urban settlement areas. Although the majority of charging personally owned EVs takes place at an individual’s residence, public plug-in charging stations provide top-up charge opportunities at various local destinations around the community (e.g. malls, recreation facilities, museums). This helps to reduce what is referred to as “range anxiety” by enabling EV drivers to further extend their battery power range and thereby to carry out more activities around the community, in many cases with zero tailpipe emissions. Some municipalities are also recognizing this as a means to help meet their community GHG reduction targets. Locally, transportation emissions from the consumption of gas and diesel fuel accounts for over 40% of greenhouse gases in Waterloo Region.
The Region of Waterloo has already proactively supported three different EV projects with the Community Environmental Fund (CEF) since early in 2012. These projects include:

- Grand River Carshare – enabling their purchase of an EV and provision of a charging station on Regional property for their exclusive use (behind 150 Frederick Street);
- University of Waterloo Institute for Sustainable Energy (WISE) – promoting and researching the use of EVs within the Region by partnering with seven different local auto dealerships who sell these specialized vehicles, and;
- Conrad Grebel College – installation of a publicly accessible charging station off Westmount Road in Waterloo.

Regional staff have recently conducted a local scan of EV charging stations and out of the 13 known sites, only two are fully accessible to the public (including the CEF projects mentioned above). The other 11 charging stations have restricted access limited to company fleet vehicles, or staff and clients of different local organizations on private property. As a means to stimulate development of more publicly accessible EV charging stations within the community, the Region can demonstrate leadership with the installation of a few stations at appropriate Regional facilities and by encouraging other local stakeholders to host public charging stations as well. Staff has researched how other communities in Canada and the United States have developed their local public EV charging infrastructure in terms of criteria used to identify suitable general locations for the charging stations. Criteria that had the potential to optimize a station site’s usefulness to the EV driver were used as a preliminary screening mechanism for consideration of Regional facilities as potential host locations.

Out of the Region’s portfolio of facilities, three potential sites have been identified that meet the screening criteria which includes one in each of the three local cities as follows:

1. The first installation is planned within the current calendar year at the Regional Museum on Huron Road in Kitchener.
2. The next station for potential installation in the next 6 - 9 months involves the uptown Waterloo parkade near 99 Regina Street in Waterloo subject to consultation with the City of Waterloo in the context of the Region’s current partnership agreement for that facility.
3. The third station at 150 Main Street in Cambridge will be delayed until 2015 to coincide with a planned parking lot resurfacing at that site.

It is intended that these installations will utilize pay-per-use activation systems to help partially recover the capital costs of the infrastructure as well as associated operating costs. These sites will be treated as pilot projects to collect information such as usage statistics, operating costs and revenue and feedback from users for further analysis. Additional sites will also be explored in consultation with city staff in the context of their role of providing public parking lots. Region staff have already initiated discussions with Kitchener parking staff for the purposes of determining the feasibility of any future partnership involving lots or parking structures in the Kitchener downtown core.

Other stakeholders can also play an important role in expanding the local network of charging stations in the community. There has been some community interest in public EV charging stations expressed by current local EV owners, clients of city parking lots and the University of Waterloo. Initial contacts have been made with City staff at Cambridge, Kitchener, and Waterloo regarding this topic as well as the local electrical utilities. Although University of Waterloo is already actively engaged in this
endeavor, contact has not yet been made with the other local post-secondary schools who are also potential candidates to host charging stations. The stakeholder dialogue is still in the very preliminary stages and the next logical step is share the research information that Regional staff have collected to date in order to further engage more in-depth and collective discussions regarding opportunities and challenges with developing a community-scale network of EV charging stations.

In addition to city parking lots and post-secondary schools, big retail outlets can represent the next stage of development for a community-scale deployment of EV charging stations as they have abundant public parking, a high number of visitors and it presents an additional opportunity to optimize the length of time that their customers remain at their business premises (e.g. Tim Horton’s in Oakville has recently installed an EV charging station). Ideally, from additional stakeholder consultation, other leaders will emerge along the lines of community-wide planning and engagement of potential EV charging station hosts. The Region can play an important role in facilitating this process.

Regional staff will ensure that relevant legal and liability considerations are incorporated into use of the Region’s EV charging equipment and that appropriate signage is included with their installation. Staff will also work with Corporate Communications to promote awareness as new stations are established at Regional sites. Existing on-line programs are available to have these new charging locations appear within mapping applications for greater awareness amongst EV drivers. A progress update on installations, usage statistics of the charging stations and other local stakeholder involvement will be provided in 2014.

CORPORATE STRATEGIC PLAN:

Focus Area 1 - Protect and Enhance the Environment:
- Objective 2 – Reduce Greenhouse gas emissions and work to improve air quality

Focus Area 5 - Service Excellence
- Objective 6 - Strengthen and enhance partnerships with area municipalities, academia, community stakeholders and other orders of government

FINANCIAL IMPLICATIONS:

EV Charging stations suitable for public use in the community vary in cost but generally can be obtained for under $10,000 each including installation and safety inspection. The capital cost to the Region for 3 stations would be less than $30,000 and can be covered from existing Facilities Management budgets over the years 2013 - 2015. The estimated operating cost per charging outlet could range from $500 - $900 per year and includes the cost of electricity consumption (approximately equivalent to the retail cost of a cup of coffee per charge) as well as a subscription to on-line enabled pay-per use software enabling fee collection administered by a third party. There is very limited long-term experience with regard to maintenance costs for charging stations at this time but they are expected to be nominal.

The intent would be to charge visitors a fee for use of the Region’s EV charging stations as a means of partial cost recovery. According to Ontario Energy Board regulations, the Region would not be allowed to directly charge a fee for the electricity consumption but can charge a flat or hourly fee to users similar to a parking fee. This fee could help offset some of the capital expense for the charging equipment as well as the operating cost.
OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:

Development of this report included consultation with the Corporate Leadership Team as well as staff from Finance, Legal and Risk Management.

ATTACHMENTS:  None

PREPARED BY:  David Roewade, Sustainability Planner, Corporate Resources

APPROVED BY:  Gary Sosnoski, Commissioner, Corporate Resources
TO: Chair Tom Galloway and Members of the Administration and Finance Committee

DATE: May 28, 2013

FILE CODE: A03-02

SUBJECT: WIRELESS NETWORK INFRASTRUCTURE IMPLEMENTATION AND DEPLOYMENT STRATEGY – CORPORATE BUILDINGS

RECOMMENDATION:

For Information

REPORT:

In the past several years Information Technology Services has deployed small stand alone wireless solutions to provide both corporate and public wireless service in a number of Regional facilities. Corporate wireless service allows corporately owned devices such as; laptops, hand held scanners, and smart phones (Blackberries) to connect through Wi-Fi access points to both the Regional network infrastructure and the internet. Public Wireless Services allow unknown users and devices the ability to connect openly or via password authentication to the Internet. Public also includes the ability for consultants onsite working with Regional Staff the ability to access their corporate network and resources while onsite.

There is an increasing public expectation of wireless access in publicly accessible spaces that parallels the increasing proliferation and dependency on wireless devices. In addition, there is an increasing need on the part of staff for wireless access to implement technology solutions that improve communication and create operational efficiencies. As a result, staff have investigated and begun to implement a more comprehensive and systematic wireless strategy that will result in improved coverage, cost efficiencies, speed of implementation among other benefits.

The overall goal of the proposed Wireless Network Strategy is to create a more convenient, widely accessible range of connection opportunities for the public and for staff directly related to productivity and mobility efficiencies.

This strategy begins to lay the foundation to make Region staff more productive and efficient while working mobile and is needed in order for the Region to move forward with a more holistic employee mobilization strategy.

Throughout 2013 and 2014, ITS will roll out public Wi-Fi access to all Region buildings that have both public facing services and congregation areas for those members of the public accessing services or visiting these facilities. ITS will work with the various departments and program areas to provide corporate Wi-Fi access to all Region buildings with permanent staff or temporary staff accommodations, where access to Wi-Fi will increase productivity and or mobility of staff members. Excluded from this strategy would be buildings owned by the Region where the Region is not the tenant offering services (eg. WRPS, Waterloo Region Housing).
CORPORATE STRATEGIC PLAN:

This initiative supports Focus 5.2 – improve satisfaction with Regional Programs and services.

FINANCIAL IMPLICATIONS:

The cost for Wi-Fi includes one-time infrastructure costs per access point including wiring, switches and Power Over Ethernet, monthly charges per access point for hardware warranties and licensing and back end infrastructure and network /internet bandwidth cost which are currently covered by the ITS operating budget. The estimated one-time costs for the installations of $210,000 will be accommodated within the 2013 and 2014 ITS budgets due to efficiencies and savings achieved in some corporate IT costs. Following full implementation, the estimated annual operating costs will be $33,000 which can be accommodated in the ITS operating budget due to a change in the annual cost for anti-virus software. On a go forward basis, the cost of Wi-Fi access will be included in the capital budget for any new Region facility.

OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:

Staff members across multiple departments were consulted to provide input on current and future need. FM has been coordinating installations with ITS

HR, Corporate Communications, and Public Health have been engaged to provide information and inform staff of the changes and to proactively address potential health concerns.

ATTACHMENTS

Nil

PREPARED BY: Arlene McDonald, Director, Information Technology Services

APPROVED BY: Gary Sosnoski, Commissioner, Corporate Resources
Present were: Chair T. Galloway, K. Seiling, J. Wideman and C. Zehr

Members absent: S. Strickland

DECLARATIONS OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT

None declared

PRESENTATION

a) Presentation by Evan McDade, Deloitte - Outline of 2012 Audit Results

E. McDade and Jennifer Gruber provided a presentation to the Committee, including the audit scope and findings, audit risks. They reported that no adjustments were required and gave high compliments to staff for the work completed. The file cannot be closed until Council approves the statements which will occur on June 5th.

A suggestion was made to include the standard statement that all appropriate remittances have been made with respect to the payroll. A question was raised about best practices for Council and senior management expenses and E. McDade confirmed this is a Deloitte standard. He further reviewed the enhanced audit standards and internal controls that they are satisfied are working effectively. He outlined the balance of the report for Committee members stating this is a clean audit and he thanked staff for their cooperation.

REPORTS – Finance

a) F-13-041, Annual Financial Statements

Craig Dyer, Chief Financial Officer, provided an overview of the changes made to the statements, including the notes. He advised the statements are of a high quality and have been produced one month earlier than last year.

There was discussion about the notes on the statements, specifically related to the closed landfill sites. The debt carried by the Region was also reviewed and C. Dyer advised the Region no longer issues debentures for the School Boards as their financing is done through the Province. Committee members discussed the security for issuing debt for municipalities and the legal obligations prescribed in the Municipal Act.

A discrepancy was noted on page 3 of the report where the Consolidated Financial Statement Surplus should be $74,242,860. Staff will make this amendment for the final statements.

MOVED by C. Zehr
THAT the Consolidated Financial Statements for the Regional Municipality of Waterloo for the fiscal year ending December 31, 2012 be approved.

CARRIED

MOTION TO GO INTO CLOSED SESSION

MOVED by J. Wideman
SECONDED by K. Seiling

That a closed meeting of Audit Committee be held on Wednesday, May 8, 2013 during open session of Audit Committee in Room 218 at 150 Frederick Street in accordance with Section 239 of the Municipal Act, 2001, for the purposes of considering the following subject matters:

a) the security of the property of the municipality
b) personal matters about an identifiable individual, including municipal employees

CARRIED

MOTION TO RECONVENE INTO OPEN SESSION

MOVED by C. Zehr
SECONDED by K. Seiling

THAT the meeting reconvene into Open Session.

CARRIED

REPORTS – Chief Administrative Officer

a) CA-13-001, 2012 Internal Audit Report

Mike Murray, Chief Administrative Officer, stated this report provides an overview of the internal audit program and the 2013 workplan. David Young, Manager, Internal Audit reviewed the report for Committee members.

There was a question with respect to the cancellation of pcards when an employee terminates employment. Penny Smiley, Commissioner Human Resources stated cancellation is part of the paper process and staff are looking at electronic methods for tracking this information. They hope to have the review completed in six months but there are other measures in place at this time. There was discussion about the number of pcards and the criteria for eligibility was noted.

A request was made for a one page summary of the internal program audits completed to date for the next Audit Committee meeting.

Received for information.

NEXT MEETING

The next meeting will be held on June 18th. Staff will provide a one page summary of the internal audits that have been completed to date.
ADJOURN

MOVED by K. Seiling
SECONDED by C. Zehr

THAT the meeting adjourn at 4:40 p.m.

CARRIED

COMMITTEE CHAIR, T. Galloway

COMMITTEE CLERK, L. Wetzel
THE REGIONAL MUNICIPALITY OF WATERLOO
AUDIT COMMITTEE

Summary of Recommendations to Administration and Finance Committee

The Audit Committee recommends as follows:

1. THAT the Consolidated Financial Statements for the Regional Municipality of Waterloo for the fiscal year ending December 31, 2012 be approved.

May 8, 2013
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<th>Request</th>
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<th>Anticipated Response Date</th>
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<tr>
<td>27-Nov-12</td>
<td>Library Committee</td>
<td>That staff acquire contractor quotes for all branch signs for both digital and mobile formats and report back mid-2013 with the proposals and estimates.</td>
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