



Media Release: Immediate

Regional Municipality of Waterloo

Budget Committee

Agenda

Wednesday, December 16, 2020

Open Session 2:00 p.m.

This meeting will be held electronically

Regional Council Chambers

150 Frederick Street, 2nd Floor, Kitchener

1. Motion to go into Closed Session

That a closed meeting of Regular Council be held on Wednesday, December 16, 2020 at 12:30 p.m., electronically, in accordance with Section 239 of the “Municipal Act, 2001”, for the purposes of considering the following subject matters:

- a) receiving of advice that is subject to solicitor-client privilege and negotiations being carried out on behalf of the municipality in relation to an agreement
- b) proposed or pending acquisition of land in the City of Waterloo
- c) proposed or pending acquisition of land in the Township of Woolwich
- d) the security of property of the municipality and receiving of advice that is subject to solicitor-client privilege

2. Motion to Reconvene into Open Session

3. Declarations of Pecuniary Interest under the “Municipal Conflict of Interest Act”

4. Opening Remarks (S. Strickland)

5. Opening Remarks (K. Redman)

6. Opening Remarks (B. Lauckner)

Should you require an alternative format please contact the Regional Clerk at
Tel.: 519-575-4400, TTY: 519-575-4605, or regionalclerk@regionofwaterloo.ca

3457482

7. **COR-FSD-20-40**, 2021 User Rate Budget Approval (Presentation by C. Dyer)

Page 3

Recommendations:

- 2021 User Rate Budget and Rate Recommendations: Water Supply and Wastewater Treatment ([Appendix A](#))
Recommendation: see page 7
- 2021 User Rate Budget and Rate Recommendations: Water Distribution and Wastewater Collection ([Appendix B](#))
Recommendation: see page 8

8. **COR-FSD-20-41**, 2021 Tax Supported Budget (Presentations by various Regional staff)

Page 9

9. **COR-FSD-20-42**, 2021 User Fees and Charges (Information)

Page 26

10. **COR-FSD-20-43**, 2021 Grants to Organizations (to be distributed with the Addendum agenda)

11. **Next Meeting – January 12, 2021**

12. **Adjourn**

Region of Waterloo**Corporate Services****Financial Services and Development Financing**

To: Budget Committee
Meeting Date: December 16, 2020
Report Title: 2021 User Rate Budget Approval

1. Recommendation:

As set out in Appendix A and B.

2. Purpose / Issue:

The purpose of this Briefing Note is to seek Council approval of the proposed 2021 User Rates budgets inclusive of the 2021 User Rate Operating Budgets, the 2021 User Rate Capital Budgets and the 2022-2030 User Rate Capital Forecasts.

3. Key Considerations:**a) User Rate Budgets reflect 0% rate increase in 2021**

As described in reports COR-FSD-20-34 and COR-FSD-20-35 dated November 25, 2020 staff are respectfully submitting 2021 User Rate operating and capital budgets for Budget Committee's consideration. Staff recommend 2021 Water Supply, Wastewater Treatment, Water Distribution and Wastewater Collection budgets reflecting a 0% rate increase in 2021. The monthly service charges for customers in Wellesley and North Dumfries are proposed to remain at \$10/month for retail water distribution and \$8/month for retail wastewater collection. Staff recommend an increase of 5.3% to the annual wastewater rate for the 15 customers in Wellesley Township connected to the wastewater collection system but not connected to the water distribution system, in order to achieve parity with metered users.

The following tables compare proposed 2021 rate increases to 2020 approved rate increases and the original forecast for 2021 based on the 2020 water and wastewater rate models:

	2020 approved user rate % change	2020 Rate Model - projected 2021 user rate % change	2021 Rate Model – recommended 2021 user rate % change
Water supply	1.9%	1.9%	0.0%
Wastewater treatment	3.9%	4.9%	0.0%
Water distribution	4.9%	5.9%	0.0%
Wastewater collection	3.9%	3.9%	0.0%

	2020 approved monthly service charge	2020 Rate Model - projected 2021 monthly service charge	2021 Rate Model - current estimate of 2021 monthly service charge (% change)
Water distribution	\$10.00	\$11.00	\$10.00 (0%)
Wastewater collection	\$8.00	\$9.00	\$8.00 (0%)

The total revenue requirement for 2021 is \$140 million as outlined in the following table:

Program	2020 Rate Revenue Requirement (\$ millions)	2021 Rate Revenue Requirement (\$ millions)
Water Supply	58.3	58.8
Wastewater Treatment	78.0	76.9
Water Distribution	2.7	2.8
Wastewater Collection	1.5	1.5

The 2021 Water Supply budget is predicated on a 0.74% increase in water demand over the 2020 budget, while the Wastewater Treatment budget reflects a 1.5% flow reduction compared to the 2020 budget.

b) Capital program re-profiling has reduced future development charge risk

The proposed 2021-2030 Water and Wastewater Capital Program totals \$1.0 billion. Capital Program funding is from user rates and regional development charges (RDC), either in the form of direct reserve transfers or long term borrowing. As shown below, user rate contributions to the water and wastewater capital reserves result in almost all asset renewal works over the 10 years being funded without the need for long term borrowing, a positive indicator of long term financial sustainability.

**2021-2030 User Rates Capital Program
Funding and Financing (\$ millions)**

Capital funding and financing sources	Water	Wastewater	Total	% of Total
User rate contributions to capital	\$308	\$307	\$615	60%
Debt funded from future user rates	22	-	22	2%
Development charge reserve funds	124	96	220	22%
Debt funded from future development charges	88	77	165	16%
Grants	-	2	2	0%
Total ten year capital investment	\$542	\$482	\$1,024	100%

Reprofiling the capital program has reduced the need for future growth-related wastewater debt of which the Region has issued \$129 million over the last seven years. This is an improvement over previous years' projections.

c) Updated user rate models strongly suggest long term financial sustainability

Projected user rate increases beyond 2021 include 1.9% for 2022, 2.9% for 2023-2026 and 3.9% for 2027-2030 for Water Supply, and 2.9% for 2022, 3.9% for 2023 to 2026 and 2.9% for 2027-2030 for Wastewater Treatment. Rate increases in the early years are lower than previously projected due to lower operating costs and capital program re-profiling. Additional capital costs in the outer years of the forecast for Water Supply suggest a slightly higher rate increase for water over wastewater in those years. Staff are of the view that these updated rate models strongly suggest long term financial sustainability and viability.

4. Background:

On September 23, 2020 Council directed staff to prepare the preliminary 2021 User Rate Operating Budgets with a total targeted user rate impact of 0%, with options for a total user rate impact up to the rate of projected 2021 inflation (COR-FSD-20-27).

On November 25, 2020 through reports COR-FSD-20-34 and COR-FSD-20-35 staff presented detailed User Rate budgets for Budget Committees consideration that met Council's target while maintaining the long-term financial sustainability of the program.

The staff recommendations for the 2021 User Rate Budgets are set out in **Appendix A** and **B** of this report.

5. Area Municipality Communication and Public/Stakeholder Engagement:

Regional Staff have advised the area municipalities of the proposed wholesale and retail rate projections through the development of the preliminary budget. On November 25, 2020 the Region's online budget engagement tool EngageWR was launched and will remain open for comment until December 20, 2020. Additionally, members of the public will have an opportunity to speak as a delegate following Budget Committee on December 16, 2020 or alternately they can provide written submissions to the Regional Clerk until December 20, 2020.

6. Strategic Plan:

The Water and Wastewater annual budget supports the 2019-2023 Corporate Strategic Plan objective to protect our water resources (drinking water and wastewater treatment) under Strategic Focus Area 3, Environment and Climate.

7. Financial Implications:

Both volumetric and fixed monthly rates are proposed to remain unchanged in 2021. Details of the proposed user rate budgets are set out in reports COR-FSD-20-34 and COR-FSD-20-35 dated November 25, 2020 and in the user rate budget package circulated with the November 25, 2020 Budget Committee agenda.

8. Conclusion / Next Steps:

Subject to Council approval, the 2021 Water Supply, Wastewater Treatment, Water Distribution and Wastewater Collection rates will remain unchanged.

9. Attachments / Links:

Appendix A: 2021 User Rate Budget and Rate Recommendations: Water Supply and Wastewater Treatment

Appendix B: 2021 User Rate Budget and Rate Recommendations: Water Distribution and Wastewater Collection

Appendix C: 2021 User Rate PowerPoint (docs #3477415)

Link to Preliminary User Rate Budget Package (docs #3465056)

Prepared By: Connie Bogusat, Financial Analyst, Water Services

Reviewed By: Cheryl Braan, Director, Financial Services & Development Financing

Approved By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Appendix A

2021 User Rate Budget and Rate Recommendations Wholesale Water Supply and Wastewater Treatment December 16, 2020
--

That the Regional Municipality of Waterloo take the following action with respect to the 2021 Wholesale User Rate budgets as set out in reports COR-FSD-20-34, dated November 25, 2020 and COR-FSD-20-40, dated December 16, 2020:

1. Approve the 2021 Water Supply Operating Budget;
2. Approve the 2021 Water Supply Capital Budget and the 2022-2030 Water Supply Capital Forecast, subject to final adjustments for 2020 carry-forwards;
3. Approve the 2021 Wastewater Treatment Operating Budget; and
4. Approve the 2021 Wastewater Treatment Capital Budget and the 2022-2030 Wastewater Treatment Capital Forecast, subject to final adjustments for 2020 carry-forwards.

Appendix B

2021 User Rate Budget and Rate Recommendations Retail Water Distribution and Wastewater Collection December 16, 2020
--

That the Regional Municipality of Waterloo take the following action with respect to the 2021 Retail User Rate budgets as set out in reports COR-FSD-20-35, dated November 25, 2020 and COR-FSD-20-40, dated December 16, 2020:

1. Approve the 2021 Water Distribution Operating Budget;
2. Approve the 2021 Water Distribution Capital Budget and the 2022-2030 Water Distribution Capital Forecast, subject to final adjustments for 2020 carry-forwards;
3. Approve the 2021 Wastewater Collection Operating Budget;
4. Approve the 2021 Wastewater Collection Capital Budget and the 2022-2030 Wastewater Collection Capital Forecast, subject to final adjustments for 2020 carry-forwards; and
5. Approve an increase of 5.3% effective January 1st, 2021 to the flat annual rate upon every owner of a property in the Township of Wellesley and the Township of North Dumfries that is connected to the Regional wastewater collection system but is not connected to the Regional water distribution system, and that the necessary by-law be introduced.

Region of Waterloo
Corporate Services
Financial Services and Development Financing

To: Budget Committee
Meeting Date: December 16, 2020
Report Title: 2021 Tax Supported Budget

1. Recommendation:

For Information.

2. Purpose / Issue:

The purpose of this briefing note is to provide Budget Committee with an overview of the 2021 tax supported operating and 2021-2030 capital program that supports the 2021 Plan: Leading the Region Beyond COVID-19. A link to a package of preliminary tax-supported operating budget and capital program summaries is included under section 9 of this report.

3. Key Considerations:

- a) The 2021 Plan: Leading the Region Beyond COVID-19 and 2021 Budget **continues to deliver essential services** including:
- enhanced public health and paramedic services
 - public transit, waste management and the regional road network
 - Sunnyside Home, housing and shelters, child care system management and income support
 - cultural sites, libraries and the airport
- b) The 2021 Budget makes incremental **strategic investments** in four priority areas:
- Redirect existing funds to provide an additional \$20 million in investment over two years starting in 2021 to accelerate the development of affordable housing units tenfold over the next five years to respond to the urgent and growing need for **affordable housing**. A preliminary overview of the program design is provided in Appendix A.
 - Incremental investments of \$5 million in 2021 and \$10 million in 2022 and future years that are targeted to allow for an immediate response to community needs focused on the wellbeing of **Indigenous, Black and**

Racialized people. This is meant to achieve shorter term outcomes and is by no means the entire solution. A comprehensive solution will require future work and investment into root causes of disproportionate negative outcomes in quality of life indicators experienced by Indigenous, Black and Racialized communities in this region. A preliminary overview of the program design is provided in Appendix B.

- \$3 million over two years starting in 2021 in targeted support, both directly and through our community partners, to our most **vulnerable businesses and our impacted workforce** as we continue to navigate through the COVID-19 pandemic and economic recovery. A preliminary overview of the program design is provided in Appendix C.
- Invest an incremental \$3 million strategically in 2021/22 in innovative technology solutions to improve back-office processes and achieve administrative efficiencies resulting in measureable financial savings, as well as in opportunities for automation to create staff capacity for service delivery and other priority work. A preliminary overview of the program design is provided in Appendix D.

c) The 2021 Plan and Budget supports the **five focus areas of the 2019-2023 Strategic Plan**. New and ongoing regional initiatives are described below:

1. Thriving Economy:

- The Brownfield Financial Incentive Program has to date provided approximately \$14 million in Regional Development Charge and Tax Increment Grant incentives to redevelop lands that would otherwise be left vacant due to the cost of remediation, promoting growth and increased assessment.
- Development charge discounts for industrial and qualifying office development to encourage development in key sectors of the economy and along the transit corridor.
- East Side lands development provides additional employment lands for large commercial/industrial development in close proximity to the airport.
- Continuing public transit services across the entire network allows people to get to work in the most cost effective manner.

2. Healthy, Safe and Inclusive Communities:

- Enhanced response to COVID-19 through public health, emergency shelters, and long term care.
- Incremental strategic investments in services to support Indigenous, Black and Racialized communities to remove barriers and allow for immediate relief of some pressure identified by these communities while we develop an intentional plan to achieve longer term goals and outcomes.
- Continued implementation of the Waterloo Region Housing Master Plan,

additional strategic investment in accelerated affordable housing development, and alternative housing pilot projects in order to deliver a full spectrum of housing services to meet the needs of all Waterloo Region residents.

- Increased investment in paramedic services.
- Maintaining public transit services to a great extent despite lower ridership helps to remove barriers to participating in the workforce.
- Service System management and financial support for 14,000 child care spaces.
- First full year of operation of the Consumption and Treatment Services site.

3. Sustainable Transportation:

- Enhancing the active transportation network through the addition of sidewalks/cycling lanes into both road rehabilitation and new road projects.
- Development of the King Victoria Transit Hub provides connectivity of the Region's ION LRT network to the GO Rail network.
- Continuing public transit services relieves traffic congestion and reduces green house gas emissions.

4. Environment and Climate Action:

- The electric bus strategy will move the Region closer to its green house gas (GHG) reduction targets by 2050.
- Energy retrofits further reduce GHG emissions at our regional facilities and correspondingly reduce energy costs in operating budgets.
- Increased virtual conferences, meetings, and training results in less travel and more budget savings.

5. Responsive and Engaging Public Service:

- Strategic investment in technology will reduce back-office costs and result in budget savings.
- Implementation of certain 2019 KPMG Service Review outcomes allows the Region to focus on mandated services and continue to deliver essential services more cost effectively.
- Updating the Region's Official Plan will allow the Region to target where growth should occur in order to preserve agricultural lands, intensify along the central transit corridor and further promote the transit system
- Adjusting transit service hours to reflect reduced ridership levels in order to continue to deliver service in a responsive and cost-effective manner.

d) The 2021 Budget provides a comprehensive financial plan in order to **address prolonged impacts of COVID-19** through the prudent use of federal/provincial

funding and regional reserves:

- At the beginning of the pandemic, it was identified that COVID-19 would have material impacts on many Regional services, with Transit, Emergency Shelters, Seniors' Services and Cultural Services/Library hit particularly hard. At that time, it was unclear if any financial support would be forthcoming from senior levels of government. Given the impacts and level of uncertainty, the Region implemented a cost containment plan in an effort to partially offset impacts of the pandemic on the Region's 2020 operating budget.
- To date, a total of approximately **\$62.5 million federal/provincial support** has been provided to the Region, of which \$30 million is from the municipal and transit streams of the Safe Restart Fund that were announced in August. Details of federal/provincial funding announced to date is provided in Appendix E. As a result of cost containment measures that began in April, the Region is able to **carry forward approximately \$15.6 million of this funding into the 2021 budget**, which is extremely helpful in offsetting more prolonged budget impacts of COVID-19. Additionally, the Region's 2021 tax supported budget **assumes \$13.2 million in federal/provincial support** that has not yet been allocated to the Region. The net COVID-19 impact anticipated in the 2021 budget is \$8.2 million.
- Significant transit fare revenue reductions of approximately \$19 million have been partially offset by a realignment of transit service hours to reflect reduced ridership (\$8.7 million) and carried-over Safe Restart Funding under the transit stream (\$8 million).
- The 2021 budget includes **\$8 million to operate emergency homeless shelters** in a manner that prevents the spread of COVID-19. The Region will use a portion of the **Social Services Relief Fund Phase 2** that can be carried over into 2021 to partially offset these costs. It is anticipated that through a recent announcement in the 2020 Federal Fall Economic Statement, the remaining requirement for **emergency shelter costs will be covered in 2021**.
- A total of **88 positions have been added in public health** to facilitate case, contact & outbreak management, public health inspection and help in other ways to fight COVID-19, and are anticipated to be fully funded by the province.
- **13.5 FTEs have been added to Sunnyside Home** in response to COVID-19 including nurses, personal support workers, resident home assistants and housekeeping staff. The budget reflects 100% provincial funding for these positions.

e) Staff have undertaken several initiatives in order to achieve Council's direction on the 2021 tax supported operating budget and further promote equity in the

community by redirecting funding to the most vulnerable in the community:

- A detailed **budget reduction exercise** was undertaken which resulted in approximately **\$11.2 million in savings**, of which **\$10.3 million relates to expenditure reduction**. Adjustments have been made to conference, training, mileage and travel budgets to reflect less costly virtual options, as well as adjustments to consultant and other purchase of service budgets where appropriate. Further savings have been incorporated as a result of staffing reductions through attrition. Enhanced vacancy management will provide an opportunity to review staffing requirements before positions are filled to determine if there are more efficient ways to completing the work.
 - **Increased user fees and new revenues**, including a new Waste Management fee for asbestos disposal, provides additional revenue of **approximately \$0.9 million**. Further details of budget reductions have been included in Appendix F and in report COR-FSD-20-42 also on this agenda.
 - Staff report HRC-PER-20-02 outlined a number of outcomes from the KPMG Service Review that could be implemented in 2020/21 in order to achieve savings in the 2021 budget. Savings totalling \$2.1 million have been incorporated into the current tax supported budget position.
- f) The operating budget for Regional Services (excluding police) is \$836.6 million, with funding from the property tax levy (\$395.4 million), senior levels of government (\$303.5 million), user fees (\$83.3 million), contributions from reserve (\$36.5 million), and supplementary tax revenue (\$17.9 million). The current property tax levy for Regional Services is \$5.1 million more than the 2020 property tax levy (a 1.3% increase). The property tax impact of Regional Services (excluding police) is 0% due to 2020 assessment growth in the Region of 1.3%, meeting the Council approved guideline set out in COR-FSD-20-27 dated September 23, 2020.
- g) A total of \$9.3 million is proposed to be drawn from Tax Stabilization Reserve in 2021 for the following purposes:
- Continuation of pre-existing funding arrangements (\$2 million), including:
 - Implementation of Paramedic Service enhancements (\$1 million)
 - SWIFT project (\$0.7 million)
 - Cycling lane pilot (\$0.3 million)
 - Strategic investment for business supports (\$2 million)
 - Contribution to achieve a tax impact of 0% (\$5.3 million)
- h) On average, current estimates from major financial institutions, the provincial government (through the Provincial Budget 2020) and the federal government (through the Fall Economic Statement 2020) are suggesting inflation to be

approximately 1.6% in 2021.

- i) A budget increase at the rate of projected inflation (1.6%) equates to a further \$6.3 million increase in the proposed 2021 tax levy for Regional Services.

Options available to Council include:

- Reduced reliance on the Tax Stabilization Reserve (2021 budgeted contribution from the reserve is \$9.3 million)
- Enhance or accelerate levy funding of strategic investments in 2021
- Replace some 2021 reserve funding for strategic investments with levy funding (e.g. \$20 million in 2021/22 Housing Capital Reserve funding for Affordable Housing)

Should Council prefer a budget increase at the rate of inflation, staff recommend that this be accomplished through a reduction in the contribution from the Tax Stabilization Reserve. This would provide additional fiscal capacity to deal with ongoing impacts of the pandemic.

- j) The Regional tax-supported 2021-2030 capital program proposes investments of approximately \$3.9 billion across the ten years of the program, with \$385 million in 2021. Funding for the capital program is comprised of grants/subsidies, property taxes and development charges.

4. Background:

COR-FSD-20-27 dated September 23, 2020 directed staff to prepare the preliminary 2021 Tax Supported Operating Budget with a total targeted property tax impact of 0% inclusive of Police Services, with options for a total property tax impact up to the rate of projected 2021 inflation.

5. Area Municipality Communication and Public/Stakeholder Engagement:

On November 25, 2020 the Region's online budget engagement tool EngageWR was launched and will remain open for comment until December 20, 2020. Additionally, members of the public will have an opportunity to speak as a delegate following Budget Committee on December 16, 2020 or alternately they can provide written submissions to the Regional Clerk until December 20, 2020.

6. Strategic Plan:

The budget process enables Council to achieve its Corporate Strategic Plan objectives by allocating appropriate resources to each focus area.

7. Financial Implications:

As described throughout the report. A 1% change in the tax rate results in a \$6 increase per \$100,000 of residential assessment. A 1% tax rate increase generates an

additional \$5.8 million in tax revenue.

8. Conclusion / Next Steps:

Staff will provide an update on assessment growth on January 12, 2021. Waterloo Regional Police Services will be presenting their budget to Budget Committee on January 12, 2021. Final approval of the Region's 2021 tax-supported operating budget and 2021-2030 capital program will be on January 20, 2021.

9. Attachments / Links:

[2021 Preliminary Tax Supported Program Budget & 2021-2030 Capital Program Summaries](#) (3479434)

Appendix A – Strategic Investment in **[Affordable Housing](#)**

Appendix B – Strategic Investment in **[Indigenous, Black and Racialized Communities](#)**

Appendix C – Strategic Investment in **[Business Supports](#)**

Appendix D – Strategic Investment in **[Technology](#)**

Appendix E – **[Funding from Senior Levels of Government](#)** Announced During 2020

Appendix F – **[Summary of Budget Reductions](#)**

Prepared By: Christopher Wilson, Manager, Corporate Budgets

Reviewed By: Cheryl Braan, Director, Financial Services and Development Financing

Approved By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Appendix A: Strategic Investment in Affordable Housing



Region of Waterloo

Region of Waterloo – 2021 Budget Strategic Investments: Affordable Housing

Purpose Statement:

To respond to the urgent and growing need for affordable housing with a unique and innovative strategy that would accelerate the development of affordable units tenfold over the next five years.

Background:

- The community has made affordable housing a top priority, and the need is growing at a rate not seen since the 2008 recession. More than 6,000 households are on the wait list and rent is increasingly less affordable for many mid-income earners. This investment could add up to \$500 million worth of affordable housing in optimal locations, including along the transit corridor.
- The Region typically relies on higher levels of government to fund the majority of affordable housing and currently adds an average of 50 units per year. This proposed strategy provides an opportunity to build at a faster rate than ever before, adding hundreds of units per year. The Region would leverage federal and provincial grant programs to supplement this work.

Expected Outcomes:

- Create up to 2,500 new affordable housing units in five years
- Increase public transit ridership
- Create job opportunities in general and in specific for social assistance recipients
- Real estate value creation
- Assist with meeting the Region's intensification targets

Proposed Investment:

\$50 million to be implemented over the 2021-2025 time period comprised of:

- \$20 million in regional funds to be committed over 2021-2022
- Existing stock of surplus land – 10 parcels, 20 acres, estimated value of \$30 million

This is over and above funding provided by the Federal and Provincial Governments through the National Housing Strategy and other such programs as well as the work currently underway for development and revitalization of Waterloo Region Housing properties through the WRH Master Plan.

The strategy can be further accelerated through strategic partnerships and additional investment contributions of the private, philanthropic and lower tier townships and cities.

Proposed Strategy:

- Issue RFPs on a scheduled basis to bring 15 to 18 Region-owned properties valued at approximately \$40 million (excluding any required remediation) to market.
- Acquire new strategic properties to expand the existing portfolio of Region-owned properties, and prepare properties for market
- Allocate a portion of funds for Regional Development Charge exemptions for affordable housing units once the current funding source is exhausted (\$1.4m remaining)
- Some staff resources required for implementation, planning and program design

Appendix B: Strategic Investment in Indigenous, Black and Racialized Communities



Region of Waterloo – 2021 Budget

Strategic Investments: Indigenous, Black and Racialized Communities

Background:

- Equity is a strategic imperative of Regional Council, and one of Council's areas of focus is Healthy, Safe and Inclusive Communities. This includes ensuring and enhancing equity in policies, planning, services and decision-making in order to positively impact community wellbeing.
- During the Anti-Racism Town Halls hosted by Regional Council in July 2020, Indigenous, Black and Racialized community members and allies emphasized, that the Region needs to invest in Black, Indigenous and Racialized communities to make meaningful changes in programs, services and policies that address systematic racism and oppression in a meaningful and impactful way.
- There have been recent calls to action in response to systemic racism within Waterloo Region from groups including African Caribbean and Black (ACB) Network, O:se Kenhionhata:tie Land Back Camp, The Wellbeing Waterloo Region (WWR) First Nations, Metis, Inuit Advisory and Advocacy Circle, Immigration Partnership Council, Black Lives Matter Waterloo Region and other community voices.
- Documents such as The Truth and Reconciliation Commission of Canada, the National Inquiry into Missing and Murdered Indigenous Women and Girls, Ontario Human Rights Commission and the United Nations Declaration of the Rights of Indigenous Peoples also provide foundational direction for such investments.

Expected Outcomes:

- Specific and targeted investments in services and actions that support Indigenous, Black and Racialized communities within Waterloo Region
- This includes deliberate refocusing of existing Region of Waterloo Services as well as additional incremental funding
- Investments based on input from the Region's Anti-Racism Advisory Working Group, the First Nations, Metis and Inuit Circle and the Region's internal EDI team.

- Demonstrating the Region's commitment to Indigenous, Black and Racialized communities concerns and building confidence and meaningful relationships.
- Continuing to invest in programs that support Indigenous, Black and Racialized communities, including:
 - Indigenous Component of Child Care Funding Formula - annual Provincial funding allocated to Region of Waterloo to support culturally appropriate child care services
 - Indigenous Housing Services - resources specific to serving people who identify as First Nations, Metis, and Inuit. In addition to capital support and operating subsidies to Indigenous led housing program.
 - Educational events - *Mandela: Struggle for Freedom*, was hosted by the Ken Seiling Waterloo Region Museum in partnership with Canadian Museum for Human Rights and Apartheid Museum.
 - Funding from the Region's infrastructure capital program for First Nations groups: fund participation in archaeological field work during road/light rail transit construction projects
 - Human Resources to support WWR, Immigration Partnership, Crime Prevention Council and Children's Planning Table.
 - Contribution of in-kind resourcing such as meeting spaces, staffing resources, and consulting.
 - Directed funding related to affordable housing and other social services

Time Period: Two years of initial investment to be built out as part of a longer-term approach.

Proposed Investments:

- \$15M over the balance of this term of Council (\$5 million in 2021 and \$10 million in 2022 and beyond)

Appendix C: Strategic Investment in Business Supports



Region of Waterloo – 2021 Budget Strategic Investments: Business Support

Purpose Statement:

To provide strategic support – directly and through our community partners – to our most vulnerable businesses and our impacted workforce as we continue to navigate through the COVID-19 pandemic and economic recovery.

Background:

Waterloo Region has a diverse economy that supports strong population and steady job growth. We recognize that our business community contributes greatly to Waterloo Region's current and future economic fabric and our sense of identity. It is critical that we support businesses and our workforce during these uncertain times.

Expected Outcomes:

- Business retention/fewer business closures, and job retention/protection of jobs
- Re-skilling of talent
- Support entrepreneurs in the black, Indigenous, and people of colour community
- More businesses with a digital presence
- Decreasing unemployment rate
- Increased customer/patron confidence related to safety
- Communications supports for businesses on safe operations and best practices
- Increased job postings and placements (findyourjob.ca)
- Increased partnerships between artists/cultural sector and small businesses
- Assurance that services can continue to be provided to residents
- Enhanced access to the required personal protective equipment
- Strengthening of economic partnerships and programs throughout the Region
- Increased transit ridership.

Proposed Investments:

- \$3 million over Winter 2021 – Summer 2022
- Digital Transformation (SBEC, Communitel)
 - Enhanced support/funding for businesses needing to create a digital presence
 - Support for new entrepreneurs including student programs
- Adopting Smart City Solutions (Region Economic Development)
 - Working with partners, identify and implement smart city solutions to make it easier for businesses and citizens to access municipal services
 - Innovation Contest for local companies

- Data & Measurement (Region Economic Development)
 - Measuring business and talent impacts through COVID-19 allowing Region, area municipalities, and other partners to develop solutions in a short period of time – no current data
- Buy Local Campaign (BIAs, Tourism Corp)
 - Support community campaigns in development
- Patio Fund (Tourism Corp, BIAs)
 - The Tourism Corporation will be establishing a fund to support the acquisition of patio heaters and tents along with outdoor retrofits to patios.
 - Business will require funding in the winter, spring, and fall of 2021.
- PPE (PPE Collaborative, BIAs, Tourism Corp)
 - Support small business with expenses related to acquiring PPE
- Safe Practices Campaign for Business (Region Economic Development & Public Health)
 - ORED will work in partnership with Public Health and other departments (e.g. fire & building) to develop materials (web & print) that support/promote safe operations depending on the stage Waterloo Region is in. This would include assisting to communicate requirements outlined in any Regional bylaws or Provincial legislation.
 - ORED will also partner with Public Health on education and communications to individual businesses that are receiving complaints relating to non-compliance.
- Reskilling Job Placement programs (Region Economic Development, PSIs, Communitech, Workforce planning board, Chambers, Employment Services)
 - Development of reskilling streams
 - Job boards/placement
- Arts & Culture (Region Cultural Services, Region Economic Development, BIA, Chambers)
 - Partnership program between arts community and business community – Artist receive grants to partner with businesses to communicate to the community in a new way about an individual business.

Appendix D: Strategic Investment in Technology



Region of Waterloo

Region of Waterloo – 2021 Budget Strategic Investments: Technology

Purpose Statement:

Invest strategically in innovative technology solutions to both make improvements in back-office processes that achieve administrative efficiency resulting in measurable financial savings, as well as opportunities for automation that would create staff capacity for service delivery and other priority work.

Background:

A strategic technology investment fund will play an important part in supporting the efforts of Regional staff to find budget savings through increased efficiency using technology, which will assist in directing funds to Council's highest priorities and achieving desired budget targets.

The investment fund will be available across the organization, and will run in tandem with efforts in each Department, supported by Corporate Performance to find efficiency savings (technological or otherwise). Communications will support these efforts and work with Corporate Performance, ITS and Finance to ensure staff understand the urgency and importance of the need to find savings, and to support these important priorities.

Expected Outcomes:

- The development of a process to assess and approve funding from the investment fund based on identified and prioritized opportunities.
- Rapid implementation of a variety of automation solutions such as the use of AI (Artificial Intelligence) to achieve financial savings, support automation and eliminate paper-based processes, while maintaining or improving service.
- Strong alignment with and support from the Office of Corporate Performance.
- Explore strategic partnerships with the technology sector where appropriate in an effort to maximize opportunities and potential savings.

Investment Assessment Process:

- Proposed funding requests will be prioritized and selected by an internal committee consisting of representatives from ITS, Finance, the Office of Corporate Performance and the CAOs office based on criteria such as:

- Alignment to existing corporate and Council priorities
- Focus on using technology to provide an increase in efficiency and effectiveness
- Show an expected return on investment within 18-months

- Examples where Departments may find likely areas for improvement (but not limited to) include the following:
 - Implement process improvement and/or automate systems (ex. Replacing paper with electronic process)
 - Consolidation of existing like-systems
 - Elimination of manual processes
 - Leveraging existing systems across multiple Departments
 - Introduction of corporate systems that benefit multiple Departments
- All proposals will be considered and evaluated on their merits.
- Initiatives will be tracked throughout the process to ensure expected ROI and savings targets are achieved.

Proposed Investment: \$3 million over 2021-2022

Appendix E: Funding from Senior Levels of Government Announced During 2020

Funding Envelopes	ROW Allocation (\$ thousands)
Reaching Home	\$ 4,996
Rapid Housing Initiative (capital)	8,192
Social Services Relief Fund (Phase 1 & 2)	9,872
Safe Restart Funding - Municipal	13,347
Safe Restart Funding - Transit	16,473
Safe Restart Funding - Child Care	5,720
Transit COVID cleaning	457
Ministry of Health – Housing, Sunnyside	430
Discretionary Benefits	2,370
Ministry of Long-Term Care	653
Subtotal	\$62,509

Appendix F: Summary of Budget Reductions (\$thousands)

Department	Staffing Adjustments	Meetings, Mileage, Conferences, Training	Consulting Fees, Purchased Services	Utilities	Other Efficiencies	New Fees & Revenues	Subtotal
Elected Offices	-	20	-	-	-	-	20
Chief Administrator's Office	12	6	3	-	-	-	21
Corporate Services	1,140	105	287	197	305	-	2,034
Human Resources & Citizen Service	275	24	20	-	-	-	319
Planning, Development & Legislative Services	813	121	119	-	212	30	1,295
Transportation & Environmental Services	1,231	159	903	785	480	858	4,415
Community Services	1,903	219	115	-	500	-	2,737
Public Health & Emergency Services	321	27	-	-	41	1	390
Subtotal	5,695	680	1,447	982	1,538	889	11,231

Region of Waterloo
Corporate Services
Financial Services and Development Financing

To: Budget Committee
Meeting Date: December 16, 2020
Report Title: **2021 User Fees & Charges**

1. Recommendation:

For information.

2. Purpose / Issue:

To provide information to Council with respect to proposed changes to user fees and charges as part of the preliminary 2021 budget.

Key Considerations:

a) Staff have reviewed all user fees and charges

As part of the 2021 budget process, all service areas have reviewed their fees and charges and, where appropriate, are proposing changes to certain fees. A small number of user fee amendments are proposed for 2021, including increases for certain programs where deferrals occurred in 2020. Appendix A provides a list of fees that are proposed to be introduced or changed during 2021.

b) Proposed Waste Management fee changes

Proposed fee changes within Waste Management, effective April 1, 2021, are outlined in the table below and are projected to increase 2021 revenue by \$689,000.

Description	Current Fee	Proposed Fee	Increase
Waste tipping fee	\$82.00 / MT	\$85.00 / MT	\$3.00 / MT
Recyclables tipping fee	\$41.00 / MT	\$42.50 / MT	\$1.50 / MT
Special handling fee	\$164.00 / MT	\$170.00 / MT	\$6.00 / MT
Asbestos handling fee	New	\$350.00 / MT	\$186.00 / MT
Minimum Fee	\$5.00 / visit	\$10.00 / visit	\$5.00 / visit

*MT - Metric Tonne

Waste Tipping Fees: At the current tipping fee of \$82 per tonne for general refuse and garbage, the Region of Waterloo is in the lower range of landfill tipping fees in comparison to other municipalities (see Appendix B). The proposed tipping fee at \$85 per tonne may have a slight impact of reduced commercial tonnage received, however the risk is considered low. The proposed recyclables tipping fee is set at 50% of the waste tipping fee, and accordingly would increase to \$42.50 per tonne. The special handling fee is set at double the waste tipping fee and would increase to \$170 per tonne. All fee increases are proposed to be effective April 1, 2021.

Asbestos Special Handling Fee: A new fee is being proposed to reflect the additional special handling required for landfilling of asbestos. The proposed fee is in line with the industry average.

Minimum Fee: An increase to the minimum fee from \$5 to \$10 for waste received at the small vehicle transfer stations is being recommended for 2021. Currently, at the \$5 minimum fee, the Region is at the lower end of minimum fees charged in comparison to other municipalities (see Appendix B). While there is a possible impact of reduced traffic at the small vehicle transfer stations, it may assist with easing congestion at the sites as well as increase awareness for residents and small businesses to seek diversion options.

c) Transit Fares

The proposed 2021 Transit Services budget does not include a general fare increase. It is also noted that Council did not implement the planned 2% transit fare increase in 2020.

U-pass - Most U-Pass programs were temporarily suspended in fall 2020 and winter 2021 due to the pandemic. Appendix C summarizes the current status of U-pass programs, agreements, and fare pricing. A staff report on the U-Pass program will be presented in 2021.

Student and Senior Discounted Fares - Effective April 1, 2020 the new Affordable Transit Program (ATP) took effect, offering a 48% discount on standard GRT fares for persons and households living below low-income thresholds. Both a Stored Value Payment and Monthly Pass product are available. The ATP represents a major shift in GRT fare policy to providing discounts that are means-based as opposed to age-based. This allows the Region to support more low-income residents than under the previous fare structure.

With Council approval of report TES-TRS-20-07, elimination of age-based concession fares for seniors and students (to provide additional revenue to offset costs associated with the ATP) was deferred from April 1, 2020 to July 1, 2020, to be implemented in conjunction with the planned 2% fare increase. With Council approval of report TES-TRS-20-10, this was deferred a second time until further notice. It is now recommended that elimination of the senior and student discounts take place on July 1, 2021 (after the current school year), recognizing the ongoing impact of the pandemic on seniors and students. The removal of age-based concession fares will result in a budgeted revenue increase of \$170,000.

Requests for Additional Discounted or Free Transit - Through the 2020 Budget deliberations and discussions concerning the ATP, staff received several requests for free or discounted transit from community members. Specifically, requests were received for: a free off-peak senior pass or free day for seniors (requested by the Waterloo Region Age Friendly Committee), veterans of any age free, and student groups free to attend cultural activities (requested by THEMUSEUM).

The Region currently offers free transit for children under five (5), for MobilityPLUS registrants on conventional routes, for veterans over the age of 65, and on special occasions including Oktoberfest and New Year's Eve during non-pandemic years. Providing additional free or discounted fares is to be approached cautiously due to the impact on existing revenues, which reduces the capability to financially sustain ongoing service and improvements. Free and discounted fares would also place additional pressure to increase regular fares. It is noted that the ATP program reduces the affordability barrier to public transit use for persons with low income. Passenger revenue is an important funding source to continue the required investment in service, maintenance and infrastructure to achieve ridership growth targets.

Staff have evaluated additional free or discounted fares as described in Appendix C and recommend the use of Day Passes as a Family Pass be expanded to include March Break and Christmas Break, and that the group travel discount be expanded to include other larger groups such as conferences. These changes are estimated to have a negligible impact to revenue due to an expected offset in revenue from additional families riding and from large groups using transit for events.

d) Other service areas

Other proposed changes to Regional fees and charges are as follows:

- **Airport Services:** Increases for landing fees, lease rates, lost parking ticket fee, and introduction of hot air balloon landing fee and apron sweeping fee.
- **Council & Administrative Services:** Increase to commissioner of oaths fee.
- **Community Planning:** Increases to fees for review of transportation impact study, noise study review and peer review.
- **Paramedic Services:** Increases to special event coverage fees and requests for information

3. Background:

Section 391 of the Municipal Act authorizes municipalities to establish and maintain a list of services subject to fees or charges. By-law 20-001 has been adopted to fulfill this requirement. The by-law is reviewed annually to incorporate new or revised fees adopted by Regional Council.

As part of the annual budget process, service areas review their fees and charges and, where appropriate, propose changes to certain fees. Through the 2020 budget process a number of changes were approved through the Region's fees and charges by-law, including the introduction of new user fees as well as changes to existing user fees. A number of fee increases approved in the 2020 budget were not implemented per reports COR-FSD-20-10 and COR-FSD-20-13. The fee increases not implemented in 2020 are listed below.

Program area	User fee increases not implemented in 2020
Waste Management	Increases to tipping fees, recyclable loads and the special handling load rate
Seniors' Services	Increases for Community Alzheimer Program fees, telephone/television and meal fees
Supportive Housing	Increase lunch visit meal fees
Paramedic Services	Increases to special event coverage fees and requests for information
Transit Services	2% fare increase and the planned elimination of age-based transit service discounts

4. Area Municipality Communication and Public/Stakeholder Engagement:

Nil.

5. Strategic Plan:

The annual budget incorporates numerous initiatives set out in the Corporate Strategic Plan.

6. Financial Implications:

The estimated incremental user fee revenue in 2021 is outlined in the table below:

Division	Incremental 2021 revenue (\$000s)
Region of Waterloo International Airport	\$ 9
Waste Management	\$ 689
Transit Services	\$ 170
Council & Administrative Services	\$1
Community Planning	\$ 20
Paramedic Services	\$ 1
Total	\$ 889

Estimated incremental revenues identified in the table above are associated with fee changes outlined in this report and have been incorporated into the preliminary 2021 operating budget. Should Council decide to change any other fee or charge listed under the by-law during the budget process, proposed changes listed herein would be updated. As user rates for Water and Wastewater are approved by separate by-laws, they are not included in this schedule.

7. Conclusion / Next Steps:

A resolution to repeal the current Fees and Charges By-law and pass a new Fees and Charges By-law will be included along with the General Budget Resolutions for Budget Committee on January 20, 2021.

Attachments / Links:

Appendix A: Proposed Changes to the [Fees and Charge By-Law](#)

Appendix B: [2020 Waste Management Municipal Fee Comparison](#)

Appendix C: Discussion of [U-passes and Free Fare Requests](#)

Prepared By: Emily Dykeman, Financial Analyst

Chris Wilson, Manager, Corporate Budgets

Reviewed By: Cheryl Braan, Director, Financial Services and Development Financing

Approved By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

Appendix A – Proposed Changes to the Fees and Charge By-Law
(Note: all fees listed herein are net of all applicable taxes)

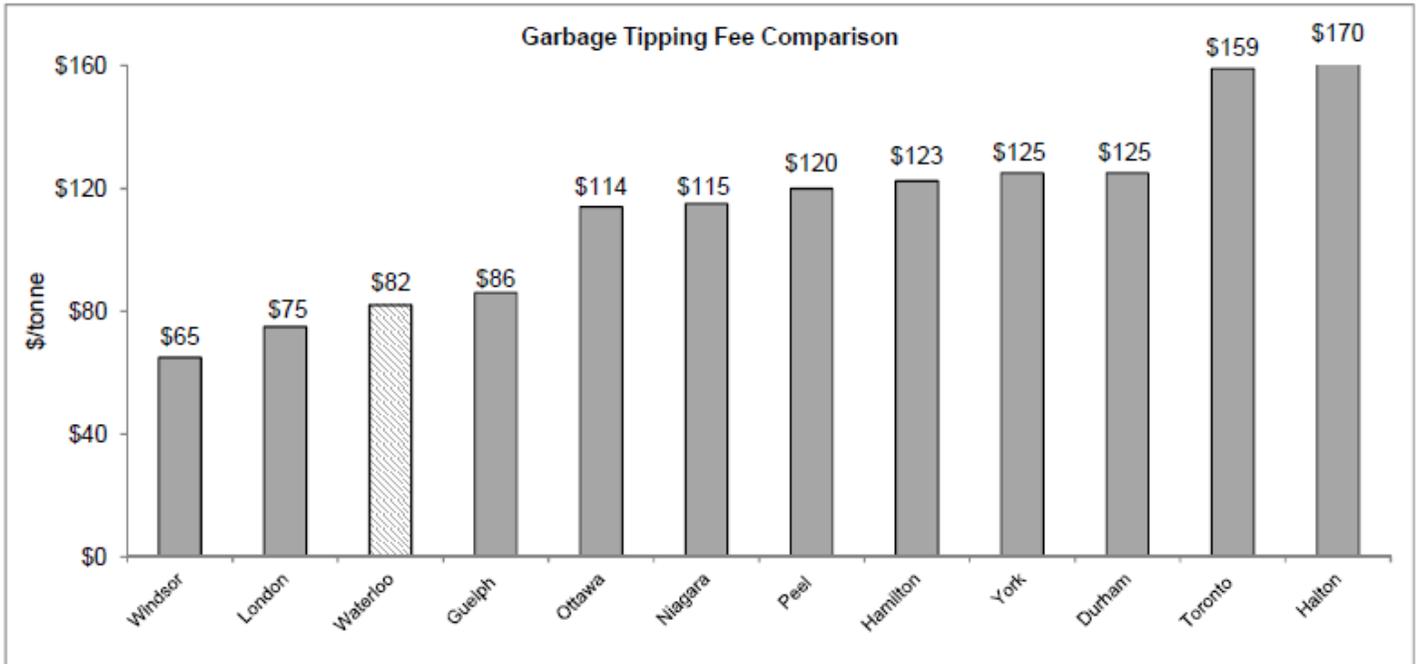
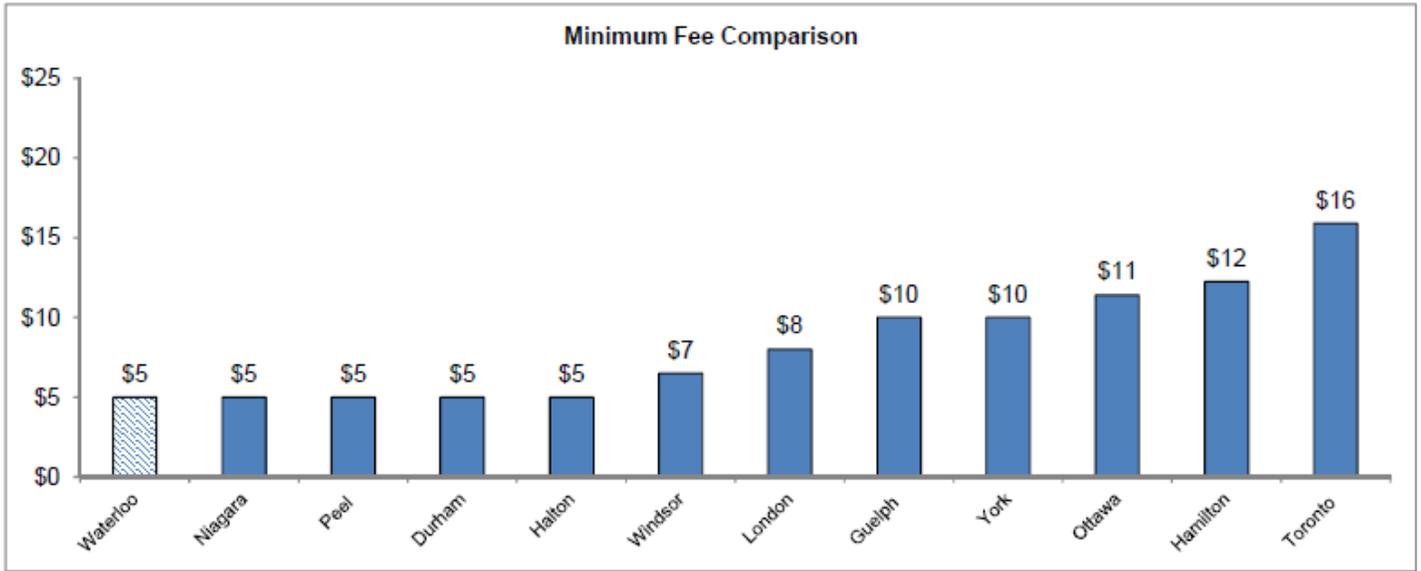
Description	Current Fee	Effective Date	Proposed Fee
PLANNING, DEVELOPMENT & LEGISLATIVE SERVICES			
Airport Services (Region of Waterloo International Airport)			
Landing Fees			
Landing Fees per 1,000 kg. or part thereof (2,500 kg. and greater) (Based on gross take off weight)			
2,500 - 21,000 kg.	\$7.50	20-Jan-21	\$7.75
21,001 - 45,000 kg.	\$7.50	20-Jan-21	\$7.75
Greater than 45,000 kg.	\$7.50	20-Jan-21	\$7.75
Helicopter	\$7.50	20-Jan-21	\$7.75
Hot Air Balloon	New	20-Jan-21	\$50.00
Land Rental Fees	\$180.00 per acre	20-Jan-21	\$200.00 per acre
Lease Rates			
Adjusted annually based on the Consumer Price Index (C.P.I.). Increase is only applicable to new or renewed agreements.			
Private Building Rate	\$0.315/sq. ft.	20-Jan-21	\$0.320/sq. ft.
Commercial Building Rate	\$0.315/sq. ft.	20-Jan-21	\$0.320/sq. ft.
Private	\$0.070/sq. ft.	20-Jan-21	\$0.075/sq. ft.
Commercial	\$0.070/sq. ft.	20-Jan-21	\$0.075/sq. ft.
Asphalt-Apron I,II,III	\$0.410/sq. ft.	20-Jan-21	\$0.425/sq. ft.
Hanger Rent	\$4.90/sq. ft.	20-Jan-21	\$5.00/sq. ft.
Automobile Parking			
Lost Ticket Fee	\$100.00	20-Jan-21	\$200.00
Snow Removal			
Apron Sweeping	New	20-Jan-21	\$125.00 / hour

Description	Current Fee	Effective Date	Proposed Fee
Council and Admin Services			
Commissioner of Oaths (signing)	\$20.00 / hour	20-Jan-21	\$25.00 / hour
Community Planning			
Review Transportation Impact Study (includes pre-consultation)	\$402.50	20-Jan-21	\$500.00
Noise Study Review	\$250.00	20-Jan-21	\$500.00
Peer Review Fee	Actual costs	20-Jan-21	Actuals costs + 10% Admin Fee
TRANSPORTATION AND ENVIRONMENTAL SERVICES			
Waste Management			
Waterloo and Cambridge Sites			
Minimum fee per visit to landfill and transfer stations	\$5.00 / per visit	1-Apr-21	\$10.00 / per visit
General Refuse/Garbage	\$82.00 / M.T.	1-Apr-21	\$85.00 / M.T.
Recyclables (loads must not be mixed with garbage) (All regular blue box materials, yard waste, brush, leaves, grass, inerts, appliances and scrap metal)	\$41.00 / M.T.	1-Apr-21	\$42.50 / M.T.
Waterloo Site			
Special Handling Load Rate (stumps, wire, styrofoam, nuisance dust)	\$164.00 / M.T.	1-Apr-21	\$170.00 / M.T.
Special Handling Load Rate (asbestos)	\$164.00 / M.T.	1-Apr-21	\$350.00 / M.T.
Public Transit			
U-Pass	WLU:\$103.52 UW:\$105.50	1-Sep-21	WLU: TBD UW: \$113.30
Stored Value Payment (ATP)	New	20-Jan-21	\$1.49
Monthly Pass (ATP)	New	20-Jan-21	\$46.80

Description	Current Fee	Effective Date	Proposed Fee
PUBLIC HEALTH & EMERGENCY SERVICES			
Paramedic Services			
<i>Special Event Coverage - Regular</i>			
Single Paramedic plus vehicle	\$88.00 / hour; \$350.00 minimum	1-Apr-21	\$91.00 / hour; \$364.00 minimum
Two Paramedics plus vehicle	\$150.00 / hour; \$598.00 minimum	1-Apr-21	\$158.00 / hour; \$622.00 minimum
Single Paramedic	\$62.00 / hour; \$248.00 minimum	1-Apr-21	\$65.00 / hour; \$258.00 minimum
<i>Special Event Coverage - Short Notice (OT) or FT Staff</i>			
Single Paramedic plus vehicle	\$119.00 / hour; \$472.00 minimum	1-Apr-21	\$124.00 / hour; \$491.00 minimum
Two Paramedics plus vehicle	\$221.00 / hour; \$882.00 minimum	1-Apr-21	\$230.00 / hour; \$918.00 minimum
Single Paramedic	\$93.00 / hour; \$371.00 minimum	1-Apr-21	\$97.00 / hour; \$386.00 minimum
<i>Special Event Coverage - Public Holiday (OT)</i>			
Single Paramedic plus vehicle	\$150.00 / hour; \$598.00 minimum	1-Apr-21	\$156.00 / hour; \$622.00 minimum
Two Paramedics plus vehicle	\$274.00 / hour; \$1,094.00 minimum	1-Apr-21	\$285.00 / hour; \$1,138.00 minimum

Description	Current Fee	Effective Date	Proposed Fee
Single Paramedic	\$124.00 / hour; \$497.00 minimum	1-Apr-21	\$129.00 / hour; \$516.00 minimum
<i>Special Event Coverage - Other</i>			
Vehicle – Ambulance	\$26.00 / hour; \$102.00 minimum	1-Apr-21	\$27.00 / hour; \$106.00 minimum
Vehicle - Emergency Response Unit (ERU)	\$20.00 / hour; \$80.00 minimum	1-Apr-21	\$22.00 / hour; \$85.00 minimum
Supervisor	\$61.00 / hour; \$247.00 minimum	1-Apr-21	\$68.00 / hour; \$276.00 minimum
<i>Request for Information</i>			
Ambulance Call Reports (Fee is per Request; not hourly)	\$95.00	1-Apr-21	\$99.00

Appendix B: 2020 Waste Management Municipal Fee Comparison



Appendix C: Discussion of U-passes and Free Fare Requests

U-passes

Council approved updates to the U-Pass contracts including price changes beginning September 1, 2020 with increases each year for a five-year term ending August 31, 2025 (report TES-TRS-20-05.1). The following summarizes the current status of U-Pass programs, agreements, and fare pricing.

New agreements were executed with the three University of Waterloo student groups, and fare increases were scheduled to come into effect September 1, 2020. However, WUSA and Renison CAPE U-Pass programs were suspended for fall 2020 and winter 2021 due to the pandemic. The September 2021 fare increase (\$113.30) remains scheduled to come into effect.

The two Wilfrid Laurier University student groups were unable to execute the new U-Pass agreement because student referenda were required on the proposed price changes. Referenda were initially planned for fall 2020 but were deferred due to the pandemic. Previous U-Pass agreements with WLUSU and WLU GSA were extended for one year and included a 5% increase effective September 1, 2020 (\$103.52). However, both WLU U-Pass programs were suspended for fall 2020 and winter 2021 due to the pandemic. A staff report will be prepared in 2021 to determine if the previous WLU agreement should be extended for another year (with an associated fare increase) to maintain the U-Pass program until referenda can be held in the fall or winter semester.

Student Group	Current Fare Price (Effective Sept. 1 2020)	Future Fare Price (Effective Sept. 1 2021)
University of Waterloo Graduate Students Association (UW GSA)	\$105.50	\$113.30
University of Waterloo Undergraduate Students Association (WUSA)	\$105.50 Note: WUSA U-Pass program suspended Fall 2020, Winter 2021.	\$113.30
Renison University College English Language Institute	\$105.50 Note: Renison U-Pass program suspended Fall 2020, Winter 2021.	\$113.30
Wilfrid Laurier University Students' Union (WLUSU)	\$103.52 Note: WLUSU U-Pass program suspended Fall 2020, Winter 2021	TBD – staff report required
Wilfrid Laurier University Graduate Students Association (WLU GSA)	\$103.52 (suspended) Note: WLU GSA U-Pass program suspended Fall 2020, Winter 2021	TBD – staff report required

Free Fare Requests

Senior Fares

When age-based concession fare products are discontinued, seniors living with incomes above the Market Basket Measure (MBM) have the choice of purchasing a monthly pass or a stored value payment at the regular rate as alternatives to the cash fare. The reduced monthly pass (currently priced at \$75) and reduced stored value payment (currently priced at \$2.49) will be eliminated. For low-income seniors, the ATP monthly pass is available at \$46.80 and ATP stored value payment is priced at \$1.49, providing seniors living with low income a greater discount than the current reduced fares provide.

Other public programs exist to help offset transit costs for seniors. For example, the Ontario government offers a [refundable public transit tax credit for seniors](#). Ontario residents are eligible for it if they are 65 years of age or older on the last day of the previous tax year in which they are claiming the credit. Seniors can claim up to \$3,000 in eligible public transit costs and receive up to \$450 each year.

Providing free off-peak transit for seniors for one day each week would result in an estimated revenue loss of \$111,000 annually (pre-COVID). Given the new ATP program and existing tax credits, further free or discounted fares for seniors is not recommended.

Youth

Similar to seniors, youth aged 5 to 18 would no longer have the reduced monthly pass or reduced stored value payment fare options when they are eliminated. To mitigate elimination of reduced fares, and make it easier for families to travel with children, staff recommend expansion of the existing Family Pass. Currently, this fare product allows for unlimited daily travel for a family (including up to 4 children) on a Saturday, Sunday and statutory holidays. Children must be under the age of 18. This would be expanded in 2021 to include school holiday weekdays such as the March and Winter Breaks, allowing children and families to discover and use transit more easily when children are not in school.

This change is estimated to have a negligible impact to revenue due to an expected offset in revenue from additional families riding transit.

Veterans

GRT offers free, unlimited travel to veterans over the age of 65 through a lifetime pass as a gesture of respect for their personal sacrifice and commitment to Canada through service in the Canadian Armed Forces. This is one of the broadest veterans' pass programs among peer agencies, and currently supports approximately 165 veterans in the Region, who ride an average of 740 times each month. Most transit agencies do not provide free travel to veterans, although several offer free travel on Remembrance Day.

Given this context, no change or expansion of this special fare product is recommended at this time. Expanding this program to the full veteran population in the Region would support an estimated additional 435 veterans and reduce fare revenue by approximately \$137,000 on an annual basis (pre-COVID).

School Group Travel

GRT currently offers a 15% bulk purchase discount to schools for class trips for cultural/library purposes. This is provided in the form of a special manual pass. In a typical year, up to 100 group passes are sold, accommodating 3,000 students (6,000 round-trips) through this program. Offering these trips at no cost going forward would result in lost revenue of approximately \$17,500 (pre-COVID). Instead, staff recommend the group travel bulk discount remain and be expanded in 2021 to cover other groups in addition to class trips, such as conferences. Extending discounts to conferences provides additional incentives for large groups to visit the Region during non-COVID times. While this discount is not income or means-based, it would fit within the established GRT fare policy of rewarding those who ride in high volumes (e.g. College Pass). This change is estimated to have a negligible impact to revenue due to an expected offset in revenue from large groups using transit for events.

Discounts would be provided as follows:

- Groups of 25-250 people: 15% discount
- Groups of 250-500 people: 25% discount
- Groups of 500 or more: 50% discount