Start time is approximate. The Strategic Planning and Budget Committee will start immediately following Special Council.

1. Call to Order
2. Land Acknowledgement
*3. Motion to Reconvene into Open Session
   That the Committee reconvene into Open Session
4. Declarations of Pecuniary Interest under the “Municipal Conflict of Interest Act”
5. Presentations
   5.1 Plan and Budget 2024
6. Reports
   6.1 COR-CFN-23-038, Options to Achieve Budget Guidelines (Staff Presentation)
      For Direction.
7. Communications
8. Notice of Motion
   8.1 Councillor D. McCabe
      WHEREAS three of the Region of Waterloo’s Strategic Plan pillars are Climate Aligned Growth, Equitable Services and Opportunities and Resilient and Future Ready Organization, and

      WHEREAS it is more efficient and cost-effective to reduce and divert waste from the waste management stream than to manage it within the waste management stream; and

      WHEREAS the provincial government has an Organics Framework with respect to the reduction and processing of organic material; and
WHEREAS increased diversion of all materials from the landfill will lengthen the life of the landfill and defer and/or delay the cost of expanding the landfill; and

WHEREAS increased diversion of organic material will reduce the emission of harmful methane gas; and

WHEREAS developing community programs to divert textiles and healthy food from the waste stream will support equity deserving groups, reduce waste management costs and help to reduce GHG emissions; and

WHEREAS with additional expertise the Region could work directly with residents, businesses and community partners to develop a waste diversion program for organics, textiles, electronics and other items that could continue to be used;

THEREFORE BE IT RESOLVED that staff be directed to report back November 29, 2023 on the potential to create a Waste Diversion strategy dedicated to working directly with the residents, businesses and community partners to increase waste diversion, the goal of which is to create upstream cost savings, reduce GHG emissions and delay the cost of expanding the landfill in alignment with the Region of Waterloo’s Strategic Plan pillars of Climate Aligned Growth, Equitable Services and Opportunities and Resilient and Future Ready Organization.

9. Other Business
10. Date of Next Meeting - November 22, 2023
11. Adjourn
Today's Purpose

• Presenting draft operating and capital budgets

• Third of four deep dives into strategic priority areas and 2024 budget – Homes for All

• Opportunity to ask questions and seek clarifications

• Review staff recommended Homes for All expansion lists and assess for approvals

• Consider items referred from Community and Health Services Committee
## 2024 Budget Committee Review Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Draft agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 4</td>
<td>2024 Plan and Budget context: FCM delegation; Annual Business Plan and Principles; Economic Indicators; draft 2024 Budget overview; budget review process</td>
</tr>
<tr>
<td>Oct 18</td>
<td>Preliminary 2024 Budget tabled; Budget book distribution; Detailed reviews of priority areas, service expansions, capital projects: public input meeting #1</td>
</tr>
<tr>
<td>Nov 1</td>
<td>Detailed reviews continue: public input meeting #2</td>
</tr>
<tr>
<td>Nov 8*</td>
<td>Detailed reviews continue</td>
</tr>
<tr>
<td>Nov 22</td>
<td>Police Services Budget presentation</td>
</tr>
<tr>
<td>Nov 29*</td>
<td>Detailed reviews continue; Municipal Budget Regulation; public input meeting #3</td>
</tr>
<tr>
<td>Dec 13</td>
<td>Final Budget Day (Committee and Council)</td>
</tr>
</tbody>
</table>

* Budget Committee meeting has a carryover scheduled for the following day if needed
2024 Budget Committee Review Process

Staff have prepared motions covering proposed service expansions

Staff will track all amendments to the Preliminary 2024 Budget

The Preliminary 2024 Budget as amended will be subject to final approval on December 13

Motions to direct staff to amend the draft budget during the review process can be altered or removed on final budget day without the need for a notice or a motion to reconsider
A motion to amend the final budget will be subject to notice and must be submitted in writing to the Clerk no later than noon Monday December 4, 2023;

All motions to amend the final budget that are received by the Clerk by the deadline will be published in the agenda;

A motion to amend the final budget can be further amended during the final budget meeting without requiring notice, provided that any amendments are relevant and continue to relate to the same issue, which was the subject matter of the original motion to amend the final budget; and

1) Any motion to amend the final budget that is not received by the Clerk by the deadline may be introduced at the meeting on December 13, 2023 provided that:
   It is submitted to the clerk in writing; and

2) The Strategic Plan and Budget Committee, without debate, dispenses with notice on the affirmative vote of at least two-thirds of the members present and voting.
Strategic Plan 2023-2027

Homes for all
We will invest in affordable homes and economic opportunity for all that are part of inclusive and environmentally sustainable communities.
- Move quickly to create affordable, accessible, and equitable housing
- Eliminate chronic homelessness and reliance on traditional shelter models
- Invest in upstream solutions to reduce housing and economic precarity
- Unlock Region-owned land that supports community growth

Climate aligned growth
As we grow, we will support a healthy environment where communities can thrive. Through intentional collaboration and creativity, we will support sustainable community growth.
- Use a climate adaptation lens to re-imagine infrastructure, land and services for growth
  - Foster car alternative options through complete streets and extended alternative transportation networks
  - Steward our natural environment and shared resources as we grow

Equitable services and opportunities
Through collaboration and innovative design, we will provide equitable, accessible services across Waterloo Region that support the social determinants of health, safety and complete communities as we grow.
- Ensure services are inclusive, accessible, culturally safe and appropriate
- Design equitable Regional services that meet local community needs
- Explore new models of service through community collaboration and partnerships

Resilient and future ready organization
The Region of Waterloo is a great place to work, where everyone is valued, feels they belong and where they have the supports and tools they need to do a great job. We will be prepared for the future by providing a safe space for bold ideas and experimentation, based on data and other ways of knowing.
- Foster an empowered, people-centred culture
- Reconcile past injustices to advance our future together
- Explore new service models and partnerships to achieve fiscal resilience and better service
# Preliminary 2024 Operating Budget

## Regional Property Tax Levy

<table>
<thead>
<tr>
<th>Description</th>
<th>$M</th>
<th>% Levy</th>
<th>% Tax Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023 property tax levy (direct Regional services &amp; Police Services)</td>
<td>$682.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Direct Regional Services:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2024 preliminary base budget increase</td>
<td>$37.6</td>
<td>8.0%</td>
<td>5.9%</td>
</tr>
<tr>
<td>MobilityPLUS budget housekeeping amendment (Nov. 1st)</td>
<td>($0.3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service expansions endorsed by Budget Committee (Oct. 18th &amp; Nov. 1st)</td>
<td>$4.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2024 preliminary budget increase as of November 8th</strong></td>
<td>$41.9</td>
<td>8.9%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Proposed service expansions to be reviewed by Budget Committee (Nov. 8th &amp; 29th)</td>
<td>$2.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2024 preliminary budget increase including all proposed service expansions</strong></td>
<td>$44.0</td>
<td>9.4%</td>
<td>7.2%</td>
</tr>
<tr>
<td>The Plan to End Chronic Homelessness (CSD-HOU-23-027 &amp; CSD-HOU-23-028)</td>
<td>$11.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2024 preliminary tax levy change for direct Regional services including the Plan to End Chronic Homelessness</strong></td>
<td>$55.1</td>
<td>11.7%</td>
<td>9.6%</td>
</tr>
<tr>
<td><strong>2024 draft tax levy change for Police Services (Report: 2023-178, Oct. 18th)</strong></td>
<td>$16.3</td>
<td>7.6%</td>
<td>5.5%</td>
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<tr>
<td><strong>2024 preliminary property tax levy change</strong></td>
<td>$71.3</td>
<td>10.4%</td>
<td>8.3%</td>
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<tr>
<td><strong>Assessment growth assumption</strong></td>
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<td>2.0%</td>
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## Proposed Use of Tax Stabilization Reserve in the Preliminary 2024 Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>2024 Budget ($ millions)</th>
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<tbody>
<tr>
<td>Paramedic Services 2023 expansion</td>
<td>$0.86</td>
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<tr>
<td>Paramedic Services 2024 expansion</td>
<td>$2.54</td>
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<tr>
<td>Fuel price increase phase-in</td>
<td>$1.90</td>
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<tr>
<td>Employment Services</td>
<td>$0.29</td>
</tr>
<tr>
<td>The Plan to End Chronic Homelessness (CSD-HOU-23-028)</td>
<td>$3.20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8.78</strong></td>
</tr>
</tbody>
</table>
Regional Tax Levy Funding for Services That Should be Funded by Provincial Revenues

Preliminary 2024 Operating Budget
Levy Funding = $184 million (2019 Levy Funding = $103 million)

2024 Preliminary Budget - Levy Funding
- Housing Services: $68.7
- Homelessness (including PECH): $31.9
- Paramedic Services: $31.3
- Employment & Income Support Admin: $16.8
- Seniors' Services: $13.6
- Children's Services: $11.3
- Public Health Programs: $8.9
- OW Allowances & Benefits: $1.7

2019 Approved Budget - Levy Funding
- Housing Services: $39.4
- Homelessness (including PECH): $17.4
- Paramedic Services: $12.7
- Employment & Income Support Admin: $11.3
- Seniors' Services: $8.1
- Children's Services: $9.0
- Public Health Programs: $2.6
- OW Allowances & Benefits: $2.6
Homes for All

We will invest in affordable homes and economic opportunity for all that are part of inclusive and environmentally sustainable communities.

- Move quickly to create affordable, accessible, and equitable housing
- Eliminate chronic homelessness and reliance on traditional shelter models
- Invest in upstream solutions to reduce housing and economic precarity
- Unlock Region-owned land that supports community growth
Homes for All

Services and Current Service Levels

Housing and supports for seniors
- 30-unit supportive housing building
- 263 older adults living at Sunnyside Home
- Three locations for Community Alzheimer Adult programs

Accelerating the development of Regionally-owned land
- Accelerate development by 25% to support achievement of provincial target of 70K houses by 2031

Attracting investment and economic vibrancy
- One of the fastest growing airports in Canada
- Stage 2 ION
- Attracting development along Central Transit Corridor for high density development

C: $7.3M Seniors' Services
O: $47.2M Seniors' Services
C: $5.3M Economic Development
O: $20.7M YKF
C: $1M Economic Development
O: $23.1M YKF

Making housing more affordable
- 2,814 Community Housing units across 65 sites
- 2,500 affordable homes by 2026, 1,825 completed
- 200 families supported through equity-based rent assistance program

Addressing homelessness
- Over 10,000 on Community Housing and PATHS waiting list
- 100 rent supplements to homeless System
- Innovative homelessness prevention strategies
- Plan to End Chronic Homelessness

Improving stability for all
- Over 8,400 Ontario Works cases
- Approximately 7,500 people per month accessing three Welcome Spaces
- Close to 2,000 people referred to Employment Ontario services
- Over 21,300 licensed child care spaces
- 3,725 new affordable child care spaces by 2026
- Child care fee subsidy provided to 3,049 children per month

C: $95.8 M Housing Services
O: $151.1 M Housing Services
C: $20.7 M YKF
C: $23.1M YKF

Attracting investment and economic vibrancy
- One of the fastest growing airports in Canada
- Stage 2 ION
- Attracting development along Central Transit Corridor for high density development

C: $1M Economic Development
O: $5.3M Economic Development
C: $23.1M YKF

Improving stability for all
- Over 8,400 Ontario Works cases
- Approximately 7,500 people per month accessing three Welcome Spaces
- Close to 2,000 people referred to Employment Ontario services
- Over 21,300 licensed child care spaces
- 3,725 new affordable child care spaces by 2026
- Child care fee subsidy provided to 3,049 children per month

C: $95.8 M Housing Services
O: $151.1 M Housing Services
C: $20.7 M YKF
C: $23.1M YKF
Homes for All - Strategic Initiatives

1. Increase in the # and types of homes that are affordable, accessible, and meet diverse familial and cultural needs of our communities

   - Move quickly to create affordable, accessible, and equitable housing
   - The Building Better Futures Plan
   - Explore options for reducing property taxes for multi-residential properties, affordable housing, and rent-garaged-to-income housing
   - Development tracking system improvements

2. Decrease in the number of chronically homeless residents

   - Eliminate chronic homelessness and reliance on traditional shelter models
   - Project management office to steward capital projects that support community building and home development
   - Improve service levels for Waterloo Region Housing

3. Increase in housing and economic supports that address the needs of Indigenous, racialized, and other communities disproportionately affected by systemic inequity.

   - Invest in upstream solutions to reduce housing and economic precarity
   - Advance The Plan to End Chronic Homelessness
   - Finalize the Economic Development Strategy to guide investments and efforts
   - Provide employment opportunities to Ontario Works and Employment Ontario clients through the Employment Ontario Provider Pilot
   - Create a Master Plan for the Sunnyside Campus and increase resident support in Long-Term Care
   - Finalize a 20 year Airport Master plan to guide growth and integrate best practices in sustainability

4. Increase in land appropriately allocated to affordable housing, shovel-ready employment, and supportive infrastructure to meet our communities’ future needs

   - Unlock Region-owned land that supports community growth
   - Develop a new land portfolio and site readiness process to expedite lands for affordable and attainable housing development.
   - Complete planning for shovel-ready employment lands and industrial land funding strategy

OBJECTIVE

1. Increase in the # and types of homes that are affordable, accessible, and meet diverse familial and cultural needs of our communities

2. Decrease in the number of chronically homeless residents

3. Increase in housing and economic supports that address the needs of Indigenous, racialized, and other communities disproportionately affected by systemic inequity.

4. Increase in land appropriately allocated to affordable housing, shovel-ready employment, and supportive infrastructure to meet our communities’ future needs

Move quickly to create affordable, accessible, and equitable housing

Eliminate chronic homelessness and reliance on traditional shelter models

Invest in upstream solutions to reduce housing and economic precarity

Unlock Region-owned land that supports community growth
Homes for All in Seniors’ Services

- Sunnyside Home, operated by Seniors’ Services, is the municipally operated long-term care home supporting 263 residents.

- Municipal long-term care homes have long been on the forefront of innovative care models, including campuses of care, and emotion-focused care and will be critical in the future of the long-term care sector.

- COVID-19 has had a devastating impact on the residents living in long-term care homes across Ontario with tragic outcomes at many homes. The challenges of the COVID-19 pandemic were heightened by the critical staffing challenges experienced by long-term care homes.

- The *Fixing Long Term Care Act, 2021*, represents an important next step in rebuilding the sector and includes a commitment to four hours of daily direct care per resident, new enforcement and compliance tools, and important updates to the Residents’ Bill of Rights.
Homes for All in Seniors' Services

Proposed Changes

• Through a series of targeted investments from the Ministry of Long-Term Care, the “Better Place To Live, Better Place To Work” action plan will support Sunnyside Home in achieving four hours of direct care and 36 minutes of allied health services, per resident per day by 2025.

• Sunnyside Home will use this funding to modernize the staffing model, improve the quality of care for residents and support staffing sustainability by improving the opportunities for full-time employment.

• Increasing opportunities for permanent, full-time employment will support recruitment and retention of the workforce.
2024 Seniors' Services Operating Budget Increase ($0.9M)

- Inflation: $1.0 million
- Annualization of in-year approvals plus 2024 service expansion: $2.3 million
- Provincial Subsidy including funding for service expansion: ($2.4 million)
- COVID expenditure: $(1.2 million)
- Removal of COVID funding: $1.2 million
- Proposed 2024 Budget Increase: $0.9 million
2024 Seniors' Services Budget

2024-2033 Seniors' capital program expenditure ($30.8M) in $millions

- Vehicle Replacements $10.0
- Facilities Renewal $20.8

2024-2033 Seniors' capital program funding and financing ($30.8M) in $millions

- Property Tax Reserve $20.3 66%
- Property Tax Debt $10.5 34%
That staff be directed to include in the 2024 Operating Budget a service expansion for the 4 Hours of Care expansion in Seniors' Services as described in Appendix A to the 2024 budget document.
Homes for All Through Economic Vibrancy and Land Readiness

Rapidly unlocking Regional-owned lands for creation of affordable housing and employment investment.

• Supporting not-for-profit and community organizations with technical service support to bring their lands to shovel-ready state.
• Creating employment investment opportunities for small, medium and large scale industrial development.
• Identifying key Regionally-owned lands for affordable housing and community uses and expediting to shovel-ready state.
Homes for All Through Land Readiness

Needs
Dedicated in-house technical resources to make appropriate sites "shovel-ready" for regionally-owned land development. Technical services include water servicing, planning work, grading, environmental works, transit upgrades, archaeological servicing and financial modeling.

Proposed Changes
Team expansion is required to keep pace with existing and upcoming demand on both housing and employment investment opportunities.

Development Expediter +2 FTE
Land Inventory Coordinator +1 FTE
Analyst +1 FTE
Senior Development Planner +1 FTE

Senior Engineer +1 FTE
Development Financial
Homes for All Through ION Light Rail

Objectives

• ION Stage 1 has been very effective in stimulating intensification and unlocking development potential along the entire LRT corridor (in 2020, the Central Transit Corridor concentrated 45% of the residential units built in the region)

• The extension to Cambridge will unlock further development and provide affordable mobility, with transformative potential across many neighbourhoods in transition

• Higher order transit and affordable medium and high density developments go hand-in-hand, with huge potential for Cambridge as demonstrated in the Community Building Strategy

Key Initiatives

• Kick-start initial business case for ION Stage 2

• Continue strategic land acquisitions along the corridor
2024 Economic Development Operating Budget Increase ($1.1M)

- **Inflation**: $0.1
- **WREDC**: $0.5
- **SMART Waterloo Region**: $(0.1)
- **Removal of one-time expenditure**: $(0.4)
- **Removal of one-time funding**: $0.4
- **2024 Base Budget Increase**: $0.4
- **Service expansion**: $0.7
- **Proposed 2024 Budget Increase**: $1.1

Increase
Decrease
2024 Economic Development Budget

2024-2033 Economic Development capital program expenditure ($17.7M) in $millions

- Industrial Land Strategy $16.5
- Other, $1.2

2024-2033 Economic Development capital funding and financing ($17.7M) in $millions

- Property Tax Reserve $1.2 7%
- Property Tax Debt $16.5 93%
Proposed Expansions for Homes for All

Motion for Proposed Land Readiness and Development expansion

That staff be directed to include in the 2024 Operating Budget a service expansion for the Land Readiness and Development as described in Appendix A to the 2024 budget document.
Homes for All Through Economic Vibrancy and YKF

Increasing economic opportunity is critical to job creation and supporting affordability of homes. YKF is a significant driver of economic development through private investment in aerospace jobs, air services and mobility.

Airport Master Plan Development: Update strategic position of YKF for business and leisure travel, plan necessary infrastructure updates and expansion, incorporate sustainability goals.
Homes for All Through Economic Vibrancy and YKF

YKF is the fastest growing airport in Canada

Community Impact

• Increasing economic opportunity is critical to job creation and supporting affordability of homes. YKF is a significant driver of talent, business and investment attraction

• Waterloo Region International Airport is a critical gateway for residents of Waterloo Region and beyond for both business and leisure travel

• Airport electrical infrastructure is federally regulated and must remain compliant at all times

• Increased infrastructure at the terminal, runway and operations is required to grow to serve this anticipated growth

An estimated one million YKF passengers are expected for 2026 and two million by 2031.
Homes for All Through Economic Vibrancy and YKF

Needs

- Dedicated Airport Construction Coordinator is required due to increased workload projected for 2024, including 10 additional hangars being constructed on-site.
- Additional resources are anticipated for Master Plan implementation beginning in 2025.

Proposed Changes

Gaining efficiencies across YKF construction and operations with the following roles:

- Airport Construction Coordinator +1 FTE (new position to respond to upcoming projects)
- Electrician +1 FTE (adding one dedicated resource to Airport Operations Team to ensure regulatory compliance)
2024 Airport Budget

2024 Airport Operating Budget Increase ($2.4M)

- Inflation: $0.8
- User Fee Revenue Adj.: $0.7
- Tax Supported Debt Servicing Costs: $0.8
- 2024 Base Budget Increase: $2.3
- Service expansion: $0.1
- Proposed 2024 Budget Increase: $2.4

Increase
Decrease
2024 Airport Budget

2024-2033 Airport capital program expenditure ($519M) in $millions

- Airport Operations Renewal: $67
- Facilities Renewal: $12
- Vehicle Replacements: $7
- Runway Extensions: $85
- Airport Expansion: $348

2024-2033 Airport capital program funding and financing ($519M) in $millions

- Property Tax Debt: $254 (49%)
- Development Charge Debt: $172 (33%)
- Property Tax Reserve: $41 (8%)
- Development Charge Reserve: $6 (1%)
- Grants, subsidies: $46 (9%)

Grants, subsidies: $46 (9%)
Development Charge Reserve: $6 (1%)
Development Charge Debt: $172 (33%)
Property Tax Reserve: $41 (8%)
Property Tax Debt: $254 (49%)

2024 Airport Budget
Page 30 of 71
Proposed Expansions for Homes for All

Motion for Proposed for Airport expansions

That staff be directed to include in the 2024 Operating Budget a service expansion for the Airport Construction Coordinator as described in Appendix A to the 2024 budget document.

That staff be directed to include in the 2024 Operating Budget a service expansion for the Airport Electrician as described in Appendix A to the 2024 budget document.
Homes for All in Housing Services

Key 2024 Strategic Initiatives directly supporting Homes for All:

• **Building Better Futures**: Continued implementation of the Region’s affordable housing development strategy to ensure 2,500 new affordable homes are created by 2026.

• **Plan to End Chronic Homelessness**: Implement the proposed initiatives supported through the 2024 budget to begin on the path to ending Chronic Homeless and complete plan for multi year implementation.

• **Community Housing**: Improve and protect the aging existing physical infrastructure of the Community Housing System (Waterloo Region Housing/Not-for-profits/Co-ops) in order to preserve all existing housing stock within our system.

• **An equity-centred approach**: Improving access to housing that fits individual needs.
Homes for All in Housing Services

- **2,814** current units across the Waterloo Region Housing system across 65 sites
- **667** new units being added through the Master Plan
- **6,000** units the Region administers in the not-for-profit/co-op sector
- **1,825** new units in development through Building Better Futures
Homes for All in Housing Services

Community Context

- Chronic homelessness in Waterloo Region has been increasing at an alarming growth rate of 28% on average year over year since 2020.
- As of January 2020, chronic homelessness has increased by 129%.
- Ending chronic homelessness requires equity-centred and systems-level change based on evidence & informed by the voices of those with lived/living experience.
- The housing crisis is hitting hardest for the vulnerable and marginalized.
- Low social assistance rates continue to make it impossible for vulnerable residents to afford a place to live therefore a continued strain on the shelter system and people living unsheltered.
- Current estimates show that 37% of renter households live in unaffordable housing putting them at risk and in need of more affordable options.
Homes for All in Housing Services

Proposed Changes

• Continued support and evolution of Building Better Futures to surpass the initial target. Increased focus on retention of existing affordable housing through new creative partnerships, policy levers and land readiness.

• Support The Plan to End Chronic Homelessness through long-term investment.

• Expanding equity, listening and building trusting relationships with Indigenous communities and those with lived and living experiences that are underserved in our current system.

• Improve the quality of life and wellbeing of those residing in community housing through timely maintenance processes, community program development and partnerships to support these communities.
2024 Housing Services Budget

$millions

<table>
<thead>
<tr>
<th>Inflation</th>
<th>Annualization of 2023 service expansion</th>
<th>Housing rent and other non-tax revenue</th>
<th>Subsidy</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7.9</td>
<td>$0.6</td>
<td>$(0.5)</td>
<td>$0.6</td>
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</table>

$8.6  $0.2  $8.8

2024 Base Budget  Proposed 2024 Service Expansion  Proposed 2024 Budget Increase

Increase

Decrease
2024 Homelessness Budget

2024 Homelessness Operating Budget Increase ($18.2M)

<table>
<thead>
<tr>
<th>Component</th>
<th>Increase/Decrease</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Inflation</td>
<td>Increase</td>
<td>$4.0</td>
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<tr>
<td>Subsidy</td>
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<tr>
<td>Removal of one-time SRF funding</td>
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<td>$3.7</td>
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<tr>
<td>Plan to End Chronic Homelessness (PECH)</td>
<td>Increase</td>
<td>$14.2</td>
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<tr>
<td>One-time TSR funding for PECH</td>
<td>Decrease</td>
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<tr>
<td>Proposed 2024 Budget Increase</td>
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<td>$18.2</td>
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</tbody>
</table>
2024 Housing Services Budget

2024-2033 Housing capital program expenditure ($851M) in $millions

- WRH master plan
  - $551.0
  - 65%

- WRH renewal
  - $191.0
  - 22%

- Housing Services capital programs (incl. PECH)
  - $109.0
  - 13%

2024-2033 Housing capital program funding and financing ($851M) in $millions

- Property Tax Debt
  - $555.0
  - 65%

- Grants, subsidies
  - $68.0
  - 8%

- Property Tax Reserve
  - $228.0
  - 27%
That staff be directed to include in the 2024 Operating Budget a service expansion for the Housing Programs Advisor as described in Appendix A to the 2024 budget document.

That staff be directed to include in the 2024 Operating Budget a service expansion for the Housing Programs Advisor (Equity, Diversity, and Inclusion) as described in Appendix A to the 2024 budget document.

That staff be directed to include in the 2024 Operating Budget a service expansion to add 3 Housing staff to support growth in units added through Building Better Futures as described in Appendix A to the 2024 budget document.
Homes for All in Waterloo Region Housing (WRH) Facilities

Square footage: 6.8 million square feet (53% Housing)  
$2.95B replacement value ($600M Housing)

WRH Maintenance
- 2022: 14,876 work orders
- 2023 YTD: 11,849 work orders and on track to exceed 2022
- 2021 After Hours Call Outs: 644
- 2022 After Hours Call Outs: 753
- 2023 YTD After Hours Call Outs: 559

WRH Capital Renewal
- 2024 – 2027: $78M over 4 years
- $4M of renewal backlog spread across the next 4 years
- $6M average annual renewal spending over the past 4 years (2019 – 2022)
- $7M YTD renewal spending

WRH Master Plan
- 2 large new builds already in progress, asset value est. $72M, with another 4 in planning, asset value est. $446M

The perception of quality of life in Waterloo Region is directly impacted by the services staff provide to our community.

MANDATE
Facilities Management is responsible and accountable for ensuring that all Regional building assets meet collaboratively defined program area needs while at the same time addressing corporate objectives.
420 Kingscourt Drive
82 Wilson Avenue
Homes for All in Facilities Management

Objectives

• Tenant surveys have highlighted the need to address the look and feel of our buildings
• Scheduling service for tenants outside of the regular work week allows tenants who want to be present for repairs to schedule a facilities visit on a Saturday or Sunday
• Having resources available during off hours allows for quicker response to emergency calls for service after hours

Proposed Changes

• 6 FTEs are being requested to improve the level of service provided to Waterloo Region Housing (WRH) tenants
• 3 FTEs Facilities staff to replace contractor work
Proposed Expansions for Homes for All

Motion for Proposed for Waterloo Region Housing Facilities service levels

That staff be directed to include in the 2024 Operating Budget a service expansion to add 6 Facilities Maintenance staff for Waterloo Region Housing units as described in Appendix A to the 2024 budget document.

That staff be directed to include in the 2024 Operating Budget a service expansion to add 3 Facilities staff to replace contractor work as described in Appendix A to the 2024 budget document.
Referral From Community and Health Services Committee
Fee For Service Requests in the Housing Stability System
CSD-HOU-23-027

That the Regional Municipality of Waterloo take the following action with respect to the results of the 2023 Housing Stability System Fee for Service Request and Proposal Response Protocol (the Protocol) for the 2024 budget process as outlined in report CSD-HOU-23-027 dated November 7, 2023:

a) Approve the nine service and program proposals recommended for funding in 2024 as set out Appendix A in the total amount of $3,113,493;

b) Direct staff to include $3,113,493 in the 2024 Housing Services Operating Budget to fund the operating and costs of the recommended service and program proposals, with funding from the 2024 property tax levy;

c) Authorize the Commissioner of Community Services and Director of Housing Services to execute any agreements, memorandums of understanding and other documents needed to implement the recommended service and program proposals, to the satisfaction of the Regional Solicitor;
Fee For Service Requests in the Housing Stability System CSD-HOU-23-027 (cont'd)

d) Direct Housing Services staff to enter into discussions with Marillac Residence to support a potential development of 15 units of transitional housing and 15 units of supportive housing for pregnant women and young mothers and bring forward any recommendation to Regional Council for consideration;

e) Direct Housing Services staff to enter into discussions with YWCA Cambridge to support a potential development of 20-bed 24/7 women’s emergency shelter in Cambridge and bring forward any recommendation to Regional Council for consideration;

f) Direct Housing Services staff to update the Housing Stability Fee for Service Request and Proposal Protocol to further align with principles of Reconciliation, Equity, Diversity, and Inclusion; and the forthcoming Plan to End Chronic Homelessness; and,

g) Refer the above recommendations to the Strategic Planning and Budget Committee for consideration as part of the 2024 budget.
Proposed Expansions for Homes for All

Motion to approve Fee for Service recommendations from CSD-HOU-23-027 referred to Strategic Planning and Budget Committee on November 7, 2023
Referral from Community and Health Services Committee

Plan to End Chronic Homelessness CSD-HOU-23-028

That the Regional Municipality of Waterloo take the following action with respect to beginning the implementation of the Plan to End Chronic Homelessness for Regional Residents Experiencing Chronic Homelessness as set out in report CSD-HOU-23-028 dated November 7, 2023:

• Direct staff to begin the co-implementation of initiatives designed to address gaps identified in the Key Findings Report (CSD-HOU-23-024) with community partners, as detailed in Appendix A;

• Direct staff to:
  a) Increase the 2024 Housing Services Operating Budget by $11,124,967 to implement the Plan to End Chronic Homelessness (The Plan) funded by $3,200,000 from the Tax Stabilization Reserve and $7,924,967 from the 2024 property tax levy;
  b) Amend the 2024-2033 Housing capital program for the development of a hybrid shelter as outlined in this report;
  c) Establish a Homelessness Prevention Capital Reserve;
Plan to End Chronic Homelessness CSD-HOU-23-028
(cont'd)

- Advocate to the Government of Canada and to the Government of Ontario for annually incremental, sustainable, and predictable funding to support both new and existing services and programs that end, prevent, and respond to experiences of homelessness;
- Direct staff to work with community to develop accountability and impact frameworks for the Housing Stability System;
- Direct staff to work with community to develop a suite of policy incentives supporting the creation of new affordable housing and/or for preventing the loss of existing affordable housing stock and tenant displacement in Waterloo Region and bring forward any further recommendations to Regional Council for consideration and approval;
Plan to End Chronic Homelessness CSD-HOU-23-028

(cont'd)

- Authorize the Commissioner of Community Services to execute all agreements and documents required to implement resolution (a) of this report, all such agreements and documentation to be to the satisfaction of the Chief Administrator Officer, Commissioner of Community Services and the Regional Solicitor;
- Authorize Real Estate and Legal Services to negotiate a conditional Agreement of Purchase and Sale for property acquisition or alternative Lease Agreements that may be required for the development of initiatives under the Plan to End Chronic Homelessness, and bring forward any resulting Agreement of Purchase and Sale or Lease Agreement to Regional Council for consideration and approval, with all terms and conditions subject to the satisfaction of the Commissioner of Community Services and the Regional Solicitor; and,
- Refer the above recommendations to the Strategic Planning and Budget Committee for consideration as part of the 2024 budget.
Plan to End Chronic Homelessness CSD-HOU-23-028

<table>
<thead>
<tr>
<th>Proposed Amendments to the Preliminary 2024 Budget:</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan to End Chronic Homelessness (per report CSD-HOU-23-028)</td>
<td>$8.9</td>
<td>$12.9</td>
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<tr>
<td>Contribution to Homelessness Prevention Capital Reserve</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$11.1</strong></td>
<td><strong>$15.9</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Funding:</th>
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<tr>
<td>Tax Stabilization Reserve</td>
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<tr>
<td>Property Tax Levy Requirement</td>
<td>$7.9</td>
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<td><strong>Subtotal Funding</strong></td>
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<td><strong>$15.9</strong></td>
</tr>
</tbody>
</table>

| Fee for Service Cost and Property Tax Levy Requirement (CSD-HOUS-23-027) | $3.1 | $3.1 |

**SUMMARY**

| Total Cost for Fee for Service & Interim Plan to End Chronic Homelessness | $14.2 | $19.0 |

**Funded by:**
- Tax Stabilization Reserve: $3.2
- Property Tax Levy: $11.0
  
  $19.0
2024 Capital Budget Considerations for Ending Chronic Homelessness

Staff also estimate that an additional $3 million in capital expenditure will be required to implement a new hybrid shelter. Staff propose the following amendment to the 2024-2033 Housing Services Capital Program:

<table>
<thead>
<tr>
<th>2024-2033 Capital Program (in $Millions)</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Expenditure</td>
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</tr>
<tr>
<td>Hybrid Shelter Capital Expenditure</td>
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<tr>
<td>Sources of Funding:</td>
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<tr>
<td>Homelessness Prevention Capital Reserve</td>
<td>$3.0</td>
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</table>
Proposed Expansions for Homes for All

Motion to approve Plan to End Chronic Homelessness recommendations from CSD-HOU-23-028 referred to Strategic Planning and Budget Committee on November 7, 2023
Homes for All
Through Design and Construction

• Design and Construction builds new water, wastewater, roads, waste and transit infrastructure to provide the foundation for the services which are delivered to our growing community.

• The 10 year capital plan is developed from input from the Asset Management Plan and the master plans which identify growth related projects.

• The projects in the capital plan will unlock Region-owned land for housing and economic development.

• The quicker this team can deliver the projects, the faster the Region can create affordable, accessible, and equitable housing. Currently, the team does not have the capacity to meet the growing demand.
Homes for All
Through Design and Construction

• $2.4 billion delivered by Design and Construction team
  – Providing many ways to get people to where they need to go
  – Provision of safe drinking water to the community and water and water ways protection

• Currently managing 175 projects with 50 in active construction
  – Maple Grove Road from Hespeler Road to East of Fountain Street, South Boundary Road, Water to Franklin
  – Renewed focus on rural roads
  – Sanitary sewer construction to support the East Side Lands
Homes for All
Through Design and Construction

Challenges
• Ageing infrastructure and infrastructure for growth
• Increasing project complexity
• Resident/stakeholder consultation and expectations

Proposed Changes
• Three Project Managers
  ◦ Re-prioritization of transportation capital projects to include more rural projects and more transportation projects to support growth
  ◦ Wastewater infrastructure to support East Side Lands
$0.8 Design and Construction Budget Increase ($0.8M recovery from capital)

- Inflation: $0.5
- 2024 Base Budget Increase: $0.5
- Service expansion: $0.3
- Proposed 2024 Budget Increase (recovery from capital): $0.8
Proposed Expansions for Homes for All

Motion for Proposed for Design and Construction expansion

That staff be directed to include in the 2024 Operating Budget a service expansion to add 3 Design and Construction project managers for capital project delivery as described in Appendix A to the 2024 budget document.
Preview of Next Meeting

November 22 at 1 p.m.
Grand River Conservation Authority Presentation,
Police Services Budget Presentation,
Responses to Councillor Requests
To: Strategic Planning and Budget Committee
Meeting Date: November 8, 2023
Report Title: Options to Achieve Budget Guidelines

1. Recommendation
For Direction.

2. Purpose / Issue:
To respond to direction from Council to develop the 2024 Plan and Budget with options to achieve a 2024 tax rate impact in the range of 6% and 8% for Direct Regional Services.

3. Strategic Plan:
The 2024 budget will align with all Strategic Plan priority areas.

4. Report Highlights:
   - Council directed staff to develop the 2024 Plan and Budget with options to achieve a 2024 tax rate impact in the range of 6% and 8% for Direct Regional Services (excluding Police Services).
   - On October 18, 2023 the Preliminary 2024 Budget was tabled at the Strategic Planning and Budget Committee with a base budget impact of 5.9% and an overall impact of 7.3% including service expansions and excluding the financial implications of the Plan to End Chronic Homelessness.
   - The Region is continuously finding efficiencies, supplemented by third party reviews (the most recent being completed by KPMG), and has found almost $35 million in efficiencies and budget reductions over the last three years. The Region has scored favourably (at or below median) on both operational and back office/general government measures in successive Municipal Benchmarking Network Canada reports. This includes measures such as operating costs for general government and governance/corporate management costs.
Accordingly, further reductions to the tax levy would come in the form of reductions to essential service levels. Such reductions are not recommended by staff, and could include areas where the Region has discretion including approving fewer service expansions in the 2024 budget, reducing public transit service frequency on less crowded bus routes, scaling back the levy contribution for the Discretionary Benefits program, reducing discretionary grant funding to external organizations, reviewing hours of service at museums and libraries, discontinuing the free provision of replacement green bins to residents, and generating additional Grand River Transit advertising revenue.

5. **Background:**

In June 2023 Regional Council passed the following motion with respect to the 2024 Plan and Budget:

"That the Regional Municipality of Waterloo direct staff to develop the 2024 Plan and Budget to achieve a 2024 tax rate impact in the range of 6% and 8% for Direct Regional Services (excluding Police Services) and outline for Budget Committee’s consideration any proposed service level expansions and service level reduction options, reduction or delay in capital projects, and reduction of reserve accounts required to achieve the target range."

On October 18, 2023 the Preliminary 2024 Budget was tabled at the Strategic Planning and Budget Committee with a base budget impact of 5.9% and an overall impact of 7.3% including service expansions and excluding the financial implications of the Plan to End Chronic Homelessness.

The extent of service reductions required to achieve the Council direction with respect to direct regional services is a function of the number and cost of service expansions supported by Council, the financial implications of the Plan to End Chronic Homelessness, and any other budget proposals which Council may endorse.

The Region is continuously finding efficiencies to provide capacity to meet new and evolving demands without increasing the budget. This effort has been supplemented by third party reviews, the most recent being completed by KPMG. The Region has found almost $35 million in efficiencies and budget reductions over the last three years, as shown in the following excerpt from the October 18 Plan and Budget presentation.
The Region has scored favourably (i.e. at or below median) on both operational and back office/general government measures in successive Municipal Benchmarking Network Canada reports. This includes measures such as operating costs for general government and governance/corporate management costs.

Staff were tasked with providing Council with information on what it would take to reduce the tax rate impact for regional services to 8% and 6% respectively. Based on the initial budget position of 7.3% (which includes all recommended service expansions but excludes funding for the Plan to End Chronic Homelessness), tax levy reductions in the range of $5.9 million would be required to comply with the direction from Council. This would be in addition to the $3.3 million in savings found to date in the 2024 budget and the $35 million in savings and service level reductions implemented over the last three budget years. Accordingly, further reductions to the tax levy would come in the form of reductions to essential service levels. Such reductions are not recommended by staff, and examples of areas where the Region has discretion and that could be impacted include:

- Approving a lower level of service expansions in the 2024 budget – to the extent that service levels are not increased, the tax levy requirement would be lower and would reduce the need for other offsetting service reductions. The full list of service expansions is included in Appendix A of the Preliminary 2024 Budget document.
- Reducing public transit service frequency on less crowded bus routes
- The Region’s contribution to the Ontario Works Discretionary Benefits program -
the Region is one of the few municipalities that supplements this program with tax levy funding

- Discretionary grant funding to external organizations
- Hours of service at museums and libraries
- Discontinue providing free replacement green bins to residents
- Council could also consider revenue policy changes, such as increasing the proportion of GRT buses eligible for full bus wrap advertising, and the inclusion of an ION light rail vehicle into the wrap advertising policy.

The use of reserves on a one-time basis is not recommended by staff, as such levy reductions are not sustainable and would require tax increases in subsequent years. Capital project reductions or deferrals can have an impact on future year operating budgets in the form of deferred debt servicing costs and operating/maintenance costs. However, such deferrals can end up costing more due to the declining state-of-good-repair of regional assets and capital cost escalation. Reducing the 2024 capital program is unlikely to impact the tax impact proposed in the 2024 operating budget.

6. Communication and Engagement with Area Municipalities and the Public

Area Municipalities: Nil

Public: The 2024 Plan and Budget process includes several opportunities for the public to provide feedback including public input meetings on October 18th, November 1st and November 29th.

7. Financial Implications:

As described in the report.

8. Conclusion / Next Steps:

Staff are seeking direction from Committee regarding next steps to be taken with respect to service and funding reductions in the 2024 Plan and Budget. Staff will also be reviewing updated data with respect to non-tax revenues and capital project investment plans, and if applicable, will bring forward any recommendations to the Strategic Planning and Budget Committee on November 29 or December 13.

9. Attachments:

Nil

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

Reviewed By: Corporate Leadership Team

Approved By: Bruce Lauckner, Chief Administrative Officer
Background

In June 2023 Regional Council passed the following motion with respect to the 2024 Plan and Budget

• “That the Regional Municipality of Waterloo direct staff to develop the 2024 Plan and Budget to achieve a 2024 tax rate impact in the range of 6% and 8% for Direct Regional Services (excluding Police Services) ...”
The Preliminary 2024 Budget was tabled on October 18: base budget tax rate impact of 5.9% and an overall tax rate impact of 7.3% including service expansions and excluding the financial implications of the Plan to End Chronic Homelessness (PECH)

The 7.3% has been updated to 9.6% inclusive of the proposed funding strategy for the PECH

The extent of service reductions required to achieve the Council direction with respect to direct regional services is a function of the number and cost of service expansions supported by Council, the financial implications of the Plan to End Chronic Homelessness, and any other budget proposals which Council may endorse.
Annual Efficiency Review

The Region is continuously finding efficiencies to provide capacity to meet new and evolving demands without increasing the budget. This effort has been supplemented by third party reviews, the most recent being completed by KPMG. The Region has found almost $35 million in efficiencies and budget reductions over the last three years.

The Region has scored favourably (i.e. at or below median) on both operational and back office/general government measures in successive Municipal Benchmarking Network Canada reports. This includes measures such as operating costs for general government and governance/corporate management costs.
## Operating Budget Savings (in $ millions)

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<tr>
<th></th>
<th>New Fees &amp; Revenues</th>
<th>Meetings, Mileage, Conferences, Training</th>
<th>Consulting Fees, Purchased Services</th>
<th>Other Efficiencies</th>
<th>Energy Efficiencies &amp; Utilities</th>
<th>Staffing Adjustments</th>
<th>Service Level Adjustments incl. Service Review Savings</th>
<th>Total</th>
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<tbody>
<tr>
<td><strong>2021 Budget</strong></td>
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<td>0.8</td>
<td>1.5</td>
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<td><strong>2022 Budget</strong></td>
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<td><strong>2023 Budget</strong></td>
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<tr>
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<td>1.2</td>
<td>0.2</td>
<td>TBD</td>
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</tr>
</tbody>
</table>
Options for Budget Reductions

Further reductions to the tax levy would come in the form of reductions to essential service levels.

Such reductions are not recommended by staff, and examples of areas where the Region has discretion and that could be impacted include:

- Approving fewer service expansions in the 2024 budget – to the extent that service levels are not increased, the tax levy requirement would be lower and would reduce the need for other offsetting service reductions.
- Reducing public transit service frequency on less crowded bus routes
- The Region’s contribution to the Ontario Works Discretionary Benefits program - the Region is one of the few municipalities that supplements this program with tax levy funding
- Discretionary grant funding to external organizations
- Hours of service at museums and libraries
- Reducing certain organizational support resources
- Discontinue providing free replacement green bins to residents
- Council could also consider revenue policy changes, such as increasing the proportion of GRT buses eligible for full bus wrap advertising, and the inclusion of an ION light rail vehicle into the wrap advertising policy.
Capital and reserves

The use of reserves on a one-time basis is not recommended by staff - such levy reductions are not sustainable and would require tax increases in subsequent years.

Capital project reductions or deferrals can have an impact on future year operating budgets in the form of deferred debt servicing costs and operating/maintenance costs.

Capital deferrals can end up costing more due to the declining state-of-good-repair of regional assets and capital cost escalation.

Reducing the 2024 capital program is unlikely to impact the tax impact proposed in the 2024 operating budget.
Next Steps

Committee meets again on Nov. 22, Nov. 29 and Dec. 13

Staff are seeking direction from Committee regarding next steps to be taken with respect to service and funding reductions in the 2024 Plan and Budget

Staff will also be reviewing non-tax revenue estimates and capital project investment plans for 2024