

CITY COUNCIL AGENDA



Council Chambers, Guelph City Hall, 1 Carden Street

DATE May 26, 2014 – 7:00 p.m.

Please turn off or place on non-audible all cell phones, PDAs, Blackberrys and pagers during the meeting.

**O Canada
Silent Prayer
Disclosure of Pecuniary Interest and General Nature Thereof**

7:05 p.m. GUELPH CITY COUNCIL MEETING AS SHAREHOLDER OF GUELPH JUNCTION RAILWAY

See separate agenda.

7:15 p.m. GUELPH CITY COUNCIL REGULAR BUSINESS MEETING

PRESENTATION

- a) Ontario Bike Summit – Ontario Bike Friendly Award:
 - Kealy Dedman, City Engineer introduction
 - Jennifer Juste, TDM coordinator update on the City's progress on cycling
 - Justin Jones, Share the Road Cycling Coalition presentation of the Ontario Bike Friendly Community Award to the City of Guelph
- b) Progress Report on Guelph Wellbeing:
 - Ross Kirkconnell, Guelph Family Health Team
 - Rita Sethi, Wellington-Dufferin-Guelph Public Health
 - Chief Bryan Larkin, Guelph Police Services
 - Barbara Powell, General Manager Community Engagement & Social Services

CONFIRMATION OF MINUTES (Councillor Dennis)

"THAT the minutes of the Council Meetings held April 14 and 28, 2014 and the minutes of the Closed Meetings of Council held April 14 and 28, 2014 be confirmed as recorded and without being read."

CONSENT REPORTS/AGENDA – ITEMS TO BE EXTRACTED

The following resolutions have been prepared to facilitate Council's consideration of the various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Reports/Agenda, please identify the item. The item will be extracted and dealt with separately. The balance of the Consent Reports/Agenda will be approved in one resolution.

Consent Reports/Agenda from:

Audit Committee			
Item	City Presentation	Delegations	To be Extracted
AUD-2014.11 Internal Audit Report – Legal and Realty Services Follow Up Audit			
AUD-2014.13 Policy for the Selection and Appointment of the External Auditor			

Adoption of balance of Audit Committee Second Consent Report - Councillor Guthrie, Chair

Closed Meeting of Council			
Item	City Presentation	Delegations	To be Extracted
CMC-2014.33 Appointment to Guelph Cemetery Commission			

Adoption of balance of the Closed Meeting of Council Third Consent Report –

Community & Social Services Committee			
Item	City Presentation	Delegations	To be Extracted
CSS-2014.12 Approval of Charter for the Enterprise for Innovation in Human Services			
CSS-2104.13 Civic Celebrations			

Adoption of balance of Community & Social Services Committee Third Consent Report - Councillor Dennis, Chair

Corporate Administration, Finance & Enterprise Committee			
Item	City Presentation	Delegations	To be Extracted
CAFE-2014.22 2014 Internal Financing of Capital Projects			

Adoption of balance of Corporate Administration, Finance & Enterprise Committee
Fourth Consent Report - Councillor Hofland, Chair

Governance Committee			
Item	City Presentation	Delegations	To be Extracted
GOV-2014.1 Committee of Adjustment Review			
GOV-2104.7 Electronic Device Policy – Amendment			
GOV-2104.8 Ethics and Efficiency Hotline (“Tip Line”)			
GOV-2104.9 Council Remuneration	Greg Sayer, Chair Citizens’ Review Committee		✓
GOV-2104.10 Internal Audit			

Adoption of balance of Governance Committee Third Consent Report – Mayor
Farbridge, Chair

Operations, Transit & Emergency Services Committee			
Item	City Presentation	Delegations	To be Extracted
OTES-2014.13 2013/2014 Winter Control Program Update			
OTES-2014.14 Proposed Business Licence By-law Amendment – Donation Bin, Publication Dispensing Box Licensing			

Adoption of balance of Operations, Transit & Emergency Services Committee
Second Consent Report - Councillor Findlay, Chair

Planning & Building, Engineering and Environment Committee			
Item	City Presentation	Delegations	To be Extracted
PBEE-2014.9 2013 Building Permit Fee Revenues, Costs, Building Stabilization Reserve Fund and Annual Setting of Building Permit Fees for 2014			
PBEE-2014.14 Rental Housing Licensing Recommended Approach			

Adoption of balance of Planning & Building, Engineering and Environment Committee Third Consent Report - Councillor Bell, Chair

Council Consent Agenda			
Item	City Presentation	Delegations	To be Extracted
CON-2014.32 9 Woodlawn Road – Forcemain on City Right-of-Way			

Adoption of balance of the Council Consent Agenda – Councillor

ITEMS EXTRACTED FROM COMMITTEES OF COUNCIL REPORTS AND COUNCIL CONSENT AGENDA (Chairs to present the extracted items)

Once extracted items are identified, they will be dealt with in the following order:

- 1) delegations (may include presentations)*
- 2) staff presentations only*
- 3) all others.*

Reports from:

- Audit Committee – Councillor Guthrie
- Closed Meeting of Council -
- Community & Social Services Committee – Councillor Dennis
- Corporate Administration, Finance & Enterprise Committee– Councillor Hofland
- Governance Committee – Mayor Farbridge
- Operations, Transit & Emergency Services Committee – Councillor Findlay
- Planning & Building, Engineering and Environment Committee– Councillor Bell
- Council Consent – Mayor Farbridge

SPECIAL RESOLUTIONS

BY-LAWS

Resolution – Adoption of By-laws (Councillor Findlay)

MAYOR'S ANNOUNCEMENTS

Please provide any announcements, to the Mayor in writing, by 12 noon on the day of the Council meeting.

NOTICE OF MOTION

ADJOURNMENT

CITY COUNCIL AGENDA



Council Chambers, Guelph City Hall, 1 Carden Street

DATE May 26, 2014 – 7:05 p.m.

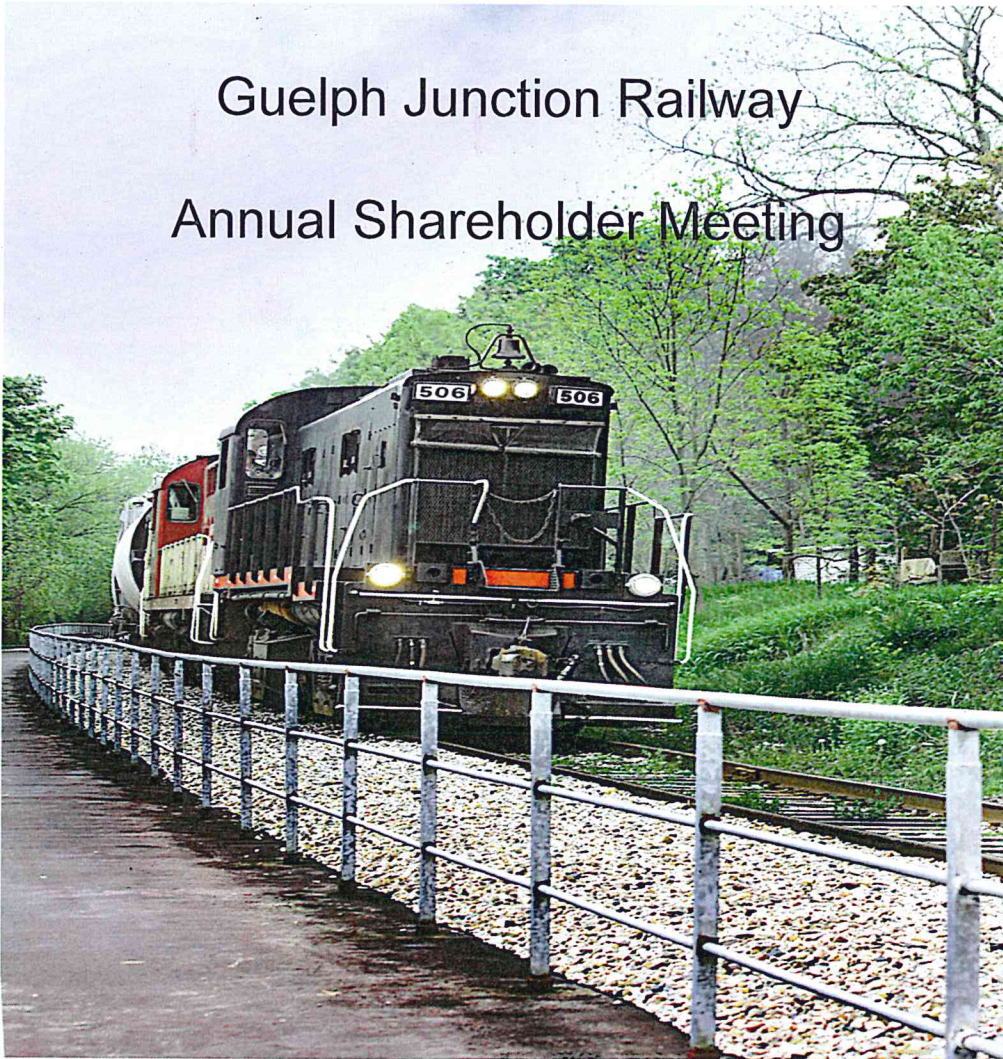
Please turn off or place on non-audible all cell phones, PDAs, Blackberrys and pagers during the meeting.

Guelph City Council Meeting as Shareholder of Guelph Junction Railway

Mr. David Jennison, Chair of Guelph Junction Railway presenting the Guelph Junction Railway 2013 Year End Financial Report

ADJOURNMENT

Guelph Junction Railway Annual Shareholder Meeting



Trans Canada Trail Section along G.J.R. Right of Way

May 26th, 2014

**Prepared By:
Guelph Junction Railway**

Guelph Junction Railway Company

c/o City Hall, 1 Carden Street
Guelph, Ontario, Canada N1H 3A1
Tel: (519) 836-4848 Fax: (519) 837-5636

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1. Company Statement
2. Board of Directors and Corporate Officers
3. 2013 Summary and future challenges
4. Goals and Performance Objectives
5. Guelph Junction Railway activities which support City strategic objectives
6. 2013 Year End Financial Summary
 - a. Financial executive summary
 - b. Budget performance and variance report
 - c. Statement of material breach of shareholder declaration or violation of law
 - d. Audited statements as prepared by Deloitte LLP



May 26th, 2014

Mayor Karen Farbridge
And
Members of Council

RE: Guelph Junction Railway Annual Shareholder Meeting

Overall 2013 showed positive rail traffic growth over the preceding year. The Guelph Junction Railway continues to operate in a conservative and prudent business manner which allows the Company to meet all of its financial obligations, Transport Canada Regulatory Requirements and customer needs while maintaining shareholder value.

The railway continues the practice of reinvesting company profits in track and bridge infrastructure ensuring continued and safe operations. During this past year the Guelph Junction Railway completed trackage improvements and siding expansions in the northwest industrial area. These rail improvements will generate additional rail traffic in the future and thereby facilitate local industrial growth. Further long term growth opportunities continue to be identified through local track acquisitions and expansion of our services in response to our existing or new customer needs.

In summary the Guelph Junction Railway believes it is well positioned to satisfy existing and future customer requirements for rail transportation services.

Board of Directors
Guelph Junction Railway

Guelph Junction Railway Company

c/o City Hall, 1 Carden Street
Guelph, Ontario, Canada N1H 3A1
Tel: (519) 836-4848 Fax: (519) 837-5636



Board of Directors and Corporate Officers

Board of Directors

David Jennison	Chairman
Stephen Host	Vice Chairman
John Kelly	Director
Leanne Piper	Director
David Clarke	Director
Cam Guthrie	Director
Andy Van Hellemond	Director
Jim Furfaro	Director
Ian Brown	Director

Corporate Officers

Katrina Power	Secretary Treasurer
Tom Sagaskie	General Manager

Guelph Junction Railway Company

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GUELPH JUNCTION RAILWAY 2013 YEAR END FINANCIAL REPORT

Prepared by the Guelph Junction Railway

Guelph Junction Railway Company

c/o City Hall, 1 Carden Street
Guelph, Ontario, Canada N1H 3A1
Tel: (519) 836-4848 Fax: (519) 837-5636



Financial Executive Summary

	2012	2013	Business Plan Projections
Revenue	\$ 2,086,989	\$ 2,241,581	\$ 2,062,319
Expenses	\$ 1,812,057	\$ 2,013,205	\$ 1,819,173
Profit (Loss)	\$274,932	\$228,376	\$ 243,146

Guelph Junction Railway Company

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2013 Summary and Future Challenges

2013 Overview

Railcar traffic in 2013 showed a 3.3% increase over 2012 totals with revenue increasing 7.4%. The Guelph Junction Railway continues to operate in a positive cash flow situation meeting all its financial obligations, Transport Canada Operating Standards and maintaining shareholder value. As future demand for local products increases, so will the demand for rail transportation services.

Environmental Benefit Indices

The Guelph Junction Railway monitors its positive environmental effects as a performance indicator of its benefit to the community. Local industries by utilizing rail transportation with its greater fuel efficiency can create significant greenhouse gas reductions as well as other savings related to truck movements over roads. In 2013 the City's industries consumed 261,300 tonnes of material moved by the Guelph Junction Railway. This movement by rail, an average of 2500 km per load resulted in a reduction of 19,800 tonnes of greenhouse gas emissions when compared to overland trucking. This rail utilization avoided 26,340,000 km of highway trucking which in total saved \$11,500,000 in marginal highway costs as calculated using the US DOT Highway Cost Schedule. The Ontario movement itself avoided 8,143,000 km of highway truck travel and saved \$3,550,000 in highway costs.

Within the City of Guelph itself, 10,500 transport truck trips representing 369,500 km of local road travel was avoided saving the City \$94,500 in pavement maintenance costs. This local move alone accounted for 279,000 kg of greenhouse gas savings.

Fixed Costs, Railcar Volume and Profitability

Railways have a high ratio of fixed costs compared to variable costs. These fixed costs include items such as company administration, insurances, taxes, track, bridge and signal inspections and maintenance works necessary for meeting Regulatory Requirements and Operating Standards. This means that the amount of yearly maintenance required is irrespective of traffic volumes occurring. This creates a situation whereby once railcar volume and revenue is sufficient to cover basic operating expenses, then additional railcar traffic becomes significantly profitable. The importance of continued traffic growth cannot be understated.



Operating Ratio

Railways use the ratio of operating expenses divided by operating revenue [defined as the “operating ratio”] as an indicator of company efficiency. The smaller the operating ratio the more efficient the company operation is. In 2013 the operating ratio of the Guelph Junction Railway was 88%. Most short line railways have an operating ratio of 97% with some subsidized operations having a ratio greater than 100%.

Shareholder Equity

The Guelph Junction Railway continues to invest and maintain its physical assets such as track, bridges and signals. This reinvestment continues not only to maintain but to increase the Shareholder Equity Value year over year.

Trackage Capacity Improvements

The Guelph Junction Railway working in cooperation with local Guelph industries has completed trackage improvements and siding construction in the northwest industrial area. These trackage improvements and sidings will facilitate the expansion of local companies thereby increasing overall rail traffic volumes. Additionally these sidings will allow local industries without direct rail access to have local railcar transloading operations undertaken for their benefit.

Future Challenges

On a forward looking positive note, all the railway’s customers have weathered the recession to date and they themselves remain well positioned to participate in further economic recovery. Vacant rail serviceable industrial lands within the City remains in short supply with demand exceeding availability. As a result it will continue to prove challenging to find locations for industries desiring to locate to Guelph. This land shortage is currently being mitigated by promoting shared third party usage of existing transloading facilities. In summary the railway will need to continue to capitalize on growth opportunities as they present themselves in order to remain profitable and long term sustainable.

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Goals and Performance Objectives

The Guelph Junction Railway's Board of Directors has set the following goals and objectives to guide its governance:

	Objective Met (Red/Yellow/Green)
1. Railway operations, growth and business development shall be undertaken so as to be supportive of and congruent with the City's Strategic Objectives.	Green
2. Business affairs shall be conducted in the best interests of the Community the railway serves.	Green
3. Current infrastructure and asset value shall be maintained to ensure continuous service within regulatory requirements and to cater to continuously evolving industry standards.	Green
4. Revenue base shall be grown by consistently seeking to increase current customer traffic and by seeking out new customers through existing and new service agreements.	Green
5. New facilities and business opportunities shall be developed to augment the asset value and annual traffic for the future.	Green
6. The railway shall conduct its affairs as a good corporate citizen and neighbor.	Green

The governance of the railway is monitored through the following performance measures:

1. Maintenance of safety and regulatory standards as measure by positive results from regulatory audits and a zero tolerance for accidents;	Green
2. Maintaining profitability;	Green
3. Maintenance or growth of annual rail car traffic counts;	Green
4. Maintenance or growth of the environmental benefit index provided by the railroad using Federal or Provincial indices (e.g. Greenhouse gas counts, truck miles saved) as applicable.	Green

**Guelph Junction Railway Activities which support
City Strategic Objectives**

- **1.4 Sustainable transportation approach...** *connectivity to all parts of North America*
- **1.6 Balanced tax assessment ratio...** *new business development in all industrial/inner city zones*
- **3.1 Sustainable local employment opportunities...** *our customers employ 2100*
- **5.4 Partnerships to achieve strategic goals...** *city owned railway, opportunities to grow through acquisitions and partnerships with other short-line railways and customers.*
- **6.2 Less greenhouse gas emissions...** *railway as primary industrial transportation method*
- **6.0 Leader in conservation and resource protection...** *GJR is working with Advanced Micro Polymers Ltd. in testing bio degradable vegetation control products*

Budget Performance and Variance Report

Revenue	Actual	Budget	Business Plan Projection	Actual/ budget/Variance
Freight movement	\$1,894,338	\$2,715,905	\$1,875,158	
Non Freight/ Recoverable	\$347,243	\$201,961	\$187,161	
Total	\$2,241,581	\$2,917,866	\$2,062,319	-23%
Expenses (less interest, taxes, depreciation)				
Freight Movement and maintenance	\$1,405,827	\$1,876,896	\$1,344,716	
Adm./ Insc../ Audit etc	\$248,665	\$231,700	\$205,100	
Third party recoverable.	\$84,640	\$0	\$0	
Subtotal	\$1,739,132	\$2,108,596	\$1,549,816	-17%
Net Earnings	\$502,449	\$809,270	\$512,503	
Less Interest/Taxes & Depreciation	\$274,073	\$280,295	\$269,357	
Total				
Profit (Loss)	\$228,376	\$528,975	\$243,146	-57%

Statement of material breach of the Shareholders Declaration on violation of law

In accordance with Section 6.2 of the Shareholder Declaration the Board of Directors of the Guelph Junction Railway advises Council that no material breach of the requirements of the Shareholder Declaration or violation of law has occurred.

Financial statements of

Guelph Junction Railway Company

December 31, 2013

Guelph Junction Railway Company

December 31, 2013

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Independent Auditor's Report

To the Shareholder of Guelph Junction Railway Company

We have audited the accompanying financial statements of Guelph Junction Railway Company which comprise the balance sheet as at December 31, 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Guelph Junction Railway Company as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature in cursive script that reads "Deloitte LLP".

Chartered Professional Accountants, Chartered Accountants
Licensed Public Accountants
May 1, 2014

Guelph Junction Railway Company

Balance sheet

as at December 31, 2013

	2013	2012
	\$	\$
Assets		
Current assets		
Cash	402,308	629,249
Accounts receivable	288,658	363,728
Prepaid expenses	350	350
Inventory	34,384	35,307
	<u>725,700</u>	<u>1,028,634</u>
Property, plant and equipment (Note 3)	8,154,140	8,165,654
	<u>8,879,840</u>	<u>9,194,288</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	208,323	451,758
Current portion of long-term debt	221,181	211,955
Deferred revenue	992	992
Due to City of Guelph (Note 7)	44,540	94,540
	<u>475,036</u>	<u>759,245</u>
Long-term debt (Note 5)	1,053,061	1,274,241
Deferred capital contributions (Note 4)	898,447	935,882
	<u>2,426,544</u>	<u>2,969,368</u>
Shareholders' equity		
Share capital (Note 6)	1	1
Retained earnings (Note 8)	6,453,295	6,224,919
	<u>6,453,296</u>	<u>6,224,920</u>
	<u>8,879,840</u>	<u>9,194,288</u>

The accompanying notes to the financial statements are an integral part of this financial statement.

Guelph Junction Railway Company

Statement of comprehensive income year ended December 31, 2013

	2013	2012
	\$	\$
Revenue		
Freight movement	1,894,338	1,784,471
Non-freight movement	245,936	232,698
Amortization of deferred capital contributions	37,435	38,995
Other	63,872	30,825
	2,241,581	2,086,989
Expense		
Audit & legal	9,054	12,021
Amortization	214,873	180,084
Freight movement and track maintenance	1,431,162	1,313,080
Administration and office	145,580	151,484
Marketing and brand development	25,000	-
Interest on long-term debt	59,200	49,007
Recoverable	128,336	106,381
	2,013,205	1,812,057
Net comprehensive income for the year	228,376	274,932

The accompanying notes to the financial statements are an integral part of this financial statement.

Guelph Junction Railway Company

Statement of changes in equity year ended December 31, 2013

	2013	2012
	\$	\$
Retained earnings, beginning of year	6,224,919	5,949,987
Net comprehensive income for the year	228,376	274,932
Retained earnings, end of year	6,453,295	6,224,919
Share capital, beginning and end of year	1	1
Equity, end of year	6,453,296	6,224,920

The accompany notes to the financial statements are an integral part of this financial statement.

Guelph Junction Railway Company

Statement of cash flows

year ended December 31, 2013

	2013	2012
	\$	\$
Operating activities		
Cash from operations		
Net income from operations	228,376	274,932
Items not affecting cash:		
Amortization of deferred capital contributions	(37,435)	(38,995)
Amortization of property, plant and equipment	214,873	180,084
Changes in non-cash operating working capital components:		
Decrease in accounts receivable	75,070	202,387
Decrease in inventory	923	1,800
Decrease in accounts payable and accrued liabilities	(243,435)	(148,850)
	238,372	471,358
Investing activity		
Acquisition of property, plant and equipment	(203,359)	(1,490,354)
Financing activities		
Proceeds from long-term debt	-	862,000
Repayment of long-term debt	(211,954)	(150,804)
Due to City of Guelph	(50,000)	(50,000)
	(261,954)	661,196
Decrease in cash during the year	(226,941)	(357,800)
Cash, beginning of year	629,249	987,049
Cash, end of year	402,308	629,249

The accompanying notes to the financial statements are an integral part of this financial statement.

Guelph Junction Railway Company

Notes to the financial statements

December 31, 2013

1. Description of business

Guelph Junction Railway Company (the "Company") was incorporated under the laws of Canada in 1884. The Company is wholly owned by The City of Guelph and is exempt from income taxes. The Company is engaged in the rail and related transportation business in Southwestern Ontario.

The Company's head office is located at 1 Carden Street, Guelph, Ontario and is a subsidiary of the City of Guelph.

The financial statements have been approved by the Board of Directors and authorized for issue on May 1, 2014.

2. Significant accounting policies

Basis of accounting

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Boards ("IASB"). The policies set out below were consistently applied to all the periods presented unless otherwise noted below.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Canadian dollars which is also the functional currency of the Company.

Revenue recognition

Revenue from services rendered is recognized in income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to the delivery of the services provided by the Company.

Inventory

Inventory is valued at the lower of cost and net realizable value on a first-in, first-out basis.

Property, plant and equipment

Property, plant and equipment are recorded at cost, net of accumulated depreciation and accumulated impairment losses. Cost includes the acquisition cost, labour and other costs directly attributable to bringing the asset to a working condition for its intended use. When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in earnings in the period the asset is derecognized.

Amortization is provided using the declining-balance method at rates designed to amortize the cost of the assets less their residual values over their estimated useful lives as follows:

Tracks	4%
Structures	4%
Switches	4%
Crossing equipment	4%

Work in progress is not depreciated until the equipment is put into active use.

Amortization methods, useful lives and residual values are reviewed annually and adjusted prospectively if appropriate.

Guelph Junction Railway Company

Notes to the financial statements

December 31, 2013

2. Significant accounting policies (continued)

Impairment of long-lived assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in earnings.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in earnings.

Financial instruments

Financial assets and financial liabilities

Financial assets and financial liabilities are initially recognized at fair value and are subsequently accounted for based on their classification as described below. Transaction costs that are directly attributable to the acquisition or issue of financial assets or liabilities not classified as fair value through profit and loss are added to or deducted from the fair value, as appropriate, on initial recognition. The classification depends on the purpose for which the financial instruments were acquired and their characteristics. Except in very limited circumstances, the classification is not changed subsequent to initial recognition.

All financial instruments are classified into one of the following five categories:

- Fair value through profit or loss ("FVTPL"). Financial assets are classified as FVTPL when the financial asset is held for trading or it is designated as FVTPL;
- Held to maturity investments;
- Loans and receivables;
- Available for sale financial assets; and
- Other financial liabilities.

Loans and receivables, held to maturity investments and other financial liabilities are measured at amortized cost. Financial instruments classified as FVTPL, including derivatives, are measured at fair value each period and all gains and losses are included in earnings in the period in which they arise. Available for sale financial instruments are measured at fair value with revaluation gains and losses included in other comprehensive income until the asset is removed from the balance sheet. The Company has classified its cash and accounts receivable as loans and receivables.

Financial assets that are measured at amortized cost are assessed for indicators of impairment at the end of each reporting period.

Guelph Junction Railway Company

Notes to the financial statements

December 31, 2013

2. Significant accounting policies (continued)

Financial instruments (continued)

Financial assets and financial liabilities (continued)

Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the asset have been affected. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss.

Accounts payable and accrued liabilities, due to City of Guelph, current and long-term debt have been classified as other financial liabilities, all of which are measured at amortized cost.

Embedded derivatives

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss.

Government grants and other contributions

Government grants are recognized in net income on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants were intended to compensate. Grants that take the form of a transfer of a non-monetary asset for the use of the Company are recognized as deferred contributions in the balance sheet and measured based on the fair value of the asset received. Deferred contributions are transferred to net income on a systematic and rational basis over the useful life of the related assets.

Significant accounting estimates and judgments

The preparation of financial statements requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and reported revenues and expenses during the reporting period. Due to the inherent uncertainty involved in making such estimates and judgments, actual results reported could differ from those estimates and judgments. Significant judgments include the determination of cash-generating units for impairment testing and determination of useful lives of property, plant and equipment.

Recent accounting pronouncements

The new and revised IFRSs that have been issued but are not yet effective that may have an impact on the Company are set out below.

In November 2009, the IASB issued IFRS 9, "Financial Instruments", which replaces IAS 39, "Financial Instruments: Recognition and Measurement". In October 2010, the IASB issued a revised version of IFRS 9 in which the IASB added requirements for classification and measurement of financial liabilities. IFRS 9 establishes principles for the financial reporting of financial assets and financial liabilities. This new standard will become effective for the Company in fiscal 2015. The Company is assessing the impact of this new standard on its financial statements.

Guelph Junction Railway Company

Notes to the financial statements

December 31, 2013

3. Property, plant and equipment

	Opening Cost	Additions	Disposals	2013 Cost Ending Cost
	\$	\$	\$	\$
Land	2,997,210	-	-	2,997,210
Tracks	6,030,409	203,359	-	6,233,768
Structures	481,327	-	-	481,327
Switches	149,222	-	-	149,222
Crossing equipment	155,861	-	-	155,861
	9,814,029	203,359	-	10,017,388

	Opening balance	Depreciation	Disposals	2013 Accumulated amortization Ending balance
	\$	\$	\$	\$
Tracks	1,334,547	195,969	-	1,530,516
Structures	174,126	12,288	-	186,414
Switches	68,331	3,236	-	71,567
Crossing equipment	71,371	3,380	-	74,751
	1,648,375	214,873	-	1,863,248

	Opening net book value	2013 Net book value Ending net book value
	\$	\$
Land	2,997,210	2,997,210
Tracks	4,695,862	4,703,252
Structures	307,201	294,913
Switches	80,891	77,655
Crossing equipment	84,490	81,110
	8,165,654	8,154,140

Guelph Junction Railway Company

Notes to the financial statements

December 31, 2013

3. Property, plant and equipment (continued)

	Opening Cost	Additions	Disposals	2012 Cost Ending Cost
	\$	\$	\$	\$
Land	2,997,210	-	-	2,997,210
Tracks	4,072,557	1,957,852	-	6,030,409
Structures	481,327	-	-	481,327
Switches	149,222	-	-	149,222
Crossing equipment	155,861	-	-	155,861
Work in progress	467,498	(467,498)	-	-
	8,323,675	1,490,354	-	9,814,029

	Opening balance	Depreciation	Disposals	2012 Accumulated amortization Ending balance
	\$	\$	\$	\$
Tracks	1,174,154	160,393	-	1,334,547
Structures	161,326	12,800	-	174,126
Switches	64,960	3,371	-	68,331
Crossing equipment	67,851	3,520	-	71,371
	1,468,291	180,084	-	1,648,375

	Opening net book value	2012 Net book value Ending net book value
	\$	\$
Land	2,997,210	2,997,210
Tracks	2,898,403	4,695,862
Structures	320,001	307,201
Switches	84,262	80,891
Crossing equipment	88,010	84,490
Work in progress	467,498	-
	6,855,384	8,165,654

Guelph Junction Railway Company

Notes to the financial statements

December 31, 2013

4. Deferred capital contributions

	2013	2012
	Net book value	Net book value
	\$	\$
Deferred contributions - gross	1,217,582	1,217,582
Less: accumulated amortization	(319,135)	(281,700)
	898,447	935,882

5. Long-term debt

In 2011 & 2012, the Company entered into three long-term debt facilities with the Royal Bank of Canada for the purpose of constructing two new rail yards within the limits of the City of Guelph. These projects were completed and put into use during 2012.

	2013	2012
	\$	\$
Fixed term loan, repayable monthly, blended principal and interest at 4.27%, maturing December 2016	576,079	677,640
Fixed term loan, repayable monthly, blended principal and interest at 4.34%, maturing June 2017	583,958	676,296
Fixed term loan, repayable monthly, blended principal and interest at 4.34%, maturing June 2017	114,205	132,260
Less: current portion of long-term debt	(221,181)	(211,955)
Long-term debt	1,053,061	1,274,241

The debt is repayable as follows:

	\$
2014	221,181
2015	230,808
2016	485,185
2017	337,068
	1,274,242

The debt facilities are secured by a general security arrangement over all inventory, accounts receivable and property, plant and equipment.

The Company is compliant with the financial covenants related to these debt facilities.

Guelph Junction Railway Company

Notes to the financial statements

December 31, 2013

6. Share capital

Authorized, unlimited number
Common shares

Issued and outstanding

	2013	2012
	\$	\$
1 Common share	1	1

7. Related party transactions

The Company is wholly owned by The City of Guelph. The City pays certain expenses and receives revenues on behalf of the Company for which the Company reimburses the City. During the year, these net expenses for which the Company reimbursed the City amounted to \$243,579 (2012 - \$1,483,226). Included in accounts payable and accrued liabilities is an amount owing to the City of Guelph of \$18,788 (2012 - \$343,226) related to the reimbursement of these net expenditures which was paid subsequent to year end. Additional payments in 2013 totaling \$50,000 (2012 - \$50,000) were made to repay the amount owing to the City from prior years in accordance with the repayment schedule agreed upon with the City. The Company also paid the City \$23,600 (2012 - \$22,600) in office rent and administration fees for the year. These transactions were made in the normal course of business and have been recorded at the exchange amounts.

Members of the board of directors are unpaid.

The remuneration of key management personnel during the year was \$105,251 (2012 - \$107,045).

8. Capital management

The Company manages its capital to ensure that it has sufficient liquidity to protect the Company's long-term viability as a going concern.

The Company's total capital is defined as shareholders' equity. Shareholders' equity at December 31, 2013 is \$6,453,295 (December 31, 2012 - \$6,224,919). There have been no changes to the Company's approach on capital management.

The Company has certain restrictions to its capital as part of the debt facility agreements entered into in December 2011 and June 2012.

9. Financial risk management

Financial assets and liabilities

The following table analyzes financial assets and liabilities by the categories defined in IAS 39. In addition, IFRS 7 requires that financial instruments held at fair value be categorized into one of the following three levels to reflect the degree to which observable inputs are used in determining the fair values:

- 'Level 1' fair value measurements are those derived without adjustment from quoted prices in active markets for identical assets or liabilities.
- 'Level 2' fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- 'Level 3' fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Guelph Junction Railway Company

Notes to the financial statements

December 31, 2013

9. Financial risk management (continued)

The Company has no financial assets or financial liabilities held at fair value.

	Loans and receivables	Available for sale	Liabilities at amortized cost	Fair value through profit or loss	Total carrying value	Fair value
	\$	\$	\$	\$	\$	\$
As at December 31, 2013						
Financial assets not held at fair value						
Cash	402,308	-	-	-	402,308	402,308
Trade and other receivables	288,658	-	-	-	288,658	288,658
Financial assets held at fair value	-	-	-	-	-	-
Total financial assets	690,966	-	-	-	690,966	690,966
Financial liabilities not held at fair value						
Trade and other payables	-	-	208,323	-	208,323	208,323
Due to City of Guelph	-	-	44,540	-	44,540	44,540
Current portion of long-term debt	-	-	221,180	-	221,180	221,180
Long-term debt	-	-	1,053,061	-	1,053,061	1,053,061
Financial liabilities held at fair value	-	-	-	-	-	-
Total financial liabilities	-	-	1,527,104	-	1,527,104	1,527,104

The fair value of the City's long-term debt approximates its carrying value as the interest rate approximates market.

	Loans and receivables	Available for sale	Liabilities at amortized cost	Fair value through profit or loss	Total carrying value	Fair value
	\$	\$	\$	\$	\$	\$
As at December 31, 2012						
Financial assets not held at fair value						
Cash	629,249	-	-	-	629,249	629,249
Trade and other receivables	363,728	-	-	-	363,728	363,728
Financial assets held at fair value	-	-	-	-	-	-
Total financial assets	992,977	-	-	-	992,977	992,977
Financial liabilities not held at fair value						
Trade and other payables	-	-	451,758	-	451,758	451,758
Due to City of Guelph	-	-	94,540	-	94,540	94,540
Current portion of long-term debt	-	-	211,955	-	211,955	211,955
Long-term debt	-	-	1,274,241	-	1,274,241	1,274,241
Financial liabilities held at fair value	-	-	-	-	-	-
Total financial liabilities	-	-	2,032,494	-	2,032,494	2,032,494

Guelph Junction Railway Company

Notes to the financial statements

December 31, 2013

9. Financial risk management (continued)

Interest rate risk

Interest rate risk is the risk that market rates will fluctuate and affect the debt carrying costs paid by the Company. The Company has three fixed rate term loans and is only exposed to interest rate risk upon year five when the facilities will be renewed for an additional two year term.

Currency risk

The Company realizes an insignificant portion of its income in US dollars and is thus not exposed to foreign exchange risk.

Credit risk

Credit risk is the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company.

The Company's maximum exposure to credit risk is the carrying value of financial assets on the statement of financial position. At December 31, 2013 and December 31, 2012 Company had no allowance for doubtful accounts.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

All contractual cash flows related to the Company's financial liabilities are expected to be settled within one year except for those amounts due to the City of Guelph and the long-term debt which will be settled over the next 4 years.

10. Comparative figures

Certain of the comparative figures have been reclassified to conform with the current year's presentation of the financial statements.



MAKING PROGRESS

Bronze to Silver

Jennifer Juste

TDM Coordinator



1 PROGRESS SINCE 2008

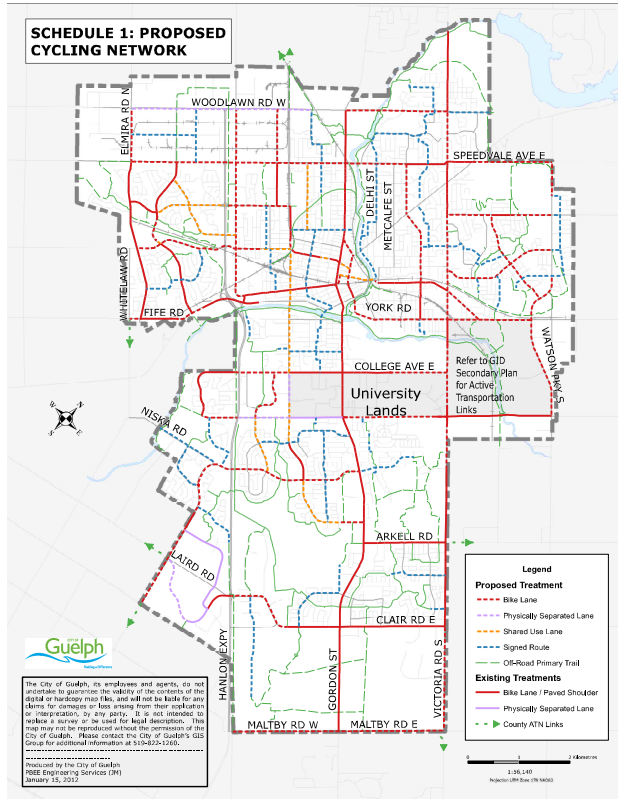


- 2008** Bicycle-Friendly Guelph Initiative launched
- 2009** Bicycle Policy approved
Cycling Survey conducted
- 2010** Bike racks on all busses
- 2011** Cycle Track and Bike Box installed
- 2012** Guelph wins **BRONZE** Bicycle-Friendly Community Award
- 2013** Cycling Master Plan completed
- 2014** Guelph wins **SILVER** Bicycle-Friendly Community Award

MAKING PROGRESS: Bronze to Silver

City Council • May 26, 2014

13 THE BFC INFLUENCE

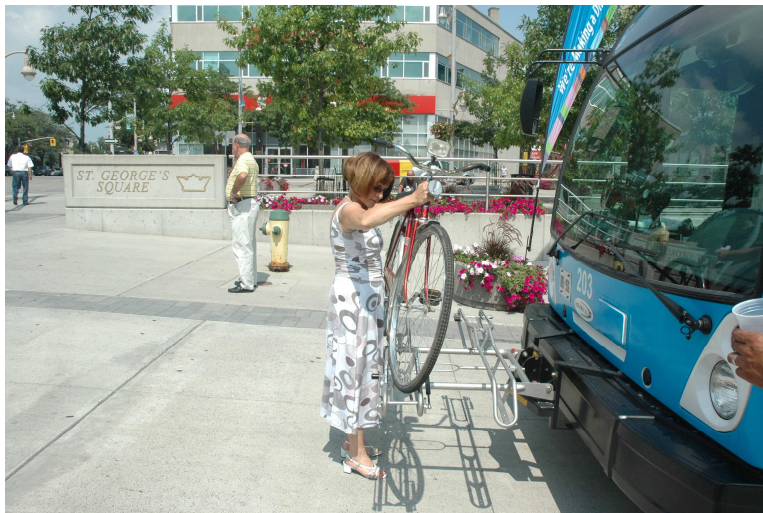
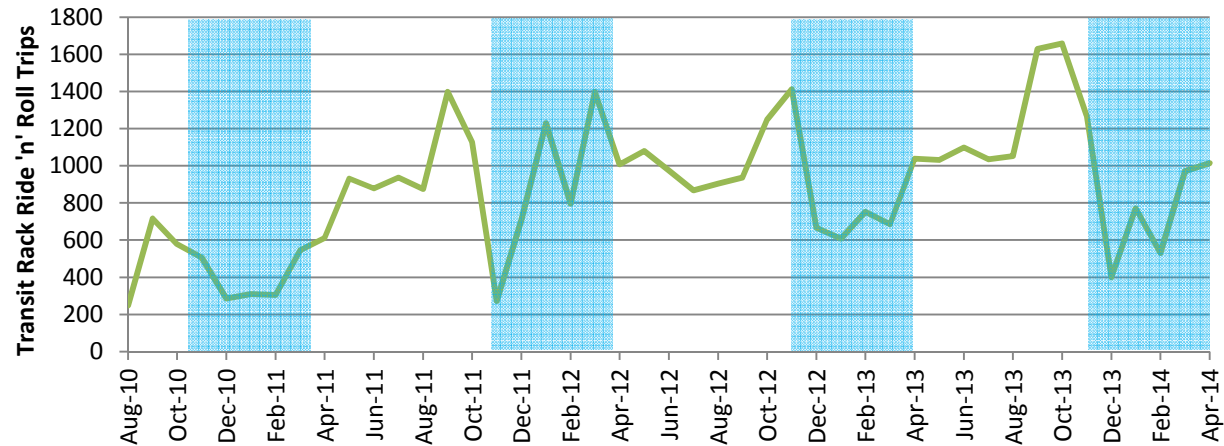
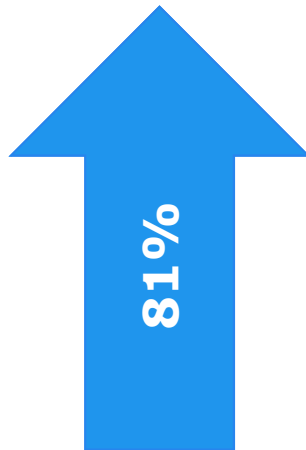


MAKING PROGRESS: Bronze to Silver

City Council • May 26, 2014

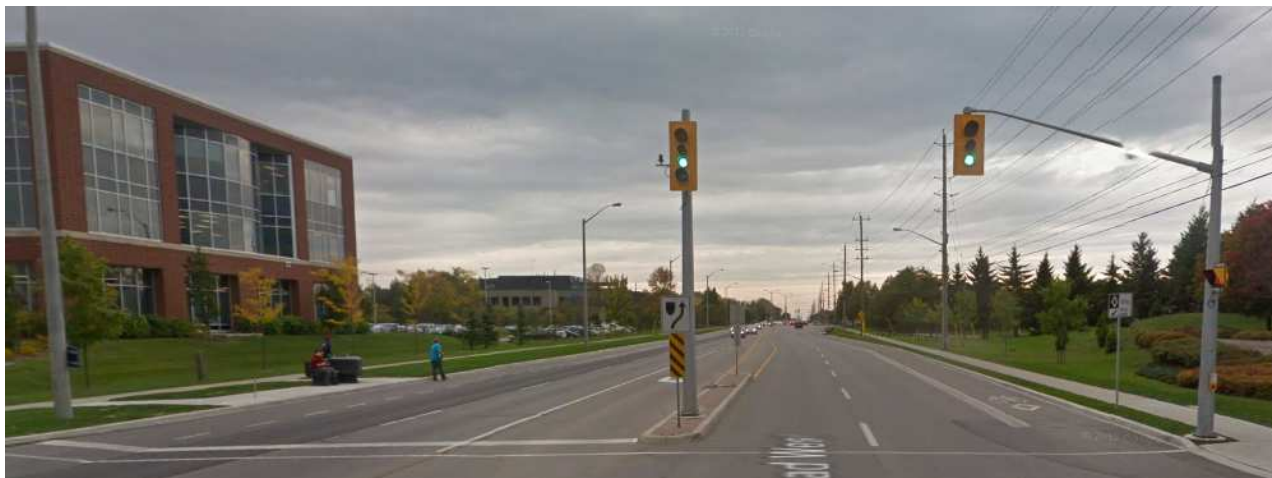
11 BIKE + BUS

Bike Rack Usage - Guelph Transit 2010-2014



MAKING PROGRESS: Bronze to Silver

12 NEW FEATURES since 2010



CYCLE TRACKS: Stone Road



Bike Box at Research Lane



New Signs Coming



Buffered bike lanes on the way

Credit: City of Burlington

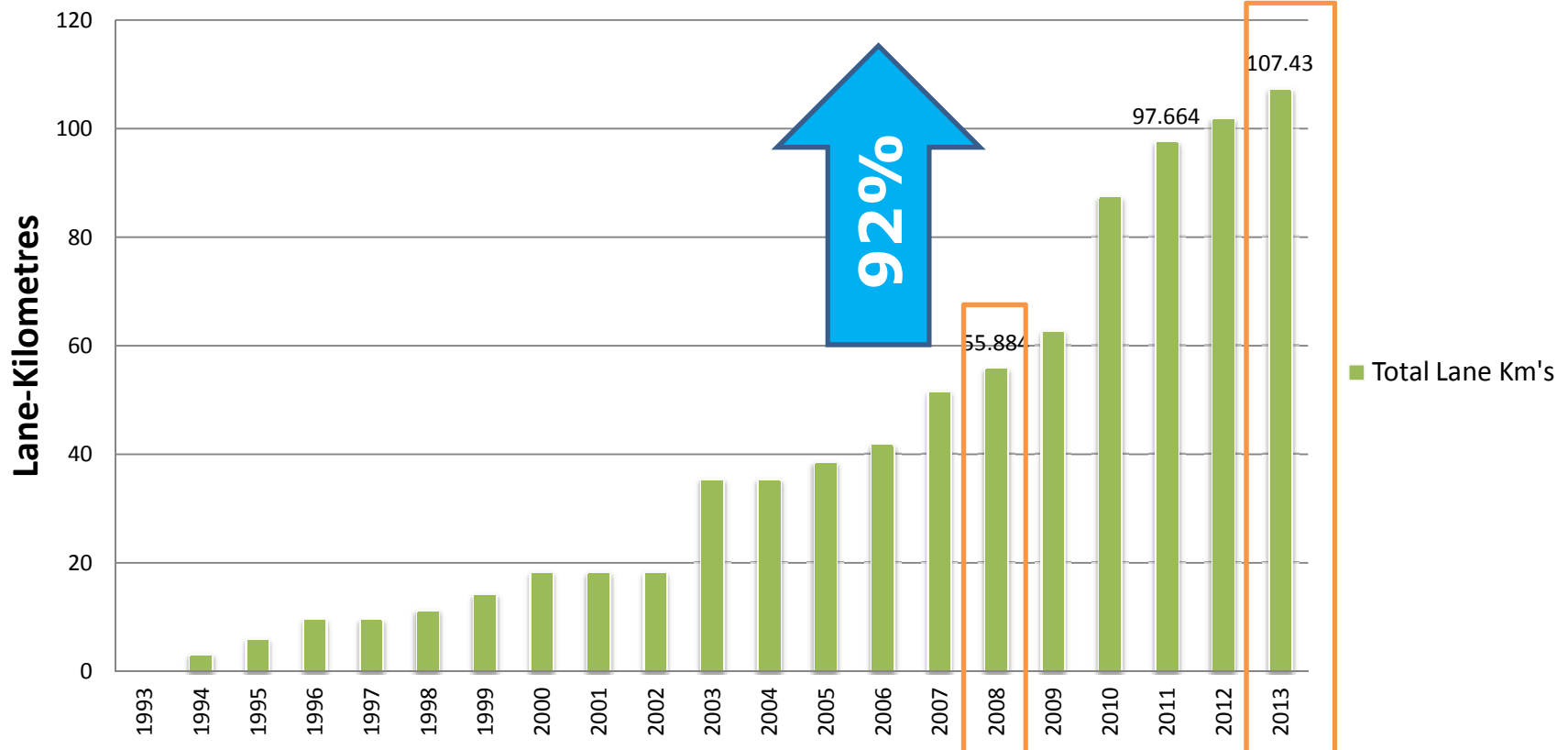
MAKING PROGRESS: Bronze to Silver

City Council • May 26, 2014

12 GET CONNECTED

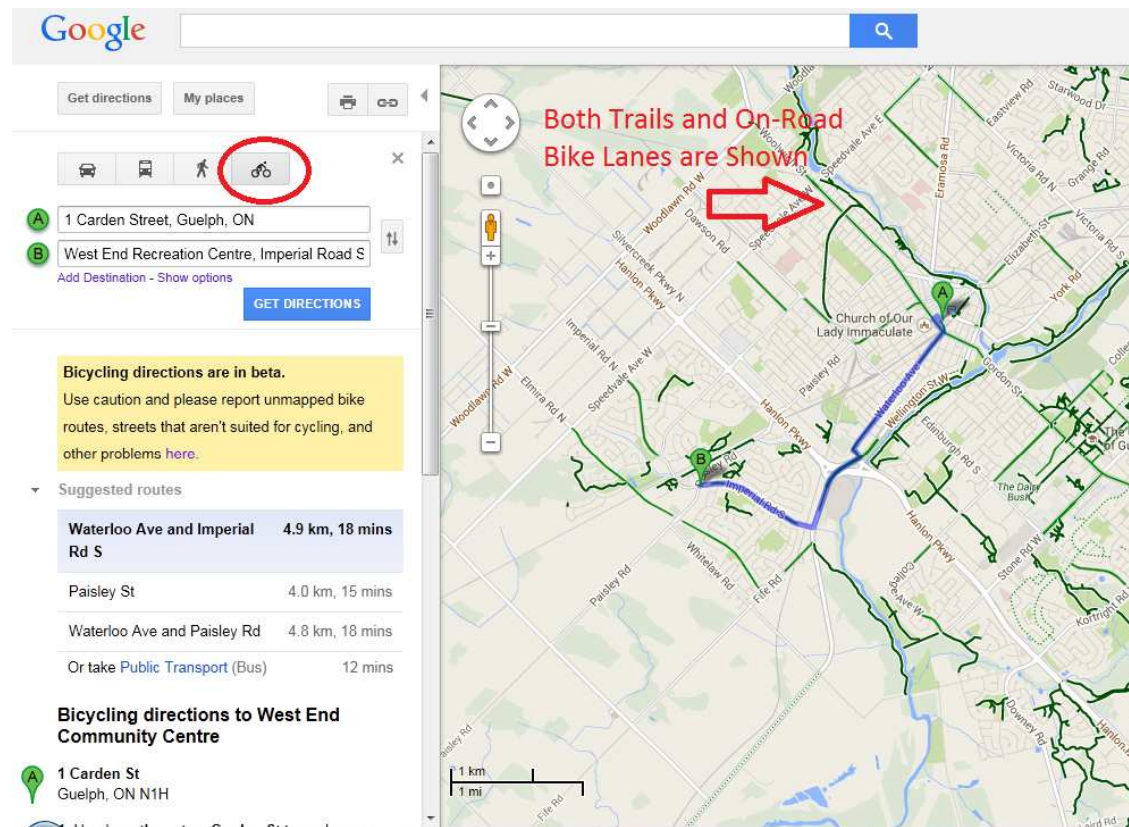
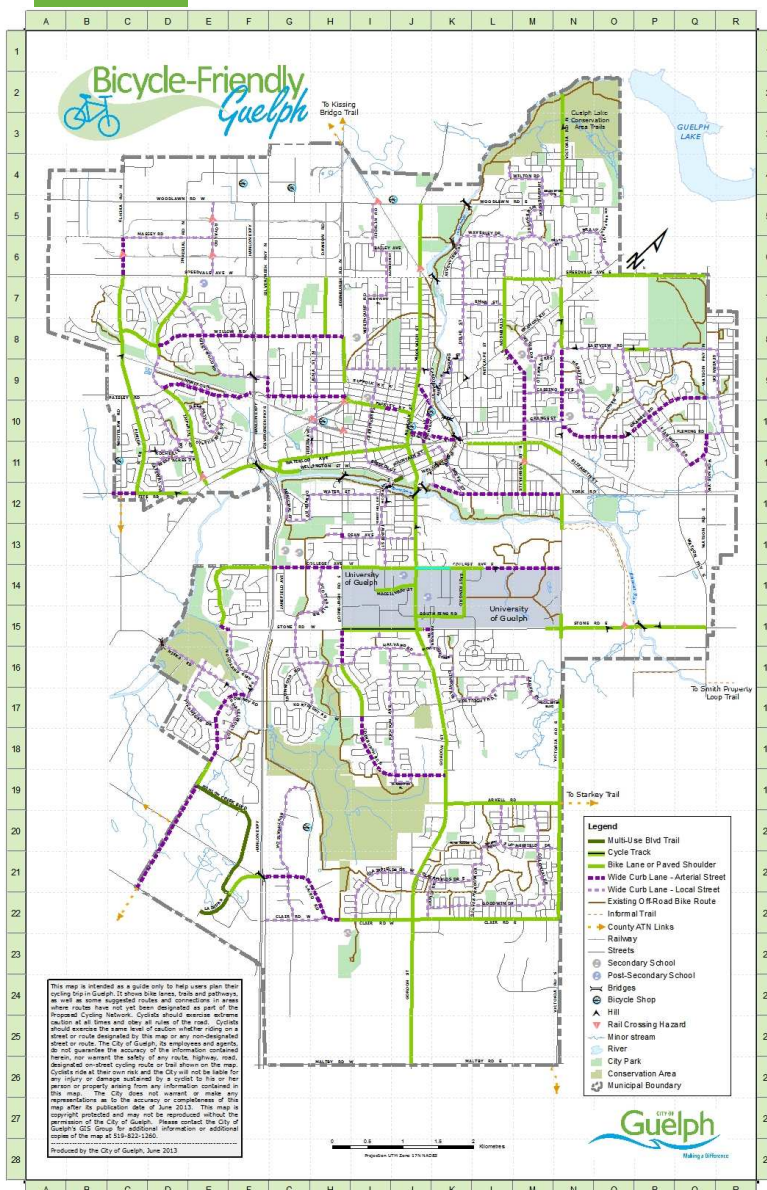
Impressive growth of on-road cycling network in just 5 years

Cycling Network Construction



MAKING PROGRESS: Bronze to Silver

10 PLAN YOUR ROUTE *EASIER*



MAKING PROGRESS: Bronze to Silver

City Council • May 26, 2014

Bicycle-Friendly Guelph



Jennifer Juste | City of Guelph | jennifer.juste@guelph.ca





GUELPH WELLBEING

*Working together for the
best possible quality of life*

Why Guelph Wellbeing?



500

66

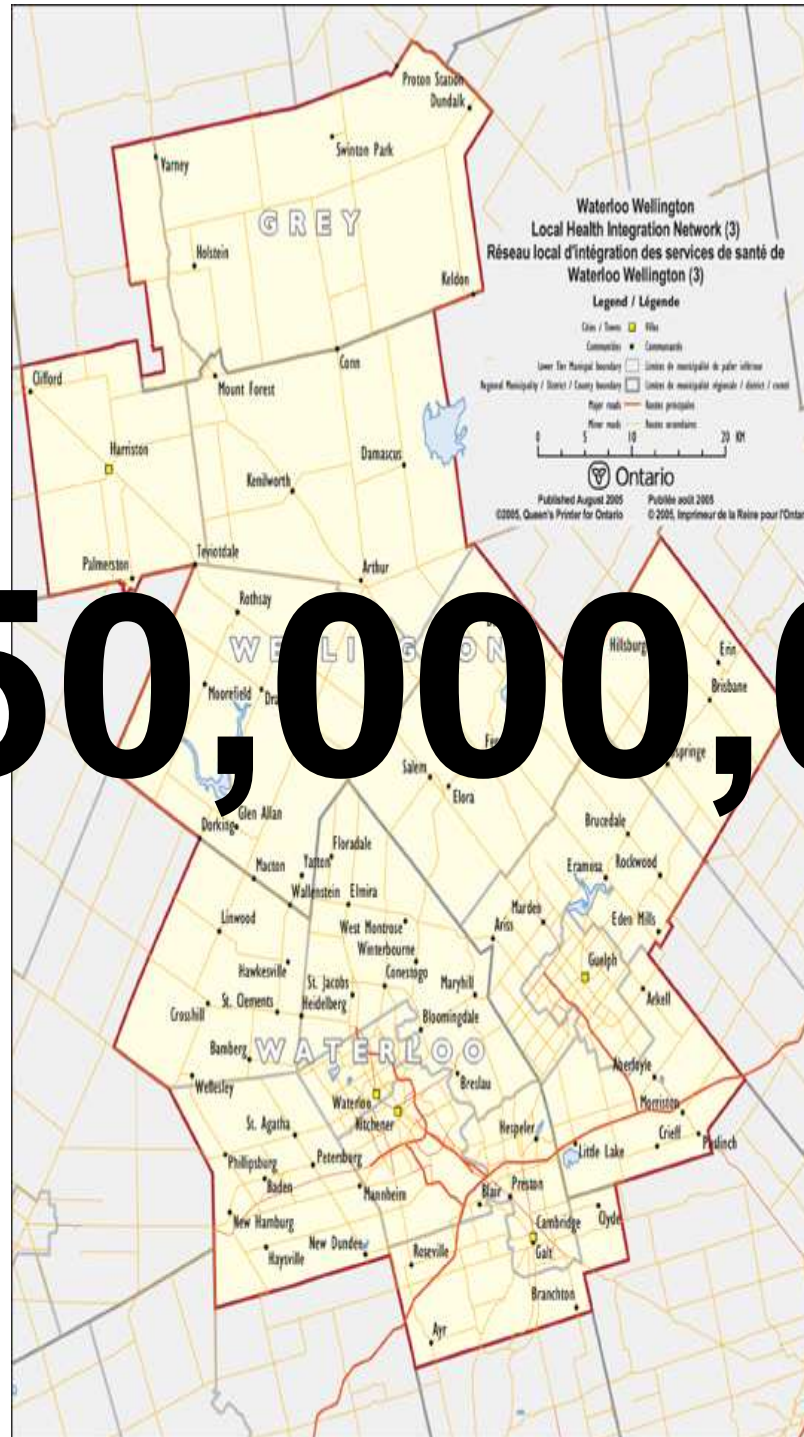
200

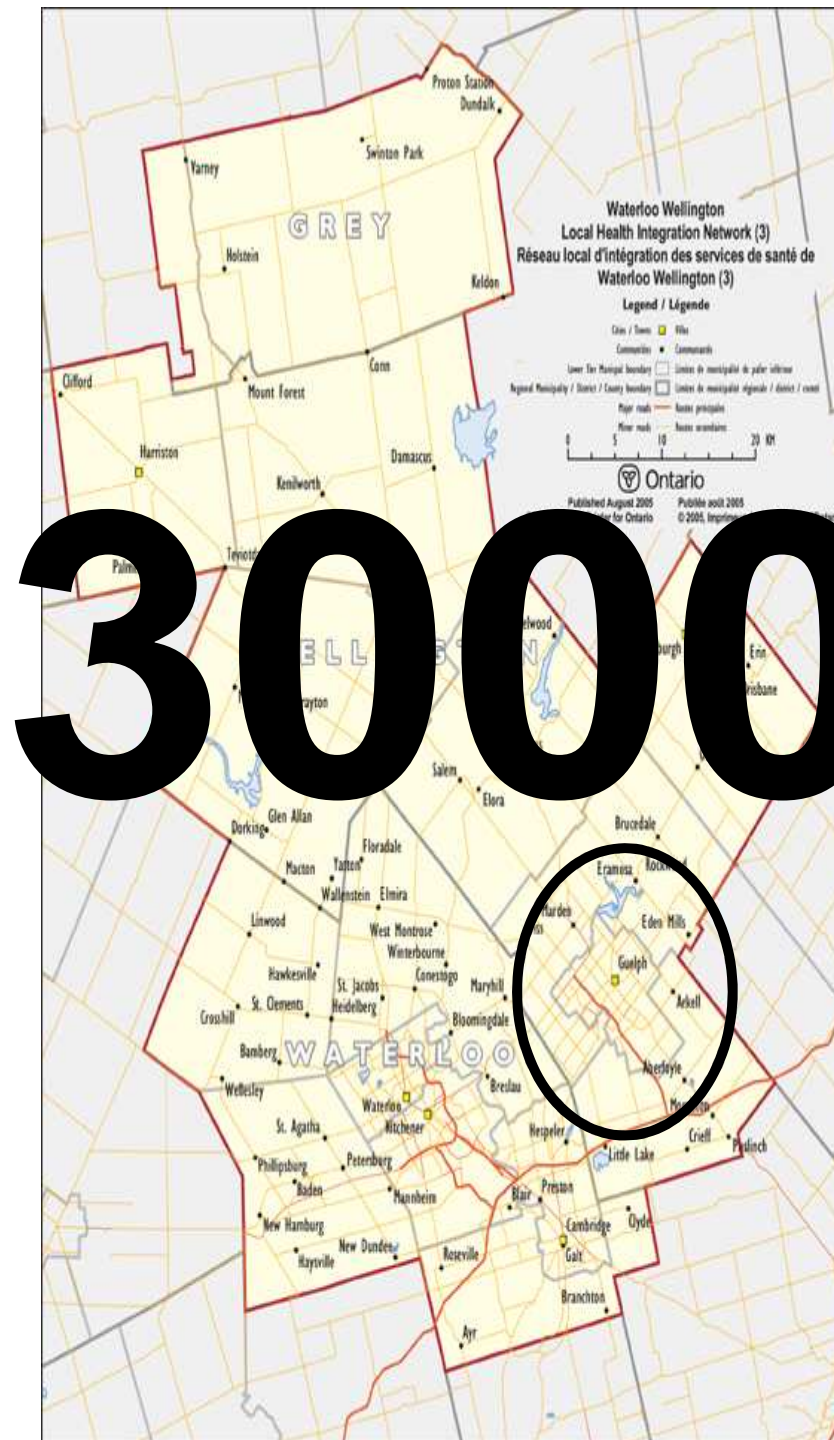
65%

5%



\$750,000,000





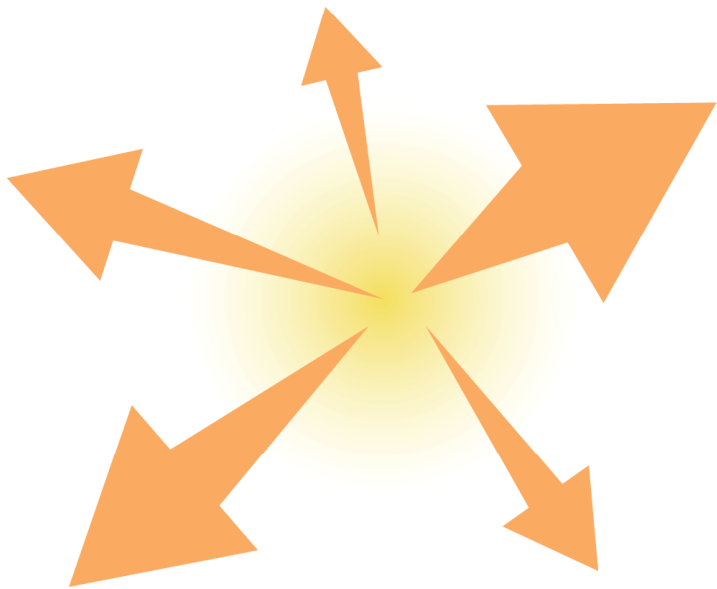
\$4.5 Billion

Estimated cost of homelessness in Canada each year

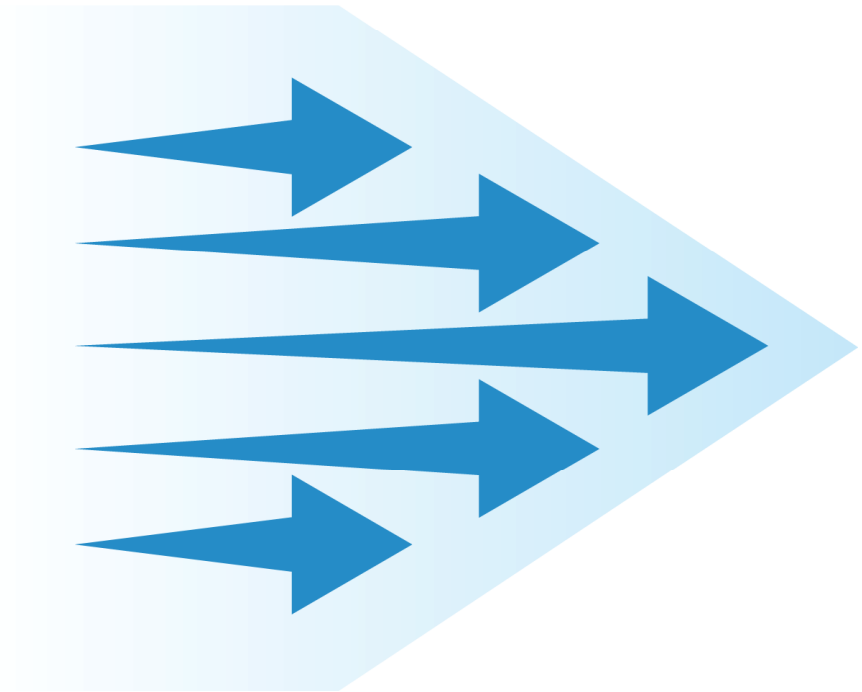
The Opportunities



Isolated Impact



Collective Impact



Guelph Wellbeing Cluster



Guelph Wellbeing

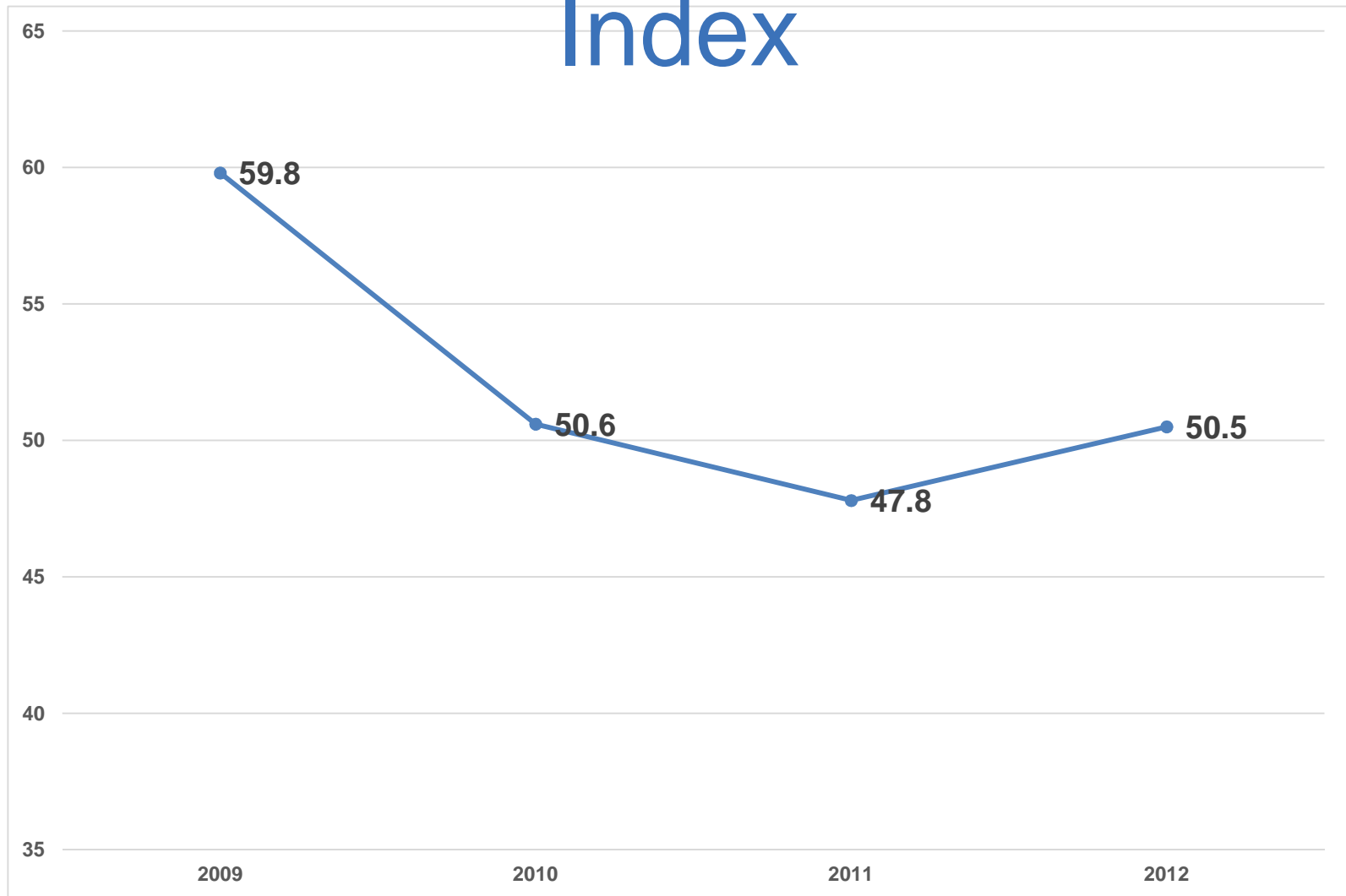


The Guelph

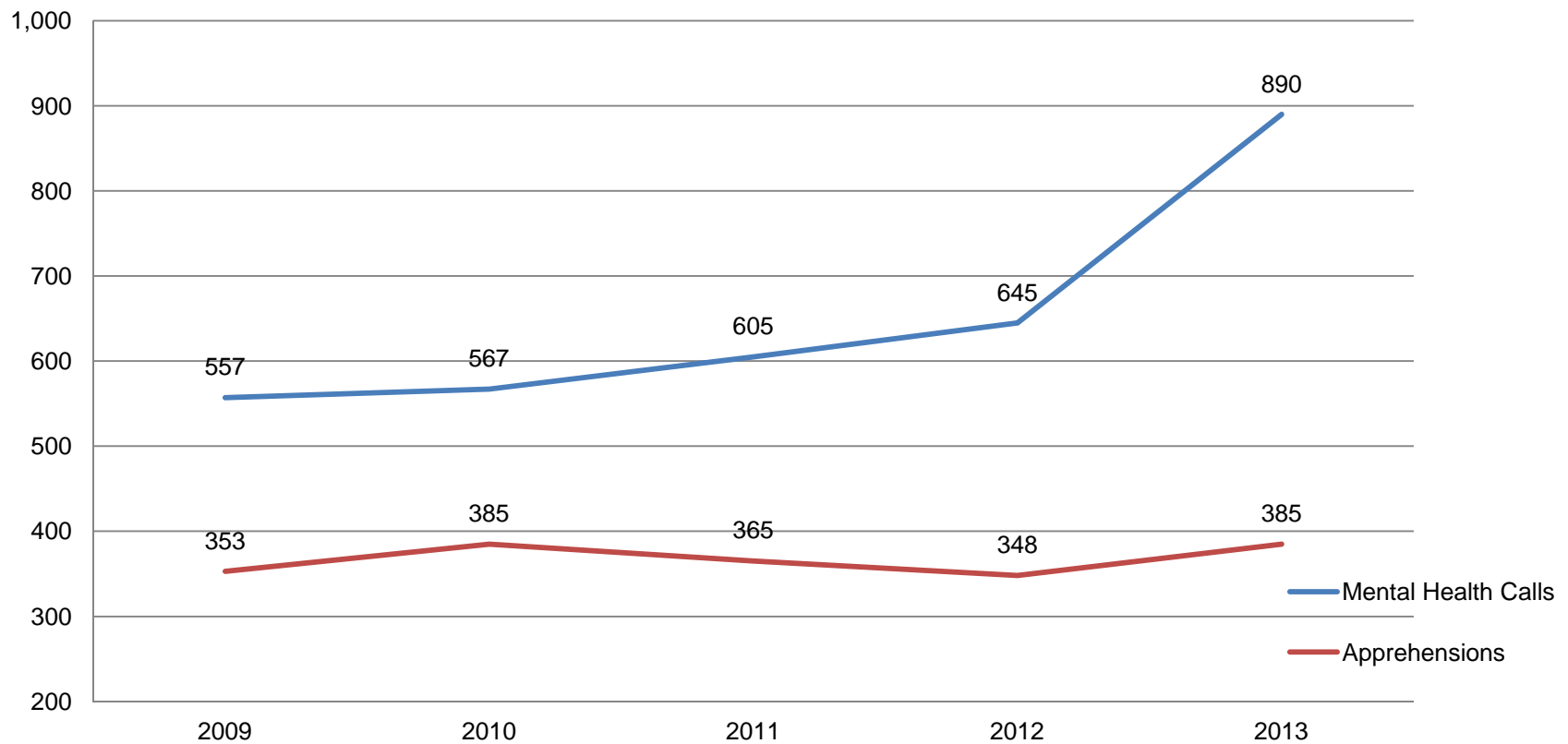
enterprise

for Innovation in Human Services

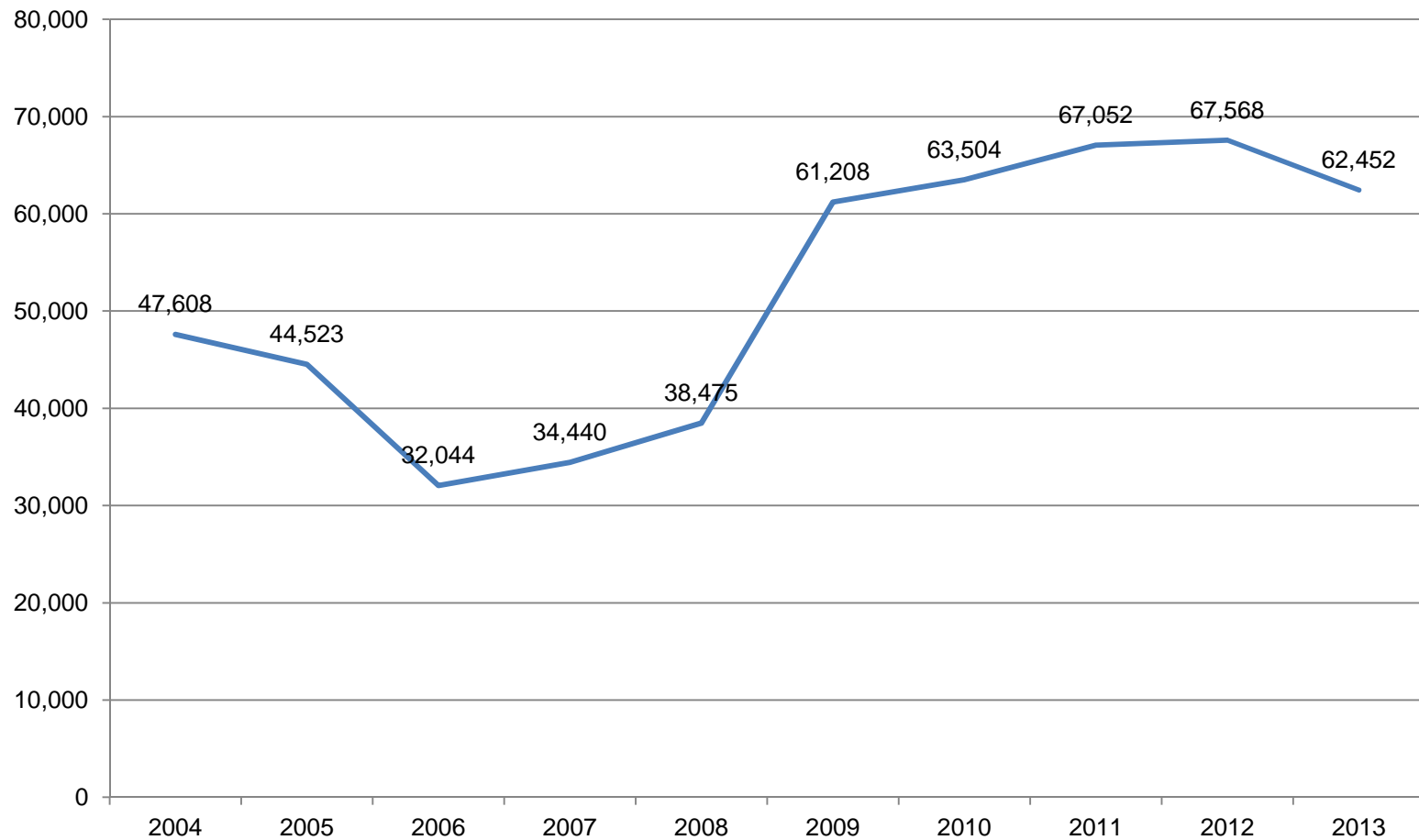
Guelph CMA Crime Severity Index



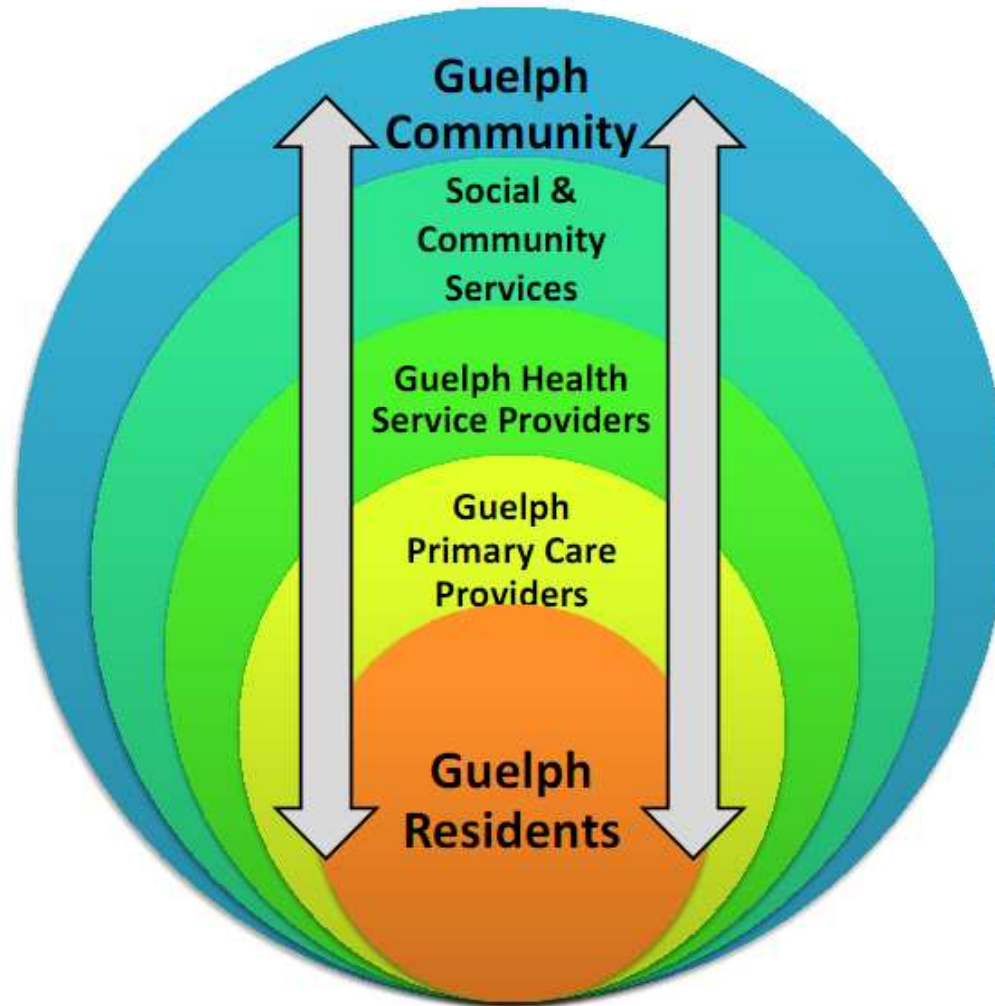
Guelph Police: Mental Health Calls/Apprehensions



Guelph Police: Calls for Service



Guelph Health Links

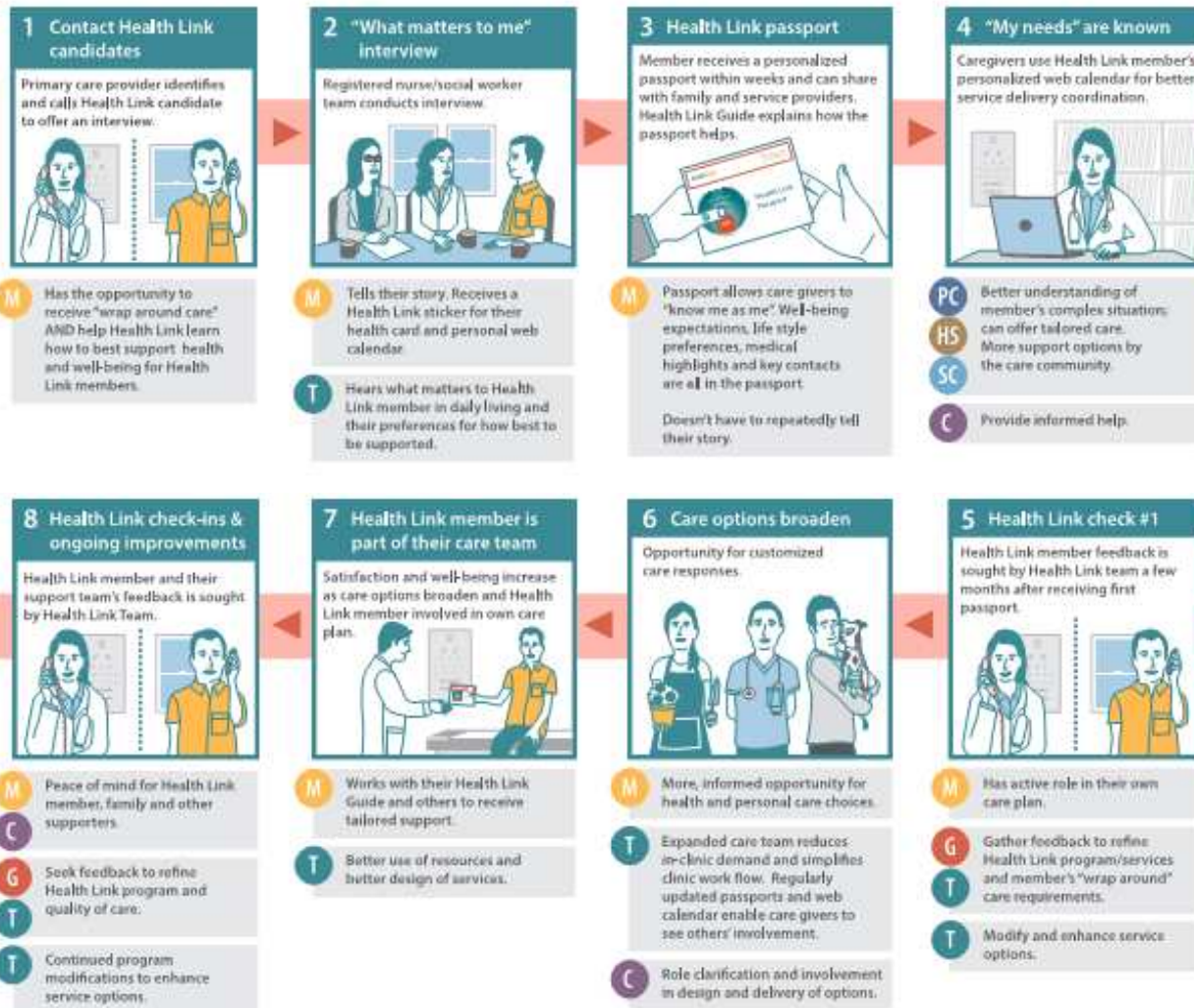


Health Link - Everyone in Guelph Has a Role

Health Link will enable the Guelph care community to develop coordinated "wrap around" care by health, social and community service providers for individuals with complex needs.

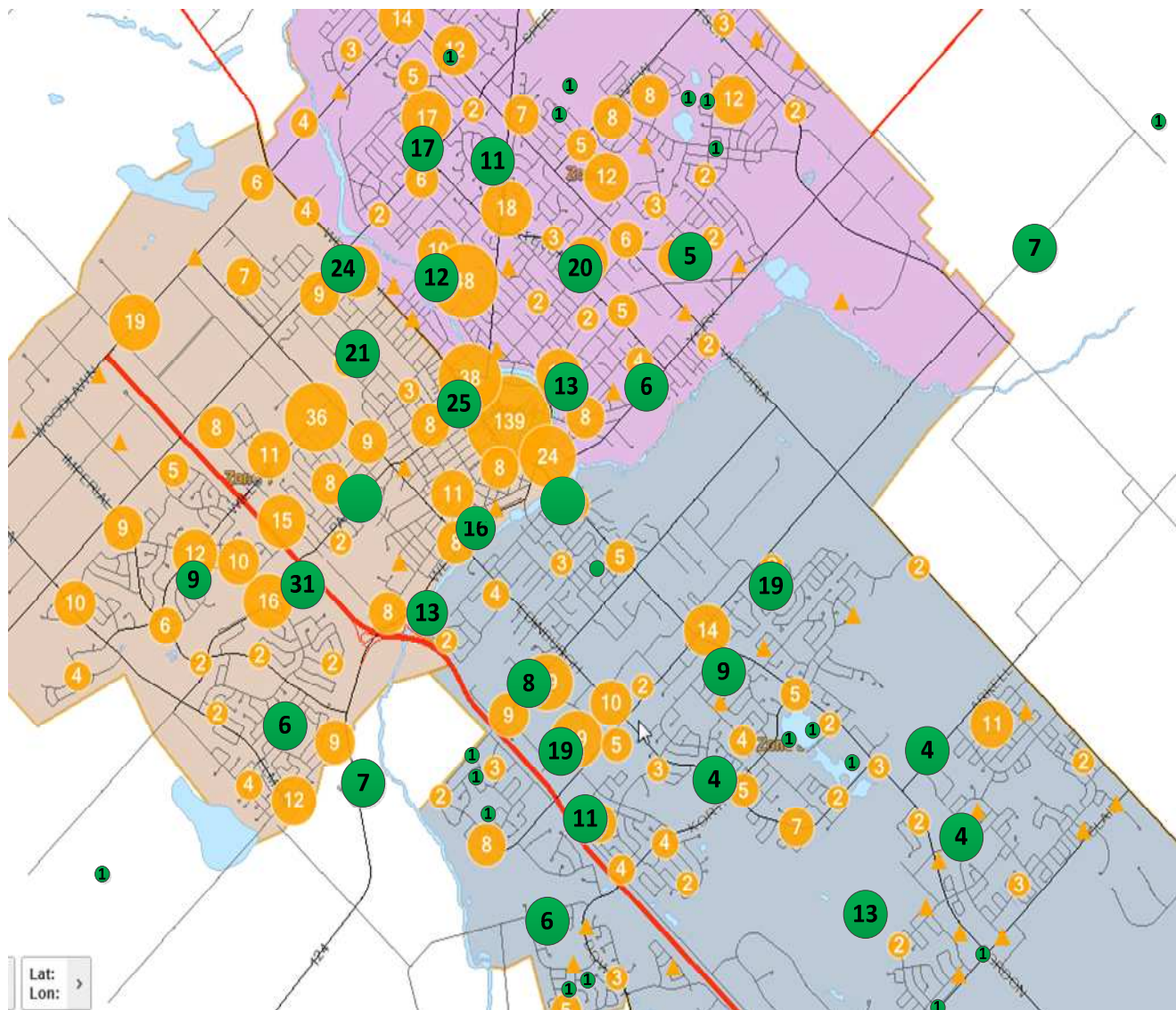
Health Link Team

- M** Health Link Member
- PC** Primary Care Practitioners: family practitioner, nurse
- HS** Health Service Providers
- SC** Social & Community Services
- C** Guelph Community: family, friends, neighbours, volunteers
- G** Health Link Guide: primary care team "go to" person
- T** Health Link Program Team = PC + HS + SC + C



HealthLink



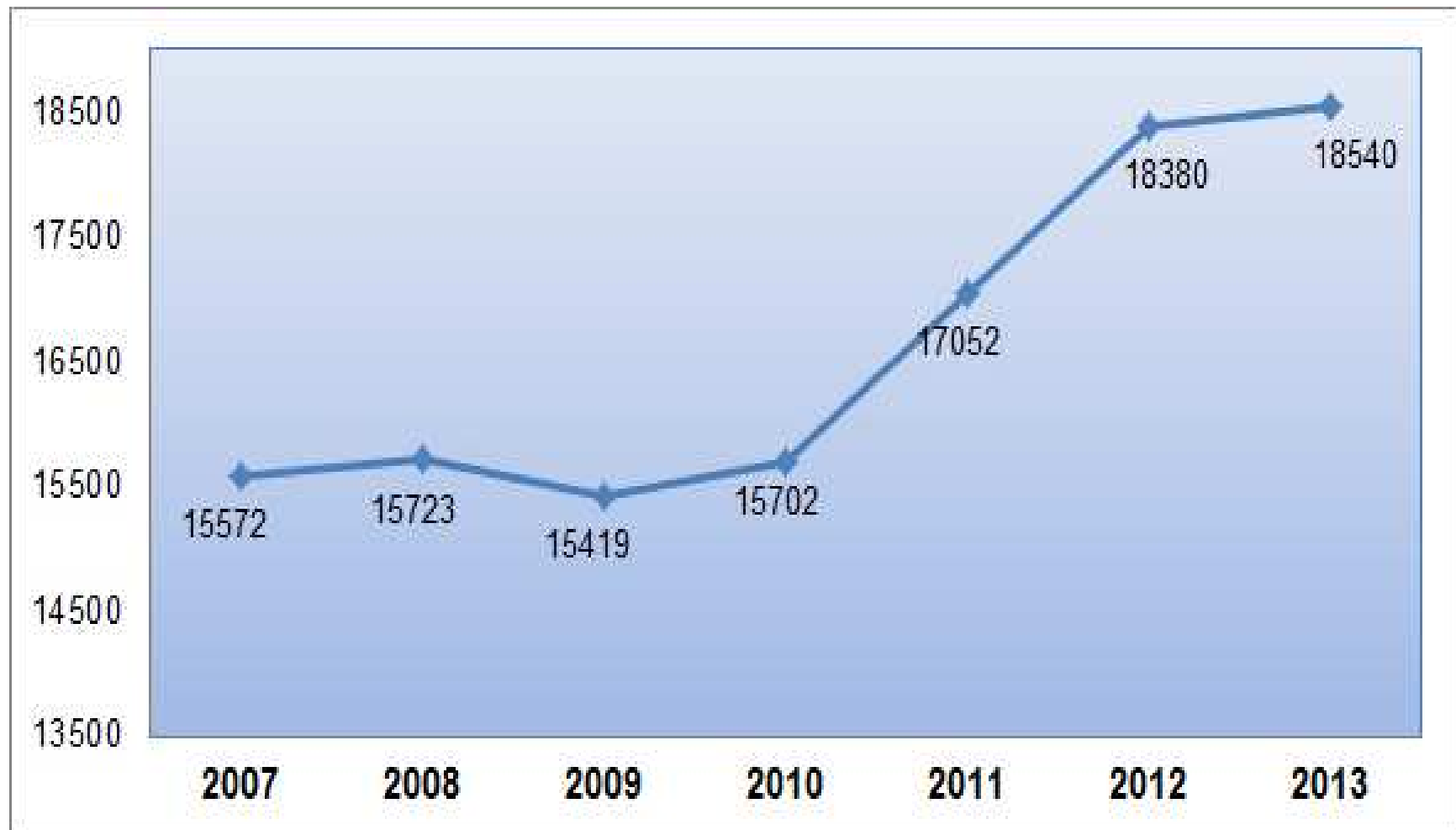


Guelph
Police Data

Guelph
FHT Data

OCCURANCE PROFILES
GFHT HL Patients
and
Guelph Police Incidents
11/14/2013

EMS: Calls for Service



Community Paramedicine Program Proposed

- Paramedic Referrals
- Clinics in Seniors buildings
- Follow up home visits
- Public access to defibrillators in the community



Working Together

Canadian Index of Wellbeing

Domains of Community Wellbeing:

Community Vitality

Community Engagement Framework
Downtown built form and design manual

Time Use

Education

Civics 101

Healthy Populations

Regional Transportation Strategy
Older Adult and Youth Strategies

Leisure and Culture

South End Community Centre Business Case
Parks Model Feasibility Study

Living Standards

Housing Strategy
Affordable Bus Pass

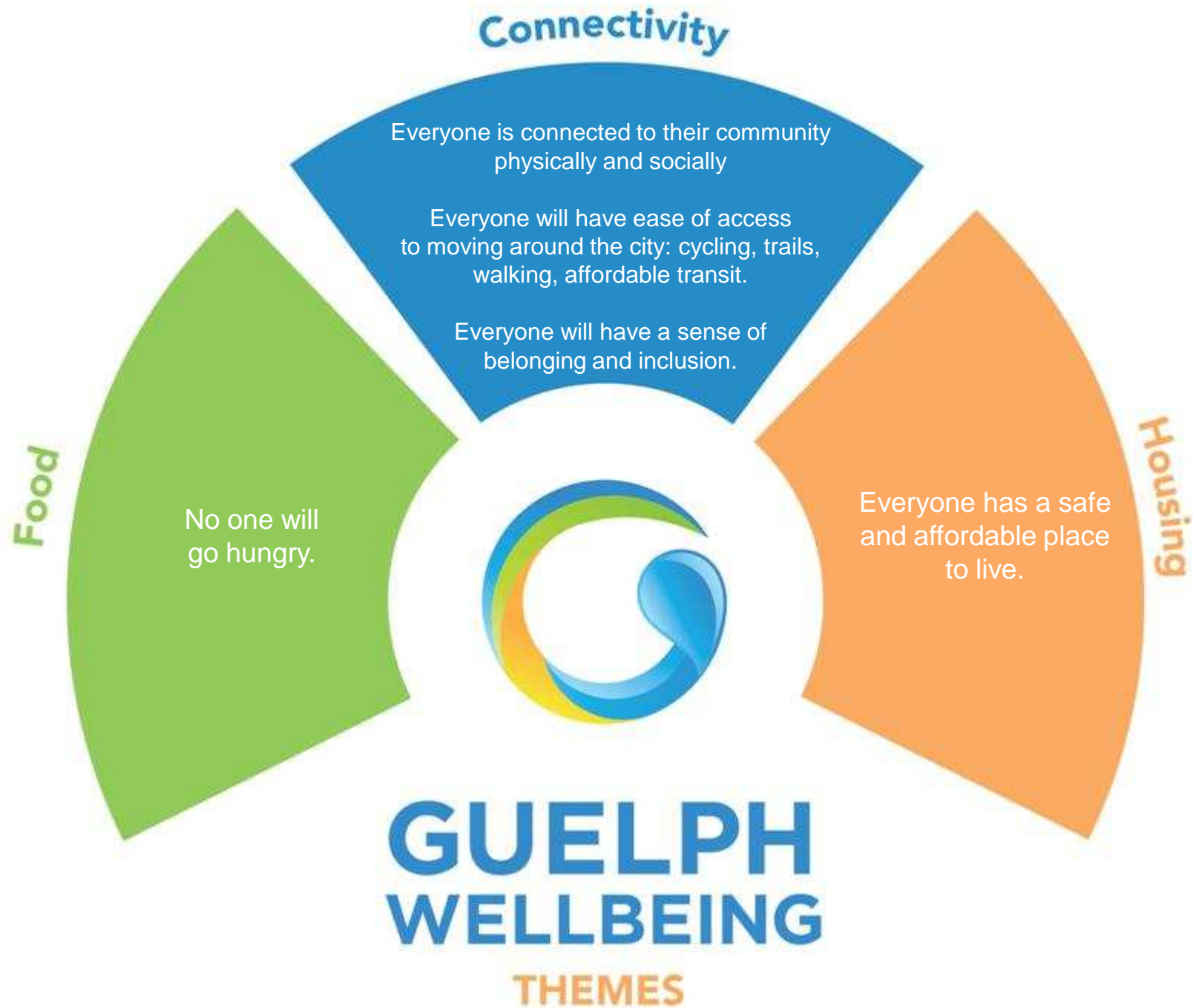
Environment

Community Energy Initiatives
Urban Forest MasterPlan

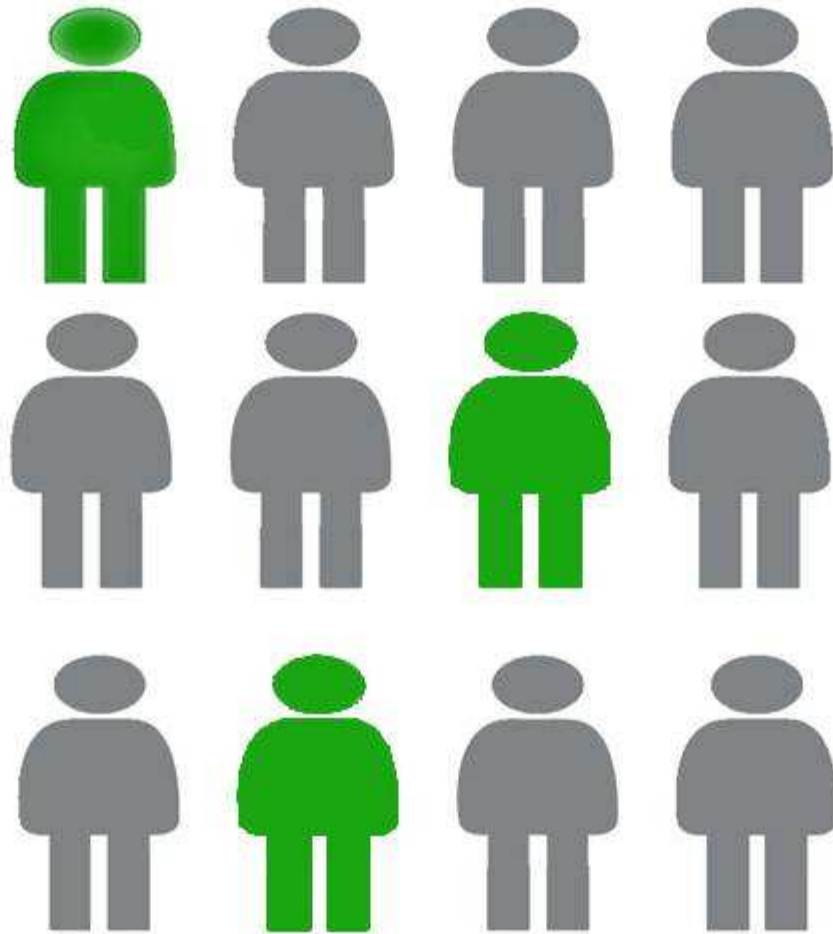
Democratic Engagement

Open Government Plan





Social Connectivity Theme Indicators



Physical Connectivity Theme Indicators

**10% of daily trips for all trip purposes that
are by bus, walking or cycling**

Food Theme Indicators

- 4% of residents rated as moderately food insecure
- 2% of residents rated as severely food insecure
- 54% of residents eating less than 5 servings of fruits and vegetables per day

Housing Theme Indicators

**12.2% of all households are in core housing
need**

What Difference Will This Make?



Create Infrastructure (Platform) that will enable us to...

What We Do	What Changes As a Result	How This Improves Wellbeing for the Residents of Guelph
Promote a Common Agenda for change by setting bold goals & targets	<ul style="list-style-type: none">• Increased awareness of needs, plans, actions and next steps• More coordination & increased efficiency of partners	Decisions about where to focus resources are evidence-based
Engage Community through ongoing consultation and information sharing	<ul style="list-style-type: none">• New actions triggered• Greater diversity of people involved• Residents feel more engaged	Improved sense of connection to community & improved opportunities for engagement
Measure Progress through community impact report and sharing data from partners	<ul style="list-style-type: none">• More support for the work of partners: volunteers, donations, coverage	Smarter use of limited resources; Quicker access to services
Support Implementation of new initiatives that promote wellbeing	<ul style="list-style-type: none">• Innovative ideas emerge for better use of resources	Energy gets directed at root causes and not just at symptoms

Collective Impact Efforts Over Four Key Phases

	Phase I	Phase II	Phase III	Phase IV
Components for Success	Generate Ideas & Dialogue	Initiate Action	Organize for Impact	Sustain Action and Impact
Governance & Infrastructure	Convene community stakeholders	Identify champions and create cross-sector group	Create infrastructure (backbone & process)	Facilitate & Refine
Strategic Planning	Hold dialog about issue, community context and available resources	Map the landscape and use data to make case	Create common agenda – common goals & strategy	Support implementation (alignment to goals and strategies)
Community Involvement	Facilitate community outreach specific to goal	Facilitate community outreach	Engage community and build public will	Continue engagement and conduct advocacy
Education & Improvement	Determine if there is consensus/urgency to move forward	Analyze baseline data to identify key issues and gaps	Establish shared metrics (indicators, measurement, and approach)	Collect, track, and report progress (process to learn and improve)

Mark Kubert

Clear Path Chiropractic

Chris Bonnett

H3 Consulting

Mitra Salarvand

Local Immigration Partnership &
Onward Willow Better Beginnings Better Futures

Terry O'Connor

District Labour Council &
Poverty Elimination Taskforce

Ross Kirkconnell

Guelph Family Health Team

Chief Bryan Larkin

Guelph Police Service

Daniel Moore

Family and Children's Services
of Guelph and Wellington.

Chris Moulton

University of Guelph Track and Field

Rita Sethi

Wellington-Dufferin-Guelph Public Health

Suzanne Bone

Guelph Central Hospital

Carol Hunter

Co-operators

Kirk Roberts

Innovation Guelph

Councillor Todd Dennis

City of Guelph

Mayor Karen Farbridge

City of Guelph

Marg Hedley

Board Member of
Guelph Wellington Seniors Association

Jennifer Truong

Youth Representative

Doug MacMillan

The Letter M Marketing

Julia Christiansen Hughes

University of Guelph

Gillian Stevens

Centre Wellington District High School

Cierra Mateo

Youth Representative

Derrick Thomson

City of Guelph

David Thornley

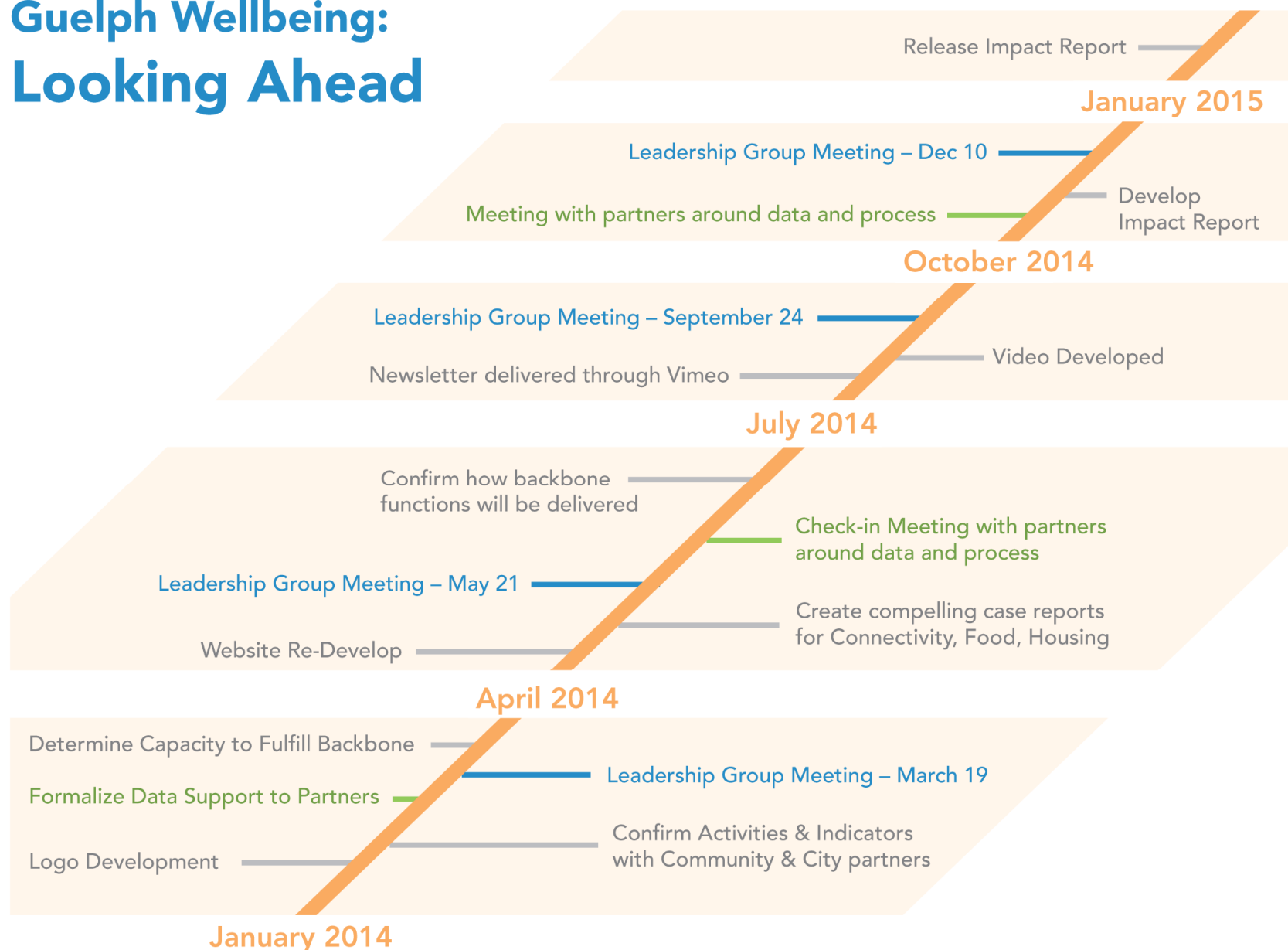
Guelph CHC



**GUELPH
WELLBEING**

*Working together for the
best possible quality of life*

Guelph Wellbeing: Looking Ahead



Why Guelph Wellbeing?



**Minutes of Guelph City Council
Held in the Council Chambers, Guelph City Hall on
Monday, April 14, 2014 at 5:30 p.m.**

Attendance

Council:	Mayor Farbridge	Councillor J. Hofland
	Councillor B. Bell	Councillor G. Kovach
	Councillor L. Burcher	Councillor M. Laidlaw
	Councillor T. Dennis	Councillor L. Piper
	Councillor I. Findlay	Councillor A. Van Hellemond
	Councillor J. Furfaro	Councillor K. Wettstein
	Councillor C. Guthrie	
Staff:	Ms. A. Pappert, Chief Administrative Officer	
	Mr. M. Amorosi, Executive Director, Corporate & Human Resources	
	Dr. J. Laird, Executive Director, Planning, Building, Engineering and Environment	
	Mr. D. McCaughan, Executive Director, Operations, Transit & Emergency Services	
	Mr. D. Thomson, Executive Director, Community & Social Services	
	Mr. D. Godwalt, General Manager, Human Resources	
	Ms. F. Tranquilli-Nardini, Manager, Labour Relations, Health & Safety	
	Mr. P. Meagher, General Manager, Community Connectivity & Transit	
	Mr. T. Salter, General Manager Planning Services	
	Ms. S. Kirkwood, Manager of Development Planning	
	Mr. B. Labelle, City Clerk	
	Ms. D. Black, Council Committee Coordinator	

Call to Order (5:30 p.m.)

Mayor Farbridge called the meeting to order.

Authority to Resolve into a Closed Meeting of Council

1. Moved by Councillor Dennis
Seconded by Councillor Hofland

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to Section 239 (2) (b), (d) and (e) of the *Municipal Act* with respect to personal matters about an identifiable individual ; labour relations or employee negotiations; and litigation or potential litigation.

CARRIED

Closed Meeting (5:31 p.m.)

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

The following matters were considered:

C.2014.17 Personal Matters About an Identifiable Individual

C.2014.18 Litigation or Potential Litigation

Rise from Closed Meeting (6:52 p.m.)

Council recessed.

Open Meeting (7:00 p.m.)

Mayor Farbridge called the meeting to order.

The Mayor acknowledged the passing of the former Minister of Finance, Jim Flaherty and Guelph Transit Driver, RuthAnn Crocker and offered condolences on behalf of Council.

Silent Prayer

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

Council Consent Agenda

The following item was extracted:

CON-2014.22 Disposition and Redevelopment of Property Framework – 200 Beverley Street (Former IMICO Site)

Balance of Council Consent Items

2. Moved by Councillor Dennis
 Seconded by Councillor Burcher

That the balance of the April 14, 2014 Consent Agenda as identified below, be adopted:

CON-2014.21 66 Eastview Road – Proposed Zoning By-law Amendment (File: ZC1307) Phase 1 - Ward 2

1. That the application by Polocorp Inc/iPlus for approval of a Zoning By-law Amendment from the UR (Urban Reserve) Zone to the R.3A (Cluster Townhouse) Zone, P.1 (Conservation Land) Zone and WL (Wetland) Zone to permit the development of approximately 30 condominium townhouse units accessed from Eastview Road at a portion of the property municipally known as 66 Eastview Road and legally described as Part of Lot 2, Concession 5, Division C, City of Guelph from Planning, Building, Engineering and Environment dated October 7, 2013, be approved in accordance with the zoning regulations and conditions outlined in Attachment 1 attached hereto.
2. That in accordance with Section 34(17) of the Planning Act, City Council has determined that no further public notice is required related to the minor modifications to the proposed Zoning By-law Amendment affecting 66 Eastview Road.

Planning Public Meeting

Mayor Farbridge announced that in accordance with The Planning Act, Council is now in a public meeting for the purpose of informing the public of various planning matters. The Mayor asked if there were any delegations in attendance with respect to the planning matters listed on the agenda.

144 Watson Road North – Proposed Zoning By-law Amendment (File: ZC1313) – Ward 1

Ms. Katie Nasswetter, Senior Development Planner advised the applicant is requesting to amend the zoning on the subject property from a CC-15 (H) (Community Shopping Centre) and FL (Floodplain) Zone to a specialized R.4B (High Density Apartment) Zone to permit the development of a 133 dwelling unit apartment building. She noted one level of underground parking is proposed with some surface parking for a total of 160 parking spaces in lieu of the standard 172 spaces. The GRCA has confirmed that the elevation of the parking is not currently on the flood plain and CN Rail have not provided any feedback on the application to date. She outlined the specialized regulations that would be required which include: reduced common amenity areas per unit, reduced parking rations and a "Severability Provision" where the by-law would apply to the lands zoned as a whole despite any future land division.

Mr. Kyle Bittman, on behalf of the applicant, provided an overview of the plan. He explained the positive effects the increased density could have on commercial development and believes their proposal meets the Places to Grow legislation and the City's mixed use node plans. He confirmed they will submit their plans for compliance with the City's Community Energy Plan.

Discussion ensued regarding waste removal, massing, streetscape, urban design and timing of the development of the neighbourhood. The issue of on-street parking and the feasibility of providing car share spots were also raised.

3. Moved by Councillor Furfaro
Seconded by Councillor Bell

That Report 14-20 regarding a proposed Zoning By-law Amendment application (File ZC1313) by Coletara Development to permit approximately 133 residential apartment units at 144 Watson Road North, legally described as Part Lot 5, Concession 3, Division C (formerly Guelph Township), designated as Part 2, Reference Plan 61R-10049, City of Guelph, from Planning, Building, Engineering and Environment dated April 14, 2014, be received.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Laidlaw, Piper, Van Hellemond and Wettstein (13)

VOTING AGAINST: (0)

CARRIED

Consent Agenda

**CON-2014.22 Disposition and Redevelopment of Property Framework – 200
Beverley Street (Former IMICO Site)**

Staff advised there is no change in policy required to provide the movement of the funds being requested. Engineering staff are reviewing the issues identified in 2008 to determine the current status of the property. Discussion ensued regarding available FCM funds and staff advised an application is being submitted. They will provide the real estate advisor of progress to date. It was noted that it costs approximately \$50,000 a year to maintain the property and staff will bring forward a chronology of the property developments.

4. Moved by Councillor Bell
Seconded by Councillor Furfaro

1. That Guelph City Council receive report FIN-ED-14-04 "Disposition and Redevelopment of Property Framework – 200 Beverley Street (Former IMICO Site)".
2. That Council approve the re-allocation of funds, in the total amount of \$75,000 from the Brownfield Capital Reserve Account # 357 in the amount of \$20,000 and the DC Exempt Reserve Account # 156 in the amount of \$55,000 for the purpose of contracting real estate advisory services for the IMICO property as described in report FIN-ED-14-04.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Laidlaw, Piper, Van Hellemond and Wettstein (13)

VOTING AGAINST: (0)

CARRIED

By-laws

5. Moved by Councillor Van Hellemond
Seconded by Councillor Dennis

That By-laws numbered (2014)-19728 to (2013)-19730, inclusive, are hereby passed.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Laidlaw, Piper, Van Hellemond and Wettstein (13)

VOTING AGAINST: (0)

CARRIED

Recess

6. Moved by Councillor Laidlaw
Seconded by Councillor Burcher

That the meeting be recessed and reconvened in a meeting that is closed to the public.

CARRIED

Closed Meeting (7:40 p.m.)

The following matters were considered:

C.2014.20 Labour Relations or Employee Negotiations

Rise from Closed Meeting and Adjourn (8:03 p.m.)

7. Moved by Councillor Hofland
Seconded by Councillor Furfaro

That Council rise from the closed meeting and the meeting be adjourned.

CARRIED

Minutes to be confirmed on May 26, 2014.

Mayor Farbridge

City Clerk

Recommended Zoning Regulations and Conditions

The property affected by the Zoning By-law Amendment application is municipally known as 66 Eastview Road and is legally described as Part of Lot 2, Concession 5, Division C, City of Guelph.

PROPOSED ZONING

The following zoning is proposed for 66 Eastview Road:

R.3A (Cluster Townhouse) Zone

In accordance with Section 5.3 of Zoning By-law (1995)-14864, as amended.

P.1 (Conservation Land) Zone

In accordance with Section 9.1 of Zoning By-law (1995)-14864, as amended.

WL (Wetland) Zone

In accordance with Section 13.2, 13.3 and 13.4 of Zoning By-law (1995)-14864, as amended.

PROPOSED CONDITIONS

The following conditions that apply to the condominium townhouse development are provided as information to Council and will be imposed through site plan approval:

1. The Owner shall submit to the City, in accordance with Section 41 of *The Planning Act*, a fully detailed site plan(s), indicating the location of buildings, landscaping, parking, circulation, access, lighting, grading and drainage on the said lands to the satisfaction of the General Manager of Planning Services and the City Engineer, prior to Site Plan approval, and furthermore the Owner agrees to develop the said lands in accordance with the approved plan.
 - a) Further, the Owner commits and agrees that the details of the layout, elevations and design for development of the subject lands shall be in general accordance and conformity with the conceptual development plan attached as Attachment 5 to the April 14, 2014 Planning, Building, Engineering and Environment Report Number 14-21.
 - b) Further, the Owner commits and agrees that the detailed site plan shall provide enhanced side building elevations for the proposed townhouse dwellings facing Eastview Road.
 - c) Further, the Owner commits and agrees that the design of the townhouse dwellings include garages that do not protrude in front of the living area. Generally, the townhouse entrances/porches are to be flush with the garage door or in front of the garage door.
 - d) Further, the Owner commits and agrees that the detailed site plan shall provide a 3 metre wide landscaped buffer strip and solid screen privacy fencing along the easterly property line to provide screening and enhance privacy to the satisfaction of the General Manager of Planning Services.
2. The Owner shall update and finalize as required by the City, any or all of the following studies, plans and reports to the satisfaction of the City Engineer:

- a) a geotechnical report certified by a Professional Engineer that analyzes the permeability and hydraulic conductivity of the soils and recommends measures to ensure that they are not diminished by the construction and development;
 - b) a servicing and stormwater management report certified by a Professional Engineer in accordance with the City's Guidelines and the latest edition of the Ministry of the Environment's "Stormwater Management Practices Planning and Design Manual" which addresses the quantity and quality of stormwater management onsite together with a monitoring and maintenance program for the stormwater management facility;
 - c) a detailed erosion and sediment control plan in accordance with the Grand River Conservation Authority Guidelines, certified by a Professional Engineer that indicates the means whereby erosion will be minimized and sediment maintained on-site throughout all phases of grading and construction.
3. The Owner shall, to the satisfaction of the General Manager/City Engineer, address and be responsible for adhering to all the recommended measures contained in the plans, studies and reports outlined in subsections 2 a) to c) inclusive.
4. The Owner acknowledges and agrees that the suitability of the land for the proposed uses is the responsibility of the landowner. The Owner shall retain a Qualified Person (QP) as defined in Ontario Regulation 153/04 to prepare and submit a Phase 1 Environmental Site Assessment and any other subsequent phases required, to assess any real property to ensure that such property is free of contamination. If contamination is found, the consultant will determine its nature and the requirements for its removal and disposal at the Owner's expense. Prior to the site plan approval, a Qualified Person shall certify that all properties to be developed are free of contamination.
5. If contamination is found, the Owner shall
 - a. submit all environmental assessment reports prepared in accordance with the Record of Site Condition (O. Reg. 153/04) describing the current conditions of the land to be developed and the proposed remedial action plan to the satisfaction of the City;
 - b. complete any necessary remediation work in accordance with the accepted remedial action plan and submit certification from a Qualified Person that the lands to be developed meet the Site Condition Standards of the intended land use; and
 - c. file a Record of Site Condition (RSC) on the Provincial Environmental Registry for lands to be developed.
6. Prior to site plan approval, the Owner shall have a Professional Engineer design a grading/drainage plan and stormwater management system for the site, satisfactory to the General Manager/City Engineer.
7. The Owner shall grade, develop and maintain the site including the storm water management facilities designed by a Professional Engineer, in accordance with a Development Plan that has been submitted to and approved by the General Manager/City Engineer. Furthermore, the Owner shall have the Professional Engineer who designed the storm water management system certify to the City that he/she supervised the construction of the storm water management system, and that the storm water management system was approved by the City and that it is functioning properly.
8. Prior to site plan approval, the Owner shall construct, install and maintain erosion and sediment control facilities, satisfactory to the General Manager/City Engineer, in accordance with a plan that has been submitted to and approved by the General Manager/City Engineer.

9. The Owner shall pay to the City the actual cost of the construction of the new driveway accesses, curb cut including boulevard restoration, i.e. topsoil/sod within the right-of-way allowance prior to site plan approval. Furthermore, prior to site plan approval, the Owner shall pay to the City the estimated cost of constructing the new driveway accesses, curb cut, including boulevard restoration, i.e. topsoil/sod within the right-of-way allowance as determined by the General Manager/City Engineer.
10. The Owner shall pay to the City the actual cost of any service laterals required and furthermore, prior to site plan approval, the Owner shall pay to the City the estimated cost of the service laterals, as determined by the General Manager/City Engineer.
11. The Owner pays the actual cost of removing any existing service laterals that are not being used for the townhouse development and furthermore, prior to site plan approval, the Owner shall pay to the City the estimated cost of removing the existing service laterals, as determined by the General Manager/City Engineer.
12. The Owner constructs the new buildings at such an elevation that the lowest level of the new buildings can be serviced with a gravity connection to the sanitary sewer.
13. The Owner shall make satisfactory arrangements with Union Gas for the servicing of the lands, as well as provisions for any easements and/or rights-of-way for their plant, prior to any severance of the lands and prior to any construction or grading on the lands.
14. That all electrical services to the lands are underground and the Owner shall make satisfactory arrangements with Guelph Hydro Electric Systems Inc. for the servicing of the lands, as well as provisions for any easements and/or rights-of-way for their plants, prior to any severance of the lands and prior to any construction or grading on the lands.
15. The Owner shall ensure that all telephone service and cable TV service in the Lands shall be underground. The Owner shall enter into a servicing agreement with the appropriate service providers for the installation of underground utility services for the Lands.
16. Prior to the issuance of a building permit, any domestic wells, monitoring wells and boreholes drilled for hydrogeological or geotechnical investigations shall be properly abandoned in accordance with current Ministry of the Environment Regulations and Guidelines. The Owner shall submit a Well Record to the satisfaction of the General Manager/City Engineer.
17. The Owner acknowledges that the City does not allow retaining walls higher than 1.0 metre abutting existing residential properties without the permission of the General Manager/City Engineer.
18. The Owner shall prepare an Environmental Implementation Report (EIR) based on terms of reference approved by the City and Grand River Conservation Authority (GRCA). This includes a wetland water balance and stormwater management plan, biological monitoring protocols and baseline data; trail alignment and design details; detailed tree conservation plan; restoration/enhancement plans for buffers; invasive & species management; design of education and stewardship materials.
19. That prior to the issuance of building permits, the Owner shall pay to the City a cash payment in-lieu of conveyance of parkland in accordance with By-law (1989)-13410, as amended by By-law (1990)-13545 and By-law (2007)-18225 or any successor thereof.

20. The Owner shall be responsible for the cost of design and development of the demarcation of all lands conveyed to the City in accordance with the City of Guelph Property Demarcation Policy. This shall include the submission of drawings for approval by the City and the administration of the construction contract up to the end of the warrantee period by an Ontario Association of Landscape Architects (OALA) member to the satisfaction of the Executive Director of Community and Social Services. The Owner shall provide the City with cash or letter of credit to cover the City approved estimate for the cost of development of the demarcation for the City lands to the satisfaction of the Executive Director of Community and Social Services.
21. The Owner shall be responsible for the cost of design and implementation of the Open Space Works and Restoration in accordance with the "Environmental Implementation Report" to the satisfaction of the Executive Director Community and Social Services. This shall include the submission of drawings for approval by the City and the administration of the construction contract up to the end of the warrantee period by an Ontario Association of Landscape Architects (OALA) member to the satisfaction of the Executive Director of Community and Social Services. The Owner shall provide the City with cash or letter of credit to cover the City's estimate for the cost of the Open Space works and restoration for the City lands to the satisfaction of the Executive Director of Community and Social Services.
22. The Owner shall design and develop the Storm Water Management Facility Landscaping in accordance with the City's current "Design Principles for Storm Water Management Facilities" to the satisfaction of the Executive Director of Community and Social Services and the City Engineer. This shall include the submission of drawings for approval and the administration of the construction contract up to the end of the warrantee period completed by an Ontario Association of Landscape Architects (OALA) member to the satisfaction of the Executive Director of Community and Social Services. The Owner shall provide the City with cash or letter of credit to cover the City's estimate for the cost of the Storm Water Management Facility Landscaping for the City lands to the satisfaction of the Executive Director of Community and Social Services.
23. The Owner shall be responsible for the cost of design of the Trail System for the Storm Water Management & Open Space Blocks. This shall include obtaining any required permits, submitting drawings for approval, identifying the trail system, interpretative signage and trail design details to the satisfaction of the Executive Director of Community and Social Services. This shall include the submission of drawings completed by an Ontario Association of Landscape Architects (OALA) member for approval to the satisfaction of the Executive Director of Community and Social Services.
24. The Owner shall submit a Noise Impact Study to the satisfaction of the General Manager of Planning Services addressing the potential traffic noise impacts from Eastview Road.
25. Prior to the issuance of site plan approval, written confirmation shall be received from the General Manager of Solid Waste Resources or his or her designate that the proposed development is in conformance with By-law (2011)-19199, known as the Waste Management By-law.
26. Prior to the issuance of site plan approval for the lands, the owner shall pay to the City, the City's total cost of reproduction and distribution of the Guelph Residents' Environmental Handbook, to all future households within the project, with such payment based on a cost of one handbook per residential household, as determined by the City.

27. The Owner shall pay to the City, as determined applicable by the Chief Financial Officer/City Treasurer, development charges and education development charges, in accordance with the City of Guelph Development Charges By-law (2009)-18729, as amended from time to time, or any successor thereof, and in accordance with the Education Development Charges By-laws of the Upper Grand District School Board (Wellington County) and the Wellington Catholic District School Board, as amended from time to time, or any successor by-laws thereof, prior to this issuance of any building permits, at the rate in effect at the time of the issuance of a building permit.
28. Prior to the issuance of site plan approval, the Owner shall provide the City with written confirmation that the subject site will be developed to a standard that implements energy efficiency in order to support the Community Energy Initiative to the satisfaction of the General Manager of Planning Services in accordance with the letter attached as Attachment 7 to Report 14-21 from Planning, Building, Engineering and Environment dated April 14, 2014.
29. The Owner shall enter into an agreement with the City, registered on title, satisfactory to the City Solicitor and the General Manager/City Engineer, covering the conditions noted above.



**Minutes of Guelph City Council
Held in the Council Chambers, Guelph City Hall on
Monday April 28, 2014 at 6:10 p.m.**

Attendance

Council:	Mayor Farbridge	Councillor G. Guthrie
	Councillor B. Bell	Councillor J. Hofland
	Councillor L. Burcher	Councillor G. Kovach
	Councillor T. Dennis	Councillor L. Piper
	Councillor I. Findlay	Councillor A. Van Hellemond
	Councillor J. Furfaro	Councillor K. Wettstein
Absent:	Councillor M. Laidlaw	
Staff:	Ms. A. Pappert, Chief Administrative Officer	
	Mr. M. Amorosi, Executive Director, Corporate & Human Resources	
	Mr. D. Thomson, Executive Director, Community & Social Services	
	Mr. A. Horsman, Executive Director, Finance & Enterprise	
	Ms. J. Laird, Executive Director, Planning & Building, Engineering and Environment	
	Mr. D. McCaughan, Executive Director, Operations, Transit & Emergency Services	
	Ms. T. Agnello, Deputy Clerk	
	Ms. J. Sweeney, Council Committee Coordinator	

Call to Order (6:10 p.m.)

Mayor Farbridge called the meeting to order.

Authority to Resolve into a Closed Meeting of Council

1. Moved by Councillor Dennis
Seconded by Councillor Findlay

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to Section 239 (2) (a), (b), (d), (e) and (f) of the *Municipal Act* with respect to security of the property of the municipality; personal matters about an identifiable individual; labour relations or employee negotiations; litigation or potential litigation; and advice that is subject to solicitor-client privilege.

CARRIED

Closed Meeting (6:11 p.m.)

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

The following matters were considered:

C.2014.25 Security of the Property of the Municipality

C.2014.22 Memorandum of Agreement between the City of Guelph and Guelph Professional Fire Fighters Association

C-2014.23 Report of the Community & Social services Committee – Citizen Appointment to Guelph Cemetery Commission

C-2014.20 Downtown Secondary Plan (OPA 43)

Rise from Closed Meeting (6:50 p.m.)

Council recessed.

Open Meeting (7:00 p.m.)

Mayor Farbridge called the meeting to order.

The Mayor held a moment of silence in recognition of the National Day of Honour and the National Day of Mourning.

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

Presentations

- a) Astero Kalogeropoulos, Arts & Culture Program Officer, as part of the Mayor's Poetry Challenge introduced poet Madhur Anand.

Madhur Anand recited her poem "Sestina".

- b) The Mayor presented City of Guelph medals to the following members of the Guelph Ringette U16AA team in recognition of winning the 2014 Ontario AA Ringette Championship and the 2014 Canadian Ringette Championship: Selena Case, Mariah Coverdale, Emma Eccles, Samantha Gorgi, Janna Griffioen, Kelsey Hamilton, Katrina Hart, Madison Jarvis, Neely Jarvis, Anna Lawrence, Gillian Marrow, Madison Seabrooke, Nicole Shaw, Stacey Warner, Rose Williams, Manager Lori Seabrooke, Coaches: Dave Eccles, Michelle Eccles, Karen Lawrence, Todd Marrow, Gary Shaw and Arlene Warner
- c) The Mayor presented City of Guelph Medals to the following members of the Guelph Ringette U19AA team in recognition of winning the Ontario Championship: Halli Berry, Hayley Chase, Moira Davidson, Nicole Evans, Breanne Hahn, Taylor Jarvis, Nia King, Meghan Lanteigne, Megan McGuire, Katie McKersie, Jessica Mezenberg, Abby Richardson, Trish Rowsell, Jodi Rutten, Colleen Scott, Rachel Shaw, Manager Paula Richardson, Coaches: Doug Chase, Margaret Lanteigne, John Mezenberg, Gillian Montoya, Craig Richardson and Trish Scott
- d) The Mayor extended congratulations to the University of Guelph on their 150th Anniversary.
1. Moved by Councillor Findlay

Seconded by Councillor Piper

1. That Guelph City Council offers its congratulations to the Board of Governors of the University of Guelph on the University achieving its 50th year of providing continued excellence in education and research.
2. That Guelph City Council offers its appreciation to the alumni, students and faculty of the University of Guelph who have all contributed to the success and global recognition of the University of Guelph.
3. That Guelph City Council wishes to express the City's sincere appreciation of the University's positive involvement, contribution and enrichment to the community.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Piper, Van Hellemond and Wettstein (12)

VOTING AGAINST: (0)

CARRIED

- e) Rob Kerr, General Manager, Guelph Municipal Holdings Inc., provided a brief outline of the phases of implementation of the City of Guelph's Energy Initiative. He presented the following awards the City received from the Federation of Canadian Municipalities to Council, the community and partners:
- Sustainable Community for Community Energy Initiative in recognition of the City's efforts to reduce energy use
 - Greenhouse Gas Emission Reduction Champion in recognition of innovation and excellence in municipal sustainable development.
- f) Ms. Ann Pappert, Chief Administrative Officer, outlined her performance objectives for 2014 and 215 with respect to Organizational Excellence, Innovation in Local Government and City Building.

Confirmation of Minutes

2. Moved by Councillor Wettstein
Seconded by Councillor Piper

That the minutes of the Council Meetings held on March 17 and 31, 2014 and the minutes of the Closed Meetings of Council held March 17 and 31, 2014 be confirmed as recorded.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Piper, Van Hellemond and Wettstein (12)

VOTING AGAINST: (0)

CARRIED

Consent Reports

Closed Meeting of Council Second Consent Report

3. Moved by Councillor Findlay
Seconded by Councillor Dennis

That the April 28, 2014 Closed Meeting of Council Second Consent Report as identified below, be adopted:

CMC-2014.22 Citizen Appointment to the Guelph Cemetery Commission

That effective November 1, 2014, Doug Gilchrist be appointed to the Guelph Cemetery Commission for a term ending November 30, 2016.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Piper, Van Hellemond and Wettstein (12)

VOTING AGAINST: (0)

CARRIED

Community & Social Services Committee Second Consent Report

The following items were extracted:

CSS-2014.7 Brant Neighbourhood Hub Development
CSS-2104.8 Smoke-Free Outdoor Spaces

Corporate Administration, Finance & Enterprise Committee Third Consent Report

The following items were extracted:

CAFE-2014.12 150-152 Wellington Street East – Downtown Guelph Community Improvement Plan (DGCIP) – Major Downtown Activation Grant (MDAG) Request
CAFE-2014.16 2013 DC Background Study Update: Capital Budget Funding Reallocation

Balance of Corporate Administration, Finance & Enterprise Committee Consent Items

Councillor Hofland presented the balance of the Corporate Administration, Finance & Enterprise Committee Third Consent Report.

4. Moved by Councillor Hofland
Seconded by Councillor Bell

That the balance of the April 28, 2014 Corporate Administration, Finance & Enterprise Committee Third Consent Report as identified below, be adopted:

CAFE-2014.8 Fair Trade Town Status Proposal

1. That Guelph City Council supports in principle Fair Trade Guelph's efforts for Guelph to achieve Fair Trade Town Status with Fair Trade Canada.

CAFE-2014.14 2014 Property Tax Policy

1. That the 2014 City of Guelph Property Tax Policies as set out in Schedule 1 be approved.
2. That the following tax policies be incorporated into the tax ratio, tax rate and capping by-laws and submitted to Council on April 28, 2014:
 - a) That the multi-residential ratio be reduced from 2.1239 to 2.0819;
 - b) That the industrial tax ratio be reduced from 2.5237 to 2.4174;
 - c) That all other class ratios and vacancy discounts remain the same as 2013;
 - d) That the capping parameters used for 2013 be adopted for 2014 (as outlined on Appendix A); and
 - e) That all other tax policies, including optional property classes, graduated tax rates, relief to charities, low income and disabled persons (as detailed in Schedule 1 to Report FIN-14-15) remain the same as 2013.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Piper, Van Hellemond and Wettstein (12)

VOTING AGAINST: (0)

CARRIED

Governance Committee Second Consent Report

Councillor Findlay presented the Governance Committee Second Consent Report.

5. Moved by Councillor Findlay
Seconded by Councillor Dennis

That the April 28, 2014 Governance Committee Second Consent Report as identified below, be adopted:

GOV-2014.2 Legal & Realty Services Delegation of Authority

1. That the Delegation of Authority By-law for Legal and Realty Services Section 6B be replaced with the following:
Where a decision of the Committee of Adjustment is, in the professional opinion of the City Solicitor in consultation with the General Manager of Planning Services, contrary to the best interests of the City and it is desired to appeal the decision to the OMB, the City Solicitor shall obtain instructions from Council to proceed with an appeal. If a time restriction would expire before instructions of Council can be obtained regarding the appeal, the City Solicitor may file a notice of appeal provided the City Solicitor obtains instructions from Council as soon as is practicable thereafter.

2. That the Delegation of Authority By-law (2013)-19529 be amended by inserting Schedule AA, as amended, attached to the report of Legal & Realty Services dated April 9, 2014 – Delegation of Authority for Legal and Realty Services.

GOV-2014.3 2014 Municipal Election – Advance Voting Period and Special Voting Provisions

1. That the report dated April 9, 2014 titled “2014 Municipal Election – Advance Voting Period and Special Voting Provision”, be received for information.

GOV-2014.6 Memo from Mayor Regarding Permanent Resident Voting in Municipal Elections

1. That staff report back to the Governance Committee on the matter of seeking changes to Provincial legislation that would allow permanent residents the right to vote in municipal elections.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Piper, Van Hellemond and Wettstein (12)

VOTING AGAINST: (0)

CARRIED

Planning & Building, Engineering and Environment Committee Second Consent Report

The following items were extracted:

PBEE-2014.7 Housing Strategy Background Report and Proposed Project Charter
PBEE-2014.8 Stone Road Widening and Reconstruction from Victoria Road to Gordon Street

Balance of Planning & Building, Engineering and Environment Committee Consent Items

Councillor Bell presented the balance of the Planning & Building, Engineering and Environment Committee Second Consent Report.

6. Moved by Councillor Bell
Seconded by Councillor Guthrie

That the balance of the April 28, 2014 Planning & Building, Engineering and Environment Committee Second Consent Report as identified below, be adopted:

PBEE-2014.11 Arthur Street Trunk Sewer – Speed River Crossing Schedule B Class Environmental Assessment – Notice of Completion

1. That the Planning, Building, Engineering and Environment report dated April 7, 2014, regarding the Arthur Street Trunk Sewer – Speed River Crossing Schedule B Class Environmental Assessment be received.
2. That staff be authorized to complete the Municipal Class Environmental Assessment

process as required and to proceed with the implementation of the preferred alternative as outlined in the report from Planning, Building, Engineering and Environment dated April 7, 2014.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Piper, Van Hellemond and Wettstein (12)

VOTING AGAINST: (0)

CARRIED

Council Consent Agenda

The following items were extracted:

CON-2014.24 1291 Gordon Street – Removal of Holding Zone
CON-2014.25 Contract to Process Recyclable Material

Extracted Items

Delegations

CSS-2014.7 Brant Neighbourhood Hub Development

Ms. Andrea Roberts, Director of Family Health & Analytics, Wellington-Dufferin-Guelph Public Health, advised that a local study looked at eight social determinants of health and indicated that Brant Neighbourhood faces many challenges and would benefit from amenities and services provided close to the community in the form of a hub.

Lynne Kloostra and Linda Beal, Brant Avenue Neighbourhood Group, recounted their vision of a hub that would allow the neighbourhood to connect with each other and access necessary services. They requested the City conduct a feasibility study for a neighbourhood hub on the Brant Avenue School property.

Ms. Janice Pearce Faubert told Council that she envisioned a neighbourhood hub for many years which would assist families that do not have the resources or time to travel to other areas of the city in assessing services.

A video was presented with comments from Katie Davis, Amy Vandenberg, Nicole Hammond, Gaii Lukomski, Wendy McCrae and Daniel Moore on what a neighbourhood hub would mean to the community.

Mr. Brendan Johnson, Executive Director of Guelph Neighbourhood Support Coalition, thanked the City for supporting the neighbourhoods. He suggested that a hub would provide a physical place for the neighbourhood to access services.

Ms. Kim Gadoury advised of the difficulties in accessing services across the City. She advised that a hub would improve the residents' quality of life by providing services that addresses people basic needs.

Ms. Halima Ahmed explained of her journey to Canada and the challenges she faces in accessing various agencies and services. She suggested that a hub would make the people in the neighbourhood feel less isolated.

7. Moved by Councillor Dennis
Seconded by Councillor Van Hellemond

1. That staff be directed to conduct a feasibility study, and determine criteria and a timeline for locating a community hub on Brant Avenue Park lands, and bring back a recommendation for further consideration at a future Community and Social Services Committee meeting.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Piper, Van Hellemond and Wettstein (12)

VOTING AGAINST: (0)

CARRIED

CSS-2014.8 Smoke-Free Outdoor Spaces

Ms. Jennifer McCorriston of Wellington-Dufferin-Guelph Public Health, outlined the reasons for smoke-free outdoor spaces and highlighted the results of the 2013 survey. She advised that public health is requesting that the City adopt a comprehensive smoke-free outdoor spaces by-law.

Miss Gwen Haennel expressed concern with smoking in public parks and the effects of second hand smoke.

Miss Katherine Phippen expressed concern with the effect smoking has on people and animals in public spaces.

Miss Launa Bucher-Austin expressed concern with the effect of second hand smoke on people and people throwing their cigarette butts around.

8. Moved by Councillor Dennis
Seconded by Councillor Piper

1. That Committee and Council receive the report and presentation *entitled Smoke-free Outdoor Spaces Results from the 2013 Smoke-Free Outdoor Spaces Survey, City of Guelph 2013*, by the Chronic Disease and Injury Prevention Team of the Wellington-Dufferin-Guelph Public Health Unit's report.
2. That the report and findings of the Wellington-Dufferin-Guelph Public Health Unit be referred to staff for their investigation and follow-up with the Health Unit, and report to Committee on outdoor spaces smoke-free recommendations.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Burcher, Dennis, Findlay, Furfaro, Guthrie, Hofland, Kovach, Piper, Van Hellemond and Wettstein (12)

VOTING AGAINST: (0)

CARRIED

CAFE-2014.12 150-152 Wellington Street East – Downtown Guelph Community Improvement Plan (DGCIP) – Major Downtown Activation Grant (MDAG) Request

Mr. William Sleeth expressed concern that reallocating funds from the Tax Increment-Based Grant to the Downtown Tax Increment-Based Grant for the 150-152 Wellington Street East property could impact other brownfield sites. He suggested that any delay to the remediation of the IMICO site would not be acceptable to the neighbourhood.

Ms. Barbara Mann was not present.

Mr. Ian Panabaker, Corporate Manager Downtown Renewal advised that the Tricar application meets all the requirements for the allocation of funds from the grant program.

Main Motion

9. Moved by Councillor Findlay
Seconded by Councillor Wettstein
 1. That \$2,801,339 of Brownfield TIBG Reserve Funds be reallocated to the Downtown TIBG Reserve Funds.
 2. That \$1,838,870 of the Heritage Redevelopment Reserve TIBG Funds be reallocated to the Downtown TIBG Reserve Funds.
 3. That the application by 150 Wellington Guelph Limited for a Tax Increment-Based Grant pursuant to the Downtown Guelph Community Improvement Plan and applying to 150-152 Wellington Street East, be approved with an upset limit of \$4,640,209.
 4. That the remaining TIBG funds be directed to the Heritage Redevelopment Reserve.
 5. That staff be directed to finalize Downtown Tax Increment-Based Grant agreements between the City and 150 Wellington Guelph Limited, or any subsequent owner, as described in this report to the satisfaction of the Corporate Manager, Downtown Renewal; the City Solicitor; and the City Treasurer.
 6. That the Mayor and Clerk be authorized to execute the agreements.

Amendment

10. Moved by Councillor Furfaro
Seconded by Councillor Bell

That \$1,800,000 of Brownfield TIBG Reserve Funds be reallocated to the Downtown TIBG Reserve Funds

VOTING IN FAVOUR: Councillors Bell, Furfaro, Guthrie, Kovach and Van Hellemond (5)

VOTING AGAINST: Mayor Farbridge, Councillors Burcher, Dennis, Findlay, Hofland, Piper, and Wettstein (7)

DEFEATED

Main Motion

11. Moved by Councillor Findlay
Seconded by Councillor Wettstein
1. That \$2,801,339 of Brownfield TIBG Reserve Funds be reallocated to the Downtown TIBG Reserve Funds.
 2. That \$1,838,870 of the Heritage Redevelopment Reserve TIBG Funds be reallocated to the Downtown TIBG Reserve Funds.
 3. That the application by 150 Wellington Guelph Limited for a Tax Increment-Based Grant pursuant to the Downtown Guelph Community Improvement Plan and applying to 150-152 Wellington Street East, be approved with an upset limit of \$4,640,209.
 4. That the remaining TIBG funds be directed to the Heritage Redevelopment Reserve.
 5. That staff be directed to finalize Downtown Tax Increment-Based Grant agreements between the City and 150 Wellington Guelph Limited, or any subsequent owner, as described in this report to the satisfaction of the Corporate Manager, Downtown Renewal; the City Solicitor; and the City Treasurer.
 6. That the Mayor and Clerk be authorized to execute the agreements.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Burcher, Dennis, Findlay, Guthrie, Hofland, Piper, and Wettstein (8)

VOTING AGAINST: Councillors Bell, Furfaro, Kovach and Van Hellemond (4)

CARRIED

Councillor Burcher left the meeting at 9:45 p.m.

CAFE-2014.16 DC Background Study Update: Capital Budget Funding Reallocation

Dr. Hugh Whiteley questioned if development charges could be used for the development of a skatepark.

12. Moved by Councillor Hofland
Seconded by Councillor Kovach
1. That report FIN-14-18 2013 Development Charges Background Study Update – Capital Budget Funding Reallocation dated April 7th, 2014 be received.
 2. That Council approve the refinancing of the approved 2013 and 2014 tax-supported and non-tax supported capital budgets so that they align with the Council approved 2013 Development Charges Background Study.
 3. That Council receive for information, the 2015-2023 Capital Forecast that was previously received by Council at the meeting of December 5, 2013.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Dennis, Findlay, Furfaro, Hofland, Kovach, Piper, Van Hellemond and Wettstein (10)

VOTING AGAINST: (0)

Councillor Guthrie was not in the Council Chambers during the vote.

CARRIED

PBEE-2014.8 Stone Road Widening and Reconstruction from Victoria Road to Gordon Street

Dr. Hugh Whiteley suggested that the widening of Stone Road is not necessary and that the City can save the funds allocated for the project.

Ms. Beverley Hale was not present.

Ms. Yvette Tendick supports Dr. Whiteley's position on the proposed widening of Stone Road. She suggested that traffic volumes do not require a road widening and expressed concern that it has been 12 years since the completion of the environmental assessment.

Ms. Laura Murr requested that the road widening be deferred until a review can be done through public consultation. She advised that she supports the creation of sidewalks on the north side of the road. She suggested that an updated environmental assessment should be done as the snapping turtle population has changed in the past 12 years.

Mr. Martin Collier advised that he concurs with previous speakers and expressed concern with the time passed since the environmental assessment was completed. He suggested that the City needs a new transportation hierarchy placing pedestrian and cyclists as a priority.

13. Moved by Councillor Piper
 Seconded by Councillor Findlay

1. That the Planning, Building, Engineering and Environment report entitled "Stone Road Widening and Reconstruction from Victoria Road to Gordon Street", dated April 7, 2014, be received.
2. That Council authorize staff to proceed with the widening and reconstruction of Stone Road from Victoria Road to Gordon Street, as outlined in the Planning, Building, Engineering and Environment report dated April 7, 2014.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Dennis, Furfaro, Guthrie, Kovach, Piper and Wettstein (7)

VOTING AGAINST: Councillors Bell, Findlay, Hofland and Van Hellemond (4)

CARRIED

14. Moved by Councillor Hofland
 Seconded by Councillor Furfaro

That the City of Guelph Procedural By-law be suspended to allow Council to continue past 11:00 p.m.

CARRIED

CON-2014.24 1291 Gordon Street – Removal of Holding Zone

Mr. Hugh Handy, on behalf of the applicant advised that they support the staff recommendation for the removal of the holding zone. He advised that the site plan agreement is in the final form and addresses the technical outstanding items.

Mr. Andrew Bousfield, architect, provided information with respect to the urban design of the development.

Mr. Scott Higgins, Vice President of HIP Developments, the applicant provided information with respect to parking and amenity spaces.

Ms. Laura Murr expressed concern with the dewatering of the site and the impact on the environment. She requested that the holding symbol not be removed until: prepumping conditionary building reports are completed; that 4 season ground water monitoring next to the building and parking for 5 years be required; predevelopment flow and monitoring in the headwaters of the Hanlon tributaries be completed; and water quality monitoring be required during pumping.

Councillor Kovach left the meeting at 11:02 p.m.

15. Moved by Councillor Guthrie
Seconded by Councillor Furfaro

1. That Report 14-23 regarding an application for Site Plan Approval and to lift the Holding symbol on the existing zoning submitted by GSP Group Inc. on behalf of HIP Developments, on the lands municipally known as 1291 Gordon Street, and legally described as Part of Lot 6, Concession 7, former Township of Puslinch, and Plan 61R-20267, from Planning, Building, Engineering and Environment dated April 28, 2014, be received.
2. That the site plan application submitted by GSP Group Inc. on behalf HIP Developments for the development of a 160 unit apartment building on the lands municipally known as 1291 Gordon Street, and legally described as Part of Lot 6, Concession 7, former Township of Puslinch, and Plan 61R-20267, be given preliminary approval, subject to resolving the outstanding technical issues set out in Attachment 2 of Planning, Building, Engineering and Environment Report 14-23, dated April 28, 2014 to the satisfaction of the General Manager of Planning Services.
3. That the Environmental Implementation Report prepared by Stantec Consulting Inc. on behalf of HIP Developments for the development of a 160 unit apartment building on the lands municipally known as 1291 Gordon Street, and legally described as Part of Lot 6, Concession 7, former Township of Puslinch, and Plan 61R-20267, be supported by Council in order to lift the holding symbol on the existing zoning.
4. That regarding the application submitted by GSP Group Inc. on behalf HIP Developments to lift the holding symbol on the existing zoning for the lands municipally known as 1291 Gordon Street, and legally described as Part of Lot 6, Concession 7, former Township of Puslinch, and Plan 61R-20267, that staff be directed to bring a by-law to lift the holding symbol to a future Council meeting once the Site Plan Control Agreement has been registered on title.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Dennis, Findlay, Furfaro, Guthrie, Hofland and Wettstein (8)

VOTING AGAINST: Councillors Piper and Van Hellemond (2)

CARRIED

PBEE-2014.7 Housing Strategy Background Report and Proposed Charter

16. Moved by Councilor Hofland
Seconded by Councillor Findlay

1. That Report 14-15 from Planning, Building, Engineering and Environment regarding the Housing Strategy Background Report and Proposed Project Charter dated April 7, 2014 be received.
2. That the Housing Strategy Project Charter included as Attachment 2 to Report 14-15 be approved.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Dennis, Findlay, Furfaro, Guthrie, Hofland, Piper, Van Hellemond and Wettstein (9)

VOTING AGAINST: Councillor Bell (1)

CARRIED

CON-2014.25 Contract to Process Recyclable Material

17. Moved by Councillor Piper
Seconded by Councillor Hofland

1. That the Executive Director of Planning, Building, Engineering and Environment be authorized to enter into a contract with Recyclable Material Marketing (ReMM) and Rizzo Environmental Services to process recyclable material at Guelph's Material Recovery Facility (MRF), subject to the satisfaction of the Executive Director of Finance and Enterprise and the City Solicitor, or their designates.
2. That the Executive Director of Planning, Building, Engineering and Environment be authorized to enter into a contract with ReMM to haul and dispose of 22,500 tonnes of residual waste at a waste-to-energy facility, subject to the satisfaction of the City Solicitor, or designate.
3. That Council approves the hiring of up to an additional thirty-six (36) staff to operate a second shift at the MRF for the term of this contract.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Dennis, Findlay, Guthrie, Hofland, Piper and Wettstein (8)

VOTING AGAINST: Councillor Furfaro and Van Hellemond (2)

CARRIED

Special Resolutions

18. Moved by Councillor Findlay
Seconded by Councillor Piper

Whereas public urination continues to detract from the presentation of our downtown; and

Whereas Council has approved the use of pissiors conditional on a permanent public washroom facility being available; and

Whereas there are no permanent public washrooms in place or currently planned for that would service late night downtown activity;

1. That this resolution be forwarded to the Corporate Administration, Finance & Enterprise Committee for consideration.
2. Therefore be it resolved that the Downtown Renewal Office be charged with collaborating with downtown stakeholders to determine the most effective and timely manner to create a public washroom to serve downtown activity during all hours for the consideration of City Council.
3. That the Downtown Renewal Office present it's recommendation by the end of Q3.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Dennis, Findlay, Furfaro, Guthrie, Hofland, Piper, Van Hellemond and Wettstein (10)

VOTING AGAINST: (0)

CARRIED

19. Moved by Councillor Hofland
Seconded by Councillor Piper

That the Memorandum of Agreement between the City of Guelph and GPFFA IAFF Union Local 467 on file with Human Resources be approved.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Dennis, Findlay, Furfaro, Guthrie, Hofland, Piper, Van Hellemond and Wettstein (10)

VOTING AGAINST: (0)

CARRIED

By-laws

20. Moved by Councillor Bell
Seconded by Councillor Hofland

That By-laws Numbered (2014)-19731 to (2014)-19747, inclusive, are hereby passed.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Bell, Dennis Findlay, Furfaro, Guthrie, Hofland, Piper, Van Hellemond and Wettstein (10)

VOTING AGAINST: (0)

CARRIED

Mayor's Announcements

The Mayor advised that Councilors Laidlaw and Hofland will be hosting a Ward 3 Townhall meeting on May 27, 2014 at 7:00 p.m. at City Hall.

Adjournment (11:39 p.m.)

21. Moved by Councillor Hofland
Seconded by Councillor Guthrie

That the meeting be adjourned.

CARRIED

Minutes to be confirmed on May 26, 2014.

Mayor Farbridge

Deputy Clerk

CONSENT REPORT OF THE AUDIT COMMITTEE

May 26, 2014

Her Worship the Mayor and
Councillors of the City of Guelph.

Your Audit Committee beg leave to present their SECOND CONSENT REPORT as recommended at its meeting of April 30, 2014.

If Council wishes to address a specific report in isolation please identify the item. The item will be extracted and dealt with immediately. The balance of the Consent Report of the Audit Committee will be approved in one resolution.

AUD—2014. 11 Internal Audit Report – Legal and Realty Services Follow Up Audit

1. That the Audit Committee receives the Internal Auditor's report "Appendix A – CAO-A-1406, Legal and Realty Services Follow Up Audit".
2. **That the Governance Committee address the lack of policy to ensure internal audit results are tabled with the appropriate standing committee of Council.**
3. **That the Legal and Realty Services Follow Up Audit be referred to the Corporate Administration, Finance & Enterprise Committee to consider the status of recommendations.**
4. **That future budgets identify any projects related to an internal audit recommendation that are not being recommended for funding.**

AUD—2014.13 Policy for the Selection and Appointment of the External Auditor

1. That FIN-14-19 "Policy for the Selection and Appointment of the External Auditor be received.
2. That the Policy for the Selection and Appointment of the External Auditor, attached as Appendix 1, be approved.

All of which is respectfully submitted.

Councillor Cam Guthrie, Chair
Audit Committee

**PLEASE BRING THE MATERIAL THAT WAS DISTRIBUTED WITH THE
AGENDA FOR THE APRIL 30, 2014 MEETING.**

STAFF REPORT



TO **Audit Committee**

SERVICE AREA **CAO - Administration**

DATE **April 8, 2014**

SUBJECT **Internal Audit Report – Legal and Realty Services
Follow up Audit.**

REPORT NUMBER **CAO-A-1406**

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To provide the Committee with a report on the Follow Up Audit of Legal and Realty Services.

KEY FINDINGS

A number of improvements have been noted since the original audit was completed in October 2012. There has been some progress in implementing the audit recommendations however there are still outstanding recommendations some of which are constrained by budget funding. It is strongly recommended that recommendations # 6 (KPIs and customer survey) and # 8 (EDMS) be implemented without further delay.

Status of Audit Recommendations:

Total Recommendations	10
Completed	5
Partially Completed	2
Not Completed	3

FINANCIAL IMPLICATIONS

N/A

ACTION REQUIRED

Audit Committee to receive the Internal Auditor's report "Appendix A-CAO-A-1406, Legal and Realty Services Follow up Audit".

STAFF REPORT



RECOMMENDATION

1. That the Audit Committee receive the Internal Auditor's report, "Appendix A-CAO-A-1406, Legal and Realty Services Follow up Audit".

BACKGROUND

In accordance with professional internal audit standards, a Follow-up Audit has been conducted to evaluate the status of recommendations from the original audit completed in October 2012.

The purpose of all follow up audits is to evaluate the impact of the original audit to determine if anticipated improvements have been realized and also to identify any new or emerging issues.

The scope of the follow-up audit is limited to a review of the key findings and recommendations contained in the original audit and the identification of any new or emerging issues within the business unit.

REPORT

The full, detailed report is attached in – Appendix A-CAO-A-1406, Internal Audit Report, Legal and Realty Services Follow up Audit

CONCLUSION

In their interviews, staff report that work load issues have been significantly improved since the original audit was conducted. The addition of two new lawyers has enabled a more balanced assignment of work and in particular, the level of acquired expertise has had a positive impact.

The new process for reviewing service requests has been effective in balancing work loads and ensuring that files are assigned to the staff with the most relevant experience.

The development of a new Legal and Realty Services policy establishes a clear process for requesting service and makes commitments to customers with respect to deliverables and timelines. The policy addresses the use of external legal resources and defines how and when this is appropriate. It further defines the method by which external legal costs will be monitored and how these costs will be tracked by Legal Services.

STAFF REPORT

The lack of an EDMS continues to hamper performance and create non-value added manual work for staff. A document management system is still recommended in order to maximize efficiency and improve performance.

The recommendation to implement key performance indicators (KPIs) has not been implemented and therefore we have no benchmark data to determine whether customers are more or less satisfied with the service they receive. This information is essential if Legal and Realty Services intends to keep its commitment to improving customer service and to monitor their performance annually.

Budget constraints have impeded the implementation of several recommendations. Until such time as budgets permit, there will continue to be a variance for the use of external legal resources, particularly with respect to OMB matters.

While the recommendation to move all legal budgets to Legal Services has not been implemented, the effort has been made to make total legal costs transparent in the Annual Report for CHS. This is a partial measure of success provided that these costs are tracked and reported accurately.

The shortage of administrative support continues to create non-value added work by the legal staff and it is anticipated that this will be addressed by the time-keeping review currently underway in Human Resources.

In summary, Legal and Realty Services has made some progress in implementing the audit recommendations and improvements are noted. It is strongly recommended that recommendations # 6 (KPIs and customer survey) and # 8 (EDMS) be implemented without further delay.

CORPORATE STRATEGIC PLAN

1.3 Organizational Excellence – Build robust systems, structures and frameworks aligned to strategy.

2.3 Innovation in Local Government – Ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION

Corporate and Human Resources have been consulted in the development of this report.

COMMUNICATIONS

N/A

STAFF REPORT



ATTACHMENTS

Appendix A - CAO-A-1406, Internal Audit Report,
Legal and Realty Services Follow up Audit

A handwritten signature in black ink, appearing to read "Loretta Alonzo", written over a horizontal line.

Report Author

Loretta Alonzo
Internal Auditor
519-822-1260, ext. 2243
loretta.alonzo@guelph.ca



Appendix A - CAO-A-1406

Legal and Realty Services

Follow up Audit

Final Report

March 5, 2014

Prepared by Loretta Alonzo, Internal Auditor

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Audit Objectives

In accordance with professional internal audit standards, a Follow-up Audit has been conducted to evaluate the status of audit recommendations from the original audit completed in October 2012. The purpose of all follow up audits is to evaluate the impact of the original audit to determine if anticipated improvements have been realized and also to identify any new or emerging issues.

Scope

The scope of the follow-up audit is limited to a review of the key findings and recommendations contained in the original audit and the identification of any new or emerging issues within the business unit.

Methodology

- Staff interviews – City Solicitor, Assistant City Solicitor, Executive Director, Corporate and Human Resources
- Document review

Key Findings and Recommendations

1	FINDING	Is Legal Representation Services a service that should be provided by the City?
	RECOMMENDATION	Value for money analysis clearly shows that providing legal and realty services in-house provides an average savings of \$387 per hour, compared to outsourcing the same services. Continue to provide the services in-house.
	STATUS	Complete. The decision to continue providing legal and realty services in-house was fully accepted by management.
2	FINDING	Use of external counsel, by departments other than the Legal and Realty department, is increasing with an unclear picture of why.
	RECOMMENDATION	Develop a policy and set of guidelines for utilizing external counsel with monitoring to evaluate trends in use. This policy should include an Approved Lawyer List (identifying approved lawyers by expertise and rating).
	STATUS	Complete. A policy has been developed and approved by the Executive Team in January 2014. The policy defines the process for decision-making with regard to internal vs. external legal resources and also defines the process for selection of external resources. A list of approved legal firms will be circulated to service areas with the policy.
3	FINDING	Use of external counsel, by departments other than the Legal and Realty department, is increasing with an unclear picture of why.
	RECOMMENDATION	External legal costs should be managed through the Legal and Realty Services department's accounts, to ensure a clear picture of the true legal costs and to allow for better analysis. This would require all legal budget items (across the corporation) to be expensed through Legal to ensure accurate reporting providing accountability and transparency.

	STATUS	Partially Complete. Financial reporting has not been revised to transfer all legal budgets to Legal Services however, changes to the Corporate and Human Resources/Legal and Realty Services Annual Report have been made such that total legal costs across the Corporation will now be reported. This provides greater transparency in reporting legal costs. The new policy also requires all service areas to submit invoices for external legal services to Legal Services for review and reporting purposes.
4	FINDING	The department does not budget for external legal services. These costs are covered by reserve transfers, for a net zero operating budget (for external legal costs). This does not allow for a clear picture of legal costs.
	RECOMMENDATION	It is recommended that budgeting practices be changed to budget external legal costs based on historical expenditures, utilizing the reserve for complex or large external issues.
	STATUS	Partially Complete. The budget for external legal costs, which are primarily OMB related, has been increased by \$200K however the historical costs indicate approximately \$400K is actually spent. Based on budget constraints, management has decided to phase in this recommendation as budgets permit over the next few years.
5	FINDING	The City of Guelph's legal staffing levels are lower than most of the municipalities that participated in the benchmarking activity.
	RECOMMENDATION	Monitor cost of legal work outsourced (where the internal expertise is available in house) vs. the cost of an on staff lawyer, to ensure cost efficiency in service provision. The department should monitor and analyze this (for the last year) data and report to Committee by the end of 2012 with recommendations regarding continued use of external legal resources or additional in-house legal staff. Provide whichever recommendation is most fiscally responsible, to inform the 2013 and 2014 budget process.
	STATUS	Complete. The new Legal and Realty Services policy provides clear direction on the use of external legal resources and guidelines with respect to the decision-making process when determining whether to use internal or external legal counsel.
6	FINDING	Limited performance measurements that identify whether the department is achieving their objectives and identify trends for value added decision making. The department compiled their first annual report which is an excellent starting point, but further improvements are required.
	RECOMMENDATION	Implement simple performance measures such as; <ul style="list-style-type: none"> • Customer feedback; this would provide information regarding perception of service. <i>Can be measured through a per-service feedback loop, this would require a service request and provision policy, and/or a semi-annual/annual basis.</i> ○ Workload; this would highlight trends or areas of concern to allow workload leveling. <i>Could be measured by assigning complexity ratings to tasks when services are assigned.</i> <p>Cost Effectiveness; this will compare the costs of outsourcing legal activity to the cost of an additional lawyer and/or support staff.</p>

	STATUS	Not Complete. Staff have not conducted a customer service survey since the audit. This is planned for April 2014. It is recommended that this be planned annually and established as a KPI for the business unit.
7	FINDING	Lack of policy or structure to requesting and assigning work, as well as monitoring completion.
	RECOMMENDATION	Define system and policy for requesting work, assigning work and monitoring it, to ensure potential risks, inconsistencies, unbalanced workloads, etc can be identified and corrected.
	STATUS	Complete. The new policy sets out the process for requesting support from Legal Services as well as a service level agreement. Staff now meet regularly to review these service requests and work is assigned based on capacity, expertise, previous knowledge of the file and other criteria.
8	FINDING	Inconsistency in document control (logging, identification, etc) causes extended searches (up to 5-10 hours additional work to find documents).
	RECOMMENDATION	Standardized system and policy for document control (EDMS).
	STATUS	Not Complete. An Electronic Document Management System (EDMS) has not been implemented. Software has been reviewed and selected (Legal Suite) by a number of stakeholders who could share the costs of implementation. The proposed software could also service Corporate Building Services for property management matters and Economic Development could also utilize the Contract Management module. The request was removed from the 2014 budget submission due to funding constraints.
9	FINDING	Lack of administrative support to the Solicitors.
	RECOMMENDATION	Recommend that the time spent conducting these tasks be monitored, as part of the monitoring system, to identify areas of efficiency/effectiveness gain. Report back to Committee on these results with recommendations to inform the 2013/2014 budget process.
	STATUS	Not Complete. The lack of adequate corporate administrative support was also identified in the Organizational Assessment. Requests for additional administrative support will be considered pending the outcome of the time-keeping review to determine if other efficiencies may be found to support this request.
10	FINDING	Contract review is not always conducted through Legal Services.
	RECOMMENDATION	All contracts/agreements should be reviewed and approved by Legal Services, as there is legal liability in every agreement. If standardized templates are utilized the review would be minimal.
	STATUS	Complete. The Corporation is generally compliant with this request and the new policy further defines the process for contract review to be completed by Legal Services.

Status of Recommendations Summary

Total Audit Recommendations 10

Completed	5
Partially Completed	2
Not Completed	3

Conclusion

In their interviews, staff report that work load issues have been significantly improved since the original audit was conducted. The addition of two new lawyers has enabled a more balanced assignment of work and in particular, the level of acquired expertise has had a positive impact.

The new process for reviewing service requests has been effective in balancing work loads and ensuring that files are assigned to the staff with the most relevant experience.

The development of a new Legal and Realty Services policy establishes a clear process for requesting service and makes commitments to customers with respect to deliverables and timelines. The policy addresses the use of external legal resources and defines how and when this is appropriate. It further defines the method by which external legal costs will be monitored and how these costs will be tracked by Legal Services.

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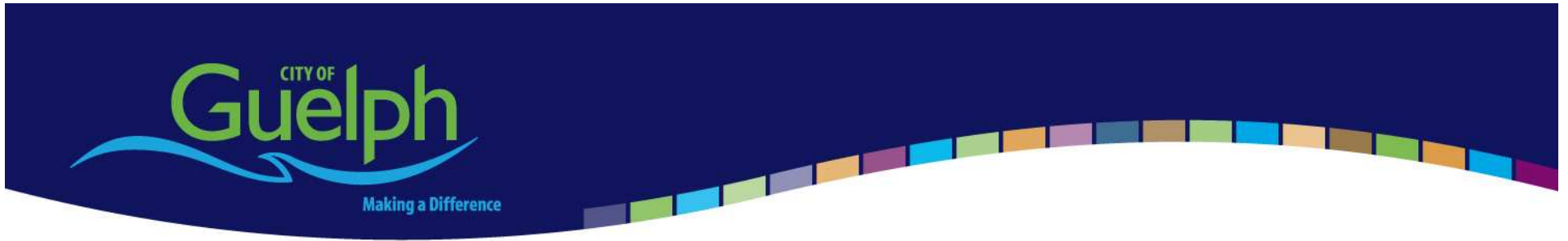
The recommendation to implement key performance indicators (KPIs) has not been implemented and therefore we have no benchmark data to determine whether customers are more or less satisfied with the service they receive. This information is essential if Legal and Realty Services intends to keep its commitment to improving customer service and to monitor their performance annually.

Budget constraints have impeded the implementation of several recommendations. Until such time as budgets permit, there will continue to be a variance for the use of external legal resources, particularly with respect to OMB matters.

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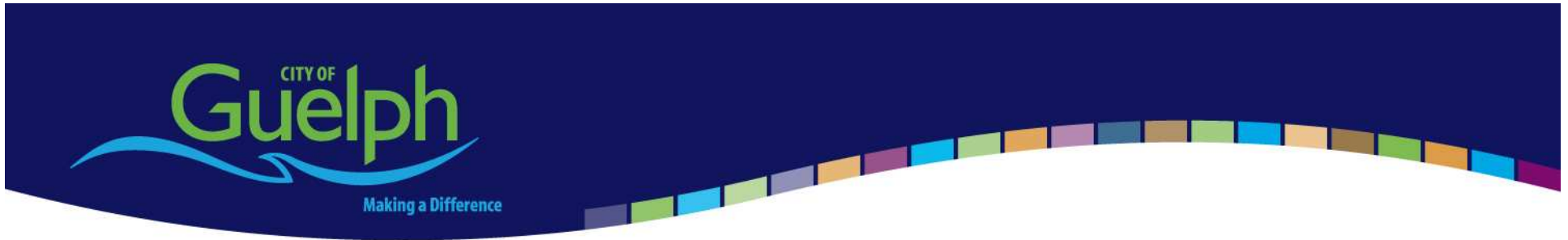
The shortage of administrative support continues to create non-value added work by the legal staff and it is anticipated that this will be addressed by the time-keeping review currently underway in Human Resources.

In summary, Legal and Realty Services has made some progress in implementing the audit recommendations and improvements are noted. It is strongly recommended that recommendations # 6 (KPIs and customer survey) and # 8 (EDMS) be implemented without further delay.



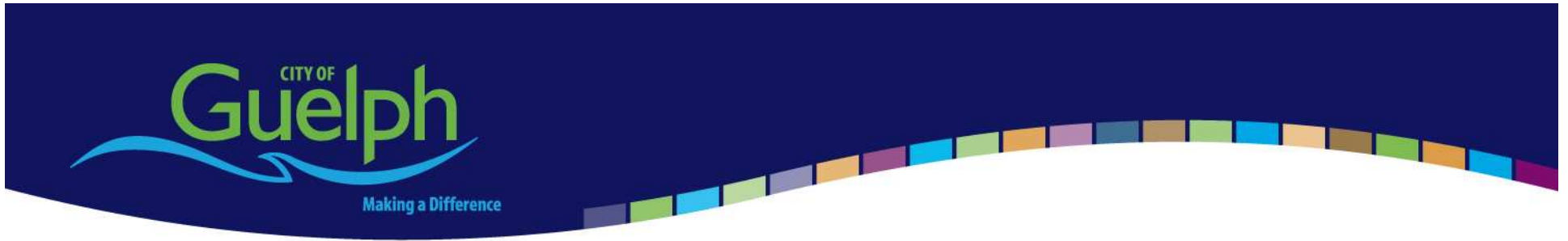
Legal and Realty Services Follow up Audit

Audit Committee April 30, 2014



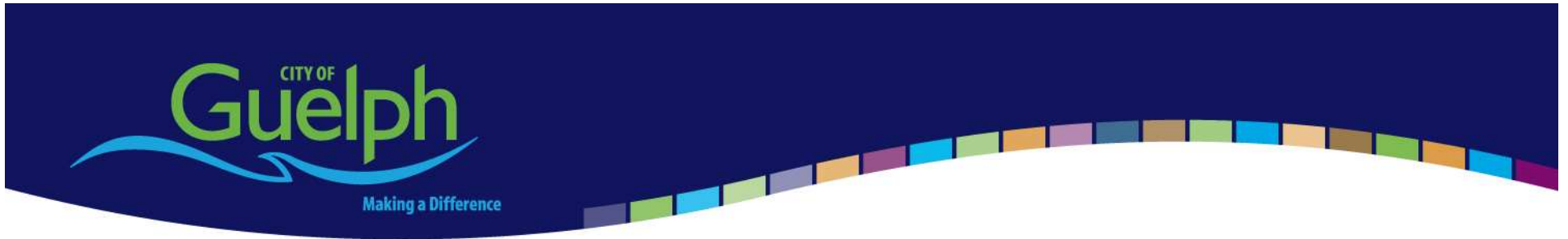
Audit Objectives

- In accordance with professional internal audit standards, a Follow-up Audit has been conducted to evaluate the status of audit recommendations from the original audit completed in October 2012.
- The purpose of all follow up audits is to evaluate the impact of the original audit to determine if anticipated improvements have been realized and also to identify any new or emerging issues.



Audit Scope

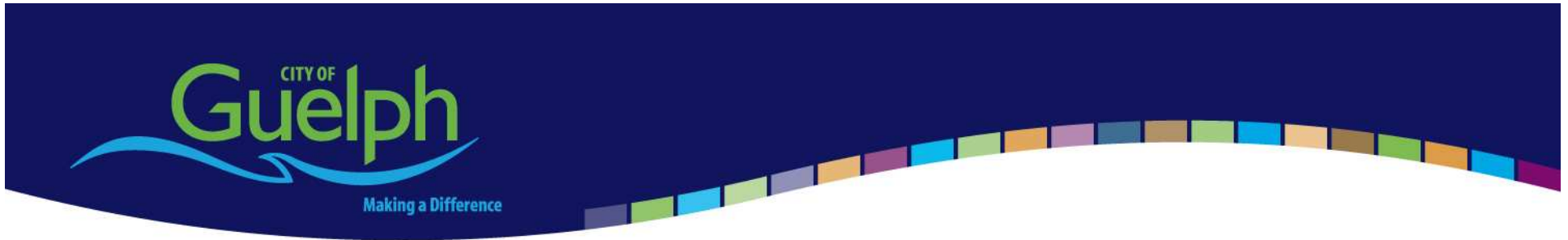
The scope of the follow-up audit is limited to a review of the key findings and recommendations contained in the original audit and the identification of any new or emerging issues within the business unit.



Summary Results of Follow Up Audit

Total Audit Recommendations 10

Completed	5
Partially Completed	2
Not Completed	3

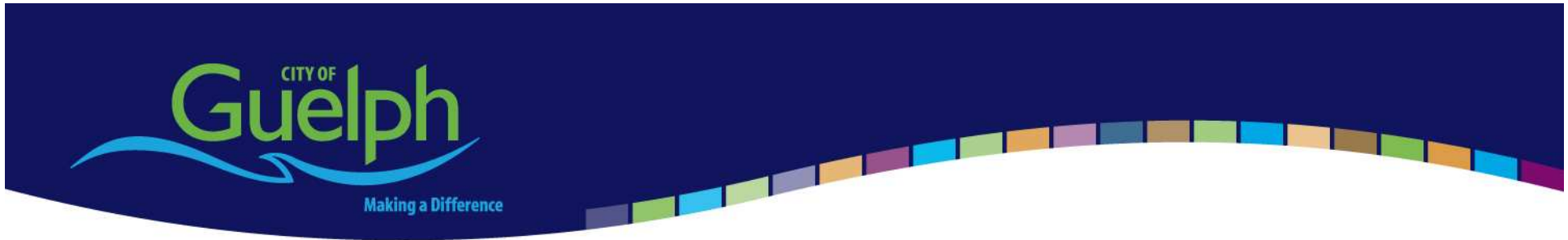


Status of Recommendations

RECOMMENDATION	STATUS
1. Value for money analysis clearly shows that providing legal and realty services in-house provides an average savings of \$387 per hour, compared to outsourcing the same services. Continue to provide the services in-house.	Complete The decision to continue providing legal and realty services in-house was fully accepted by management.

Status of Recommendations

RECOMMENDATION	STATUS
2. Develop a policy and set of guidelines for utilizing external counsel with monitoring to evaluate trends in use. This policy should include an Approved Lawyer List (identifying approved lawyers by expertise and rating).	<p>Complete</p> <p>A policy has been developed and approved by the Executive Team in January 2014. The policy defines the process for decision-making with regard to internal vs. external legal resources and also defines the process for selection of external resources. A list of approved legal firms will be circulated to service areas with the policy.</p>

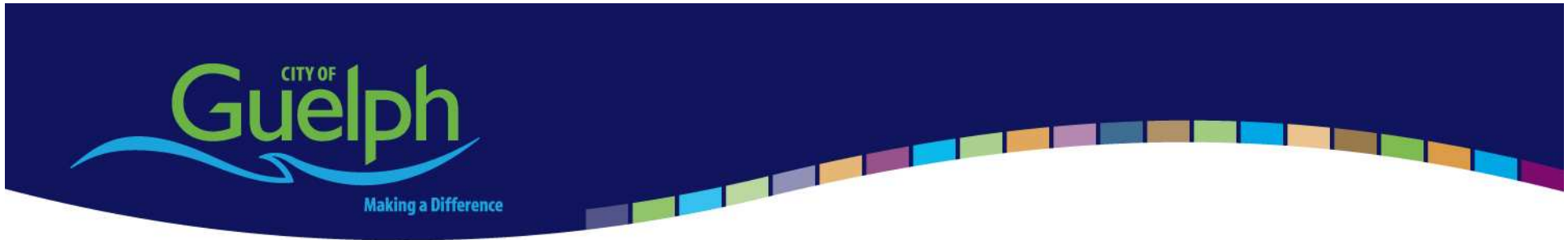


Status of Recommendations

RECOMMENDATION	STATUS
<p>3. External legal costs should be managed through the Legal and Realty Services department's accounts, to ensure a clear picture of the true legal costs and to allow for better analysis.</p> <p>This would require all legal budget items (across the corporation) to be expensed through Legal to ensure accurate reporting providing accountability and transparency.</p>	<p>Partially Complete</p> <p>Financial reporting has not been revised to transfer all legal budgets to Legal Services however, changes to the Corporate and Human Resources/Legal and Realty Services Annual Report have been made such that total legal costs across the Corporation will now be reported. This provides greater transparency in reporting legal costs. The new policy also requires all service areas to submit invoices for external legal services to Legal Services for review and reporting purposes.</p>

Status of Recommendations

RECOMMENDATION	STATUS
4. Budgeting practices be changed to budget external legal costs based on historical expenditures, utilizing the reserve for complex or large external issues.	<p>Partially Complete</p> <p>The budget for external legal costs, which are primarily OMB related, has been increased by \$200K however the historical costs indicate approximately \$400K is actually spent. Based on budget constraints, management has decided to phase in this recommendation as budgets permit over the next few years.</p>

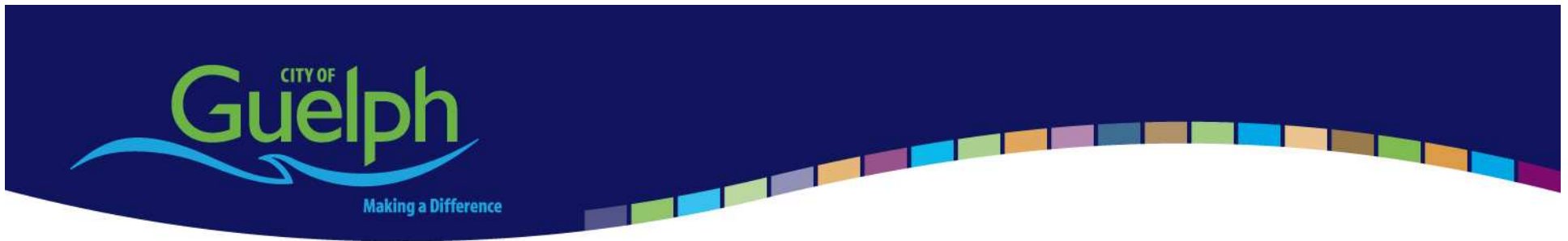


Status of Recommendations

RECOMMENDATION	STATUS
5. Monitor cost of legal work vs. the cost of an on staff lawyer. Analyze this data and report to Committee by the end of 2012 with recommendations regarding continued use of external legal resources or additional in-house legal staff. Provide whichever recommendation is most fiscally responsible, to inform the 2013 and 2014 budget process.	Complete The new Legal and Realty Services policy provides clear direction on the use of external legal resources and guidelines with respect to the decision-making process when determining whether to use internal or external legal counsel.

Status of Recommendations

RECOMMENDATION	STATUS
6. Implement simple performance measures such as; Customer Feedback, Workload, Cost Effectiveness	Not Complete Staff have not conducted a customer service survey since the audit. This is planned for April 2014. It is recommended that this be planned annually and established as a KPI for the business unit.



Status of Recommendations

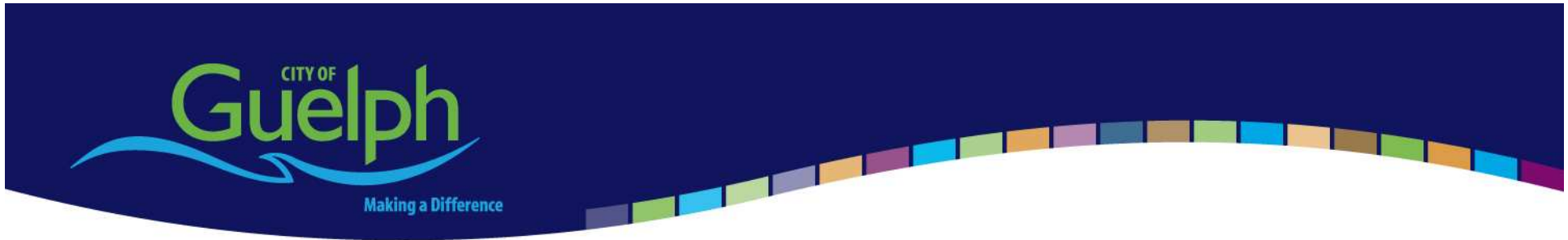
RECOMMENDATION	STATUS
7. Define system and policy for requesting work, assigning work and monitoring it, to ensure potential risks, inconsistencies, unbalanced workloads, etc can be identified and corrected.	<p>Complete</p> <p>The new policy sets out the process for requesting support from Legal Services as well as a service level agreement. Staff now meet regularly to review these service requests and work is assigned based on capacity, expertise, previous knowledge of the file and other criteria.</p>

Status of Recommendations

RECOMMENDATION	STATUS
8. Implement a standardized system and policy for document control (EDMS).	<p>Not Complete</p> <p>An Electronic Document Management System (EDMS) has not been implemented. Software has been reviewed and selected (Legal Suite) by a number of stakeholders who could share the costs of implementation. The request was removed from the 2014 budget submission due to funding constraints.</p>

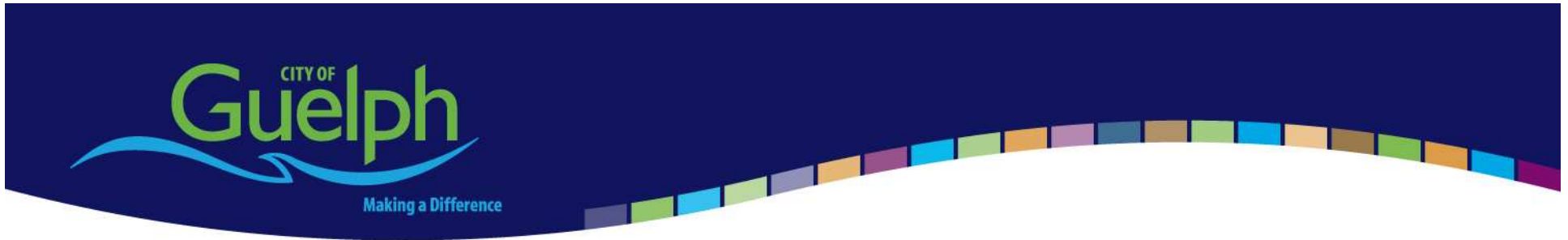
Status of Recommendations

RECOMMENDATION	STATUS
9. Recommend that the time spent conducting administrative tasks be monitored, as part of the monitoring system, to identify areas of efficiency/effectiveness gain. Report back to Committee on these results with recommendations to inform the 2013/2014 budget process.	<p>Not Complete</p> <p>The lack of adequate corporate administrative support was also identified in the Organizational Assessment. Requests for additional administrative support will be considered pending the outcome of the time-keeping review to determine if other efficiencies may be found to support this request.</p>



Status of Recommendations

RECOMMENDATION	STATUS
10. All contracts/agreements should be reviewed and approved by Legal Services, as there is legal liability in every agreement. If standardized templates are utilized the review would be minimal.	Complete The Corporation is generally compliant with this request and the new policy further defines the process for contract review to be completed by Legal Services.



Summary

Legal and Realty Services has made some progress in implementing the audit recommendations and improvements are noted. It is strongly recommended that recommendations # 6 (KPIs and customer survey) and # 8 (EDMS) be implemented without further delay.

STAFF REPORT



TO Audit Committee

SERVICE AREA Finance and Enterprise Services

DATE April 30, 2014

SUBJECT Policy for the Selection and Appointment of the External Auditor

REPORT NUMBER FIN-14-19

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To present, for approval, a formal policy that outlines the process for the selection and appointment of the external auditor.

KEY FINDINGS

The policy outlines key components of the request for proposal process and selection process.

FINANCIAL IMPLICATIONS

There are no direct financial implications resulting from this report.

ACTION REQUIRED

Receipt of report number FIN-14-19 and approval of the Policy for the Selection and Appointment of the External Auditor.

RECOMMENDATION

1. That FIN-14-19 Policy for the Selection and Appointment of the External Auditor be received; and
2. That the Policy for the Selection and Appointment of the External Auditor, attached as Appendix 1, be approved.

BACKGROUND

The Municipal Act (Section 296) promotes accountability and transparency through the requirement that the City's financial statement be audited annually by an external auditor.

Best practices dictate that the City should have a formal policy to guide the selection and appointment of the external auditor. This policy will ensure that the

STAFF REPORT



auditor is independent and has appropriate expertise and experience to provide audit services to the City.

REPORT

The proposed policy outlines the key components related to the selection and appointment of the external auditor including the following:

- 1) Request for Proposal process
- 2) The composition of the Evaluation Committee
- 3) Suggested evaluation criteria
- 4) Independence considerations
- 5) Content of the RFP
- 6) Appointment of the External Auditor
- 7) Annual Evaluation

CORPORATE STRATEGIC PLAN

- 1.3 Build robust systems, structures and frameworks aligned to strategy.
- 2.3 Ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION

Members of the purchasing department have reviewed the policy and provided input.

FINANCIAL IMPLICATIONS

There are no direct financial implications resulting from this report.

COMMUNICATIONS

The policy will be included with other policies approved by Council.

ATTACHMENTS

Appendix 1: Proposed Policy for the Selection and Appointment of the External Auditor

Report Author

Jade Surgeoner
Senior Corporate Analyst, Financial
Reporting and Accounting

STAFF REPORT



Original Signed by:

Original Signed by:

Approved By

Katina Power
GM, Finance
519-822-1260 ext. 2289
Katrina.Power@guelph.ca

Recommended By

Albert Horsman
Executive Director and CFO
519-822-1260 ext. 5606
Al.Horsman@guelph.ca

Selection and Appointment of the External Auditor

POLICY	
CATEGORY	Corporate
AUTHORITY	Audit Committee
RELATED POLICES	Purchasing Policy
APPROVED BY	Audit Committee
EFFECTIVE DATE	April 30, 2014
REVISION DATE	

POLICY STATEMENT

It is the policy of the City of Guelph ('the City') and its Audit Committee to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate.

PURPOSE

The purpose of this document is to outline the selection process for the appointment of the external auditors to conduct the audit of the financial statements of the City and its related entities. This selection method ensures that the auditor is independent and has appropriate expertise and experience to provide audit services to the City.

PROCESS

- The City of Guelph will appoint its auditor through a Request for Proposal ("RFP") process. The RFP document will be issued publically for all potential proponents to provide a response. The RFP document will include appropriate information concerning the City and its related entities to enable potential proponents to provide a formal submission.
- The Evaluation Committee will ensure that the City provides potential proponents with detailed information concerning its operations, group structures and financial statements so that an appropriate proposal and fee estimate can be presented. The RFP will require the auditor to provide details of its capabilities and experience.
- The selection process is to be objective and based on merit. The selection criteria will be clearly set out in advance of the RFP being evaluated.

-
- The Evaluation Committee will evaluate the submissions received and make a recommendation to the Audit Committee. The Audit Committee will have ultimate authority to approve all audit engagement fees and terms.
 - The City will execute a formal letter of engagement with the auditor before any audit work begins.

EVALUATION COMMITTEE

- The Evaluation Committee will consist of two members of the Audit Committee and two members of City staff.
- The members appointed to the Evaluation Committee shall be approved by the Audit Committee prior to the initiation of the RFP process.

EVALUATION CRITERIA

- The evaluation criteria are the standards and measures used to determine if a proposal has addressed the requirements identified in the RFP. Once basic evaluation criteria are identified, criteria that is mandatory vs. weighted/ranked are identified if required.
- Mandatory evaluation criteria identify the minimum requirements that are essential to the successful completion of work. These requirements are evaluated on a pass/fail basis. Bids that fail to meet the requirements are given no further consideration. Mandatory evaluation criteria must be designed so that a "meets" or "does not meet" response is easy to determine.
- Weighted/ranked criteria are used to determine the relative technical merit of each proposal and the best overall value to the City. Weighted/ranked criteria identify value-added factors and provide a means to assess and distinguish one proposal from another.

Suggested selection criteria (suggested weighting):

- Firm profile, experience and qualifications (30%)
 - Audit teams technical expertise and knowledge (20%)
 - Proposed audit strategy and methodology (20%)
 - References (10%)
 - Cost (20%)
- Although the fee proposal is a relevant factor, it will not be the determining factor in selecting the auditor. The determining factor will always be the ability of the auditor to provide an appropriate audit to the level and depth the Evaluation Committee requests.

-
- The City seeks fees that are competitive but understands that the fee must be sufficient to undertake the audit in the appropriate manner. The City expects that qualified auditors with an appropriate level of experience, skill and knowledge will undertake the audit and associated work. Fees will be sufficient to ensure that the task can be properly fulfilled and to cover reasonable risk arising from the task.
 - In an RFP process the highest ranked proponent based on the published criteria is awarded the contract.

INDEPENDENCE

- Auditors must be objective and independent of the City. The Evaluation Committee and the Audit Committee will consider the actual and perceived independence in selecting the external auditor.
- The external auditor will not provide services that impact on the independence of the audit role.

THE RFP

- The RFP will be requested and evaluated based on the following, but not limited to:
 - capacity to perform the work in a timely fashion;
 - history of similar work performed;
 - knowledge and experience within the municipal sector;
 - factors which may impact on actual and perceived independence;
 - potential conflicts of interest;
 - outline of the proposed audit programme and methodology;
 - details of the firm's organizational structure including a list of key personnel;
 - qualifications and experience of personnel to be assigned to the City's audit;
 - other relevant information in support of the proposal;
 - references;
 - fee and fee structuring for the audit spanning all years being tendered;
 - detailed schedule of rates for each key person and for each category of support staff;
 - detailed schedule of rates for ancillary costs and disbursements including travel expenses, photocopying, faxes, telephone and miscellaneous costs;
 - other relevant information

RFP EVALUATION AND AWARD

- Potential proponents will be given the opportunity of requesting additional information relevant to the RFP process. Any information requested will be provided to all parties through an addendum.
- Potential proponents may be requested to make a presentation to the Evaluation Committee
- The highest ranked proponent will be recommended to the Audit Committee using the criteria determined by the Evaluation Committee, including the criteria set out in this policy.
- No contract will exist or be deemed to exist until a consulting agreement has been executed.
- Auditors will be appointed for a fixed term as determined by the request for proposal.

ANNUAL EVALUATION

- The performance of the external auditor will be assessed annually by the Audit Committee. The external auditor will be informed of the evaluation results from the Chair of the Audit Committee.

**CONSENT REPORT OF
CLOSED MEETING OF COUNCIL**

May 26, 2014

Her Worship the Mayor and
Councillors of the City of Guelph.

Your Council as Committee of the Whole beg leave to present their THIRD
CONSENT REPORT as recommended at its meeting of May 26, 2014.

*If Council wishes to address a specific report in isolation please identify
the item. The item will be extracted and dealt with immediately. The
balance of the Consent Report of the Council in Closed Meeting will be
approved in one resolution.*

C-2014.33 Appointment to the Guelph Cemetery Commission

1. That _____ be appointed as a City representative on the Guelph Cemetery Commission for the period from May 28, 2014 to October 31, 2014.
2. That the previous staff appointment be revoked.

All of which is respectfully submitted.

**CONSENT REPORT OF THE
COMMUNITY & SOCIAL SERVICES COMMITTEE**

May 26, 2014

Her Worship the Mayor and
Councillors of the City of Guelph.

Your Community & Social Services Committee beg leave to present their
THIRD CONSENT REPORT as recommended at its meeting of May 13, 2014.

*If Council wishes to address a specific report in isolation please
identify the item. The item will be extracted and dealt with
immediately. The balance of the Consent Report of the Community
& Social Services Committee will be approved in one resolution.*

**CSS-2014.12 Approval of Charter for the Enterprise for Innovation in
Human Services**

1. That the Charter for the Enterprise for Innovation in Human Services be approved.

CSS-2014.13 Civic Celebrations

1. That the May 13, 2014 report entitled "Civic Celebrations" be received.
2. That Council approve the dissolution of the funding category of Civic Celebrations and adopt the staff recommendations to transfer the remaining five events under this category into the proposed funding streams.

All of which is respectfully submitted.

Councillor Todd Dennis, Chair
Community & Social Services Committee

***Please bring the material that was distributed with the Agenda for the
May 13, 2014 meeting.***

STAFF REPORT



TO Community and Social Services Committee

SERVICE AREA Community and Social Services
Community Engagement and Social Services

DATE May 13, 2014

SUBJECT Approval of Charter for the Enterprise for Innovation in Human Services

REPORT NUMBER CSS-CESS-1419

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To seek approval for the Charter for the Enterprise for Innovation in Human Services

KEY FINDINGS

The Enterprise for Innovation in Human Services (the Enterprise) is doing business differently in responding to situations of elevated risk on our community for individuals and families to make sure they receive timely, co-ordinated services. Evidence from other communities demonstrates this data driven, results oriented approach has a positive impact for families and communities, and makes better use of public resources.

[The Enterprise](#) is a collaborative effort involving government, human services, police and community organizations together focusing on proactive and preventative strategies, rather than reactive and punitive ones. It creates positive change for individuals and community organizations, and demonstrates improvements in community indicators such as the crime severity index.

It is an example of Guelph Wellbeing's goal of improving the effectiveness and efficiency of social services. It aligns well with the three theme areas of Guelph Wellbeing: food security, affordable housing and physical and social connectivity, as these are important components that often place individuals in situations of elevated risk.

FINANCIAL IMPLICATIONS

Currently managed within existing resources.

ACTION REQUIRED

To approve the Charter

RECOMMENDATION

1. That the Charter for the Enterprise for Innovation in Human Services be approved

BACKGROUND

Guelph Police Services initiated the Enterprise for Innovation in Human Services (the Enterprise) in response to rising costs of policing and the increased requests for service that are not directly related to criminal behaviour. The Enterprise is modelled after a very successful program in Prince Albert, Saskatchewan – Community Mobilization Prince Albert (CMPA) – which is a social initiative whose mission is to build a safer and healthier community by reducing crime, addressing families at risk and focusing on long term community goals.

Since the CMPA project began in 2010, they have realized a 37% decrease in violent crime (Canadian Police College Discussion Paper series, 2014). Many other communities are implementing this model including: Toronto Police Services, North Bay Police Service, and Ottawa Police.

REPORT

The intent of the project is to bring together the primary providers of human services in the community to address cases of acutely elevated client risk and to foster systemic improvements in the delivery of human services in the community.

The CMPA project is a collaborative effort involving government, human services, police and community organizations together focusing on proactive and preventative strategies, rather than reactive and punitive ones. The model consists of three key components namely: the HUB which provides integrated mobilization of resources to address individual situations, a Systemic Data Analysis table that analyses the data generated by the HUB to identify trends and to track effectiveness. The third key component is the Centre of Responsibility (COR), which focuses on systems change to enhance safety and wellbeing.

The HUB committee is comprised of many partners including police, child protection, social services, health, mental health, EMS/ Fire, education, addictions, and others. They meet weekly to discuss specific cases of "elevated risk" among individuals or families. Agencies that are able to assist the individual toward a workable solution are identified and a meeting is then scheduled to offer assistance and explore available services and supports in a proactive and co-ordinated way. In the Enterprise Charter this group is referred to as a "Situation Table".

The Systemic Data Analysis group is being led by the Research Shop from the University of Guelph, who is providing a PhD student to undertake this work.

STAFF REPORT



The COR is comprised of members of various agencies and deals with systemic social causes of crime and victimization on a community scale, such as truancy, addictions, mental health, and family violence. One of the COR's functions is to develop community strategies to combat these broader community issues. This is where there is strong alignment with Guelph Wellbeing. Guelph Wellbeing provides a way to co-ordinate existing community efforts on these systemic social causes to increase our collective impact by creating and communicating broad goals, gathering and reporting data on impact, and refining actions to maximize impact. The three theme areas of Guelph Wellbeing: food security, affordable housing and physical and social connectivity are important components that often place individuals in situations of elevated risk.

The Enterprise is an example of one of the anticipated outcomes of Guelph Wellbeing, improved efficiency and effectiveness of social services. Initiatives like the Enterprise envision the impact of their efforts will be reducing crime, better coordinating service between agencies, and improving outcomes for clients. The lessons learned from the Enterprise will more broadly inform the delivery of human services in our community.

The Enterprise aligns well with the work EMS is doing in the development of a Community Paramedic Program. This program is envisioned to help mitigate increased call volume through the provision of EMS, clinics, home visits, and bike paramedics.

EMS and Fire staff are participating at the Situation Table to bring forward individuals at elevated risk and also to be one of the service agencies responding to the individual. Guelph Wellbeing staff are involved in the COR group and have a strong interest in the Systemic Data Analysis group where we can explore leveraging data from other sources to strengthen the impact of our efforts.

The Founding Charter for the Enterprise is attached and all participating organizations are in the process of seeking organizational approval to move forward. The Founding members are:

- City of Guelph
- Canadian Mental Health Association (CMHA) Waterloo Wellington Dufferin
- County of Wellington Social Services
- Family & Children's Services Guelph Wellington
- Guelph Chamber of Commerce
- Guelph Community Health Centre
- Guelph Police Services
- University of Guelph, through its Institute for Community Engaged Scholarship
- Pearl Street Communications
- Wellington Dufferin Guelph Public Health

STAFF REPORT



All agencies that are participating in the Enterprise will receive appropriate training to ensure that staff involved are fully informed and prepared to participate in the work of the initiative.

CORPORATE STRATEGIC PLAN

Organizational Excellence

- 1.1 Develop collaborative work team and apply whole systems thinking to deliver creative solutions
- 1.2 Build robust systems, structures and frameworks aligned to strategy

Innovation in Local Government

- 2.1 Build an adaptive environment, for government innovation to ensure fiscal and service sustainability
- 2.2 Deliver Public Service better
- 2.3 Ensure accountability, transparency and engagement

City Building

- 3.1 Ensure a well designed, safe, inclusive, appealing and sustainable City

DEPARTMENTAL CONSULTATION

Emergency Services and Fire Services

COMMUNICATIONS

Communications will be co-ordinated with the members of the Enterprise initiative and aligned with the corporate communications

ATT-1 Founding Charter of the Enterprise

Report Author

Barbara Powell
General Manager
Community Engagement and Social Services

Approved By

Barbara Powell
General Manager, Community
Engagement and Social Services
519-822-1260 ext. 2675
Barbara.powell@guelph.ca

Recommended By

Derrick Thomson
Executive Director,
Community and Social Services
519-822-1260 ext. 2665
derrick.thomson@guelph.ca



Founding Charter

Strategy, Purpose and Description

The purpose of The Guelph Enterprise for Innovation in Human Services (the Enterprise) is to improve individual lives and find greater system efficiencies by applying a risk mitigation lens to human service delivery in our community. We will leverage the perspectives, information, talents and resources of multiple agencies in the development and execution of a community wide and multi-sector strategy that will bring about greater efficiency, effectiveness, and improved service connections leading to more positive social outcomes for all human services in the City of Guelph and its surrounding communities (hereafter referred to as “Guelph”). We intend to apply a holistic approach to service delivery and better ‘knit’ together the resources and delivery mechanisms of social, health, government and policing services.

Membership

Founding members of the Enterprise are:

- City of Guelph
- Canadian Mental Health Association (CMHA) Waterloo Wellington Dufferin
- County of Wellington Social Services
- Family & Children’s Services Guelph Wellington
- Guelph Chamber of Commerce
- Guelph Community Health Centre
- Guelph Police Services
- University of Guelph, through its Institute for Community Engaged Scholarship
- Pearl Street Communications
- Wellington Dufferin Guelph Public Health
- Women in Crisis

Scope and Approach

The Enterprise will:

1. Develop protocols to enable more effective information sharing across disciplines and agencies;
2. Develop and operate one or more ‘Situation Table’ models, in selected neighbourhoods and/or applied to selected social issues, to address situations of acutely elevated risk through rapid, multi-agency interventions and service connections;



3. Conduct cross-sector analyses and studies using Guelph-based and professionally reviewed data and consult collectively with other human service agencies, academics, governments and community-based organizations to develop an inventory of local needs and identify priority opportunities for enhanced programming and other supports related to wellness and the social determinants of health;
4. Develop a robust system of metrics to support both the collective and individual accountabilities and reporting requirements of participating member agencies;
5. Contribute to, learn from and share with parallel initiatives in collaborative risk-driven community safety and well-being occurring in Guelph, and across Ontario and Canada including (but not limited to) the Violent High Risk Assessment Committee, Domestic Violence High Risk Committee, and the Youth High Risk Committee;
6. Inform and further refine a broader community human service model that can align and grow along with The Enterprise;
7. Be results driven, focused on connecting services and supports with individuals and families needing immediate and proactive interventions;
8. Develop and execute a communications strategy designed to engage others and inform the public and other stakeholders on the achievements of the Enterprise.

Roles, Responsibilities and Governance Model

Each charter member will contribute appropriately qualified resources as necessary and as available to accomplish the deliverables and priority tasks of the Enterprise.

Specifically, each Charter Member directly involved in the development and operations of a 'situation table' will contribute at least one sector specialist to be available as needed to fulfill the ongoing work and to attend regular meetings as determined.

The roles of chair and recorder for the Situation Table will be filled by designed staff resources of charter members.



During the start up phase of the Enterprise, Guelph Police Services (GPS) will provide leadership, secretariat functions, technical guidance, facilitation support and other expertise as needed for the initial prototype situation table.

As champions of the Enterprise, all Founding Members will encourage and facilitate wherever possible, broad and on-going multi-sectorial participation.

Assumptions and Inter-Dependencies

The Enterprise has been conceived and designed to draw upon multiple perspectives and resources, including those currently in with the Enterprise and those not yet present.

As such, it can be assumed that the work of the Enterprise will proceed within a rich context of related initiatives and programs. Every effort will be made to avoid duplication of efforts, and to take optimal advantage of existing and ongoing initiatives at the local, regional and provincial levels.

Resources and Commitments

Founding Members will provide the necessary resources to support a successful launch of the 'Situation Table'.

Founding Member Endorsement

In my authority and on behalf of the organization named below, I understand and confirm that we are committed to the directions and intents of this document.

Name

Title

Organization

STAFF REPORT

TO Community and Social Services Committee

SERVICE AREA Community and Social Services
Culture and Tourism

DATE May 13, 2014

SUBJECT Civic Celebrations

REPORT NUMBER CSS-CT-1418

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To provide an update on the five remaining Civic Celebrations, and to make recommendations for how best to fund these events in future years to ensure alignment with the [Community Investment Strategy](#).

KEY FINDINGS

As part of Phase 2 of the implementation of the Community Investment Strategy, one of the next steps that was identified was to review the five remaining Civic Celebrations, and determine how best to transition them into the Community Investment Strategy framework. A working group of staff met and used a multi-step screening tool to evaluate each of the Civic Celebrations and determine how best to provide funding or support for each of the events under the new framework.

The committee is recommending the following action for the five Civic Celebrations:

- Canada Day; that the City enter into a Community Benefit Agreement for this event with the Rotary Club of Guelph
- Remembrance Day; that the City enter into a Community Benefit Agreement for this event with The Royal Canadian Legion Guelph
- Sparkles in the Park; that funding for this event is more appropriate to be evaluated under the Community Wellbeing Grant program starting in 2015
- Santa Claus Parade; that the budget allocation for this event be transferred to the City's Downtown Renewal Office, and that they should enter into an agreement of support with the Downtown Guelph Business Association, as the event aligns with the City's downtown strategies
- Labour Council Picnic; that the budget allocation for this event be transferred to the City's Human Resources Department, and that they should enter into an agreement of support with the Labour Council, as it aligns with the City's labour relations strategies

FINANCIAL IMPLICATIONS

The existing funding of \$51,400 will be transferred into the relevant cost centres as per the staff recommendation, and any request for increased funding will be referred to the 2015 budget process.

ACTION REQUIRED

Receive the report for information and approve the staff recommendation to transfer the existing five Civic Celebrations into alternate funding streams, in order to align these events with the recommendations of the Community Investment Strategy and with the relevant departmental strategy.

RECOMMENDATION

1. That the May 13, 2014 report entitled "Civic Celebrations" be received.
2. And that Council approve the dissolution of the funding category of Civic Celebrations and adopt the staff recommendations to transfer the remaining five events under this category into the proposed funding streams.

BACKGROUND

In October 2008, Council approved the following resolutions from report FIN-08-28:

THAT staff be directed to include an annual provision in the Tax Supported Operating Budget beginning in 2009 under the title Civic Celebrations Program;

AND THAT the following six (6) events be recognized as Civic Celebrations beginning in 2009 including: New Years Eve – Sparkles in the Park; Canada Day Celebrations; Labour Day Picnic; Remembrance Day; Santa Claus Parade; Civic Holiday – John Galt Day

Since that time, these six events have been designated and funded as Civic Celebrations; however as part of the 2011 budget process, Council approved that John Galt Day be moved out of the Civic Celebrations and into the annual operating budget for Market Square.

In September 2012, staff reported on Phase 2 of the implementation of the Community Investment Strategy, in Report #CSS-CESS-1221. As part of that report, one of the next steps that was identified was to review the remaining Civic Celebrations, and determine how best to transition them into the Community

STAFF REPORT

Investment Strategy framework. A working group of staff was convened to evaluate the remaining five Civic Celebrations.

REPORT

The review team met and used a multi-step screening tool to evaluate each of the Civic Celebrations, with the intention of determining if they should be transferred into the new Community Benefit Agreement process, or if they should move into the Community Wellbeing Grants program. Community Benefit Agreements are a mechanism by which the City sets out the parameters for working with an organization within the community benefit sector to foster community wellbeing and/or enhance City services and programming.

As outlined in the Community Investment Strategy, each Civic Celebration was reviewed against the following criteria:

- Mutually beneficial
- Fosters Community Wellbeing
- Protects the public interest in the short and long term
- Aligns with a City/Service Area/Departmental Strategy
- Not done elsewhere (fills a gap/need)
- Partner must be incorporated; venture is non-profit generating
- Multi-year in nature

Based on these criteria, the committee recommended the following:

Remembrance Day

The event fits well with the criteria, so the City should enter into a multi-year Community Benefit Agreement with The Royal Canadian Legion Guelph (Colonel John McCrae Memorial Branch 234) to continue coordinating the annual Remembrance Day service on behalf of the City. The agreement length should be for a period of five years, with the option to renew after that time.

Canada Day

The event fits well with the criteria so the City should enter into a two year Community Benefit Agreement for the years 2015 and 2016 with the Rotary Club of Guelph to continue coordinating the annual Canada Day festivities at Riverside Park on behalf of the City. The recommendation was to re-evaluate the options for 2017, given Canada's Sesquicentennial and the potential for working with the Rotary Club and others in the community to enhance the Canada Day celebrations in that year, in consideration for the potential of available funding from the Federal Government.

STAFF REPORT

Sparkles in the Park

The committee assessed that this event did not meet the criteria for a Community Benefit Agreement, and so are recommending that future funding should be considered as part of the annual Wellbeing Grant allocation process. Funding for the December 2014 Sparkles in the Park has been confirmed and will not be impacted. The recommendation is that the organizers would apply for a Wellbeing Grant in October of 2014, for funding for the December 2015 Sparkles in the Park.

Santa Claus Parade

The review team did not consider the parade to directly align with current Community and Social Services (CSS) strategies or priorities, and decided that it was not appropriate for CSS to enter into a long-term Community Benefit Agreement for the event. However, the committee did note that the event aligns well with the City's downtown revitalization strategies and therefore recommend that the budget should be transferred over to Enterprise Services – Downtown Renewal for their programming and implementation of the Santa Claus Parade.

Labour Day Picnic

The committee assessed that this event does not align with CSS current strategies or priorities and is not recommended for a Community Benefit Agreement. It is recommended, however, that the budget be moved into the Human Resources department as it aligns with their Labour Relations strategies, and they can then enter into a funding support relationship with the Labour Council for the event.

CORPORATE STRATEGIC PLAN

Innovation in Local Government

- 2.1 Build an adaptive environment, for government innovation to ensure fiscal and service sustainability
- 2.3 Ensure accountability, transparency and engagement

City Building

- 3.1 Ensure a well designed, safe, inclusive, appealing and sustainable City
- 3.3 Strengthen citizen and stakeholder engagement and communications

DEPARTMENTAL CONSULTATION

Finance

Downtown Renewal

Human Resources

COMMUNICATIONS

Staff have notified representatives from each of the existing five Civic Celebrations about the recommendations contained within this report, and will work with each organization to assist them through the transition process.

STAFF REPORT

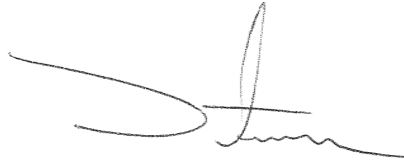
ATTACHMENTS

N/A



Approved By

Colleen Clack
General Manager, Culture & Tourism
Community and Social Services
519-822-1260 ext. 2588
colleen.clack@guelph.ca



Recommended By

Derrick Thomson
Executive Director
Community and Social Services
519-822-1260 ext. 2665
derrick.thomson@guelph.ca

**CONSENT REPORT OF THE
CORPORATE ADMINISTRATION, FINANCE
& ENTERPRISE COMMITTEE**

May 26, 2014

Her Worship the Mayor and
Councillors of the City of Guelph.

Your Corporate Administration, Finance & Enterprise Committee beg leave to present their FOURTH CONSENT REPORT as recommended at its meeting of May 5, 2014.

If Council wishes to address a specific report in isolation please identify the item. The item will be extracted and dealt with immediately. The balance of the Consent Report of the Corporate Administration, Finance & Enterprise Committee will be approved in one resolution.

CAFE-2014.22 2014 Internal Financing of Capital Projects

1. That Council approve borrowing a total of \$26 million from reserves funds #152 "Waterworks Capital" and #153 "Wastewater Capital" in accordance with the terms as recommended in report FIN-14-25 "Internal Financing of Capital Projects" in lieu of the 2014 budgeted external debenture issue.

All of which is respectfully submitted.

Councillor June Hofland, Chair
Corporate Administration, Finance &
Enterprise Committee

Please bring the material that was distributed with the Agenda for the May 5, 2014 meeting.

STAFF REPORT



TO Corporate Administration, Finance & Enterprise Committee

SERVICE AREA Finance & Enterprise Services

DATE May 5, 2014

SUBJECT 2014 Internal Financing of Capital Projects

REPORT NUMBER FIN-14-25

EXECUTIVE SUMMARY

PURPOSE OF REPORT

- To summarize current capital spending that was budgeted to be funded through external debt
- To provide analysis to support deferring a planned external debenture issuance and instead borrow from the City's reserve funds for a 2 year period.
- To obtain Council approval through by-law for this internal borrowing strategy as required by the City's Debt Management Policy.

KEY FINDINGS

The City is scheduled to issue an external debenture in 2014 based on Council approved debt-funded capital projects that have been substantially completed. The City has estimated this borrow to be \$26 million based on spending or committed spending to date.

City staff are recommending that this external debt issue be deferred until 2016 and alternatively borrow these funds in the short term from the City's reserve funds for the following reasons:

- Current and projected liquidity is more than sufficient to meet spending needs over the next two years
- Capital spending has not been occurring at expected levels leaving cash flow available in the short term
- It is fiscally responsible not to issue debt and pay external lenders for cash that is not required in the short term
- The City does not earn a rate of return on investments equivalent or above the rate of borrowing – therefore if the City were to borrow externally, a spread loss of approximately 1.34% would be realized.
- This internal borrowing option is recognized within the City's Debt Management Policy

The City is able to leverage the non-tax supported capital reserve funds to achieve this financial strategy as these reserve fund balances have been funded

to targeted levels. The Provincially mandated long-term financial plans for both water and wastewater operations are a key driver in the City's ability to achieve these targets.

As stated in the City's Debt Management Policy, borrowing in this manner offers several advantages over traditional debenture financing including increased flexibility in setting loan terms, lower interest costs and avoidance of legal and fiscal agent fees.

FINANCIAL IMPLICATIONS

There are many favourable financial implications resulting from this proposed strategy:

- Cost savings in 2014 of approximately \$178K by borrowing internally vs. externally (of which \$140K is tax-supported)
- Cost savings of \$592K over the 10 year external debenture period
- There would be approximately \$4k of legal and fiscal agent fees avoided by eliminating the need to issue \$4.7 million of principal externally

In addition to the quantifiable savings, this strategy aligns with the City's efforts to make innovative decisions that support fiscal responsibility. This is an approach to capital financing that is new to the City and has been achieved through management practices focused on maximizing the rate of return on the City's available cash flows.

ACTION REQUIRED

That Council approve borrowing a total of \$26 million from reserves funds #152 "Waterworks Capital" and #153 "Wastewater Capital" in accordance with the terms as recommended in report FIN-14-25 "Internal Financing of Capital Projects" in lieu of the 2014 budgeted external debenture issue.

RECOMMENDATION

That Council approve borrowing a total of \$26 million from reserves funds #152 "Waterworks Capital" and #153 "Wastewater Capital" in accordance with the terms as recommended in report FIN-14-25 "Internal Financing of Capital Projects" in lieu of the 2014 budgeted external debenture issue.

BACKGROUND

As part of the annual capital budgeting process, debt is approved by Council as a funding source for specified projects. Debt funding has certain restrictions including:

STAFF REPORT

- The individual project value must exceed \$500k
- The estimated useful life of the asset is greater than ten years
- The project is supported by a business case and all other financing options have been exhausted
- The project is not related to asset replacement or rehabilitation of existing infrastructure
- Debt cannot be used to fund current operations

It is the City's policy not to issue debt until the projects are substantially completed or a phase of the project is substantially completed.

REPORT

The following projects are now substantially complete or a phase of the project is substantially complete and the debt financing is now scheduled to occur in order to replenish cash flows used in construction. Given that the City has had lower than expected spending in other approved capital projects, this replenishment in cash flow from an external lender is not required at this time and alternatively the City is looking to internally finance these projects in the short term for a period of 2 years.

Council Approved Budget	Project Description		Total Debt Funding Approved as at 2014	Actual Debt To Be Issued (based on spending)
	Tax Funded			
2014	GG0227	PUBLIC HEALTH FACILITIES	11,889,000	8,577,000
2010	RD0168	DOWNTOWN PUBLIC REALM	5,163,000	5,163,500
2010	RD0263	CARDEN ST - WILSON TO WYNDHAM	1,200,000	920,000
2010	SS0007	BAKER STREET REDEVELOPMENT PH1	1,250,000	1,250,000
2012 & 2013	WC0001	AUTOMATED COLLECTIONS - CARTS	5,200,000	4,430,000
			24,702,000	20,340,500
	Development Charge Funded			
2013 & 2014	RD0267	CLAIR/LAIRD & HANLON INTERCHANGE	7,000,000	5,611,500
			31,702,000	25,952,000

STAFF REPORT

Summary of Internal Financing Proposal & Fiscal Impacts

1) Internally finance the debt funding from the reserve funds as follows:

42% - Waterworks Capital Reserve Fund #152	10,933,341
58% - Wastewater Capital Reserve Fund #153	15,018,659
	25,952,000

The strategy will ensure that the reserve funds are fully repaid with interest by 2016. The reserve funds will earn the equivalent of the interest that would have otherwise been earned if the funds had been invested.

2) Loan terms will be as follows:

- 2 year term effective June 1, 2014 (maturing May 31, 2016)
- 10 year amortization with a balloon principal repayment upon maturity
- Annual interest rate of 2.3% repayable in semi-annual transfers to the reserves
- Loan is callable at any time during the 2 year term based on cash flow needs of the City
- Loan is extendable for an additional 2 year term from 2016 to 2018 upon Council approval at that time

3) Projected 2014 Cost Savings

Project Description		2014 Proposed Servicing Costs - External Debenture (7 months @ 3.5%)	2014 Proposed Servicing Costs - Internal Financing (7 months @ 2.3%)	Total 2014 Projected Savings
Tax Funded				
GG0227	PUBLIC HEALTH FACILITIES	171,421	112,501	58,921
RD0168	DOWNTOWN PUBLIC REALM	103,198	67,727	35,471
RD0263	CARDEN ST - WILSON TO WYNDHAM	18,387	12,067	6,320
SS0007	BAKER STREET REDEVELOPMENT PH1	24,983	16,396	8,587
WC0001	AUTOMATED COLLECTIONS - CARTS	88,539	58,106	30,432
		406,528	266,797	139,731
Development Charge Funded				
RD0267	CLAIR/LAIRD & HANLON INTERCHANGE	112,152	73,603	38,549
		518,680	340,400	178,280

The annualized savings of this internal financing proposal is projected to be \$305k.

Over the 10 year external debenture period, the savings realized by eliminating the need to issue \$4.7 million of principal is \$592k.

STAFF REPORT

4) Projected reserve fund repayment schedule:

	2014 - 7 months		2015 - full year		2016 - 5 months		2016 - Balloon Maturity	
	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
RF #152	143,406	-	245,840	984,291	92,946	1,007,060	-	8,941,991
RF #153	196,994	-	337,704	1,352,097	127,678	1,383,375	-	12,283,187
Total Repayment		340,400		2,919,932		2,611,058		21,225,177
					Total Principal Repaid			4,726,823
					Total Interest Paid			1,144,568

The City will repay the reserve funds based on this above schedule and upon maturity of the internal borrowing in 2016, an external debenture will be issued for the remaining principal of \$21.2 million.

This strategy results in the City eliminating the need to issue \$4.7 million in external debt as this is repaid internally prior to 2016. This external debt elimination will avoid approximately \$4k in legal and fiscal agent fees as well as avoid \$592k of interest over the 10 year life of the external debenture that otherwise would have been issued.

Summary of Other Considerations

- There will be little to no impact on the City's debt ratios by approving this internal borrowing strategy. In most cases it improves the City's position as there is lower external debt to be issued overall in 2016 and the lower rate of borrowing results in lower debt servicing costs.
- If the City's cash flow needs were to change substantially due to an unplanned extraordinary event, the callable nature of this loan would enable the city to issue an external debenture to replenish cash reserves at any time during the 2 year period.
- If the City's cash flow needs are in a similar situation in 2016, staff have the opportunity to reassess the need to issue an external debenture at that time and consider renewing an additional 2 year internal financing term, subject to Council approval.

CORPORATE STRATEGIC PLAN

Organizational Excellence

- 1.2 Develop collaborative work teams and apply whole systems thinking to deliver creative solutions.

Innovation in Local Government

- 2.1 Build an adaptive environment for government innovation to ensure fiscal and service sustainability

City Building

- 3.2 Be economically viable, resilient, diverse and attractive for business

STAFF REPORT



DEPARTMENTAL CONSULTATION

The Executive Team has been consulted.

COMMUNICATIONS

Finance will be working with the Communications department to develop a communications strategy when the by-law for the internal borrowing is approved.

ATTACHMENTS

None.

Report Author

Tara Baker
Manager, Financial Reporting
and Accounting

Original Signed by:

Approved By

Katrina Power
GM Finance / Deputy Treasurer

Original Signed by:

Recommended By

Al Horsman
Executive Director Finance & Enterprise /CFO
519-822-1260 x5606
al.horsman@guelph.ca

CONSENT REPORT OF THE GOVERNANCE COMMITTEE

May 26, 2014

Her Worship the Mayor and
Councillors of the City of Guelph.

Your Governance Committee beg leave to present their THIRD CONSENT REPORT as recommended at its meeting of May 6, 2014.

If Council wishes to address a specific report in isolation please identify the item. The item will be extracted and dealt with immediately. The balance of the Consent Report of Governance Committee will be approved in one resolution.

GOV-2014.1 COMMITTEE OF ADJUSTMENT REVIEW

1. That By-law (1983)-11242 be repealed and replaced with the new By-law, in accordance with Attachment 1 to the report of Legal Services dated April 9, 2014; and
2. That Council approve the Terms of Reference for the Committee of Adjustment, as set out in the report dated April 9, 2014; and
3. That Council approve the Code of Conduct for the Committee of Adjustment, as set out in the report dated April 9, 2014; and
4. **That Staff be directed to prepare an amendment to the Delegation of Authority By-law relating to Staff appearing before the Committee of Adjustment on behalf of the City and present the amendment to the Governance Committee at a future meeting.**

GOV-2014.7 ELECTRONIC DEVICE POLICY - AMENDMENT

1. That report CAO-C-1402 be received; and
2. That the following resolutions be added to the City of Guelph Electronic Devices Policy and for inclusion in the City's Procedural Bylaw, to provide clarity specific to Closed Meetings of Council or Committees:
 - a. That all electronic devices must be turned off throughout Closed Meetings of Council or Committees with the exception of 'on call/on duty' medical or emergency services personnel (Council or employees); and
 - b. That medical or emergency services personnel (Council or employees) who are on scheduled 'on call/on duty' while attending a Closed Meeting of Council or Committees, at the start of the meeting they shall advise the Chair, place their electronic devices in the 'loud' position in order to notify, and upon notification, that they leave the room to respond.

GOV-2014.8 ETHICS AND EFFICIENCY HOTLINE ("TIP LINE")

1. That report CAO-A-1408, Ethics and Efficiency Hotline be received; and
2. That no further action be taken at this time.

GOV-2014.9 COUNCIL REMUNERATION

1. That Council approve the revised Guiding Principles reducing the competitive position from 60th to the 55th percentile for establishing the salary for the Mayor and Members of Council as outlined in Appendix A; and
2. That Council approve the municipal Comparator Group used for the purposes of determining Council Remuneration (contained in this report); and
3. That the salary for the position of Mayor for the Council term commencing December 1, 2014 be set at \$105,393 (a one-time adjustment of \$10,000); and
4. That the salary for the position of Mayor be increased by \$3,611 each year on December 1st for the years 2015, 2016 and 2017 as a phased approach to migrate the Mayor's salary to the 55th percentile by the end of the term of Council; and
5. That the Mayor be provided with an RRSP matching the Mayor's contribution amount not to exceed 3% based on the taxable portion only; and
6. That the Mayor be provided with an automobile allowance equal to \$425.00 per month; and
7. That the salary for the position of City Councillor for the Council term commencing 2015 be set at \$33,433; and
8. That Members of Council (excluding the Mayor) who serve as a Chair of a Standing Committee be provided an additional 5% of the total compensation amount paid to a Member of Council.
9. That no changes be made to the current benefits provided to the Mayor and Members of Council.
10. That for the Mayor and Members of Council, attending conferences, workshops, etc. they will be provided with a meal allowance of \$70.00 for a full day event and \$35.00 for a half day event.
11. That compensation adjustments for the Mayor and Members of Council be equal to the Consumer Price Index (All Ontario, All Items from September to September) or the Non-union increase whichever is lower effective January 1st of each year for the next term of Council.

12. That the current policy of conducting a formal market review for Council every four years and the continued engagement of a Citizen's Review Committee during the last year of Council's term of office be maintained.
13. That the Citizen Review Committee for Council Remuneration further recommends that Council direct staff to explore the feasibility of going to a full-time Council and give consideration to the compensation of the structure in terms of number of Councillors.

GOV-2014.10 INTERNAL AUDIT

- 1. That the City of Guelph Internal Auditor report to the Committee of the Whole for the remainder of the 2010-2014 Council term; and**
- 2. That the Governance Committee review the reporting relationship for the Internal Auditor on an on-going basis commencing with the next term of Council.**

All of which is respectfully submitted.

Please bring the material that was distributed with the Agenda for the May 6, 2014 meeting.

MEMO



DATE May 6, 2014

TO **Governance Committee**

FROM Mark Amorosi, Executive Director

DEPARTMENT Corporate and Human Resources

SUBJECT ADDENDUM TO REPORT OF LEGAL SERVICES DATED APRIL 9, 2014 – COMMITTEE OF ADJUSTMENT REVIEW

The attached is an addendum to the Report of Legal Services dated April 9, 2014 with respect to proposed changes to the Committee of Adjustment processes. The recommendations included changes to the existing COA By-law, along with establishing a Code of Conduct and Terms of Reference for the COA.

At the April 9, 2014 Governance Committee meeting, Ms. Donna Kelly, the Chair of the COA, requested that the matter be deferred for 1 month to allow more time to work with staff to clarify some matters. The Committee passed the following:

That the Committee of Adjustment Review be deferred to the May 6, 2014 Governance Committee meeting to allow time for staff and Committee of Adjustment to clarify points

The previous drafts of the documents attached to the April 9 staff report incorporated comments from the COA in the draft documents. Staff received supplementary comments from the COA immediately prior to the April 9, 2014 meeting and on April 24, 2014. The following additional changes are recommended based on input from the Committee.

Code of Conduct

- Delete the requirement that the Member ensure that any information provide to them as a result of clarification queries be forwarded by the Secretary Treasurer to the applicant and City staff. This will be the responsibility of the Secretary Treasurer and will be included in the administrative policies to be approved and finalized by the Committee

Terms of Reference

- Allow a member to reapply to the Committee after a period of one year has passed since the maximum consecutive number of terms
- Provide that the annual report may include a summary of trends and will be presented to Council by the Chair of the Committee
- Add that the hiring process for the Secretary Treasurer will include the Chair of the COA on the hiring panel
- Indicate that the Secretary Treasurer will have staff support to act in the capacity of an assistant if required
- Include a requirement for the Secretary Treasurer to provide orientation and training for Members and additional training and education as requested or required by a Member

Staff are recommending the revised documents for approval by Council. As indicated in the report dated April 9, staff will continue to work with the Committee to assist in finalizing a Procedural By-law, Rules of Procedure and Administrative Policy for approval by the Committee.

Delegation of Authority

There is currently no formal delegation of authority from Council to Staff regarding appearing before the Committee of Adjustment on behalf of the City. It is recommended that staff be directed to prepare and present an amendment to the Delegation of Authority By-law to the Governance Committee at a future meeting to address this issue.

RECOMMENDATIONS

1. That By-law (1983)-11242 be repealed and replaced with the new By-law, in accordance with Attachment 1 to the addendum report of Legal Services dated May 6, 2014;
2. That Council approve the Terms of Reference for the Committee of Adjustment, as set out in the addendum report dated May 6, 2014;
3. That Council approve the Code of Conduct for the Committee of Adjustment, as set out in the addendum report dated May 6, 2014;
4. That Staff be directed to prepare an amendment to the Delegation of Authority By-law relating to Staff appearing before the Committee of Adjustment on behalf of the City and present the amendment to the Governance Committee at a future meeting.

Mark Amorosi

Executive Director, Corporate and Human Resources

The Corporation of the City of Guelph

By-law Number (2014)-XXXXX

Being a By-law to repeal and replace
By-law Number (1983)-11242, a by-
law to establish a Committee of
Adjustment for The Corporation of
the City of Guelph

WHEREAS in accordance with the Planning Act, 1983, the City of Guelph established a Committee of Adjustment pursuant to By-law Number (1983)-11242;

AND WHEREAS pursuant to the By-law, Council has delegated authority to the Committee to grant minor variances from any by-law of the municipality which implements the Official Plan and to give consent in respect of lands in the City;

AND WHEREAS the Planning Act, 1983 has been repealed and replaced with the Planning Act, R.S.O. 1990, c. P. 13, as amended;

AND WHEREAS the City considers it appropriate to repeal and replace the establishing By-law;

THEREFORE the Council of the Corporation of the City of Guelph hereby enacts the following:

1. By-law Number (1983)-11242 is hereby repealed.
2. The Committee of Adjustment established pursuant to By-law Number (1983)-11242 is hereby continued.
3. The Committee of Adjustment shall have authority:
 - a) To grant minor variances from any by-law of the municipality that implements the Official Plan, pursuant to Section 45(1), (2) and (3) of the Planning Act, R.S.O. 1990, c. P. 13, as amended, or any successor thereof;
 - b) To grant consents in respect of land in the City of Guelph, pursuant to Section 53, 50(18) and 57 of the Planning Act, R.S.O. 1990, c. P. 13, as amended, or any successor thereof;
4. The Committee of Adjustment shall be composed of no more than seven (7) members, who shall be appointed by Council resolution from time to time.

5. The compensation for members of the Committee shall be as determined by Council resolution from time to time.

6. The Committee of Adjustment shall establish policies and procedures to ensure that its processes comply with applicable law, including the Planning Act, R.S.O. 1990, c. P. 13, and the Statutory Powers Procedure Act, R.S.O. 1990, c. S.22 , as amended from time or any successor thereof, in a form and content satisfactory to the City Clerk.

PASSED THIS DAY OF APRIL, 2014

Karen Farbridge - Mayor

Blair Labelle – City Clerk

Committee of Adjustment Terms of Reference

Terms of Reference Date: April 2014

Committee Name: Committee of Adjustment

Mandate:

The Committee of Adjustment is an independent and autonomous quasi-judicial tribunal appointed by Council which operates under the authority granted by the Province of Ontario in the *Planning Act*, R.S.O. 1990, c. P. 13, as amended. The mandate of the Committee of Adjustment is to consider applications under the *Planning Act* for:

- Minor variances from the provisions of any by-law that implements the Official Plan, including the City's Zoning By-law, in accordance with Section 45 of the *Planning Act*.
- Enlarging or extending a building or structure that is legally non-conforming or a change in a non-conforming use, in accordance with Section 45 of the *Planning Act*.
- Consents to sever in respect of land in the City of Guelph in accordance with Section 53 of the *Planning Act*.

Number of Members (Citizen only):

The City of Guelph Committee of Adjustment is composed of seven (7) members who are appointed by Council. Council has determined that all appointees shall be citizens. Preference is given to candidates who have a demonstrated commitment and interest in the community and who have experience in matters pertaining to Planning, Law, Engineering, Architecture or Construction. Consideration will also be given to including members of the community at large, who have an interest in the community and the issues relating to the Committee of Adjustment.

Members are generally appointed prior to the expiry of each term of Council. Initial appointments of members following an election are for the term of Council. Members hold office until their successors are appointed, or until the end of their term. In the event of vacancy, members appointed mid-term shall be appointed for the remainder of the term.

The maximum duration that any one Member can hold office for is two full successive terms of Council. Members appointed for the first time mid-term may hold office for the remainder of that term plus two full successive terms. A member who has served the maximum number of successive terms may be reappointed after a one (1) year absence from the Committee.

Date of Formation:

The Committee of Adjustment was established July 18th, 1983 by By-law (1983) – 11242 which delegated authority to the Committee of Adjustment to grant consents and minor variances pursuant to the *Planning Act, 1983*.

Expiration Date (if applicable): N/A**Staff Liaison Support Position:**

Appointment of Secretary Treasurer

The Committee will appoint a Secretary Treasurer to assist with its function under the Planning Act. The City of Guelph provides a staff member who is available to act as Secretary Treasurer, and staff to act as assistant(s) to the Secretary Treasurer as required, to support the successful operation of the Committee of Adjustment. The hiring process for the Secretary Treasurer will be conducted by the City of Guelph, and include the Chair of the Committee of Adjustment as part of the hiring panel.

Role of Secretary Treasurer

The Secretary Treasurer will oversee the Committee of Adjustment application process and provide administrative support to the Committee of Adjustment according to the governing provincial legislation. The Secretary Treasurer will be supported by staff from the Clerk's office. In the absence of the Secretary Treasurer, a staff member from the Clerk's office will be available to act in his or her place.

Education and Training:

The Secretary Treasurer will provide or arrange for the provision of orientation and training to Committee members following their appointments relating to the role of the Committee of Adjustment, the Planning Act and related jurisprudence and the City's Official Plan, Zoning By-law and related policies and procedures. The Secretary Treasurer will arrange for additional training and educational sessions for the Committee or individual members as required or requested by the Committee or a member of the Committee.

Meeting Frequency:

The Secretary Treasurer of the Committee of Adjustment will establish a meeting schedule annually, which may be revised from time to time. Additional or special meetings may also be scheduled as required. The meetings are generally open to the public and any individual can appear before the Committee to voice their opinion in support or opposition of the application being heard.

Applicable Legislation/By-law:

By-law (2014) -
Planning Act R.S.O 1990 c.P.13. as amended.

Link to Corporate Strategic Plan:

<http://guelph.ca/plans-and-strategies/corporate-strategic-plan/2012-16-corporate-strategic-plan/>

Frequency of Reporting to Council:

Minutes of the Committee are provided to Council on a regular basis. The Committee reports annually to Council with a summary of its activities. The annual report shall be approved by the Committee and may include a summary of trends relating to the matters before the Committee. The annual report will be presented to Council by the Chair of the Committee.

Budget:

Members are compensated in an amount determined by Council from time to time. Compensation is reviewed at the end of each term of Council, prior to the appointment of Members for the following term.

Other budgetary items (as applicable) are established by Council in the annual budget.

CORPORATE POLICY AND PROCEDURE



POLICY	Committee of Adjustment – Code of Conduct
AUTHORITY	Section 223.2(1) of the Municipal Act, 2001
RELATED POLICIES	Code of Conduct for Council and Local Boards
APPROVED BY	Council
EFFECTIVE DATE	May 1, 2014
REVIEWED	Annually

POLICY STATEMENT

A written Code of Conduct that supplements the Code of Conduct for Council and Local Boards, is appropriate for the purpose of applying to quasi-judicial bodies such as the Committee of Adjustment. It is acknowledged that these bodies make statutory decisions and operate under a statutory regime. As such, they should carry out their functions in a manner that demonstrates independence, fairness and impartiality in decision-making. This supplemental Code is intended to provide a reference guide and a supplement to the legislative parameters under which such bodies must operate, and to ensure that natural justice is both implemented and seen to be implemented.

PURPOSE

Members of the Committee of Adjustment are appointed to carry out a statutory obligation under the Planning Act, R.S.O. 1990, c. P. 13, as amended. The Committee is a quasi-judicial body, independent of Council.

It is essential that as a quasi-judicial body the Committee carry out its duties in a fair and impartial manner, consistent with governing legislation.

The purpose of this Code of Conduct is to supplement the Code of Conduct for Council and Local Boards by providing additional direction to the Committee in carrying out its duties.

DEFINITIONS

Member – means a Member of the Committee of Adjustment

In addition to the Code of Conduct for Council and Local Boards, the following shall apply to the Committee of Adjustment.

CONFLICT OF INTEREST

Members shall strictly adhere to the Conflict of Interest provisions of the Code of Conduct for Council and Local Boards, the Procedural By-law of the Committee and the Municipal Conflict of Interest Act, including disclosing any pecuniary interest in

a matter before the Committee and abstaining from voting or participating in the discussion of the matter.

BIAS

Members shall conduct themselves in an impartial and objective manner and in accordance with the principles of natural justice. Members will perform their duties in such a way as to promote public confidence and trust in the integrity, objectivity and impartiality of the Committee. Members shall decide each application fairly and objectively and without bias.

In addition, Members shall take all reasonable steps to avoid any perception of bias towards or against any individual or group involved in an application (including the applicant, City staff, members of the public, etc.).

Every Member shall ensure that they approach the hearing with an open mind and shall not discuss the merits of a matter before the hearing.

No Member shall give preference to any party, individual or group and shall avoid any action that suggests that any party has undue influence over the Member.

No Member who has other business with the City shall discuss any such business with City staff while attending the Committee meeting (before, during, after).

Members shall remain independent of City staff, applicants and interested members of the public during all breaks.

CONDUCT

Members shall demonstrate respect for all participants in the process.

Members shall adhere to the rules of Conduct as outlined in the Procedural By-law of the Committee.

COMMUNICATION WITH STAFF, APPLICANTS

No Member shall engage in any discussion, directly or indirectly, with staff or the applicant, or any member of the public, regarding an application or any matter that may affect an application, except during the hearing.

If factual clarification of the application or City staff comments is required, the Member shall request clarification from the applicant or staff member, as the case may be, through the Secretary Treasurer of the Committee and shall not contact staff or the applicant directly. Any questions other than factual clarifications (including questions relating to an opinion, or questions of a substantive nature) must be raised during the hearing.

LOBBYING

No Member shall attempt to influence the decision of Council, or participate in a Council meeting or OMB hearing, relating to a matter that has/will come before the Committee for a hearing.

Members shall rely on the Decision of the Committee to provide the position and reasons of the Committee relating to a matter.

COMPLAINTS

Any person who has reasonable grounds to believe that a Member has breached this code may submit a complaint to the Clerk's office for investigation by the Integrity Commissioner in accordance with the process identified in the Code of Conduct for Council and Local Boards.

STAFF REPORT

TO Governance Committee

SERVICE AREA Legal Services

DATE April 9, 2014

SUBJECT Committee of Adjustment Review

REPORT NUMBER CHR-2014-10

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To present the recommendations arising from the review by Legal Services of the Committee of Adjustment processes, procedures and by-laws.

KEY FINDINGS

Staff are recommending that the establishing By-law of the Committee of Adjustment be revised, and that Terms of Reference be established to identify the mandate and framework for the Committee.

In addition, staff are recommending that a Code of Conduct be established to apply to the Committee, that would be suitable to a tribunal making statutory decisions. This would supplement the Code of Conduct for Council and Local Boards.

Lastly, staff have reviewed the administrative policies and procedural by-law of the Committee and recommend that they be updated, including identifying the role and mandate of the Chair, and that the Committee establish Rules of Procedure to assist in providing additional authority to the Committee and to identify requirements relating to the hearing process. These are matters within the jurisdiction of the Committee. Staff will work with the Committee to assist it in revising and establishing these documents.

FINANCIAL IMPLICATIONS

None

ACTION REQUIRED

To approve the revised By-law, Terms of Reference and Code of Conduct for the Committee of Adjustment.

RECOMMENDATION

1. That By-law (1983)-11242 be repealed and replaced with the new By-law, in accordance with Attachment 1 to the report of Legal Services dated April 9, 2014;
2. That Council approve the Terms of Reference for the Committee of Adjustment, as set out in the report dated April 9, 2014;
3. That Council approve the Code of Conduct for the Committee of Adjustment, as set out in the report dated April 9, 2014;

BACKGROUND

The Committee of Adjustment was established July 18th, 1983 by By-law (1983) – 11242 which delegated authority to the Committee of Adjustment to grant consents and minor variances pursuant to the *Planning Act*. The Committee is a quasi-judicial tribunal which operates under the authority of the *Planning Act*.

The Committee currently operates in accordance with the By-law and the *Planning Act*. It is also regulated by the *Statutory Powers Procedure Act* (SPPA), which establishes requirements for fair hearing processes. In addition, the Committee has established administrative policies and procedures which are included as Attachment 1.

Legal Services undertook a comprehensive review of the Committee of Adjustment processes, procedures and by-laws in 2013 and early 2014 to provide recommendations to Council designed to enhance the Committee hearing process. The review was intended to provide greater clarity regarding the roles of the Committee, the Applicant and City staff, and to enhance the procedures of the Committee to continue to ensure the principles of natural justice are adhered to in the hearing process.

The review has resulted in recommendations relating to the following:

- 1) Repealing and Replacing the By-law
- 2) Establishing a Terms of Reference for the Committee
- 3) Establishing a Code of Conduct for the Committee

In addition, staff believe that the Committee should consider the following:

- 1) Updating the Administrative Policies of the Committee
- 2) Updating the Procedural By-law for the Committee
- 3) Establishing Rules of Procedure

STAFF REPORT

It is anticipated that these changes will result in more efficient meetings, improved decision making with decisions that are fair and of consistent quality, an increase in the integrity of the process and a process that is more aligned with the principals of the legislation.

The Chair of the Committee of Adjustment was consulted throughout the project regarding the changes to the By-law, the Terms of Reference and the Code of Conduct.

City staff have prepared drafts of the recommended administrative policies, procedural by-law and rules of procedure, and will work with the Committee to assist them in finalizing these documents.

REPORT

As a result of the review by Legal Services, several recommendations were made enhance the Committee process, which have already been implemented, including:

- Relocating the Committee of Adjustment meetings to Council Chambers, to enhance accessibility and address the constraints of the previous location
- Providing a retiring room for Committee members during breaks, to allow for separation between the parties (the Applicant and City staff) and the Committee
- Developing a process for communication by the Committee members when they are requesting clarification of applications prior to the hearing

The rationale for the changes is to ensure accessibility, as well as to ensure that there is no perception of bias or partiality in the hearing process.

City staff are reviewing opportunities to further distinguish the role of Secretary Treasurer from that of the Planning department and to encourage pre-consultation with Planning staff prior to applications being brought before the Committee. Staff support is in the process of being transferred to the City Clerk's office, and will be provided through a Secretary Treasurer/Council Committee Coordinator. Applications will be received and processed through the Clerk's office. The Secretary Treasurer will be appointed by the Committee of Adjustment.

As a result of the review, administrative staff will also be considering the benefits of implementing a tiering system for hearing applications as well as sign-in sheets for delegations, to facilitate streamlining of the hearing process. The sign-in process

STAFF REPORT

will be designed to ensure that the personal information of individuals is appropriately protected.

By-law

The existing by-law provides for the establishment of the Committee of Adjustment, the appointment of initial members, and the delegation of authority under the Act, to hear minor variances and consents.

The by-law does not provide for any direction or guidance with respect to establishment of procedures and rules by the Committee. As part of the delegation of authority, it is recommended that the by-law be revised to provide a framework that requires the Committee to establish and maintain policies and procedures in accordance with applicable law, including the Planning Act and the SPPA, in a form and content satisfactory to the City Clerk. Staff have provided draft updated policies and procedures to assist the Committee, and will continue to consult with the Committee to assist as required to finalize the documents.

Terms of Reference

Although the Committee has been established since 1983, it does not have formal terms of reference. This is largely because it is established in accordance with the legislation rather than being established with a mandate created by the City. However, the City recently adopted a Citizen Appointment Policy, which applies both to advisory committees and to committees created under legislation (except to the extent of any conflict with the legislation). That policy requires that a terms of reference be approved when establishing a committee, and sets a template to be used for the terms of reference.

It is recommended that Council establish Terms of Reference for the Committee to provide the Council approved mandate and framework for the Committee in particular, where such items are not specifically identified in the by-law. The terms of reference would include items such as number of members, term (as per the Planning Act), maximum term of members, qualifications of members, staff support, meeting frequency, frequency of reporting to Council and budget for the Committee. A Draft Terms of Reference are attached. The draft is based on the template from the Citizen Appointment Policy, with modifications to reflect matters which apply to the Committee.

STAFF REPORT

The Citizen Appointment Policy provides for a maximum term of 8 consecutive years. The Planning Act provides that members of the Committee shall be appointed for the term of Council. Based on this, the TOR propose that the maximum term would be 2 consecutive terms of Council (currently 8 years), as well as any additional part of a term if the member was appointed part way through the term.

Recruitment for the Committee would give preference to individuals with a demonstrated interest in the community and experience in Planning, Law, Engineering, Architecture or Construction.

The legislation does not prohibit Members of Council from sitting on the Committee. However, it is proposed that, consistent with the practice of City Council, and to maintain the independence of the Committee and to avoid any perception of bias or undue influence, members of Council not be eligible to become part of the Committee.

Code Of Conduct

It is recommended that Council establish a Code of Conduct specific to the Committee. The authority for a Code of Conduct applicable to the Committee is found under Section 223.2 of the *Municipal Act*.

Currently, the Council Code of Conduct and Local Boards applies to the Committee. However, its provisions do not address items that are uniquely important to the hearing process. The proposed Code of Conduct would include provisions that are suited to an administrative tribunal such as avoiding bias, preserving independence, conduct at the hearing and communications outside of a hearing. The proposed Code of Conduct is intended to reflect issues uniquely arising in a hearing context, that could affect the hearing process. The Code of Conduct would be enforced, if required, in the same manner as the Code of Conduct for Council and Local Boards. This is intended to enhance the existing process of the Committee and to provide further support for its role as an independent adjudicative body.

Administrative Policies, Procedural By-law and Rules

The Committee currently operates under the *Planning Act* and has its own administrative policies and Procedural By-law. The administrative policies and Procedural By-law established by the Committee have been reviewed by staff and

STAFF REPORT

staff are recommending areas of enhancement to those documents to further assist the Committee in performing its mandated functions.

The intent of administrative policies is to provide guidance by the Committee to govern the application of its processes. This includes matters relating to application requirements (where they do not conflict with the legislation), delegation of authority to the Secretary Treasurer and direction for payment of fees and execution of agreements.

In general, staff are recommending that the administrative policies be updated to provide guidance on:

- the timelines for hearing applications and making decisions (consistent with the Planning Act);
- issuing of decisions and content of decisions of the Committee; and,
- the determination of meeting schedules

Currently, the Council Procedural By-law applies to all boards, etc. unless they have established their own by-law, which the Committee has done. Staff are recommending that the Procedural By-law be updated to include matters specific to the Committee and to the hearing process, such as: the calling of meetings, posting of agendas and minutes, hearing proceedings, and motions and voting relating to making of decisions. The draft procedural by-law would be supplemented by the procedures provided for Council in the event of a matter not addressed in the Committee's by-law.

Tribunals such as the Committee are required to make decisions in a manner that ensures fairness and natural justice. The statutory requirements relating to this obligation are established in the SPPA, which also provides tribunals with certain powers to govern the hearing process. While some of the powers under the SPPA are automatic, others require that the tribunal establish rules to implement the powers. It is recommended that the Committee approve Rules of Procedure under the SPPA in order to provide additional procedure around the powers that are automatically provided to it under the SPPA and also to trigger its right to benefit from other powers (such as written hearing of adjournment requests). It is suggested that the Rules include consideration of matters such as the power to refuse to receive an application that is not complete, the process for adjournment requests, consideration of requests for waiving the deferral fee, the timing for circulating applications, staff comments and written submissions, and the hearing process.

Draft templates for the administrative policies, procedural by-law and rules have been provided to the Committee, and staff will work with the Committee in reviewing these documents. These are items that would be considered for adoption by the Committee of Adjustment under its authority, and in accordance with the proposed new By-law, to the satisfaction of the City Clerk.

Training

Training has been provided historically to the Committee upon its initial appointment.

Legal Services and Clerk's staff will be providing a presentation to the Committee at its inaugural session to train newly appointed members. The program would include:

- 1) Information regarding the Committee's application process
- 2) The criteria to be considered under the *Planning Act*
- 3) The legal framework governing the Committee as a whole and members, and the applicable law including the *Planning Act*, the SPPA and the *Municipal Conflict of Interest Act*

Training would also include an overview of the Code of Conduct of Council and Local Boards, the Code of Conduct for the Committee, and the role of the Integrity Commissioner.

City staff will develop and provide to Committee members a reference manual that provides the details of the concepts of the presentation. The manual will contain information on the legal framework under which the Committee is governed.

Training will be offered at the inaugural session, and annually thereafter during the term of the Committee.

In addition, it is proposed that the City continue to pursue training opportunities through the Ontario Association of Committee of Adjustment and Consent Authorities. The Association offers a "Committee Guidelines Training Session" which is available to Committees by attending at the local municipal offices. Conferences are also offered throughout the year in various locations. The cost of such training

STAFF REPORT

would need to be considered in the annual budget relating to the Committee, as appropriate.

CORPORATE STRATEGIC PLAN

2.2 Deliver better public service

2.3 Ensure accountability, transparency and engagement

DEPARTMENTAL CONSULTATION

Information Services – City Clerk's

Planning Services

Chair of the Committee of Adjustment

COMMUNICATIONS

The By-law, Terms of Reference, Code of Conduct, Procedural By-law, Administrative Policies and Rules of Procedure (once finalized), will be available to the public, as well as to applicants and interested parties. It is anticipated that the documents will also be posted on the City's website.

ATTACHMENTS

ATT-1 Ddraft By-law
ATT-2 Draft Terms of Reference
ATT 3 Draft Code of Conduct

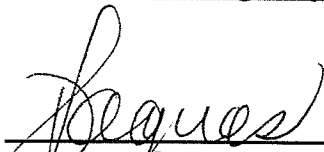
Report Author

Susan Smith

Associate City Solicitor

(519) 822-1260 x 2452

susan.smith@guelph.ca



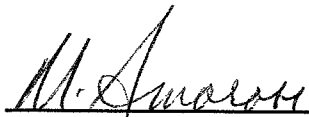
Approved By

Donna Jaques

General Manager of Legal Services/
City Solicitor

(519) 822-1260 x 2288

donna.jaques@guelph.ca



Recommended By

Mark Amorosi

Executive Director of Corporate and
Human Resources

(519) 822-1260 ext. 2281

mark.amorosi@guelph.ca

ATTACHMENT 1

The Corporation of the City of Guelph

By-law Number (2014)-XXXXX

Being a By-law to repeal and replace
By-law Number (1983)-11242, a by-
law to establish a Committee of
Adjustment for The Corporation of
the City of Guelph

WHEREAS in accordance with the Planning Act, 1983, the City of Guelph established a Committee of Adjustment pursuant to By-law Number (1983)-11242;

AND WHEREAS pursuant to the By-law, Council has delegated authority to the Committee to grant minor variances from any by-law of the municipality which implements the Official Plan and to give consent in respect of lands in the City;

AND WHEREAS the Planning Act, 1983 has been repealed and replaced with the Planning Act, R.S.O. 1990, c. P. 13, as amended;

AND WHEREAS the City considers it appropriate to repeal and replace the establishing By-law;

THEREFORE the Council of the Corporation of the City of Guelph hereby enacts the following:

1. By-law Number (1983)-11242 is hereby repealed.
2. The Committee of Adjustment established pursuant to By-law Number (1983)-11242 is hereby continued.
3. The Committee of Adjustment shall have authority:
 - a) To grant minor variances from any by-law of the municipality that implements the Official Plan, pursuant to Section 45(1), (2) and (3) of the Planning Act, R.S.O. 1990, c. P. 13, as amended, or any successor thereof;
 - b) To grant consents in respect of land in the City of Guelph, pursuant to Section 53, 50(18) and 57 of the Planning Act, R.S.O. 1990, c. P. 13, as amended, or any successor thereof;
4. The Committee of Adjustment shall be composed of no more than seven (7) members, who shall be appointed by Council resolution from time to time.

5. The compensation for members of the Committee shall be as determined by Council resolution from time to time.

6. The Committee of Adjustment shall establish policies and procedures to ensure that its processes comply with applicable law, including the Planning Act, R.S.O. 1990, c. P. 13, and the Statutory Powers Procedure Act, R.S.O. 1990, c. S.22 , as amended from time or any successor thereof, in a form and content satisfactory to the City Clerk.

PASSED THIS DAY OF APRIL, 2014

Karen Farbridge - Mayor

Blair Labelle – City Clerk

ATTACHMENT 2

Committee of Adjustment Terms of Reference

Terms of Reference Date: April 2014

Committee Name: Committee of Adjustment

Mandate:

The Committee of Adjustment is an independent and autonomous quasi-judicial tribunal appointed by Council which operates under the authority granted by the Province of Ontario in the *Planning Act*, R.S.O. 1990, c. P. 13, as amended. The mandate of the Committee of Adjustment is to consider applications under the *Planning Act* for:

- Minor variances from the provisions of any by-law that implements the Official Plan, including the City's Zoning By-law, in accordance with Section 45 of the *Planning Act*.
- Enlarging or extending a building or structure that is legally non-conforming or a change in a non-conforming use, in accordance with Section 45 of the *Planning Act*.
- Consents to sever in respect of land in the City of Guelph in accordance with Section 53 of the *Planning Act*.

Number of Members (Citizen only):

The City of Guelph Committee of Adjustment is composed of seven (7) members who are appointed by Council. Council has determined that all appointees shall be citizens. Preference is given to candidates who have a demonstrated commitment and interest in the community and who have experience in matters pertaining to Planning, Law, Engineering, Architecture or Construction. Consideration will also be given to including members of the community at large, who have an interest in the community and the issues relating to the Committee of Adjustment.

Members are generally appointed prior to the expiry of each term of Council. Initial appointments of members following an election are for the term of Council. Members hold office until their successors are appointed, or until the end of their term. In the event of vacancy, members appointed mid-term shall be appointed for the remainder of the term.

The maximum duration that any one Member can hold office for is two full successive terms of Council. Members appointed for the first time mid-term may hold office for the remainder of that term plus two full successive terms. A member who has served the maximum number of successive terms may be reappointed after one (1) full intervening term of Council.

Date of Formation:

The Committee of Adjustment was established July 18th, 1983 by By-law (1983) – 11242 which delegated authority to the Committee of Adjustment to grant consents and minor variances pursuant to the *Planning Act, 1983*.

Expiration Date (if applicable): N/A**Staff Liaison Support Position:**

The Committee will appoint a Secretary Treasurer to assist with its function under the Planning Act. The City of Guelph provides a staff member who is available to act as Secretary Treasurer, to support the successful operation of the Committee of Adjustment. When the position of Secretary Treasurer becomes vacant, the Chair of the Committee of Adjustment or another member designated by the Chair, will be consulted and involved in the recruitment process for the position, for example, being a citizen member of the hiring committee.

The Secretary Treasurer will oversee the application process and provide administrative support to the Committee of Adjustment according to the governing provincial legislation. The Secretary Treasurer will be supported by staff from the Clerk's office. In the absence of the Secretary Treasurer, a staff member from the Clerk's office will be available to act in his or her place.

Meeting Frequency:

The Secretary Treasurer of the Committee of Adjustment will establish a meeting schedule annually, which may be revised from time to time. Additional or special meetings may also be scheduled as required. The meetings are generally open to the public and any individual can appear before the Committee to voice their opinion in support or opposition of the application being heard.

Applicable Legislation/By-law:

By-law (2014) -
Planning Act R.S.O 1990 c.P.13. as amended.

Link to Corporate Strategic Plan:

<http://guelph.ca/plans-and-strategies/corporate-strategic-plan/2012-16-corporate-strategic-plan/>

Frequency of Reporting to Council:

Minutes of the Committee are provided to Council on a regular basis. The Committee reports annually to Council with a summary of its activities.

Budget:

Members are compensated in an amount determined by Council from time to time. Compensation is reviewed at the end of each term of Council, prior to the appointment of Members for the following term.

Other budgetary items (as applicable) are established by Council in the annual budget.

ATTACHMENT 3

CORPORATE POLICY AND PROCEDURE



POLICY	Committee of Adjustment – Code of Conduct
AUTHORITY	Section 223.2(1) of the Municipal Act, 2001
RELATED POLICIES	Code of Conduct for Council and Local Boards
APPROVED BY	Council
EFFECTIVE DATE	May 1, 2014
REVIEWED	Annually

POLICY STATEMENT

A written Code of Conduct that supplements the Code of Conduct for Council and Local Boards, is appropriate for the purpose of applying to quasi-judicial bodies such as the Committee of Adjustment. It is acknowledged that these bodies make statutory decisions and operate under a statutory regime. As such, they should carry out their functions in a manner that demonstrates independence, fairness and impartiality in decision-making. This supplemental Code is intended to provide a reference guide and a supplement to the legislative parameters under which such bodies must operate, and to ensure that natural justice is both implemented and seen to be implemented.

PURPOSE

Members of the Committee of Adjustment are appointed to carry out a statutory obligation under the Planning Act, R.S.O. 1990, c. P. 13, as amended. The Committee is a quasi-judicial body, independent of Council.

It is essential that as a quasi-judicial body the Committee carry out its duties in a fair and impartial manner, consistent with governing legislation.

The purpose of this Code of Conduct is to supplement the Code of Conduct for Council and Local Boards by providing additional direction to the Committee in carrying out its duties.

DEFINITIONS

Member – means a Member of the Committee of Adjustment

In addition to the Code of Conduct for Council and Local Boards, the following shall apply to the Committee of Adjustment.

CONFLICT OF INTEREST

Members shall strictly adhere to the Conflict of Interest provisions of the Code of Conduct for Council and Local Boards, the Procedural By-law of the Committee and the Municipal Conflict of Interest Act, including disclosing any pecuniary interest in

a matter before the Committee and abstaining from voting or participating in the discussion of the matter.

BIAS

Members shall conduct themselves in an impartial and objective manner and in accordance with the principles of natural justice. Members will perform their duties in such a way as to promote public confidence and trust in the integrity, objectivity and impartiality of the Committee. Members shall decide each application fairly and objectively and without bias.

In addition, Members shall take all reasonable steps to avoid any perception of bias towards or against any individual or group involved in an application (including the applicant, City staff, members of the public, etc.).

Every Member shall ensure that they approach the hearing with an open mind and shall not discuss the merits of a matter before the hearing.

No Member shall give preference to any party, individual or group and shall avoid any action that suggests that any party has undue influence over the Member.

No Member who has other business with the City shall discuss any such business with City staff while attending the Committee meeting (before, during, after).

Members shall remain independent of City staff, applicants and interested members of the public during all breaks.

CONDUCT

Members shall demonstrate respect for all participants in the process.

Members shall adhere to the rules of Conduct as outlined in the Procedural By-law of the Committee.

COMMUNICATION WITH STAFF, APPLICANTS

No Member shall engage in any discussion, directly or indirectly, with staff or the applicant, or any member of the public, regarding an application or any matter that may affect an application, except during the hearing.

If factual clarification of the application or City staff comments is required, the Member shall request clarification from the applicant or staff member, as the case may be, through the Secretary Treasurer of the Committee and shall not contact staff or the applicant directly. The member shall ensure that any information provided by way of response is also provided by the Secretary Treasurer to the applicant and City staff. Any questions other than factual clarifications (including questions relating to an opinion, or questions of a substantive nature) must be raised during the hearing.

LOBBYING

No Member shall attempt to influence the decision of Council, or participate in a Council meeting or OMB hearing, relating to a matter that has/will come before the Committee for a hearing.

Members shall rely on the Decision of the Committee to provide the position and reasons of the Committee relating to a matter.

COMPLAINTS

Any person who has reasonable grounds to believe that a Member has breached this code may submit a complaint to the Clerk's office for investigation by the Integrity Commissioner in accordance with the process identified in the Code of Conduct for Council and Local Boards.

STAFF REPORT



TO Governance Committee

SERVICE AREA Office of the Chief Administrative Officer

DATE May 6, 2014

SUBJECT Electronic Device Policy – Amendment

REPORT NUMBER CAO-C-1402

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To amend the original Electronic Devices Policy (2005) to be explicit about the non use of electronic devices for Council and employees during Closed Meetings of Council or Committee.

KEY FINDINGS

Guelph's Electronic Device policy (2005) was written to curtail noise disruptions arising from the use of personal communication devices e.g. pagers and cell phones.

With the development of Council's Code of Conduct, member responsibility for the confidentiality of information provided in closed meetings is made clear.

As advanced electronic devices have many new means by which information is easily transmitted without audible or visual prompt, a general review of the Electronic Device policy found a potential gap; the policy does not speak specifically of Closed Meetings of Council or Committee. Currently devices can be left on in a "non audible" position during Council or Committee meetings.

To mitigate risk and for the purpose of clarity, it is prudent to amend the Electronic Device policy to ensure clarity for all participants about electronic use during Closed Meetings of Council or Committee.

FINANCIAL IMPLICATIONS

There are no financial implications of this report.

ACTION REQUIRED

For Governance Committee consideration and deliberation.

RECOMMENDATION

STAFF REPORT

1. That report CAO-C-1402 be received.
2. That the following resolutions be added to the City of Guelph Electronic Devices Policy and for inclusion in the City's Procedural Bylaw, to provide clarity specific to Closed Meetings of Council or Committees:
 - a. That all electronic devices must be turned off throughout Closed Meetings of Council or Committees with the exception of 'on call/on duty' medical or emergency services personnel (Council or employees); and
 - b. That medical or emergency services personnel (Council or employees) who are on scheduled 'on call/on duty' while attending a Closed Meeting of Council or Committees, at the start of the meeting they shall advise the Chair, place their electronic devices in the 'loud' position in order to notify, and upon notification, that they leave the room to respond.

REPORT

As at October 2005, Council approved an Electronic Device Policy respecting the use of handheld electronic devices at meetings of Council, Standing Committee and Advisory Committee meetings, as follows:

- *"That all handheld electronic devices (including cell phones and pagers) be either turned off or placed on the non audible position during City of Guelph Council and committee meetings;*
- *That this policy be posted on all City of Guelph agenda; and*
- *That this policy be posted on all rooms in which these meetings take place."*

At the time, the rationale for an Electronic Device Policy was to minimize noise disruption and improve the flow of decision making.

The policy relied on 'common courtesy' and as such, the honour system was evoked with no penalties for infractions. Etiquette was quoted as "whenever someone gets their needs met at the expense of others, a breach of etiquette has occurred.'

The situation has evolved in the last nine years. Greater clarity and accountability for member liability, duty and the confidentiality for closed session materials has increased the need for clarity in both policy and procedures. Council's Code of Conduct details responsibility for the confidentiality of information provided in closed meetings. A review of the Electronic Device policy finds a risk related gap.

Guelph's Procedural By-law specific to Closed Council Meetings refers Council and Committee members to their Code of Conduct yet it is not explicit on the specific use of electronic devices within Closed Council Meetings. Nor does it speak about the conduct of employees in these meetings.

STAFF REPORT



Three factors prompt an amendment of the original policy to distinguish the complete non use of electronic devices in Closed Meetings of Council or Committee.

1. Code of Conduct: Municipalities like Guelph approved Codes of Conduct which increased member accountability related to ensuring the confidentiality of materials and information “debated or discussed at a meeting closed to the public”; the non disclosure, release or publishing of confidential information by any means, for matters occurring specific to Closed Meetings of Council or Committee.
2. Advanced technology: Cell phones and pagers were the predominant type of electronic devices used in 2005. However, handheld technology has evolved to include an array of options with some able to function without audible or visual prompts. This includes email, text, BBM, photography, video, and sound recording. As such, there is a greater vulnerability to and liability for their use by any participants in Closed Meetings of Council or Committee.
3. Participation in Closed Meetings of Council or Committee includes non Council members (e.g. employees, contracted specialists) for which the Council Code of Conduct does not apply.

Guelph is not alone in updating its electronic device policy.

Updated in April 2011, the Procedural Bylaw for the City of Ottawa Section 93: Communication Devices states:

1. *Subject to subsection 3, at the meetings of Council, the use of cellular phones, audible pagers or any other similar communication device is only permitted in the press gallery section of the Council Chambers;*
2. *Unless a meeting of a Committee is taking place in the Council Chambers, in which case subsections (1) and (3) apply, **the use of audible cellular phones, audible pagers and any other similar communication device is prohibited in the room in which the Committee is meeting;***
3. *Despite subsection (1), the use of any communication device may be prohibited by the Mayor of Council or the Committee if, in the Mayor's opinion, the device is interfering with any video or audio broadcast of the meeting.*

The City of Mississauga resolution 0022-2011 (2011) approved new procedures for communication devices including “*That the **use of communication devices for email is not permitted at any time during In Camera meetings***” and that “*If a*

STAFF REPORT



*Member of Council needs to use the device for email during the time noted above, **they shall leave the room to do so.***

Recommended Guelph Approach

The context of 'how' local government is using social media and new technology is continuing to evolve. In advance of a complete implementation of a paperless workplace and the development of an Employee Code of Conduct, staff is not proposing a complete review of the existing Electronic Device Policy.

Rather, in this context, an incremental amendment is advised. Staff is recommending only that the following two part resolution be added to the Electronic Device Policy at this time:

- a. That all electronic devices must be turned off throughout Closed Meetings of Council or Committees with the exception of 'on call/on duty' medical or emergency services personnel (Council or employees); and
- b. That medical or emergency services personnel (Council or employees) who are on scheduled 'on call/on duty' during a Closed Session of Council or Committees, shall advise the Chair, place their electronic devices in the 'loud' position in order to notify, and upon notification, that they leave the room to respond.

Conclusion

Guelph's Electronic Device policy (2005) was written to curtail noise disruptions arising from the use of personal communication devices. Since then, the development of Council's Code of Conduct details responsibility for the confidentiality of information provided in closed meetings. As advanced electronic devices are a means by which information is easily transmitted, it is prudent and simple to ensure clarity on their use by all participants during Closed Meetings of Council.

CORPORATE STRATEGIC PLAN

- 1.1 Engage employees through excellence in leadership.
- 1.3 Build robust systems, structures and frameworks aligned to strategy.
- 2.3 Ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION

City Clerks

COMMUNICATIONS

STAFF REPORT



ATTACHMENTS

ATT-1 Handheld Electronic Device Policy: Finance & Administration October
 19, 2005

A handwritten signature in blue ink, appearing to read "Ann Pappert", is written over a horizontal line.

Ap
Ann Pappert
Chief Administrative Officer
519 822 1260 ext 2220
CAO@guelph.ca

Subject **Policy respecting the use of handheld electronic devices at meetings of Council, Standing Committee and Advisory Committee meetings**

Recommendations That all handheld electronic devices (including cell phones and pagers) be either turned off or placed on the non-audible position during City of Guelph Council and committee meetings;

That this policy be posted on all City of Guelph agenda; and,

That this policy be posted on all rooms in which these meetings take place.

Background We live in an era where electronic devices are a part of people's lives, used either in business or for personal use.

At the City of Guelph, cell phones and beepers have on occasion caused disruptions at meetings because they were not turned off or not set in the non audible position. Schools, libraries, theaters, restaurants, courts, and various other public commercial establishments are posting no cell phone policies throughout North America.

A review of municipalities has shown that the City of London has a cell phone and pager policy which is attached as schedule "A". London prohibits the use of cell phones or pagers. Most other municipalities have no official policy yet they place a notice on the agendas stating as follows: "Cellular phones/pagers must be switched to the non-audible function during this meeting" (Milton, Hamilton). Others announce a similar notice at the commencement of each meeting.

Etiquette experts maintain that "whenever someone gets their needs met at the expense of others, a breach of etiquette has occurred." Since this is a matter of common courtesy, this policy will be applied on the honour system with no penalties for infractions. The policy is an attempt to minimize disruptions in the course of business conducted at City of Guelph meetings.

This policy includes all electronic handheld devices, as technology may evolve into other applications to which an audio component is applied.

Alternatives Have no policy and continue to have disruptions at meetings.

Implications Implementation of this policy will lead to fewer disruptions at meetings and better flow of decision making.

Funding

October 19, 2005

Report #

**Information
Services**

Prepared by:
Tina Agnello

Approved by:

Lois Giles



Finance and Administration

Budget Not Applicable

Account Number

Funding Schedule

[Capital Budget](#) or [Operating Budget](#)

Notice Requirements

October 19, 2005

Report #

**Information
Services**

Prepared by:
Tina Agnello

Approved by:

Lois Giles



STAFF REPORT



TO Governance Committee

SERVICE AREA CAO - Administration

DATE May 6, 2014

SUBJECT Ethics and Efficiency Hotline ("Tip Line")

REPORT NUMBER: CAO-C-1401

EXECUTIVE SUMMARY

PURPOSE OF REPORT

As directed by Council, to provide Committee with information on an Ethics and Efficiency Hotline (EEH) otherwise called a "tip" line and to provide staff's recommendation of "no action".

KEY FINDINGS

An Ethics and Efficiency Hotline (EEH) or a 'tip line' is a tool used to identify potential fraud, waste or other wrongdoing within the organization.

The general presumption is that a 'tip line' serves as a deterrent providing a confidential and anonymous means of reporting possible misconduct or criminal activity and therefore may serve for future cost avoidance. It is noted that hotlines have had varied impacts on staff morale.

Currently, seven Canadian municipalities use various forms of hotlines. With the exception of Toronto, the only available public data regarding the effectiveness of EEH is call volume statistics. Only Toronto reports their total accumulated gross losses (\$590k) and recovered losses (\$10K). There is no current comparator data for cities of similar size to Guelph however; staff is observing Oakville who has operated an EEH for less than one year.

The City of Guelph currently has mechanisms for identifying fraud, waste and wrongdoing and budgets \$305,100 for the function of Internal and External audit and the Integrity Commissioner.

Internally, administration is also implementing new initiatives to improve and support staff sharing ideas that create greater efficiencies, productivity and improved engagement.

Externally offering a "tip line" to members of the general public is not

STAFF REPORT

recommended at this time. The Ontario provincial government recently announced its intention to create new municipal accountability measures and assert greater Provincial oversight which may include the use of the Office of the Ontario Ombudsmen. Municipalities are monitoring this provincial policy discussion. Additional costs to the municipality are anticipated.

FINANCIAL IMPLICATIONS

The City budgets \$305,600 to audit, investigate and deter opportunities for fraud, misconduct or criminal activities.

Pending the results of the new provincial Ombudsmen policy being considered at Queens Park, cities may incur further expenditures to fund increased external accountability measures.

The establishment of a new employee "tip" hotline (EEH) will require further resources. To fairly operate an EEH, additional resources are required for external professional review and evaluation of all calls and to provide valid third party investigation of any items deemed to be of merit. Staff estimates a total first year contracted cost of \$128,000 to implement just the internal EEH component. This includes a one time cost of \$50,000 for necessary staff training.

It is noted that annual budgets are driven by call volume; more data is required from other comparable cities.

ACTION REQUIRED

Governance Committee to consider the information provided in this report along with staff's recommendation.

RECOMMENDATION

1. That report CAO-A-1408, Ethics and Efficiency Hotline be received;
2. That no further action be taken at this time.

BACKGROUND

At the February 24, 2014 Council meeting, the following motion was passed:

STAFF REPORT

'That the matter of a "tip line" regarding comments and concerns for the Corporation of the City of Guelph, for both concerned employees and concerned citizens be investigated by staff and report back to the Governance Committee for consideration.'

REPORT

General Description

An Ethics and Efficiency Hotline is a tool used to identify potential fraud, waste or other wrongdoing within the organization. These hotlines act as a deterrent as they provide employees with a safe, confidential and anonymous means of reporting possible misconduct or criminal activity. It may also serve to increase the public's perception of trust in government.

Organizations also create 'hotline' communication systems for employees to propose ideas for improvements in policies, business processes, customer service etc. This positive use of the hotline helps organizations improve employee engagement and provides a forum for sharing ideas and suggestions.

Current Practice in Canadian Municipalities

Currently, there are just 7 Canadian municipalities using various forms of hotlines (Calgary, Edmonton, Ottawa, Toronto, Windsor, Montreal and recently the town of Oakville).

As major urban centres the results achieved through the hotline are not valid comparisons for Guelph.

There is no comparator data for cities of similar size to Guelph and Oakville has only operated their hotline for 7 months and no reports are available on their results to date.

The following call volume data has been collected from available reports published by these Canadian municipalities.

	Edmonton	Calgary	Ottawa	Toronto	Windsor
Number of calls					
2007	60	15	190	523	
2008	33	59	140	619	
2009	44	52	165	677	
2010	45	100			
2011	50	68			
2012	38	94			
2013		57			

STAFF REPORT



# of Staff	.75	2	1	5	1
# Investigated In 2009	16	20	5(audits)	51	

The City of Toronto has reported accumulated total gross losses identified through their hot line of \$590,067. They have recovered under \$10,000 of these losses e.g. recovered stolen goods.

Important conclusions may be drawn from this data:

1. The number of calls are relatively small compared to employee populations
2. The number of investigations are minor compared to the number of calls
3. Losses recovered are small or negligible compared to losses reported.
4. Municipalities report the greater benefit is that the fraud, theft or other types of misconduct are stopped and further losses are circumvented.

Auditing and Investigation at the City of Guelph - Context:

The City budgets \$305,600 to deal with or which can respond to issues related to alleged fraud, misconduct, suggestions for efficiencies. The External Audit function budgets \$64,500 with an additional budget of \$25,000 for actuarial analysis which is part of year end activity. The budget of Internal Audit is \$200,600 per year. The budget for the Integrity Commissioner is \$15,000.

Further, in 2014 staff is piloting additional new opportunities amongst front line staff to gain ideas, productivity and efficiencies.

Staff are also developing an Ethics and Efficiency Policy as an addendum to the newly revised Code of Conduct for employees which will include a detailed procedure for reporting potential misconduct. This type of policy, commonly referred to as a 'Whistleblower' type of policy will provide an additional and more formal mechanism within existing resources for those staff to report issues of concern.

Financial /Capacity Requirements: 3rd Party Server, Investigation & Training

The issue of capacity to operate a hotline is critical to its success or failure.

Research from municipalities currently operating hotlines demonstrates the number of calls/complaints increases over time.

Also, the size of the municipality seems to influence the number of staff required to manage the hotline (i.e. it appears that through economies of scale, workload is more easily absorbed in larger urban municipalities).

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All municipal hotlines have required additional staff resources that are fully committed to the operation of the hotline. The City of Guelph does not have staff to assume the additional workload associated with operating an Employee Ethics and Efficiency Hotline. Three areas of costs are defined as:

- **Investigation:** Human Resources matters would need to be contracted to a third party.
 - *Cost estimates to perform this work would be in the amount of \$70,000 required to cover approximately 10 investigations in the first year.*
- **Service Provider:** Outsourcing the intake of hotline calls to an external agency is considered best practice and only one city has chosen to handle their own hotline internally. There are a number of companies that provide this service.
 - *Costs are estimated to be approximately \$8600 per year for Guelph based on a market quote from one provider.*
- **Criteria, Policy & Training:** Research indicates that a well-developed hotline program requires employee training in the proper use of the hotline with rigid criteria defining the appropriate types of calls the organization will accept.

Further, clear policies and procedures must be developed that protect employees from retaliation as well as protecting the organization from bad faith or malicious allegations. The latter is most often achieved through a well defined 'triage' system where complaints are vetted and recommendations made for the appropriate disposition of the complaint (e.g. no action versus investigation recommended etc.).

 - *The estimate to provide training for all employees is \$50,000.*

The total cost therefore in the first year of operation for an Ethics and Efficiency Hotline is estimated to be \$128,600.

External EEH

Quantifying costs associated with expanding the hotline for use by members of the public is not possible at this time.

Of note is that on March 6, 2014, the provincial government announced its intention to create new municipal accountability measures and assert greater Provincial oversight over municipal government.

STAFF REPORT



Municipalities would be required to either create new processes to review complaints about service delivery, or choose to have service complaints investigated by the Office of Ontario's Ombudsman.

Furthermore, municipal service complaint processes and investigations carried out by anyone other than the Provincial Ombudsman could be subject to "review" by his office.

The Association of Municipalities of Ontario have stated publicly that "new costs are inevitable, the administrative burden is likely to be substantial, and municipalities and their citizens should expect more red tape." In particular, this initiative "would layer Provincial oversight and new administrative processes on municipal government. It represents duplication and inefficiency."

Therefore the evaluation of extending a tip line to members of the public would need to consider the implications as they become more evident of the provincial government's announcement to ensure the most effective use of taxpayers' dollars.

Quantification of costs at this time is not possible.

Conclusion

Given the difficulty in predicting the volume of calls and ensuring work associated with introducing and operating an; the current Ombudsmen policy position being considered by the provincial government which may further impact on municipalities; and given the current expenditure on audit resources and work plan, staff recommend that no further action be taken with respect to the implementation of an Ethics and Efficiency Hotline or "tip line" at this time.

CORPORATE STRATEGIC PLAN

1.3 Organizational Excellence – Build robust systems, structures and frameworks aligned to strategy.

2.3 Innovation in Local Government – Ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION

Executive Team
Internal Auditor
Office of the CAO

STAFF REPORT



COMMUNICATIONS

N/A

ATTACHMENTS

N/A

Report Authors:

Mark Amorosi
Executive Director
Corporate and Human Resources

Loretta Alonzo
Internal Auditor

A handwritten signature in blue ink, appearing to read "Ann Pappert", is positioned above a horizontal line.

Recommended and Approved By

Ann Pappert
Chief Administrative Officer
519-822-1260 ext. 2220
cao@guelph.ca

STAFF REPORT

TO Governance Committee

SERVICE AREA Corporate and Human Resources

DATE May 6, 2014

SUBJECT Council Remuneration

REPORT NUMBER CHR-2014-41

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To recommend changes for Council remuneration (i.e. total compensation) for Mayor and Members of Council commencing for the 2014-2018 Term of Council.

KEY FINDINGS

- The Citizen Review Committee was appointed on February 24, 2014 and met during March and April 2014;
- Human Resources staff provided professional support to Committee;
- The Committee reviewed material from the previous Citizen Remuneration Committee that recommended changes for the 2010-2014 term of Council, as well as material from the cities comparator municipalities and information from across Canada from other Citizen Remuneration Committees to inform their decision making process
- Highlights of the recommendations include changes to:
 - The competitive position used to compare Council positions with other municipalities;
 - Compensation (i.e. salary) for both the Mayor and Councillor positions;
 - Acknowledgement of the role of Chairs of Standing Committees;
 - Some benefits for the Mayor and Council positions; and
 - How the annual cost of living increases are calculated for the Mayor and Councillor positions.

FINANCIAL IMPLICATIONS

If approved the financial impact on an annualized basis would be:

- \$46,288 in the 1st year
- \$ 3,611 in the 2nd year
- \$ 3,611 in the 3rd year
- \$ 3,611 in the 4th year
- CPI increases to be determined on an annual basis

ACTION REQUIRED

Council to consider approval of the recommendations in this report.

STAFF REPORT

RECOMMENDATION

THAT Council approve the revised Guiding Principles reducing the competitive position from 60th to the 55th percentile for establishing the salary for the Mayor and Members of Council as outlined in Appendix A;

THAT Council approve the municipal Comparator Group used for the purposes of determining Council Remuneration (contained in this report);

THAT the salary for the position of Mayor for the Council term commencing December 1, 2014 be set at \$105,393 (a one-time adjustment of \$10,000);

THAT the salary for the position of Mayor be increased by \$3,611 each year on December 1st for the years 2015, 2016 and 2017 as a phased approach to migrate the Mayor's salary to the 55th percentile by the end of the term of Council;

THAT the Mayor be provided with an RRSP matching the Mayor's contribution amount not to exceed 3% based on the taxable portion only;

THAT the Mayor be provided with an automobile allowance equal to \$425.00 per month;

THAT the salary for the position of City Councillor for the Council term commencing 2015 be set at \$33,433;

THAT Members of Council (excluding the Mayor) who serve as a Chair of a Standing Committee be provided an additional 5% of the total compensation amount paid to a Member of Council;

THAT no changes be made to the current benefits provided to the Mayor and Members of Council;

THAT for the Mayor and Members of Council attending conferences, workshops, etc. they will be provided with a meal allowance of \$70.00 for a full day event and \$35.00 for a half day event;

THAT compensation adjustments for the Mayor and Members of Council be equal to the Consumer Price Index (All Ontario, All Items from September to September) or the Non-union increase whichever is lower effective January 1st of each year for the next term of Council;

THAT the current policy of conducting a formal market review for Council every four years and the continued engagement of a Citizen's Review Committee during the last year of the Council's term of office be maintained;

THAT the Citizen Review Committee for Council Remuneration further recommends that Council direct staff to explore the feasibility of going to a full-time Council and give consideration to the composition of the structure in terms of number of Councillors.

STAFF REPORT

BACKGROUND

In October 2009, Council approved the establishment of a Citizen Review Committee to review and make recommendations to Council respecting Council remuneration for the 2011- 2014 council term. The Committee met a number of times and made a number of recommendations to Council and the following were approved:

That Council approve the Guiding Principles for Council Remuneration as outlined in Appendix A;

That Council approve the municipal Comparator Group used for the purposes of determining Council Remuneration (contained in this report);

That Council approve the 60th percentile as the competitive position for the purpose of determining the 2011 compensation Job Rate for the Mayor and Members of Council positions;

That the salary for the position of Mayor for the Council term commencing 2011 be set at \$88,983.86;

That the salary for the position of City Councillor for the Council term commencing 2011 be set at \$29,706.39.

That no changes be made to the current benefits provided to the Mayor and Members of Council, including OMERS pension.

That the current annual method of compensation adjustments for the Mayor and Members of Council be retained (i.e. That in non-election years, the remuneration for the Mayor and Members of Council be automatically adjusted by the same percentage increase received by the City's management staff.).

That the current policy of conducting a formal market review for Council every four years during the last year of the Council's term of office be maintained.

REPORT

Recruitment for five citizen volunteers was conducted in January/February 2014 to review the matter of compensation as it relates to public office, reflect on fiscal and corporate objectives as outlined in the Compensation report for non-union staff, consider compensation adjustments supported by market data and comparable municipalities in terms of scope, size and nature of elected officials' work, review compensation data and proposals prepared by City staff, and oversee preparation and presentation of a final report and recommendations to Council for its approval.

In considering the citizen applicants, knowledge of Human Resource Management, specifically compensation and pay policies, and an understanding of the role of elected officials were considered an asset.

The following citizens were selected to participate on the Citizen Committee:

STAFF REPORT



Ms. Janet Roy, President, Premium HR Solutions (returning Committee Member)
Mr. Lloyd Longfield, President/CAO, Guelph Chamber of Commerce (returning Committee Member)
Mr. Greg Sayer, Director Legal Services, AgriCorp
Ms. Amy Kendall, Chair, School of Business and Hospitality, Conestoga College
Mr. Alan Jarvis, (Retired) Vice-President – Human Resources, The Allianz Group

The Terms of Reference for the Citizen Committee are outlined in Appendix B.

The General Manager, Human Resources and Manager, Compensation, Benefits/Payroll provided staff support to the Citizens Committee, which met from the period March - April 2014.

Process

Meetings focused on the reviewing the previous Council approved Guiding Principles for Council Remuneration, reviewing the previous Council approved comparator group and determining the appropriateness for the next term of Council, reviewing the Council approved competitive position (i.e. the percentile where to situate City of Guelph Council remuneration relative to the other municipalities within the comparator group) and determining if a change is required, a finally review of total compensation (i.e. salary and benefits, annual compensation adjustments where applicable), a review of the recommended salaries against the Guiding Principles, and development of the recommendations above.

In total, the Citizen Committee for Council Remuneration met three times to deliberate on the issue of compensation for the Mayor and Members of Council.

Following a review of the Terms of Reference for the Committee, members spent time in each meeting reviewing background information gathered to support their work.

This information included: previous Council approved documents related to Council remuneration, information concerning the roles/responsibilities of municipal councils, survey information, estimated time commitments for the Mayor and Members of Council and compensation survey data from multiple Ontario municipalities related to salary, benefits and other perquisites. Cities from other regions of Canada were also reviewed for best practices and review processes relating to establishing elected official's remuneration.

Reviewing the matter of compensation as it relates to public office in a manner that reflects the duties, responsibilities, skill, effort, authority and decision-making, the Mayor and Members of Council require a set of Guiding Principles to provide direction and an ability to anchor recommendations made with respect to what appropriate compensation levels should be.

STAFF REPORT

Revised Guiding Principles

The recommended change to the set of Guiding Principles as outlined in Appendix A, by reducing the competitive position from the 60th to the 55th percentile, was in consideration of Council reducing the competitive position for staff from the 60th to the 55th percentile during the last term of Council. Appendix C

Competitive Position

In keeping with the Guiding Principles (and recommended change) for Council Remuneration, the Citizen Review Committee recommended that the 55th percentile appropriately demonstrates the value of the position of Mayor and City Councillor, and demonstrates fair compensation that is aligned with the performance expectations of these senior roles within the City.

Setting the competitive position at the 55th percentile achieves the following:

1. Financial responsibility: this level is within the range of 50th and the 75th percentiles from other municipalities; Council remuneration does not migrate to the top of the comparator group, yet is not at the bottom and therefore mitigates the risk of systemically lagging behind;
2. Aligns to the competitive position approved by Council for the Non-union and Management Employee group;
3. Fairness and reasonableness to attract a diverse and representative pool of candidates for elected office;
4. Reflects appropriate compensation for the Mayor and Members of Council in view of the responsibilities, time commitment and accountability associated with these roles;
5. Aligns to compensation practices for other positions within the City.

Fairness, reasonableness, and fiscal responsibility are characteristics of the Guiding Principles that recognize the complexity and importance of issues dealt with by City Council and recognizes that elected officials' work is demanding and requires significant time commitment.

Comparator Group

The following criteria was developed and used by the Committee to guide decision making related to the selection of appropriate comparator municipalities.

1. Operating Budget
2. Size of Council
3. Ratio of voters to each Member of Council
4. Population
5. Scope of services (Tier of Municipality)
6. Average family income in the municipality

STAFF REPORT

The Committee considered this information again to gauge whether it remained relevant given the strategic direction, corporate priorities and the complexities of the issues requiring Council's attention and decision making.

The Committee unanimously agreed that the comparator group used for staff should also be acceptable for determining Council remuneration given that both staff and Council are dealing with the same complex issues albeit from different perspectives.

The Committee recommends using all 18 municipal comparators for Council compensation; however, ensuring that only those municipalities with part-time Councillors are used for comparing Councillor salary and benefit information. The table below will demonstrate the structure of the 18 comparator municipalities.

Tier	Comparator	FT Mayor	PT or FT Councillor
Single Tier	Barrie	Full-time	Part-time
	Brantford	Full-time	Part-time
	Chatham-Kent	Full-time	Part-time
	Hamilton	Full-time	Full-time
	Kingston	Full-time	Part-time
	Sudbury	Full-time	Part-time
Lower Tier	Brampton	Full-time	Full-time
	Burlington	Full-time	Full-time
	Cambridge	Full-time	Part-time
	Kitchener	Full-time	Part-time
	Mississauga	Full-time	Full-time
	Oakville	Full-time	Part-time
	Waterloo	Full-time	Part-time
Upper Tier	Halton Region	Full-time	Part-time
	Waterloo Region	Full-time	Part-time
	Peel Region	Full-time	Part-time

Salary Adjustment for the Mayor

Sixteen of the eighteen comparator municipalities responded to the compensation survey and under the direction of the Citizens Committee, staff analyzed the data and presented various options to the Committee.

The current salary for the full-time Mayor is \$95,383.

Within the comparator group of municipalities, the current Mayor's salary is at the 41st percentile.

Based on the 55th percentile of the above comparator group of municipalities, the recommended salary for the position of the Mayor is \$116,126 (full time).

Phased In Approach for the Mayor

The Citizen Review Committee was keenly aware that recommending a 21.7% increase for the position of Mayor may be inappropriate for a number of reasons. Recognizing this, the Committee wishes to make an important distinction. That is, the salary

STAFF REPORT

recommendation merely advises that the 55th percentile is \$116,226 and that the implementation of the recommended salary is as follows:

- Effective December 1, 2014 – Salary for the Mayor is \$105,393 which is 44.6th percentile which represents and one time increase of \$10,000 the balance of \$10,833 to be split in equal installments as:
- Effective December 1, 2015 – Equity increase of \$3,611
- Effective December 1, 2016 – Equity increase of \$3,611
- Effective December 1, 2017 – Equity increase of \$3,611

With the intent being that the compensation for the position of Mayor will achieve the 55th percentile by the end of the next term of Council.

RRSP for the Mayor

Ten (10) of the sixteen (16) responding municipalities provide the Mayor position with an OMERS pension and one (1) municipality provides an RRSP. The Committee, recommends providing the position of Mayor with an RRSP matching the Mayor's contribution amount not to exceed 3% based on the taxable portion only.

The Committee was concerned about binding either the incumbent or the City to an approximate cost of \$12,500 annually for an OMERS pension. The Committee deems the RRSP matching contribution with an estimated cost of \$2,114 per year, to be both fair to the incumbent and to the community.

Vehicle Allowance

All sixteen (16) comparators provide a vehicle or a vehicle allowance to the position of Mayor. The Committee recommends a vehicle allowance equal to \$425.00 per month be offered to the incumbent.

The recommended amount was established after reviewing the amounts provided to other Mayors within the responding comparators. The monthly allowance takes into consideration the significant amount of travel the Mayor does representing the City.

Salary Adjustment for Councillors

Sixteen of the eighteen comparator municipalities responded to the compensation survey and under the direction of the Citizens Committee, staff analyzed the data and presented various options to the Committee.

The current salary for a part-time City Councillor is \$31,846.

Within the comparator group of municipalities, the current Councillor's salary is at the 48.4th percentile.

Based on the 55th percentile of the above comparator group of municipalities, the recommended salary for the position of City Councillor is \$33,433 (part time).

STAFF REPORT

Chairing Standing Committees

The Committee recommends that 5% be added to the salary for any Councillor who is responsible to Chair a Standing Committee. The additional knowledge, skill and ability required to Chair a Standing Committee and the increased responsibilities and time commitment to effectively fulfill the role needs to be recognized and compensated accordingly.

The Committee acknowledges that although only one other municipality provides additional compensation to Chair a Standing Committee, there was considerable discussion around the following:

- the time involved for a Member of Council to Chair a meeting;
- monthly meetings with the Executive Team;
- the skill sets required to effectively Chair a meeting;
- knowledge of the “rules of procedure”; and
- data from the Clerk’s Annual Report as used to quantify the number and length of meetings

The Committee reached a consensus that additional compensation was due in consideration of this increase in workload and commitment for a part-time Member of Council.

The Committee acknowledged that the Mayor position is full time and the base salary encompasses any responsibility required to Chair a Standing Committee.

RRSP & Vehicle Allowance

The survey data from other municipalities did not support and were not benefits typical of part-time Councillors. However, in the event that the City was to move to a full-time Council, Members of Council should be provided with an RRSP and vehicle allowance similar to the recommendation for the position of full-time Mayor.

Economic increase

The Terms of Reference for the Citizen Review Committee states “compensation adjustments that are supported by market data and comparable municipalities in terms of scope, size and nature of work.”

There was lengthy discussion on the optics and appropriateness to continue the practice of providing the same economic increases for the Mayor and Members of Council to that of the Non-Union and Management Employee (NUME) group. Based on the discussion, the Committee recommends economic adjustments equal to the following, which in the Committee’s view removes any potential conflict of interest:

- 1) Increases equal to the average Consumer Price Index (CPI) or to NUME whichever is less
- 2) The use of the CPI for Ontario only
- 3) CPI period is from September to September

STAFF REPORT



4) Adjustments to take place January 1st each year of the term of Council

The Committee recognizes that if approved, every four years a Citizens Review Committee will review the salary payable to the Mayor and Members of Council and that it will be appropriately aligned to the 55th percentile at the commencement of each term or at Council's direction.

Furthermore, most of the sixteen (16) responding municipalities provide a similar approach to establishing an economic increase and that if Council approves the recommendation the salary should keep pace with the comparators.

Benefits

Based on an analysis of the survey data, the Committee recommends no change to the benefits provided to the Mayor and Members of Council.

Administrative Change

The Committee reviewed the meal allowances provided to a Member of Council attending a conference or offsite training session. The Committee recommends an amount equal to \$70.00 for a full day and \$35.00 for a half day. The current policy of \$15.00 for breakfast, \$20.00 for lunch and \$35.00 for dinner is an administrative burden and inconsistent with the comparator group. The total value is unchanged.

Citizen's Review Committee and Market Review for Council Remuneration

The Committee recommends continuing the use of a Citizen's Review Committee and the current policy on conducting a formal market review every four years for the purpose of establishing Council Remuneration. The practice demonstrates fiscal responsibility and offers transparency to the citizens of Guelph.

Explore Feasibility of a Full-time Council

In reviewing the roles and responsibilities for the position of Mayor and Council, the Citizen's Committee believes there is benefit of moving to a full-time Council and give consideration of the overall structure in terms of numbers of Council members.

After reviewing some of the information contained in the Clerk's Department Annual Report for 2013, there was appreciation of the volume of materials to read, the number and duration of various official City business meetings and the timing of these meetings make the option of public office undesirable and cost prohibitive for someone employed elsewhere full-time.

ALTERNATIVES

Not approved recommendations

Council could decide to not approve the recommended salary adjustment for the positions of Mayor and City Councillor. This approach is not recommended given it

STAFF REPORT

would be contrary to the Guiding Principles developed by the Citizen Review Committee.

The Citizens Review Committee values the work of the Mayor and Members of Council. The recommended salary adjustments fairly compensate the Mayor and Councillors according to their roles and responsibilities as elected officials.

Not approve phased in approach for Mayor's salary

The Citizens Committee recommended a phased in approach to bring the position of Mayor to the 55th percentile over the next term of Council. However, Council could elect to approve the alternative which is to move the position of Mayor to the 55th percentile effective December 1, 2014 (at the onset of the next term). This would be a one-time adjustment of \$20,833.

Providing an OMERS Pension rather than an RRSP

Council could consider providing the position of Mayor with the OMERS pension at a cost of \$12,500 per year. This is not the recommended approach as this decision will bind the City of Guelph and will continue to escalate year over year. Given there are no age restrictions for the position of Mayor, OMERS is not an option for anyone elected to the role after age 70.

CORPORATE STRATEGIC PLAN

The recommendation in consistence with the Corporate Strategic Plan, specifically:

Innovation in Local Government:

- 2.3 Ensure accountability, transparency and engagement

Organizational Excellence:

- 1.2 Develop Collaborative work teams to apply whole systems thinking to deliver creative solutions

FINANCIAL IMPLICATIONS:

The total cost of compensation adjustments recommended in this report is as follows:

Cost of Recommendations	
Description of Cost	Annual Cost
RRSP Option for the Mayor approximately:	\$2,114
Cost of car allowance for the Mayor:	\$5,100
Wage Increase for the Mayor, one-time cost 1 st year of term	\$10,000
Wage Increase for Members of Council (Current salary of \$31,846 – recommended salary of \$33,433 x 12 Councillors)	\$19,044
Chairing a Standing Committee for Members of Council @ 5% (33,433 x 5% = 1671.65 x 6)	\$10,030
Total Cost of all Recommendations of the Citizen's Review Committee effective December 1, 2014	\$ 46,288

STAFF REPORT

Additional cost after the 1 st year of Council	
Additional cost over the 2 nd , 3 rd , 4 th year of the term of Council (to phase in Mayor salary increases to achieve 55 th percentile)	\$3,611 in the 2 nd year \$3,611 in the 3 rd year \$3,611 in the 4 th year
Annual CPI Increase	As determined each year

Cost of Alternatives	
Description of Cost	Annual Cost
OMERS Pension for the Mayor approximately:	\$12,500
Wage increase for the Mayor Effective December 1, 2014 move immediately to the 55 th	\$20,833

*Note the above total amounts have been rounded to nearest dollars

DEPARTMENTAL CONSULTATION

N/A

COMMUNICATIONS

Clerks' Annual Report 2013

Survey Data obtained from 16 of the 18 comparator municipalities

ATTACHMENTS

Appendix A – Previous Guiding Principles

Appendix B – Terms of Reference

Appendix C – Recommended Guiding Principles

Report Author

Lynne MacIntyre

Manager, Compensation, Benefits, HRIS & Payroll



Approved By

David Godwaldt

General Manager,

Human Resources

519-822-1260 ext. 2848

E: david.godwaldt@guelph.ca

STAFF REPORT

Recommended By:
Council Remuneration Citizen Committee

Ms. Janet Roy

Ms. Amy Kendall

Mr. Alan Jarvis

Mr. Lloyd Longfield

Mr. Greg Sayer - Chair

Submitted By:



Mark Amorosi
Executive Director, Corporate and Human Resources
mark.amorosi@guelph.ca
X2281

Appendix A

Previously Approved

Guiding Principles for City of Guelph Council Remuneration

The philosophy is to base the compensation for the Mayor and Members of Council on realistic standards so that elected officials of the city may be compensated according to their roles and responsibilities.

To achieve the above, a Compensation plan reflects one that:

- Is fair and reasonable and will attract a diverse and representative pool of candidates from Guelph residents wishing to seek election to Council but also be seen as fair by taxpayers;
- Recognizes that the work of the mayor and council is demanding and important and as such they should be appropriately compensated;
- Recognizes the complexity, responsibilities, time commitments and accountabilities associated with the role of Mayor and Council;
- Is aligned to the 60th percentile (similar to the City's non-union employees) of the comparator group and is appropriate for the average full-time earnings within the community;
- Applies an appropriate ratio between the role of a part-time councillor and that of a full-time mayor;
- Must demonstrate fiscal responsibility and align to the Strategic Plan for the City of Guelph.

CITY OF GUELPH
COUNCILLORS' REMUNERATION

TERMS OF REFERENCE 2014

PURPOSE:

To appoint a Citizens' Committee to review and establish Elected Officials remuneration.

ACCOUNTABILITIES:

Supported by staff from Human Resources, the Committee will provide recommendations on base compensation for Elected Officials.

In developing its recommendations, the Committee will recognize that benefits currently provided to Elected Officials constitute an integral part of the overall compensation package.

FUNCTIONS:

- Reflect on fiscal and corporate objectives as outlined in the Compensation report for non-union City staff.
- Review the matter of compensation as it relates to public office
- Enable compensation adjustments supported by market data and comparable municipalities in terms of scope, size and nature of work.
- Review data and proposals submitted by staff from Human Resources
- Oversee preparation and presentation of a final report and recommendations to Council for approval

MEMBERSHIP:

The Committee will consist of 5 members selected from the community, based on expressions of interest solicited by placing an advertisement in Guelph's local newspaper. The Chair of the Committee will be chosen by the members at its first meeting.

Members of the Committee will undertake to attend each meeting as required and the Committee will remain in force until Council approves recommendations on these matters, or such time as the Committee is formally disbanded.

In the event a member is unable or unwilling to continue to serve, a replacement will be appointed by the City Clerk from the expressions of interest previously received. The members of the Committee, including the Chair, shall serve in a volunteer capacity only with no remuneration other than for reasonable expenses incurred by attending meetings.

TIMEFRAME:

The Committee will be established by February 2014 and will attempt to make its recommendations in respect of compensation for elected officials by May 2014.

Appendix C

Recommended Change to Guiding Principles for City of Guelph Council Remuneration

The philosophy is to base the compensation for the Mayor and Members of Council on realistic standards so that elected officials of the city may be compensated according to their roles and responsibilities.

To achieve the above, a Compensation plan reflects one that:

- Is fair and reasonable and will attract a diverse and representative pool of candidates from Guelph residents wishing to seek election to Council but also be seen as fair by taxpayers;
- Recognizes that the work of the mayor and council is demanding and important and as such they should be appropriately compensated;
- Recognizes the complexity, responsibilities, time commitments and accountabilities associated with the role of Mayor and Council;
- Is aligned to the 55thth percentile (similar to the City's non-union employees) of the comparator group and is appropriate for the average full-time earnings within the community;
- Applies an appropriate ratio between the role of a part-time councillor and that of a full-time mayor;
- Must demonstrate fiscal responsibility and align to the Strategic Plan for the City of Guelph.

Citizens' Review Committee Recommendation for Council Remuneration 2015 – 2018

**Governance Committee Meeting
May 6, 2014 @ 3:00 pm**

Committee Members

Appointed February 24, 2014

Name	Position	Organization
Mr. Greg Sayer (Chair)	Director, Legal Services	AgriCorp
Ms. Janet Roy (Returning Member)	President	Premium HR Solutions
Mr. Lloyd Longfield (Returning Member)	President/CAO	Guelph Chamber of Commerce
Mr. Amy Kendall	Chair, School of Business & Hospitality	Conestoga College
Mr. Alan Jarvis	Vice-President, Human Resources (Retired)	The Allianz Group

Methodology

- Committee Members met a few times between March – April 2014
- Reviewed previous Guiding Principles (recommending one change)
- Reviewed previous Comparator Group (revised comparators)
- Re-aligned Competitive Position (percentile)
- Reviewed Benefit Information within Comparator Group
- Reviewed Salary Information within Comparator Group

Compensation Philosophy and Guiding Principles

The Compensation Philosophy and Guiding Principles were reviewed and the Committee revised one principle.

- 4. Is aligned to the 55th percentile (similar to the City's non-union employees) of the comparator group and is appropriate for the average full-time earnings within the community;**

Previous Comparator Group Criteria

Previous Criteria		
1. Operating Budget	4. Size of Council	
2. Scope of Service (Tier)	5. Ratio of Voters to each Member of Council	
3. Population	6. Average Family Income	
Previous Comparators		
Barrie	Brantford	Chatham-Kent
Kingston	Kitchener	Sudbury
Oakville	Waterloo	Region of Waterloo

Revised Comparator Group

- There was considerable discussion on the relevance of the previous comparator group;
- It was agreed that all 18 comparators used for full-time staff compensation surveys, should also be used for Mayor and Council.

Rationale:

- Staff and Council are dealing with the same issues (albeit different perspectives).
- The strategic direction, corporate priorities and complexities are aligned
- One distinction noted was only those comparators within the 18, with part-time councillors will be used for comparing the City's part-time Councillor position

Tier	Municipality	FT Mayor	FT or PT Councillors
Single Tier	Barrie	Full-time	Part-time
	Brantford	Full-time	Part-time
	Chatham – Kent	Full-time	Part-time
	Hamilton	Full-time	Full-time
	Kingston	Full-time	Part-time
	Sudbury	Full-time	Part-time
Lower Tier	Brampton	Full-time	Full-time
	Burlington	Full-time	Full-time
	Cambridge	Full-time	Part-time
	Kitchener	Full-time	Part-time
	Mississauga	Full-time	Full-time
	Oakville	Full-time	Part-time
	Waterloo	Full-time	Part-time
Upper Tier	Halton Region	Full-time	Part-time
	Waterloo Region	Full-time	Part-time
	Peel Region	Full-time	Part-time

Recommended Salary for Mayor

CITY OF GUELPH **Recommended Salary for Mayor**

MAYOR	
Current Salary for the Mayor	\$95,383
Current Percentile	41st
55th	\$116,226
Increase of	21.7%

Recommendation to phase Mayor salary over duration of next term of Council

Distribution of Salary Increase to equal the 55th percentile by end of
next term of Council

Current Salary	\$95,383
55 th Percentile	\$116,226
Effective December 1, 2014 (one-time adjustment of \$10,000)	\$105,383
Effective December 1, 2015	\$3,611
Effective December 1, 2016	\$3,611
Effective December 1, 2017	\$3,611

RRSP for the Mayor

10 of the 16 comparators had the OMERS Pension

1 of the 16 comparators had an RRSP

- OMERS pension would cost \$12,500 and would bind the City to a locked in Pension commitment;
- In keeping with the guiding principles, to be fiscally responsible and in the interest of fairness the Committee recommends providing the Mayor with an RRSP.
- Up to 3% to be matched 100% by the City - \$ 2,114 per year

Vehicle Allowance for the Mayor

7 of the 16 comparators provided the Mayor with a leased vehicle

9 of the 16 comparators provided the Mayor with an vehicle allowance.

- The average allowance was \$636.00 per month.
- The Committee wanted to ensure that the amount was reasonable and took into consideration the amounts provided to the Executive Team.
- The Committee recommends a vehicle allowance of \$425.00 per month.

Recommended Salary for Councillor

CITY OF GUELPH **Recommended Salary for Councillor**

Councillor	
Current Salary for the Mayor	\$31,846
Current Percentile	48.4
55th	\$33,433
Difference	4.98%
Total Cost (\$1,587 x 12)	\$19,044

Chair of Standing Committee

Committee Recommends a 5% Additional Duty Pay for a Councillor who Chairs of a Standing Committee.

Rationale

- The time involved
- Additional meetings with staff
- Skill sets required to Chair meeting
- Knowledge of the Rules of Procedure

Information contained the Clerk's Annual Report was used to validate number and length of meetings.

RRSP & Vehicle Allowance for Councillors

The survey didn't support providing either an RRSP or Vehicle allowance for part-time Councillors.

If Council were to move to a full-time Council, then data supported providing this to Members of Council.

Economic Increase (future compensation adjustments)

Recommendation

- Increases equal to average CPI or NUME increase whichever is less
- Use CPI – Ontario Only (all items)
- Average September to September
- Effective date of increase January 1st each year

Rationale

Current policy is to provide Council the same economic increase approved for Non-Union and Management Employees (NUME).

Committee felt it could be perceived as a “Conflict of Interest”.

Most of the comparators have moved from public sector to private sector.

Other Recommendations

Benefits

- No Changes – all benefits currently provided are aligned with comparators

Administrative Change

Current meal allowance to attend conferences, workshops, etc is:

Breakfast = \$15.00

Lunch = \$20.00

Dinner = \$35.00

Change to \$70.00 for whole day and \$35.00 for half day.

Other Recommendations

Process

- Continue the process of utilizing a Citizen's Review Committee to ensure transparency
- Continue the process of conducting a formal market review every four years at the end of the term of Council

Consideration

Committee recommends that Council consider directing staff to explore the feasibility of moving to full-time Council.

Consideration to structure in terms of number of Council members should also be considered.

Cost of Recommendations

RRSP	\$2,114
Vehicle Allowance or the Mayor	\$5,100
One-Time Wage Adjustment 1 st Year Mayor	\$10,000
Wage Increase for Members of Council (\$1,587 x 12)	\$19,044
Chairing a Standing Committee (1671.65 x 6)	\$10,030
Total Cost: All Recommendations – Effective Dec 1, 2014	\$46,288

Additional Costs – After the 1st Year

2 nd , 3 rd & 4 th year of the term (phased in equity increases to bring the Mayor's salary to the 55 th by the end of the term)	2 nd year - \$3,611 3 rd year - \$3,611 4 th year - \$3,611
Annual CPI Increases	TBD

Conclusion

The Citizens' Review Committee on Council Remuneration reached consensus on all recommendations in this report.

They recommend Council approve the salaries and competitive position, however, request that Council consider the current economic situation before implementation.

INTERNAL MEMO

DATE May 26, 2014
TO **Council**
FROM Chair, Governance Committee

SUBJECT Internal Audit

The following memo supports the following resolutions from the Governance Committee:

1. *That the City of Guelph Internal Auditor report to the Committee of the Whole for the remainder of the 2010-2014 Council term; and*
2. *That the Governance Committee review the reporting relationship for the Internal Auditor on an on-going basis commencing with the next term of Council;*

An audit is an *independent* review of service, program, system and process.

The internal auditor is a valuable resource for Council, CAO, CFO and senior management to support continuous improvement, risk management and to promote organizational performance.

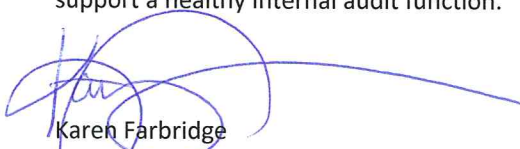
As Internal Audit was introduced in this term of Council and is relatively new for the City of Guelph, we continue to develop our practices and culture. Our Governance Committee may assess the effectiveness of Council and propose changes to support the organizations functions.

Staff has noted that for 2014, a majority of internal audits for 2014 are corporate wide in nature and its recommendations may have wide ranging implications for future decisions of Council. Ensuring that City Council is fully versed and has timely communications on these findings is of high importance to senior management.

Further, managing the internal audit function in the public sector is unique and challenging. Organizationally, to deliver the greatest value Councillors must ensure a positive environment and supportive organizational culture that will encourage the unrestricted participation of all employees in the process. Key to the success and integrity of the process depends on *all* participants remaining *objective* (i.e. without a vested interest in the findings one way or another).

Therefore, there has been consideration given to whether Council as Committee of the Whole would be better positioned to receive the work of the Internal Auditor rather than delegating this responsibility to a committee.

Council as Committee of the Whole may also be better able manage the risk to ensure the work of the internal auditor is not delayed and/or compromised and that we do not undermine the environment that is necessary to support a healthy internal audit function.


Karen Farbridge
Chair, Governance Committee

**CONSENT REPORT OF THE
OPERATIONS, TRANSIT & EMERGENCY SERVICES COMMITTEE**

May 26, 2014

Her Worship the Mayor and
Councillors of the City of Guelph.

Your Operations, Transit & Emergency Services Committee beg leave to present their SECOND CONSENT REPORT as recommended at its meeting of May 6, 2014.

If Council wishes to address a specific report in isolation please identify the item. The item will be extracted and dealt with immediately. The balance of the Consent Report of the Operations, Transit & Emergency Services Committee will be approved in one resolution.

OTES-2014.13 2013/2014 WINTER CONTROL PROGRAM UPDATE

1. That the Operations, Transit & Emergency Services Report #OTES 051418, *2013/2014 Winter Control Program Update*, dated May 6th, 2014 be received.
2. **That the General Manager of Public Works report back prior to the 2015 budget process, with an integrated response plan to address the impact of climate change on his service area, including consideration of the City's goals to promote walking and cycling throughout the year.**

**OTES-2014.14 PROPOSED BUSINESS LICENCE BY-LAW
AMENDMENT – DONATION BIN, PUBLICATION
DISPENSING BOX LICENSING**

1. That the Operations, Transit & Emergency Services Committee Report #OTES051413 regarding the regulation and business licensing of Donation Bins and Publication Dispensing Boxes dated May 6, 2014 be received.
2. That staff be directed to create a Donation Bin, Publication Dispensing Box category within the City's Business Licence By-law (2009)-18855; and that public and industry consultation be undertaken for the purpose of establishing appropriate regulations for the category.

All of which is respectfully submitted.

Councillor Findlay, Chair
Operations, Transit &
Emergency Services Committee

***PLEASE BRING THE MATERIAL THAT WAS DISTRIBUTED WITH THE
AGENDA FOR THE MAY 6, 2014 MEETING.***

STAFF REPORT



TO Operations, Transit & Emergency Services Committee

SERVICE AREA Operations, Transit & Emergency Services

DATE May 6, 2014

SUBJECT 2013/2014 Winter Control Program Update

REPORT NUMBER OTES051418

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To inform the Operations, Transit & Emergency Services Committee of the impacts on the City's Winter Control Program as a result of the severe weather experienced during the 2013/2014 winter season.

KEY FINDINGS

The City of Guelph has experienced one of the most severe winters on record revealing significant operational challenges and program response limitations including:

- The existing 5 day service level standard for winter sidewalk maintenance resulted in our inability to clear sidewalks of ice following the December 22nd, 2013 Ice Storm. As a result, residents had to traverse ice-covered sidewalks throughout the city for the duration of the winter season.
- The current staffing structure for roadway service resulted in many plough operators working excessive hours to meet the challenge of responding to successive weather events.
- Preventative maintenance on vehicles and equipment, normally undertaken between events, was disrupted due to frequent "back to back" winter control events. The extended vehicle utilization resulted in more frequent equipment breakdown during service delivery.
- Significant events, most notably the ice storm of December 22nd, 2013 and the storms that followed immediately thereafter, did not allow for service level completion prior to the onset of the next storm system. This was particularly noted in the winter sidewalk maintenance program where service priority is based on pedestrian volumes. This resulted in significant delays providing service to local streets and bus stops.

STAFF REPORT

- The volume of snow received exceeded the storage capacity of a number of boulevards resulting in the significant narrowing of many streets. This required snow removal service which is a nominally funded activity. This has contributed to the negative variance experienced to date.
- The frequent back to back events prevented value added clean-up activity normally undertaken following a storm. This includes pushing windrows further back to create storage room for the next storm, clearing snow accumulate on sidewalks at intersections and opening up bicycle lanes.
- While the City has adopted a progressive program of establishing bicycle lanes, the winter control program has not adjusted to provide expected service.
- Ice and snow material applications required adjustment at times to accommodate low sand and salt stock levels resulting from reduced delivery capacity by contracted suppliers and structural issues with the 50+ year old salt domes. The public also increased its desire to obtain more "free" sand for personal use.

Supervisors responsible for the delivery of the winter control service are also responsible to respond to requests for information and service from residents and homeowners. Meeting the operational challenges posed by the past winter season prevented timely responses to the community. Compounding this and not surprising given the winter season experienced, the department received a substantial increase in the number of public contacts this year.

FINANCIAL IMPLICATIONS

Analysis of the actual costs of road and sidewalk winter control by fiscal year from 2011 to 2013 has shown an upward trend. Total costs in 2013 rose 47% over the previous year and a 40% increase over the previous two year average. This analysis suggests an adjustment to the funding level for winter control activity may be required. This will be explored further during the normal budget development process.

At present, staff are projecting a negative variance in winter control for 2014. A more fulsome report on this variance will be made through the standard variance reporting process.

ACTION REQUIRED

That the Operations, Transit & Emergency Services Committee receive this report.

STAFF REPORT



RECOMMENDATION

1. That the Operations and, Transit & Emergency Services Report #OTES051418 *2013/2014 Winter Control Program Update*, dated May 6th, 2014 be received.

BACKGROUND

GENERAL

The seasonal treatment of snow and ice in the City of Guelph is referred to as the winter control program. Each winter season, City staff in the Public Works Department, the Parks Division and hired contractors are organized to provide a response to snow and ice conditions. This program services all City owned highways, lanes, sidewalks, parking lots, pathways, trails and stairs. The scope of this report is focused on the impacts of the 2013-2014 winter season on highways and sidewalks only.

The winter control program is built to meet, or exceed, the Minimum Maintenance Standards (MMS) outlined under Ontario Regulation 230/02 of the Municipal Act (2001). The MMS applicable to winter conditions only establishes service expectations for highways (roads) and **not sidewalks**. The City of Guelph authorized the current Council approved service levels for winter control in 2005 with one amendment in 2011 (Road plowing for Class 5 highways (Local/Residential roads) will occur at 10cm snow accumulation v.s. 8 cm). This adjustment meets resulted in service meeting the current MMS. Council has established a service level standard for sidewalk service that requires all walks to be cleared within 5 calendar days.

Other than adhering to provincial regulations, the goals of the winter control program are to enhance the overall safety and mobility of the community during the winter season and support economic and leisure activity dependent on road and right of way passage. Details of the service levels can be found on the City of Guelph website located here: <http://guelph.ca/living/getting-around/drive/snow-removal/>. The winter control program is 100% tax supported and is funded out of the City's operating budget.

REPORT

METEOROLOGICAL DATA

After a five year period of relatively mild winters, compared to the past 40 year average, the City of Guelph received one of the most severe winters on record during the 2013/2014 season. Based on meteorological data, the 2013/2014 winter season has been identified as being approximately 5 C degrees colder on average than the previous two seasons and approximately 3.3 C degrees colder than the 40 year average. Snow fall this past season was approximately 73 cm

STAFF REPORT



greater than the previous two seasons and approximately 33 cm greater than the 40 year average (See Attachment 1, Tables 1-4).

IMPACT OF METEOROLOGICAL EVENTS IN 2013/2014

In addition to the extreme cold and snow fall in 2013/2014 was the number of weather “events” the City of Guelph received when compared to previous years. Based on a five year average, the winter control program is structured and budgeted to respond to 23 weather events per season. The timeframe of an event is defined as commencing when a staff activation is triggered due to precipitation thresholds being met and concluding when the service standards have been met on roads and sidewalks. Historically, and ideally, these 23 weather events are nominally spaced out throughout the season allowing supporting activities to occur between events. Such activities include preventive maintenance on vehicles and support equipment, intersection snow clearance, bus stop snow clearance, snow removal in the downtown and known narrow streets, sandbox maintenance, crew rest and sight line improvements to name a few.

Based on information from recent winter seasons, the number of staff activations in response to winter events has increased from 16 event responses in the 2011/2012 winter season, to 26 in 2012/2013, and finally 38 in the 2013/2014 season. The 65% increase in event responses over the five year average in 2013/2014 had a significant negative impact on the effectiveness of the winter control program system as designed. Essentially, this exponential increase in event responses equates to 2 staff activations per week often involving 24 hrs a day operations causing what is known as “back to back” weather events where none of the supporting activities mentioned above can be accomplished leading to severe strain on personnel, vehicles and equipment. For sidewalk service specifically, the established level of service could not be delivered.

Of additional significance, the 2013/2014 winter season experienced the most severe ice storm in a generation on December 22nd, 2013. This massive storm affected most of Southern Ontario laying down a few cm of ice on all exposed surfaces followed by freezing temperatures and high winds. This ice storm was followed a few days later by a significant snow storm which covered roads and right of ways, such as sidewalks, with a fresh layer of snow. The combination of this major ice storm, the additional snow event a few days later, the Council approved service level standards (5 days to deliver service) and the limitations of the mechanical equipment resulted in the ice conditions being in place on most sidewalks for the duration of the season. The City’s service standard does not have an objective of achieving bare sidewalk, an acknowledgement of the limitation of employing mechanized equipment to clear snow. While residents are familiar with a requirement to walk on snow-packed conditions, they were overly challenged during this past winter season.

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Finally, the length of the winter season has had an impact on the 'normal' start-up of Spring operations.

Impacts can be seen on Fleet Services ability to prepare Parks vehicles and equipment in a timely fashion, delayed street sweeping program, loose litter clean-up, and catch basin cleaning. In fact, the late spring snow in April caught operations in transition resulting in additional fleet activity to re-equip a number of ploughs and paying overtime as the winter control shifts had ended the week before.

WINTER CONTROL STAFF

Winter control program staff in the roads section are structured with 30 full-time staff and 8 temporary seasonal staff to provide 24 hr coverage 7 days a week. (The service is augmented by a number of Contractors that are called in when a full 'residential' plough out is required.) A core number of staff are assigned to each shift, not enough however to staff all equipment available. If an "event" occurs, staff assess whether the core group can address service needs. If not, additional staff are called in on overtime to operate additional equipment. This structure was designed to be the most efficient system possible balancing "down time" with required task completion and overtime.

As mentioned previously, the 38 weather events in the 2013/2014 season created a situation where there were continuous operations for lengthy periods of time. Roads staff was asked to flex their normal work hours in order to accomplish the necessary service levels. Overtime was the main mechanism available to management and staff was often asked to work up to 60-70 hrs per week. The municipality is excused from Ministry of Labour employment standards governing standard work weeks in order to achieve public safety, for which winter control qualifies. Total increase in overtime hours amounted to an additional 1,530 hours required over the previous 2012/2013 winter season levels. Working staff at this level frequently is not a desirable scenario for either the employer or the employee.

Winter control staff in the sidewalks section are structured with 5 full-time staff and up to 28 temporary seasonal staff, who are called in on an as-required basis. Once service is activated, the operation is continuous until the service level is attained. Using 10 sidewalk plows, the duration of sidewalk clearance takes up to five days depending on the snow fall accumulation. Overtime is a core requirement of this service provision.

VEHICLES AND EQUIPMENT

Sidewalk Equipment

There are also limitations to vehicles and equipment used for winter control operations, most notably the machines used for sidewalk snow clearance. Sidewalk ploughs provide a reasonable level of service when snow is fresh and below 8 cm in

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depth. However, there are issues that result from use of our current blade-equipped units including:

- ploughs can not provide uniform and consistent clearance;
- ploughs cannot attain bare concrete given low bearing pressure of their blade/blower and lower kinetic energy from pedestrian traffic (compared to cars) to accelerate de-icing agents
- current units have shown not to be the most effective vehicle for completing bus stops clearing work to a satisfactory level
- current units have limited materiel carrying loads (sand/salt) requiring frequent restocking affecting effectiveness
- a newer model of sidewalk plow has shown higher service issues than the previous model, reducing its availability for service

Finally, this winter proved yet again sidewalk machines equipped with blowers were more effective in snow clearance than plough attachments; they achieve a more uniform walking surface and, importantly, neither leave windrows across driveways nor significantly disturb sidewalks previously cleared by residents. However, the speed of operation using blower-equipped units is greatly reduced and does not allow staff to meet the established service level.

Road Equipment

Fleet Services also noted that larger CVOR plough/salt trucks had challenges being available for service for number of reasons such as lack of driver maintenance (no time to wash salt build-up off vehicles due to “back to back” weather events), spare ratio being insufficient to offset extremely high usage rates, more technology related breakdowns, and increased demand on vehicle technician resources.

The significant amount of sustained snowfall in 2013/2014 resulted in unusually high and wide snow banks on City boulevards. The Public Works Department has only one large blower unit which is the preferred piece of equipment for removing snow in areas that have limited snow storage. Areas such as the downtown and older neighbourhoods with narrow streets were most impacted by this limitation resulting in challenges in maintaining a minimum of 3 m width and slower service than what the public expected. A further impact related to this issue is on-street parking. There are limitations to current City bylaws which impact the efficient removal of snow in the aforementioned areas. This issue is being addressed during the current review of the City’s overnight on-street parking bylaw.

MATERIAL

With respect to the City’s ability to meet the public’s expectation of “free” sand for personal use, the Public Works Department was challenged on keeping the deployed sandboxes adequately filled for their intended purpose. The City-owned sand boxes are positioned around the City with the intent of being available to staff and the public to apply sand at key intersections and bus stops to improve traction for pedestrians. Unfortunately, there were many occurrences when these sand

STAFF REPORT

boxes were stripped of their sand by the public for personal use. The demands on staff to deliver core service delayed at times the timely restocking of these boxes.

Sand was made available to the public at 45 Municipal St (Public Works yard) and was the preferred method for citizens to obtain grit for their personal residences. Demand was extremely high for this service and, similar to the sandboxes, staff often had challenges re-stocking this commodity given other higher priority duties.

SERVICE CALLS

It is important to note that the severe weather conditions have also induced an exponential increase in customer service calls over previous seasons. As is shown in the following chart (see Table 1), requests for information and service have increased by over a factor 1200% over the last three years and by a factor of 500% between this season and the previous season. Due to the high volume of calls regarding winter maintenance, and the repeated need to activate staff and contractors for successive events, supervisory staff focused on managing and leading operations and were not available to meet customer service expectations in responding to concerns raised. Every effort was made to acknowledge all customer service calls using Public Works Department reception staff however, the public wanted to speak to a supervisor or higher level manager almost exclusively.

The main issues raised by residents during the 2013/2014 winter season were: a) timing of when local (residential) street will be plowed, b) dissatisfaction with the level of service provided on the sidewalks for snow and ice clearance, c) bus stops not adequately cleared, and d) dissatisfaction with windrows left at bottom of driveways and general service standard in residential neighbourhoods.

The Public Works Department did receive some calls on the requirement to keep bicycle lanes cleared of snow throughout the winter. Despite staff's knowledge that the City of Guelph has policy on accessibility including goals to increase bicycle usability, the current winter control program has not been adjusted operationally or financially to provide timely service to clear bicycle lanes of snow and ice.

Table 1: Winter Control Customer Service Calls (2011-2014)		
Winter Season	Road Operations	Sidewalk Operations
2011/2012 Nov. 1 to Mar. 31	220	87
2012/2013 Nov. 1 to Mar. 31	552	557
2013/2014 Nov. 1 to Mar. 31	2,828	1,152

FUTURE CLIMATE IMPACT

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In the most recent report from the U.N. Intergovernmental Panel on Climate Change Geneva, March 28th, 2012, it was identified that climate changes will result in an increase in the frequency of severe weather conditions and that the trend is now irreversible.

The report also identifies that the only option to address the change is, planning and adaptation. One of the "important" conclusions of the report is that there will be a "Likely increase in frequency of heavy precipitation events or increase in proportion of total rainfall from heavy falls over many areas of the globe, in particular in the high latitudes and tropical regions, and *in winter in the northern mid-latitudes.*" Jason Thistlethwaite, director of the University of Waterloo's Climate Change Adaption Project said in the March 24th, 2014 edition of *Macleans* magazine on whether this past winter is an anomaly, "No, this is the new normal".

CONCLUSION

Overall, the winter of 2013/2014 was one of the most severe on record and presented the City of Guelph with winter control operational challenges that have not been experienced in the recent memory. Experts have confirmed that seasons similar to this winter are likely to continue and that due to the increased frequency of extreme weather events, planning and preparation activities for municipal services will have to be modified to meet the challenges and maintain compliance with Council approved service levels.

In conclusion, current trends and expectations are challenging the existing winter roads and sidewalks maintenance model. In order to provide the expected service levels for winter control in extreme weather conditions and comply with Provincial legislation on MMS (O. Reg 239/02), the Public Works Department will consider as part of its 2014 Work Plan activities what modifications to the current winter control program may be required to address these new realities. Information/recommendations on possible changes will be forwarded to Committee as appropriate.

FINANCIAL IMPLICATIONS

Analysis of the actual costs of road and sidewalk winter control by fiscal year from 2011 to 2013 has shown an upward trend (see Attachment 2). Total costs in 2013 rose 47% over the previous year and a 40% increase over the previous two year average. This analysis suggests an adjustment to the funding level for winter control activity may be required. This will be explored further during the normal budget development process.

At present, staff are projecting a negative variance in winter control for 2014. A more fulsome report on this variance will be made through the standard variance reporting process.

CORPORATE STRATEGIC PLAN

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2.2 Deliver public services better

3.1 Ensure a well-designed safe, inclusive, appealing and sustainable city.

DEPARTMENTAL CONSULTATION

Finance Department

COMMUNICATIONS

There are no corporate communications planned to support this report specifically.

ATTACHMENTS

ATT-1 Historical Guelph Meteorological Data

ATT-2 Winter Control Costs 2011-2014

Report Author: Nello Violin
Manger, Roads and Right of Ways
Public Works Department

Recommended By

Rodney Keller
General Manager,
Public Works
519-822-1260 x 2949
rodney.keller@guelph.ca

Approved By

Derek J. McCaughan
Executive Director,
Operations, Transit & Emergency Services
519-822-1260 x 2018
derek.mccaughan@guelph.ca

Attachment 1 – Historical Guelph Weather Data

Table 1: Guelph Ontario: 1971 to 2000 Canadian Climate Normals station data

Temperature (T)	Nov	Dec	Jan	Feb	Mar	Winter Average
Daily Averages (°C)	2.4	-4	-7.6	-6.9	-1.3	-3.5
Daily Maximum (°C)	6.2	-2.6	-3.7	-2.6	3.4	0.1
Daily Minimum (°C)	-1.4	-0.5	-11.4	-11.1	-6	-6.1
Extreme Maximum (°C)	20.6	19.1	13.9	13.5	23.5	18.1
Extreme Minimum (°C)	-15.1	-30.4	-34.4	-31.7	-26.8	-27.7
Days with Max T ≤ 0°C	3.7	15.8	23.1	18.2	9.3	14.0
Precipitation						
Rainfall (mm)	75.3	38.1	17.6	22.1	46.9	200.0
Snowfall (cm)	9.7	38.5	45.8	33.1	25.8	152.9

Source: AMEC Weather Services, April 2014

Table 2: Guelph Ontario: Winter 2011-12

Temperature (T)	Nov	Dec	Jan	Feb	Mar	Winter Average
Daily Averages (°C)	5.0	-0.9	-3.7	-2.2	5.5	0.7
Daily Maximum (°C)	9.8	2.7	0.2	1.4	12.1	5.2
Daily Minimum (°C)	0.1	-4.6	-7.5	-5.7	-1.0	-3.7
Extreme Maximum (°C)	17.6	11.7	8.4	7.7	26.4	14.4
Extreme Minimum (°C)	-6.6	-12.8	-18.3	-16.0	-14.8	-13.7
Days with Max T ≤ 0°C	0	7	14	6	3.0	6.0
Precipitation						
Rainfall (mm)	108	74.8	41.6	17.4	27.4	269.2
Snowfall (cm)	0.8	24.4	29.2	26.2	6.2	86.8

Source: AMEC Weather Services, April 2014

Table 3: Guelph Ontario: Winter 2012-13

Temperature (T)	Nov	Dec	Jan	Feb	Mar	Winter Average
Daily Averages (°C)	1.6	-0.6	-4.1	-7.3	-2.0	-2.5
Daily Maximum (°C)	5.9	2.8	0.3	-2.4	1.8	1.7
Daily Minimum (°C)	-2.7	-4.0	-8.6	-12.1	-5.8	-6.6
Extreme Maximum (°C)	17.1	14.6	13.5	5.0	12.9	12.6
Extreme Minimum (°C)	-7.4	-11.7	-24.5	-24.4	-14.4	-16.5
Days with Max T ≤ 0°C	1	10	14	17	12	10.8
Precipitation						
Rainfall (mm)	16.8	73.8	78.6	10.0	25.2	204.4
Snowfall (cm)	8.6	20.2	23.8	68.4	17.8	138.8

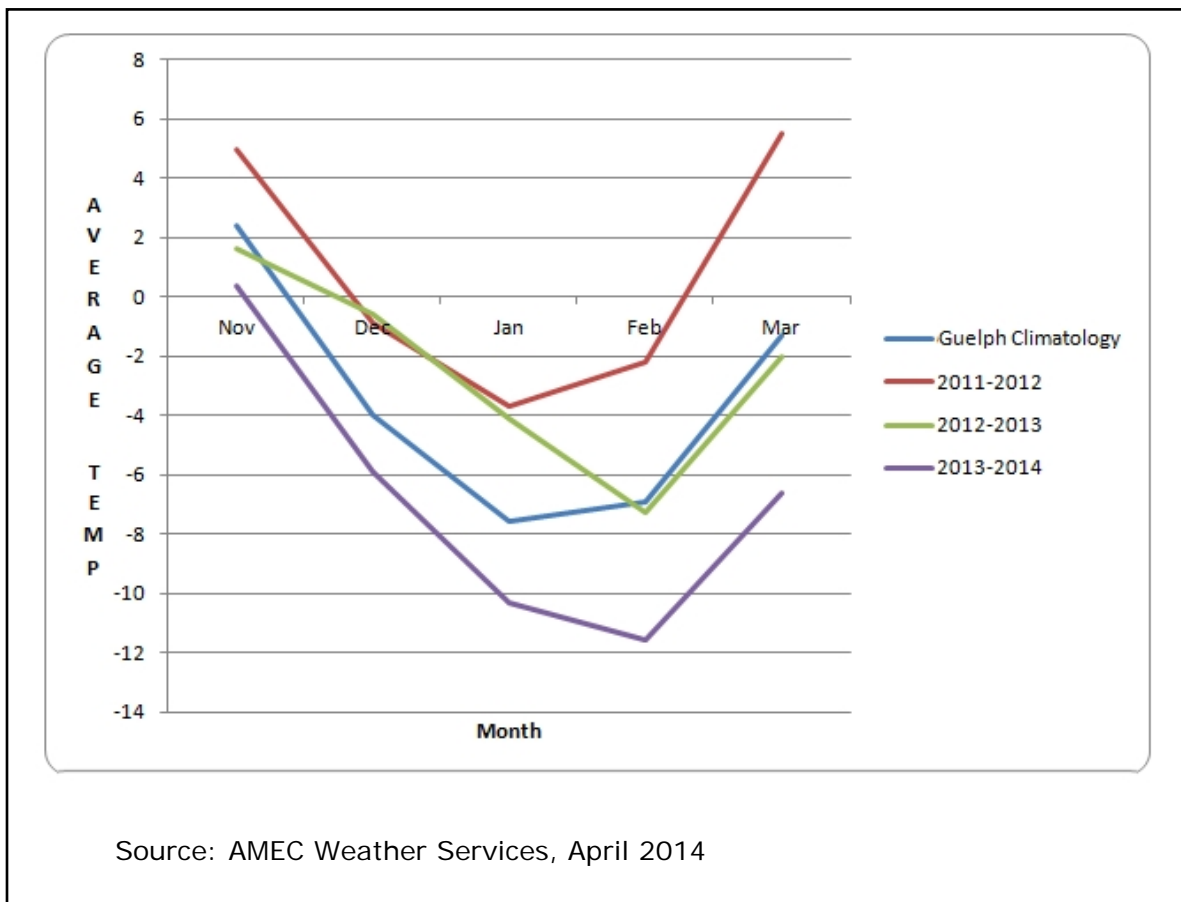
Source: AMEC Weather Services, April 2014

Table 4: Guelph Ontario: Winter 2013-14

<i>Temperature (T)</i>	Nov	Dec	Jan	Feb	Mar	<i>Winter Average</i>
Daily Averages (°C)	0.4	-5.9	-10.3	-11.6	-6.6	-6.8
Daily Maximum (°C)	4.7	-2.4	-5.9	-6.0	-1.1	-2.1
Daily Minimum (°C)	-3.8	-9.3	-14.7	-17.1	-12.2	-11.4
Extreme Maximum (°C)	15.4	13.4	6.4	3.9	10.3	9.9
Extreme Minimum (°C)	-13.9	-22.7	-27.3	-30.1	-24.7	-23.7
Days with Max T ≤ 0°C	7.0	20	26	23	15	18.2
Precipitation						
Rainfall (mm)	33.4	56.2	22.8	10.6	10.0	133.0
Snowfall (cm)	5.2	42.4	62.4	53.2	22.4	185.6

Source: AMEC Weather Services, April 2014

Figure 1: Guelph Average Monthly Temperature (2011-2014)



Attachment 2 – Winter Control Costs (2011 – 2014)

Figure 1: Roads and Sidewalk Winter Control Cost

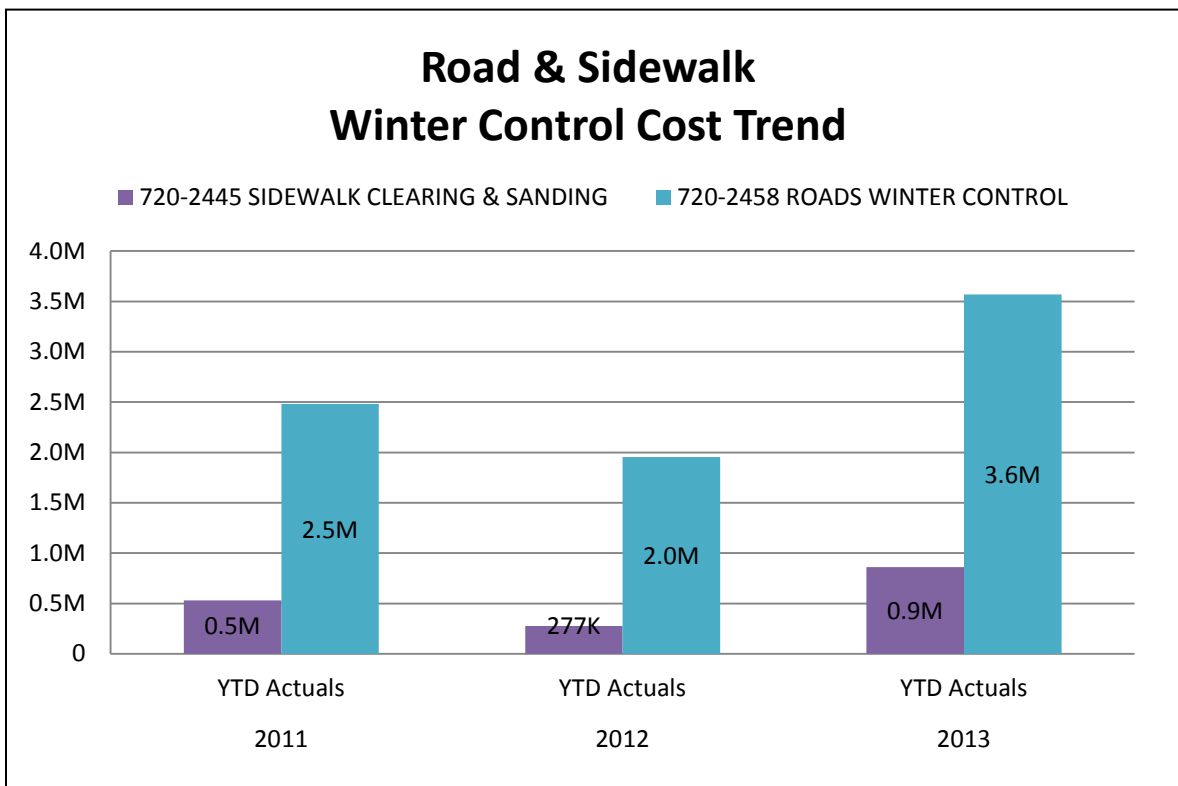
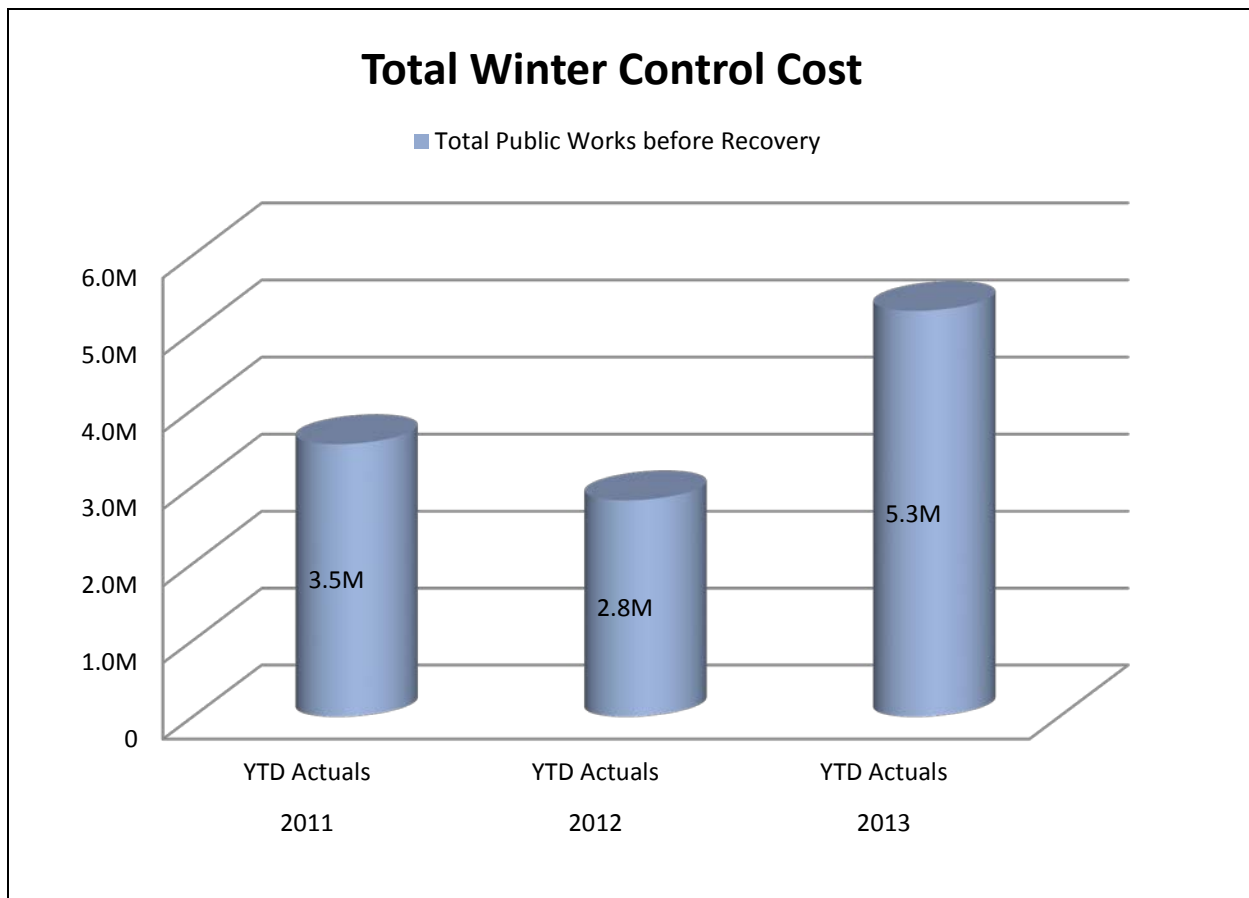


Figure 2: Total Winter Control Costs



STAFF REPORT



TO Operations, Transit & Emergency Services Committee

SERVICE AREA Operations, Transit & Emergency Services

DATE May 6, 2014

**SUBJECT Proposed Business Licence By-law Amendment –
Donation Bin, Publication Dispensing Box Licensing**

REPORT NUMBER OTES051413

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To provide information to City Council regarding the regulation and or licensing of Donation Bins and Publication Dispensing Boxes.

KEY FINDINGS

Residents have expressed concerns relating to Donation Bins, and Publication Dispensing Boxes located on both private and public property.

Staff have confirmed illegal dumping is taking place surrounding the areas of Donation Bins. Further that Donation Bins along with Publication Dispensing Boxes are being erected on private or public land without consent.

A number of municipalities within Ontario are facing these same nuisances and many have implemented licensing by-laws as a means to seek compliance and regulate both the Donation and Publication Dispensing Box industry.

FINANCIAL IMPLICATIONS

If implemented a minimal increase in revenue is anticipated, however as business licensing fees are calculated on a cost recovery basis any additional revenue realized will off-set the costs of administration, education and compliance.

ACTION REQUIRED

To receive the report, and to provide direction to staff to prepare amendments to the Business Licensing By-law with respect to the category of Donation Bins and Publication Dispensing Boxes to seek public consultation and industry input with regards to establishing appropriate regulations for these categories.

STAFF REPORT



RECOMMENDATION

1. That the Operations, Transit & Emergency Services Committee Report #OTES051413 regarding the regulation and business licensing of Donation Bins and Publication Dispensing Boxes dated May 6, 2014 be received;
2. That staff be directed to create a Donation Bin, Publication Dispensing Box category within the City's Business Licence By-law (2009)-18855; and that public and industry consultation be undertaken for the purpose of establishing appropriate regulations for the category.

BACKGROUND

On January 27, 2014 a Council resolution was passed stating:

"That the regulation of large, stand-alone Donation Bins on public and private land be referred to the Operations, Transit & Emergency Services Committee".

In recent years residents have voiced a number of public nuisance concerns regarding Donation Bins with staff from various service areas including Bylaw Compliance, Security and Licensing, Building Services, Engineering Services and Solid Waste Services. Donation Bins concerns include the following as highlighted in Attachment 1:

- Placement of bins on private and public lands without the consent of the property owner
- Attraction of illegal dumping of household garbage and furniture
- Attraction of vandalism on and within the vicinity of the bins
- Lack of public notice identifying where donations and proceeds made are being directed to

In addition, staff have received similar concerns with respect to Publication Dispensing Boxes, specifically that these boxes are being placed on private or public lands without the property owner's consent, are not being maintained and are attracting vandalism.

REPORT

As a result of the Council resolution and ongoing public concerns, Bylaw Compliance, Security and Licensing staff conducted a review of Donation Bins and Publication Dispensing Boxes. Licensing staff consulted staff across the corporation to identify concerns and possible solutions to combat issues with Donation Bins and Publication Dispensing Boxes.

Licensing staff also reviewed how other municipalities are addressing these issues. As these concerns are fairly new to a number of municipalities staff expanded their review beyond the City of Guelph's municipal comparators. A summary of staff's findings of municipalities which licence one or both of these businesses is found in Attachment 2.

During the review, staff considered various options including: maintaining continued compliance of existing by-laws (Property Standards and Zoning By-laws), the creation of a stand-alone Donation Bin, Publication Dispensing Box By-law or the regulation of these bins and boxes through business licensing. Staff concluded that business licensing would provide the most useful tool for contending with Donation Bin and Publication Dispensing Box issues. Business Licensing is staff's preferred option as it has the ability to require businesses to comply with regulations and reduces the impact on the tax base for administration, compliance and education by providing a means for cost recovery.

If implemented regulations for the category of Donation Bin, Publication Dispensing Boxes could include:

1. Providing proof the land owner has granted permission for the bin/box to be placed on their property
2. Providing contact information to the City
3. Providing routine maintenance and cleanup of the bin/box and surrounding areas
4. Providing proof of insurance coverage, indemnifying the municipality if required
5. Where applicable, displaying of appropriate information on the donation bin to allow residents to make an informed choice prior to utilization

With respect to penalties, in addition to fines, those failing to adhere to the business licensing regulations could be held accountable for any costs associated with the removal and disposal of the bin/box.

To assist with the success of a licensing regimen for Donation Bins and Publication Dispensing Boxes, staff would take a multi-faceted approach. This approach would employ a public education campaign on illegal dumping/vandalism and continued compliance efforts of existing by-laws.

In conclusion, should Council approve the creation of a licensing category for Donation Bins and Publication Dispensing Boxes, public, stakeholder and industry consultation would be conducted to help develop regulations and any fees under the new licensing category. Once consultation is completed and the licensing category drafted, an amendment to the City's Business Licensing By-law (2009)-18855 along with any financial or resource impacts would be brought to Council for consideration and final approval.

CORPORATE STRATEGIC PLAN

This report supports the following goals in the strategic plan:

- 2.3 Ensure accountability transparency and engagement
- 3.1 Ensure a well designed, safe, inclusive, appealing and sustainable City
- 3.2 Be economically viable, resilient, diverse and attractive for business

STAFF REPORT



FINANCIAL IMPLICATIONS

If implemented a minimal increase in revenue is anticipated however as business licensing fees are calculated on a cost recovery basis any additional revenue realized and off-set the costs of administration, education and compliance.

DEPARTMENTAL CONSULTATION

Building Services-Property Standards & Zoning
Solid Waste Services
Public Works
Engineering Services
Corporate Communications
Community Engagement

COMMUNICATIONS

Should direction be given to staff to create a licensing category for Donation Bins and Publication Dispensing Boxes, in collaboration with Public Engagement and Corporate Communication staff, a public and stakeholder engagement strategy will be undertaken to solicit input into the creation of the category.

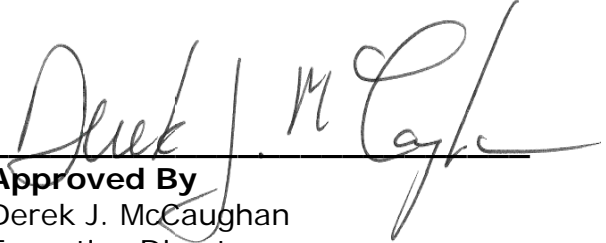
ATTACHMENTS

ATT-1-Photos of Donation Bins and Publication Dispensing Boxes
ATT-2-List of municipalities that licence Donation Bins and Publication Dispensing Boxes

Report Author: Jennifer Jacobi, Licensing Coordinator
Bylaw Compliance, Security and Licensing



Recommended By
Doug Godfrey
Manager
Bylaw Compliance, Security &
Licensing
519 822-1260 x2520
doug.godfrey@guelph.ca



Approved By
Derek J. McCaughan
Executive Director
Operations, Transit and Emergency Services
519 822-1260 x2018
derek.mccaughan@guelph.ca

Donation Bin & Publication Dispensing Box - Attachment 1
OTES051413



Donation Bin & Publication Dispensing Box - Attachment 1
OTES051413



Donation Bin & Publication Dispensing Box -Attachment 2

OTES Report # OTES051413

DONATION BIN				
Municipality	Category of Licence/Permit	Fee	Only permit Charities to operate?	Permit to operate on City Property
City of Brantford	Licence-Clothing Donation Bin	For profit operator- \$457.00/Renewal \$208.00 For profit location per bin- \$100.00/Renewal \$50.00 Bona Fide Charitable Non-Profit Operator (one time-no renewal) \$100.00 Bona Fide Charitable Non-Profit per bin \$25.00 -no renewal	No -both charity and for-profit organizations may operate	No
Town of Markham	Licence-Charity Donation Bin	\$237.00 annually	Yes-only permit charities that are registered under the Income Tax Act	No, currently under review for community centres and fire halls
City of Ottawa	No licence or permit required- Stand alone Clothing Donation Drop Box By-law-if violation occurs a Notice of Violation is sent to the property owner with a compliance due date	No fee	No-both charity and for-profit organizations may operate	No
City of Toronto	Permit- issued by Municipal Licensing and Standards	\$100.00 annually	No-both charity and for-profit organizations may operate	Yes- on approval may operate on private or public land
City of Vaughan	Licence-Clothing Donation Drop Boxes	\$27.00 business registration fee, \$52.00 per box, annual renewal required	Yes- only permit charities that are registered under the Income Tax Act	No

Donation Bin & Publication Dispensing Box -Attachment 2
OTES Report # OTES051413

PUBLICATION DISPENSING BOX			
Municipality	Category of Licence/Permit	Fee	Permit to operate on City Property
City of Brantford	n/a	n/a	n/a
Town of Markham	Publication Dispensing Boxes-Road Occupancy Permit if located on any municipal highway	\$50 for first fifty (50) boxes or units and \$100 per box or unit thereafter	yes
City of Ottawa	Temporary Encroachment Agreement	\$84.00 per box	yes
City of Toronto	Publication Dispensing Boxes	\$25, plus GST annually, for the first 100 publication dispensing boxes or units placed and maintained by a licensee; and \$100, plus GST annually, for each additional publication dispensing box or unit placed and maintained by a licensee. Fees adjusted annually at fee of inflation.	yes
City of Vaughan	Newspaper Box	\$50.00 per box	yes

**CONSENT REPORT OF THE
PLANNING & BUILDING, ENGINEERING AND ENVIRONMENT COMMITTEE**

May 26, 2014

Her Worship the Mayor and
Councillors of the City of Guelph.

Your Planning & Building, Engineering and Environment Committee beg leave to present their THIRD CONSENT REPORT as recommended at its meetings of April 7, 2014 and May 5, 2014.

If Council wishes to address a specific report in isolation please identify the item. The item will be extracted and dealt with immediately. The balance of the Consent Report of the Planning & Building, Engineering and Environment Committee will be approved in one resolution.

PBEE-2014.9 2013 Building Permit Fee Revenues, Costs, Building Stabilization Reserve Fund And Annual Setting Of Building Permit Fees For 2014

1. That the report from Planning, Building, Engineering and Environment dated April 7, 2014 entitled 2013 Building Permit Fee Revenues, Costs, Building Stabilization Reserve Fund and Annual Setting of Building Permit Fees for 2014, be received.
2. That Council approve the Schedule of Building Permit Fees attached to the report, effective June 1, 2014.

PBEE-2014.14 RENTAL HOUSING LICENSING RECOMMENDED APPROACH

- 1. That the Rental Housing Licensing Recommended Approach report dated May 5, 2014 be referred back to staff as incomplete.**

All of which is respectfully submitted.

Councillor Bell, Chair
Planning & Building, Engineering and
Environment Committee

**PLEASE BRING THE MATERIAL THAT WAS DISTRIBUTED WITH THE
AGENDA FOR THE MAY 5, 2014 MEETING.**

STAFF REPORT



TO Planning & Building, Engineering and Environment Committee

SERVICE AREA Planning, Building, Engineering and Environment

DATE April 7, 2014

SUBJECT 2013 Building Permit Fee Revenues, Costs, Building Stabilization Reserve Fund and Annual Setting of Building Permit Fees for 2014

REPORT NUMBER

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To present a summary on 2013 Building Permit Fee Revenues, Costs, the Building Stabilization Reserve Fund and to outline new Building Permit Fees being proposed for the period from June 1, 2014 to May 31, 2015.

KEY FINDINGS

1. The operating budget surplus for the administration and enforcement of the Building Code Act for 2013 was \$634,536.45. This amount was transferred to the Building Stabilization Reserve Fund.
2. The balance in the Building Stabilization Reserve Fund was \$1,997,825.95 as of December 31, 2013.
3. Building Permit fees are recommended to increase by 2.86% on June 1, 2014.
4. Guelph's fees remain competitive with those in neighbouring municipalities (i.e. Cambridge, Kitchener and Waterloo).

FINANCIAL IMPLICATIONS

The balance of the Building Stabilization Reserve Fund shall not exceed the anticipated funding for approximately one (1) year of operation which was \$2,633,420.26 in 2013.

The Building Stabilization Reserve Fund continues to grow and remains healthy.

An increase in Building Permit fees will assist staff in balancing Building Permit fee revenues against costs and maintaining a related Building Stabilization Reserve Fund.

ACTION REQUIRED

To receive the Report on 2013 Building Permit Fee Revenues, Costs, Building Stabilization Reserve Fund and Annual Setting of Building Permit Fees for 2014.

To decide whether to approve the recommended Building Permit fee increases.

STAFF REPORT



RECOMMENDATION

1. That the report from Planning, Building, Engineering, and Environment dated April 7, 2014 entitled 2013 Building Permit Fee Revenues, Costs, Building Stabilization Reserve Fund and Annual Setting of Building Permit Fees for 2014, be received.
2. That Council approve the attached Schedule of Building Permit Fees, effective June 1, 2014.

BACKGROUND

2013 Annual Report on Building Permit Fee Revenues and Costs

In accordance with Subsection 7(4) of the Building Code Act, municipalities shall prepare an annual report on the total building permit fees collected, the direct and indirect costs of delivering services related to the administration and enforcement of the Building Code Act and the amount of an established Reserve Fund. All indirect costs (i.e. support and overhead costs) were reviewed utilizing the Ontario Municipal Benchmarking Initiative (OMBI) methodology.

Purpose of the Building Stabilization Reserve Fund

The Building Code Act allows permit fees to be set to cover only the costs associated with the administration and enforcement of the Building Code Act, as well as reasonable contributions to a reserve fund. The reserve fund can be used to offset lean years, implement service enhancements and to cover unexpected expenses related to the administration and enforcement of the Building Code Act.

Funding of the Building Stabilization Reserve Fund

Where Building Permit revenues exceed expenditures, the surplus is transferred to the Reserve Fund. Where expenditures exceed Building Permit revenues, funds are transferred from the Reserve Fund.

Building Stabilization Reserve Fund Balance

The balance of the Reserve Fund shall not exceed the anticipated funding for approximately 1 year of operation of Building Services for the administration and enforcement of the Building Code Act only (\$2,633,420.26 in 2013). This balance will provide staff with an upper limit to freeze automatic increases and the ability to maintain a healthy Reserve Fund.

Automatic Setting of Building Permit Fees

In 2010, City Council approved the automatic increase of Building Permit Fees to be equal to the increase to the City of Guelph's Tax-Supported Operating budget (2.38%) plus 20 percent (0.48%) of the increase, which results in a 2.86% increase to fees in 2014. This formula has been used to determine the annual fee increases since that time.

STAFF REPORT



The new fees come into effect on June 1st of each year to allow time for staff to compare the Year-end Building Stabilization Reserve Fund balance to the established cap on the reserve fund, consult with our Industry Partners and advertise the required Public Notice.

REPORT

2013 Permit Fee Revenues, Costs and Reserve Fund

See Attachment 1 for a summary of total fee revenues collected, direct and indirect costs, surplus transferred to the Reserve Fund and the balance in the Reserve Fund (\$1,997,825.95) as of December 31, 2013.

Public Notice

As required by the Building Code Act, when a municipality is proposing changes to their Building Permit fees, the municipality must hold a public meeting concerning the proposed changes and must provide a minimum of 21 days notice prior to the public meeting, which will be the Council meeting on May 26, 2014. A public Notice is scheduled to be placed in the Guelph Tribune on May 1, 2014.

CORPORATE STRATEGIC PLAN

Strategic Direction # 2.3: Ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION - N/A COMMUNICATIONS

1. A Public Notice is scheduled to be advertised in the Guelph Tribune on May 1, 2014, as required by the Building Code Act.
2. An Information Notice will also be sent to Industry partners affected by the increase in Building Permit fees.

ATTACHMENTS

- | | |
|--------------|---|
| Attachment 1 | 2013 Permit Fee Revenues, Costs, and Reserve Fund |
| Attachment 2 | Schedule of Building Permit Fees |

Report Author

Bruce A. Poole
Chief Building Official
Building Services
519-837-5615, ext. 2375
bruce.poole@guelph.ca

Recommended By

Janet L. Laird, Ph.D.
Executive Director
Planning, Building, Engineering,
and Environment
519-822-1260, ext 2237
janet.laird@guelph.ca

2013 PERMIT FEE REVENUES, COSTS AND RESERVE FUND

1. TOTAL BUILDING PERMIT FEE REVENUES COLLECTED	\$3,267,956.71
2. a) Total Direct Costs of administration and enforcement of the Building Code Act, including the review of applications for permits and inspection of buildings	\$2,191,220.26
b) Total Indirect Costs of administration and enforcement of the Building Code Act, including support and overhead costs.	\$442,200.00
TOTAL COSTS OF DELIVERING SERVICES RELATED TO THE ADMINISTRATION AND ENFORCEMENT OF THE BUILDING CODE ACT.	\$2,633,420.26
3. TRANSFER TO RESERVE FUND FROM OPERATING BUDGET	\$634,536.45
4. TOTAL AMOUNT OF BUILDING STABILIZATION RESERVE FUND AS OF DECEMBER 31, 2013.	\$1,997,825.95

SCHEDULE "A"
of By-law Number (2014)- ?
 being new Schedule "A" of By-law (2012)-19356

Fees for a required Permit are set out in this Schedule and are due and payable upon submission of an application for a Permit.

Classes of Permits		Permit Fee (\$ per sq. foot)	Flat Fee (\$)
CONSTRUCTION - NEW BUILDINGS, ADDITIONS, MEZZANINES			
Group A:	Assembly Buildings		
	(Shell)	1.96	
	(Finished)	2.25	
	Outdoor Patio/Picnic Shelter		190.00
	Outdoor Public Pool		760.00
Group B:	Detention, Care & Treatment and Care Buildings		
	(Shell)	2.12	
	(Finished)	2.43	
Group C:	Residential		
	Single Detached Dwelling, Semi Detached Dwelling, Duplex Dwelling and Townhouses	1.20	
	Garage/Carport (per bay), Shed, Deck, Porch, Ext. Stairs, Ext. Ramps		95.00
	Hot Tubs, Low-Rise Residential Solar Collectors (per application)		95.00
	Other Residential Solar Collectors (per application)		380.00
	Swimming Pools		190.00
	Apartment Building	1.14	
	Hotels/Motels	1.89	
	Residential Care Facility	1.55	
Group D:	Business and Personal Services Buildings		
	Office Buildings (shell)	1.60	
	Office Buildings (finished)	1.89	
Group E:	Mercantile Buildings		
	Retail Stores (shell)	1.06	
	Retail Stores (finished)	1.33	
Group F:	Industrial Buildings		
	Warehouse, Factories	0.83	
	Parking Garage	0.71	
	Farm Building	0.40	
	Foundation	0.12	
	Conditional Permit	0.12	
INTERIOR FINISHES: All Classifications			
Interior finishes to previously unfinished areas (including finishing of residential basements and major renovations)		0.37	
ALTERATIONS/RENOVATIONS: All Classifications			
Alterations and renovations to existing finished areas, new roof structures, rack storage		0.34	
MINOR ALTERATIONS:			
Partitions, Washrooms, New Entry, Minor Demolitions (500 sq. ft. or less)			95.00
SPECIAL CATEGORIES:			
Air Supported Structures		0.42	
Temporary Tents - per application			190.00
Temporary Buildings			380.00
Portables – per application (excludes port-a-pak)			190.00
Major Demolitions (more than 500 sq. ft.)		0.03/190.00 min.	
Change of Use Permit (with no renovations)			190.00
MISCELLANEOUS:			
Fireplace/Woodstove (each)			95.00
Elevator, Escalator, Lift			380.00
Demising Wall/Firewall			95.00
Ceiling (new or replace per square foot)		0.06	
Exterior Ramps (excluding Low-Rise Residential Ramps)			190.00
Balcony Guard (replace per linear foot)		0.69	
Window Replacement (each)			15.00
Storefront Replacement			190.00
Reclad Exterior Wall (per square foot)		0.06	
Retaining Wall (per linear foot)		3.46	
All Designated Structures – including Non-Residential Solar Collectors (per application) except Retaining Walls, Public Pools, Signs & Residential Solar Collectors			380.00
MECHANICAL WORK: (Work independent of building permit)			
HVAC Permit (residential per suite)			95.00
HVAC Permit (non-residential)		0.12	
New Sprinkler System or New Standpipe System		0.05/190.00 min.	
Alterations to existing Sprinkler System or existing Standpipe System		0.03/190.00 min.	
Commercial Kitchen Exhaust Systems, Spray Booths, Dust Collectors			190.00
ELECTRICAL WORK: (Work independent of building permit)			
New Fire Alarm System		0.05/190.00 min.	
Alterations to existing Fire Alarm System or existing Electrical Work			190.00
Electromagnetic Locks (each) and Hold Open Devices (each)			45.00
PLUMBING WORK: (Work independent of building permit)			
Plumbing Permit (per fixture)			15.00
Hot Water Heaters (each)			45.00
Testable Backflow Prevention Devices (each)			95.00
Catchbasins/Manholes/Roof drains (each)			15.00
Building Services (per group) -SDD, Semi-Detached, Duplex			95.00
Building/Site Services (per linear foot), excluding SDD, Semi-Detached, Duplex		0.72	
SEWAGE SYSTEMS:			
New Installations			570.00
Replacement or Alteration			285.00

(continued)

Administration Fees	Flat Fee (\$)
Alternative Solutions (as per Subsection 6.2 of this by-law) <ul style="list-style-type: none">All Buildings/systems within the scope of Division B, Part 9 of the Building CodeAll other Buildings/systems Note: Fifty percent of the Administration Fee for an approved Alternative Solution will be refunded, where in the opinion of the Chief Building Official, the proposal has supported the Community Energy Initiative.	500.00 1,000.00
Occupancy without the required Occupancy Permit (as per Subsection 6.3 of this by-law)	300.00
Building, Demolition or Change of Use without the required Permit (as per Subsection 6.4 of this by-law)	50 percent of the required Permit fee to a maximum of \$5,000.00

Rules for Determining Permit Fees

- A minimum Permit fee of \$95.00 shall be charged for all work where the calculated Permit fee is less than \$95.00.
- For classes of Permits not described in this Schedule, a reasonable Permit fee shall be determined by the Chief Building Official.
- Floor area of the proposed work is to be measured to the outer face of exterior walls (excluding residential attached garages) and to the centre line of party walls, firewalls or demising walls.
- In the case of interior finishes, alterations or renovations, area of proposed work is the actual space receiving the work, e.g. tenant suite.
- Mechanical penthouses and floors, mezzanines, lofts, habitable attics and interior balconies are to be included in all floor area calculations.
- Except for interconnected floor spaces, no deductions are made for openings within the floor area (e.g. stairs, elevators, escalators, shafts, ducts, etc.).
- Unfinished basements for single detached dwellings, semi detached dwellings, duplex dwellings and townhouses are not included in the floor area.
- Attached garages and fireplaces are included in the Permit fee for single detached dwellings, semi detached dwellings, duplex dwellings and townhouses.
- Where interior alterations and renovations require relocation of sprinkler heads, standpipe components or fire alarm components, no additional charge is applicable.
- Ceilings are included in both new shell and finished (partitioned) Buildings. The Permit fees for ceilings only apply when alterations occur in existing Buildings. Minor alterations to existing ceilings to accommodate lighting or HVAC improvements are not chargeable.
- Where Demolition of partitions or alterations to existing ceilings are part of an alteration or renovation Permit, no additional charge is applicable.
- Corridors, lobbies, washrooms, lounges, etc. are to be included and classified according to the major occupancy for the floor area on which they are located.
- The occupancy categories in this Schedule correspond with the major occupancy classifications in the Ontario Building Code. For multiple occupancy floor areas, the Permit fees for each of the applicable occupancy categories may be used, except where an occupancy category is less than 10% of the floor area.
- For rack storage use, with platforms or mezzanines, apply the square footage charge that was used for the Building.
- A temporary Building is considered to be a Building that will be erected for not more than three years.
- Additional Permit fees are not required when the Sewage System is included with the original Building Permit.

Refund of Permit Fees

In the case of withdrawal or abandonment of an application for a Permit or abandonment of all or a portion of the work or the non-commencement of any project, the Chief Building Official shall, upon written request of the Owner or Applicant, determine the amount of paid Permit fees that may be refunded to the Owner or Applicant, if any, as follows:

- a) 80 percent (80%) if administrative functions only have been performed;
- b) 70 percent (70%) if administrative and zoning functions only have been performed;
- c) 50 percent (50%) if administrative, zoning and plans examination functions have been performed;
- d) 35 percent (35%) if the Permit has been issued and no field inspections have been performed subsequent to Permit issuance;
- e) 5 percent (5%) shall additionally be deducted for each field inspection that has been performed after the Permit has been issued;
- f) No refund shall be made of an amount that is less than the minimum Permit fee applicable to the work;
- g) No refund shall be made after two years following the date of Permit application where the Permit has not been issued or one year following the date of Permit issuance.

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TO Planning & Building, Engineering and Environment Committee

SERVICE AREA Planning, Building, Engineering and Environment

DATE May 5, 2014

SUBJECT Rental Housing Licensing Recommended Approach

REPORT NUMBER 14-29

EXECUTIVE SUMMARY

PURPOSE OF REPORT

In July 2013, Council received PBEE Report 13-32 Rental Housing Licensing Cost-Benefit Analysis and authorized staff to proceed with public consultation on the proposed licensing directions and cost-benefit analysis to guide the development of a potential rental housing licensing program. Between October 2013 and March 2014, staff consulted community stakeholders on rental housing licensing options and further evaluated licensing options and alternatives to licensing. This report provides a summary of the stakeholder engagement results and further staff analysis, and presents a recommended approach regarding the licensing of rental housing for Council approval.

KEY FINDINGS

Staff has analyzed rental housing licensing options and alternatives taking into consideration the results of the community engagement completed since July 2013. The analysis indicates that a rental housing licensing program may not be the most effective and efficient tool to address the majority of issues associated with rental housing at this time. In fact, the majority of outcomes sought by the City are available through full enforcement of already existing by-laws, enhanced communication and community partnerships. Many stakeholders also expressed similar opinions during the consultation.

Another factor considered by staff is the Ontario Human Rights Commission (OHRC) suggestion that increases in rents resulting from a licensing program could be found to be discriminatory and contrary to the Human Rights Code if such rent increases impact the affordability of rental housing on a code protected group. All licensing options presented to the public would have an impact on rents if licensing costs were to be passed on to tenants. Therefore those options could result in legal challenges under the Human Rights Code.

On the basis of this analysis and stakeholder input (including OHRC), staff is recommending an alternative approach to respond to ongoing concerns with rental housing (Attachment 1). The recommended approach involves a refocusing and enhancement of current initiatives, including enforcement, as

well as increased collaboration with stakeholders and community partners, to improve the issues associated with rental housing.

The recommended approach includes the following:

- 1. Continue the enhanced enforcement program and improve the Building Services proactive enforcement program.**
- 2. Research, develop and begin implementing a comprehensive education/communications plan.**
- 3. Continue to support community partnerships, explore strategies and support development of further community based responses to rental housing issues.**

Many elements of the recommended approach represent a continuation of the current enhanced enforcement program implemented by the City since 2006.

FINANCIAL IMPLICATIONS

There are no new 2014 financial implications to supporting the recommended approach. An existing budget of \$25,000 is available to fund the development of a Communications Plan and the implementation of some components in 2014 to address education materials for tenants and neighbours of rental accommodations. Existing resources can also be used for additional elements recommended to start in 2014. These new elements include some improvements to the Building Services proactive enforcement program, research and development of a comprehensive education/communications plan, and continued support of community partnerships.

There are specific elements in the recommended approach that will be subject to future budget approvals. The largest additional investment would be \$135,000 (initially and then annualized) for an additional full time inspector in Building Services. There may also be additional future costs associated with the Communications Plan depending on the scope of the Plan developed in 2014. Should Council approve in principle, the recommended alternative approach outlined in this report, a budget package would be prepared for consideration during the 2015 budget process.

ACTION REQUIRED

To receive the Rental Housing Licensing Recommended Approach report and approve in principle, the recommended alternative approach as set out in Attachment 1, subject to future budget considerations.

RECOMMENDATION

1. That Report 14-29 from Planning, Building, Engineering and Environment regarding the Rental Housing Licensing Recommended Approach report dated May 5, 2014 be received.

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2. That Council approve, in principle, the recommended alternative approach to a rental housing licensing program described in Report 14-29 from Planning, Building, Engineering and Environment dated May 5, 2014, specifically:
 - a. Continue the enhanced enforcement program and improve the Building Services proactive enforcement program;
 - b. Research, develop and begin implementing a comprehensive and multi-stakeholder education/communications plan; and
 - c. Continue to support community partnerships, explore strategies and develop community based responses to rental housing issues.
3. That staff proceed with the implementation of the 2014 aspects of the recommended alternative approach to a rental housing licensing program which are already funded.

BACKGROUND

On February 25, 2013 PBEE Report 13-04 Rental Housing Licensing Directions was presented to PBEE Committee in response to a number of Council resolutions directing staff to proceed with the development of a rental housing licensing program for Council's consideration. The key issues identified with rental housing in PBEE Report 13-04 included:

- health, safety and well-being of tenants;
- neighbourhood destabilization and deterioration;
- disruptive behavior;
- lack of information about rental housing stock and inequality among rental housing providers since compliant business owners are currently competing with noncompliant business owners;
- enforcement challenges; and
- funding implications (to various stakeholders, including the City tax base, landlords of rental properties and tenants).

The directions presented were looked at comprehensively so that the appropriate tool(s) could be assessed, determined and used in an integrated manner. It was identified that the licensing of rental housing is an approach permitted under the Municipal Act to regulate the business of rental housing. The proposed licensing directions were city wide, inclusive and dealt with key items tied to the purpose of licensing, to support the health, safety and well-being of persons and protection of persons and property. The report recommended licensing all businesses that rent living accommodations except for apartment buildings, group homes, emergency shelters, student residences operated by universities or colleges, and social housing with an administrative and/or funding relationship with the County of Wellington, which have been approved for exemption. In total it was estimated that 8,700 rental dwellings units could have been subject to licensing.

Following receipt of the licensing directions report, Council requested staff to complete a cost-benefit analysis on the proposed direction prior to proceeding with public consultation on the proposed licensing program. On July 15, 2013, staff

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presented PBEE Report 13-32 Rental Housing Licensing Cost-Benefit Analysis. The report provided a cost-benefit analysis of the proposed directions and included an analysis of three options which varied in program timing, cost and risk.

The PBEE report concluded that the benefits of a licensing program outweighed costs given that a licensing program could, among other things:

- increase the safety and well-being for tenants of low rise residential units with minimal financial impact;
- assist in managing neighbourhood destabilization and deterioration;
- assist in creating equality amongst rental housing providers; and
- be based on a cost recovery model avoiding any financial burden on the general tax base.

In response Council authorized staff to proceed with public consultation on the proposed licensing directions and cost-benefit analysis to guide the development of a rental housing licensing program. Council also requested that additional options be considered during the public consultation process using a risk-based approach and that staff consider the establishment of a citizen's advisory committee.

REPORT

Staff Analysis and Recommended Approach

Since July of last year, staff has continued to assess whether, at this time, licensing would add significant value to the other ongoing strategies the City is implementing to address issues that have been associated with rental housing. Staff considered:

- Current initiatives and how the success of these initiatives could be built upon;
- Ontario Human Rights Commission input;
- The potential impact and delay that could result from legal challenges to a rental licensing bylaw;
- The rental housing supply;
- The potential for improvements in resolving the identified issues through further education, engagement and partnership with stakeholders; and
- The feedback received during community engagement.

A description of key considerations is included in Attachment 2 – Reasons for Recommending an Alternative Approach to Licensing.

Given the reasons outlined in Attachment 2, staff is recommending an alternative approach to respond to ongoing concerns with rental housing, the key elements of which are summarized in Attachment 1. Staff is proposing to refocus and enhance current initiatives, as well as increase collaboration with stakeholders and community partners to further respond to issues associated with rental housing. This recommended approach includes the following:

- 1. Continue the enhanced enforcement program and improve the Building Services proactive enforcement program.**

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2. Research, develop and begin implementing a comprehensive education/communications plan.
3. Continue to support community partnerships, explore strategies and support the development of further community based responses to rental housing issues.

It is intended that this approach will continue to build upon the success of current initiatives to improve tenant safety and the key issues associated with rental housing. Attachment 3 - Rental Housing Issues and Tools outlines these issues and compares the limitations of existing tools to the potential advantages and disadvantages of this recommended approach.

These three components of the recommended approach are further detailed as follows:

1. **Enhanced Enforcement**

Objective: to improve the Building Services enforcement program and streamline existing enforcement methods. The existing proactive enforcement program has produced positive results. Over the past two years, proactive enforcement relating to zoning and property standards has resulted in over fifteen hundred (1,500) investigations and the resolution of over nine hundred (900) violations. To continue and build upon the success of this program, staff is proposing the following:

- a) **Search Warrants** – As identified in the July 15, 2013 Rental Housing Licensing Cost Benefit Analysis report (13-32) staff have encountered challenges in gaining access to buildings suspected of non-compliance. It has recently been learned that the City of Hamilton has had success with search warrants as part of their proactive enforcement program. With the assistance of our Legal Department, staff will actively pursue search warrants as a tool to overcome access issues and to improve tenant safety.
- b) **Streamline Enforcement Methods** – Efficiencies in enforcement methods can be realized by cross-training Zoning and Property Standards Inspectors by having them qualified to enforce the Ontario Building Code. This efficiency will prevent the need to send multiple inspectors to a single property to deal with issues most commonly found in rental accommodations.
- c) **New Staff Resource** – Improvements to tenant safety and the enhanced proactive enforcement program can be furthered by the addition of a full time inspector, cross-trained in zoning, property standards and the Ontario Building Code. The addition of a cross-trained inspector will increase the number of investigations that can be completed/resolved and will assist in effectively addressing the issues identified with rental housing.
- d) **Continued Enhanced Enforcement of the Noise and Nuisance Party By-laws** – The Bylaw Compliance and Security Division's Enhanced

- Enforcement program has been successful in addressing neighbourhood issues. This program, along with the Nuisance Party By-law, updating of the Noise By-law, an increase in set fines for noise violations, and continued collaboration with other stakeholders to support their initiatives (such as the University of Guelph's Restorative Alternatives Pilot Program), have likely contributed to the reduction of noise calls attended by Bylaw staff.
- e) **Increased Fines for Zoning, Two Unit Registration, Property Standards, Yard Maintenance and Ontario Building Code Violations**
- With the pursuit of search warrants, efficiencies in enforcement methods and the addition of a staff resource, staff will be in a better position to pursue legal action against those unwilling to voluntarily comply and provide safe legal rental accommodations. Increasing fines would provide a further deterrent to circumventing applicable legislation. Staff recommend making an application to the Regional Senior Justice to increase "Set Fines" for various offences.
 - f) **Monitoring** – Staff are committed to the ongoing monitoring of the Building Services enhanced enforcement program to gauge effectiveness and continuously make improvements and continue to report annually to PBEE.

The addition of a full time inspector cross-trained in zoning, property standards and the Ontario Building Code would cost approximately \$135,000 initially. If the recommended approach is approved, staff would bring an expansion package forward during the 2015 budget process for consideration at that time. All other improvements to the enhanced proactive enforcement program and the streamlining of existing enforcement methods can be accomplished using existing resources and approved budget.

2. Communications and Education

Objective: to research, develop and begin implementing a comprehensive education/communications plan to improve the health, safety and well-being of tenants, and reduce the number of complaints about disruptive behaviour, excessive noise, parties, litter and vandalism in neighbourhoods with high concentrations of rental housing.

With an existing budget of \$25,000, the City could involve key stakeholders in developing communications and education materials for different audiences (tenants, neighbours and landlords etc.) and begin implementing the campaign this fall.

To achieve long-term, sustained behaviour change, continued collaboration, communications and education efforts would continue in future years, and any associated costs would be proposed as part of future departmental operating budgets.

3. Community Partnerships

Objective: to continue to support existing community partnerships and explore opportunities to work with partners to develop additional community based responses to rental housing issues as follows:

- a) **Continued Commitment to the Town and Gown Committee** – Staff have been involved with the Town and Gown Committee which provides a forum for stakeholders to address issues of common concern including those related to rental housing. Staff is committed to continue working with the Town and Gown Committee and to explore new ways to improve neighbourhood relations and increase the safety and well-being of tenants.
- b) **University of Guelph** – The University of Guelph has a number of programs that mitigate issues related to the behaviour of tenants. Staff has been involved with the University's Off-Campus Living Office regarding programs such as Right Foot Forward, Move-In-Out Madness, and the Restorative Alternatives Pilot Program (RAP). Staff is committed to continue to work with the University of Guelph and is interested in exploring additional partnership opportunities that would improve the issues and challenges associated with rental housing.
- c) **Neighbourhood Groups** – Staff will explore additional opportunities to work with neighbourhood groups to address rental housing issues brought forward by neighbourhood residents.
- d) **Explore Increasing Community Partnerships** – Staff will explore additional partnerships with stakeholders such as landlords and realtors that could further develop community based responses to issues related to rental housing.

Community Engagement Feedback

Part of the staff assessment of a rental housing licensing program included the development of a Community Engagement Plan which included holding two engagement sessions open to all stakeholders, an online feedback form, and the creation of a Community Working Group to assist with the review of the community engagement results. Also, as directed by Council, two additional rental housing licensing options were developed and presented to the public for feedback.

Public meetings were held on November 19 and 21, 2013 and an online feedback form was posted on the City's website during the month of November. The public meetings included an overview of the housing directions report, cost-benefit analysis and five rental housing licensing options (three options presented to Council in February 2013, plus two additional options). At the first session on November 19, facilitated breakout groups were used to guide participants through general questions regarding rental housing costs and benefits. The second session on November 21 looked at potential elements of a licensing program (e.g. length of program, level of risk, potential penalties, etc.). The online feedback form included the same questions from the

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facilitated sessions to provide an opportunity for stakeholders, unable to attend the in-person facilitated sessions, to provide feedback.

Both the sessions and online feedback form had an excellent level of participation with over 300 responses received. Of those 300 responses, over 50% were landlords (39% identified themselves as landlords, and another 11% identified themselves as landlords and also from another stakeholder group), and 34% identified themselves as residents. Tenants represented 10% of respondents. The sessions and online survey were advertised through newspaper, internet, direct mailings to our stakeholder contact list, and through other groups, e.g. University of Guelph.

Attachment 4 - Summary of Community Engagement Results provides a compilation of the results collected that have been used by staff and the Rental Housing Licensing Community Working Group in analyzing the issues and assisting in the development of a rental housing licensing recommended approach. The majority of respondents (58%) did not feel that a rental housing licensing program would assist in addressing the identified issues with rental housing. When asked about the five rental housing licensing options presented, over 68% choose "Other" as an option. In looking at the "Other" option comments, 55% of respondents stated that they preferred no licensing of rental housing.

The following summary captures the main concerns and points raised through the process from those supportive of licensing and those who are not supportive.

Supportive of Licensing

- Concerns with the safety of some rental units
- Help address concerns with inequality amongst housing providers
- Initial costs of a licensing program could result in long term benefits (e.g. access, penalties, coordinated enforcement)
- Recognise rental properties as the business that they are
- Help address problem areas (e.g. ongoing property standards and parking issues)

Not Supportive of Licensing

- Costs would be passed onto tenants and potentially create an affordability issue
- Licensing would require "good landlords" to have to pay for the shortcomings of "bad landlords"
- Landlords would be faced with an onerous process with no real benefit
- There would be an increase in non-compliance due to more rentals going underground
- Licensing would not directly address behaviour issues
- City could achieve desired results by continued/better enforcement of existing by-laws

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Some respondents suggested that if a licensing option was to proceed, it would have to function with minimal resources in order to keep costs low and palatable to stakeholders.

Rental Housing Licensing Community Working Group

A Rental Housing Licensing Community Working Group was established in December 2013 to review the results from the November 2013 community engagement meetings and online feedback form, provide information and advice to City staff to address identified issues and to inform staff's assessment of a preferred approach. The Community Working Group included representatives from landlords, tenants, community residents, University of Guelph and from the Wellington and Guelph Housing Committee. Two working group meetings were held in January with the first meeting dealing with administrative issues and the presentation of the community feedback received. The second meeting involved receiving feedback on the elements of a rental housing licensing program. A third and final meeting was held on February 25 and was used to explore and discuss a potential alternative approach to licensing premised on improvements to the enhanced proactive enforcement program to respond to ongoing concerns with rental housing. This alternative approach appeared to have the general support of the Working Group members in attendance.

Next Steps

Based on staff analysis of rental housing licensing options and alternatives and taking into consideration the results of the extensive community engagement work, the recommended approach outlined in Attachment 1 is the most appropriate in continuing to improve conditions in neighbourhoods with high concentrations of rental housing and addressing the key issues at this time. This recommended approach involves refocusing and enhancing current initiatives with known costs, while promoting the further engagement and empowerment of stakeholders to improve the safety, well-being and overall enjoyment of our neighborhoods.

Should Council endorse, in principle, the recommended approach outlined in Attachment 1, staff would continue with a number of existing program areas such as enhanced fire prevention, enforcement of the noise and nuisance party by-laws and participation on the Town and Gown Committee. In addition, a number of elements of the recommended approach shown in 2014 would be commenced including the creation of a search warrant team, requesting increased fines, and initial improvements to educational material for stakeholders. Current funding is also available to research and develop a comprehensive education/communications plan for stakeholders. A budget package would be prepared for aspects of the recommended approach that require additional resources to be initiated in 2015, including increased staff resources for Building Services proactive enforcement and to implement additional communications materials for stakeholders.

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CORPORATE STRATEGIC PLAN

1.2 Organizational Excellence - Develop collaborative work teams and apply whole systems thinking to deliver creative solutions.

2.1 Innovation in Local Government - Build an adaptive environment for government innovation to ensure fiscal and service sustainability.

2.2 Innovation in Local Government - Deliver public services better.

2.3 Innovation in Local Government - Ensure accountability, transparency and engagement.

3.1 City Building - Ensure a well-designed, safe, inclusive, appealing and sustainable City.

3.2 City Building - Be economically viable, resilient, diverse and attractive for business.

FINANCIAL IMPLICATIONS:

There are no new 2014 financial implications to supporting the recommended approach. An existing budget of \$25,000 is available to fund the development of a Communications Plan and the implementation of some components in 2014 to address education materials for tenants and neighbours of rental accommodations. Existing resources could also be used for additional elements recommended to start in 2014. These new elements include some improvements to the Building Services enforcement program, streamlining of existing enforcement methods, research and development of a comprehensive education/communications plan, and continued support of community partnerships.

While many of the elements of this recommended approach can be completed through creating efficiencies and utilizing current resources, there are financial implications for the following components:

1. The addition of a full time inspector in Building Services cross-trained in zoning, property standards and the Ontario Building Code would cost approximately \$135,000 initially and approximately \$100,000 for subsequent years.
2. There is currently an approved budget of \$25,000 to research, develop and begin implementing a comprehensive education/communications campaign this fall. Should the comprehensive program that is developed require further funding in future years, this would be included in future proposed budget packages.

If Council endorses, in principle, the recommended approach which includes these components, staff will bring forward a corresponding budget package for consideration during the 2015 budget process.

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DEPARTMENTAL CONSULTATION:

Planning, Building, Zoning, Bylaw Compliance Security and Licensing Department, Fire, Corporate Communications, Community Engagement, Legal Services staff have been part of the staff working group that have contributed to the contents of this report.

COMMUNICATIONS:

A Community Engagement Plan was developed and maintained in coordination with Community Engagement and Corporate Communications. Public notice of the November 2013 community engagement sessions was advertised through the newspaper, internet, direct mailings to our stakeholder contact list, and through other groups, e.g. University of Guelph, Town and Gown Committee and Wellington and Guelph Housing Committee. Community Engagement results were posted on the City's website in March 2014. Notice of this report was provided to our stakeholder contact list.

The City's website includes relevant information regarding current City requirements and activities regarding rental housing.

ATTACHMENTS

- Attachment 1 – Recommended Approach
- Attachment 2 – Reasons for Recommending an Alternative Approach to Licensing
- Attachment 3 – Rental Housing Issues and Tools
- Attachment 4 – Summary of Community Engagement Results

Prepared By:

Report Author

Joan Jylanne
Senior Policy Planner
Planning Services

Report Author

Bill Bond
Zoning Inspector III/
Senior By-Law Administrator
Building Services

Approved By

Melissa Aldunate
Manager of Policy Planning
and Urban Design
Planning Services
Original Signed by:

Approved By

Robert Reynen
Manager of Inspection Services
Building Services

Original Signed by:

Approved By

Todd Salter
General Manager
Planning Services
519-822-1260 ext. 2359
todd.salter@guelph.ca

Recommended By

Janet L. Laird, Ph.D.
Executive Director
Planning, Building, Engineering
and Environment
519-822-1260, ext. 2237
janet.laird@guelph.caB

Attachment 1
Recommended Approach

Task	Existing	2014	2015
Enhanced Enforcement			
Continue Enhanced Fire Prevention			
Continue Enhanced Noise and Nuisance Party By-laws			
Continue Existing Proactive Enforcement			
Continue Enhanced Enforcement Reporting			
Create Search Warrant Team			
Establish Increased Fines			
Cross Train Inspectors			
*Increase Staff Resources for Proactive Zoning Enforcement			
Communications and Education			
Research, Develop and Begin Implementing Communications/Education Plan (could include tools for different audiences including tenants, neighbours, landlords etc.)			
*Continue Implementation and Refinement of Communications and Education Materials			
Community Partnerships			
Continue to Participate on Town and Gown Committee			
Continue to Support U of G Programs			
Explore Additional Opportunities with Neighbourhood Groups			
Explore Community Partnerships			

*Task subject to budget approval.

Attachment 2

Reasons for Recommending an Alternative Approach to Licensing:

1. Increased Costs to Tenants	Staff was advised that landlords would pass the costs of a license onto tenants. Tenants indicated that licensing would lead to increased rents and potential affordability issues.
2. Licensing Does Not Address Behavioural Issues	A licensing program would not directly address behavioural issues which are still the main concern of many stakeholders.
3. Potential Challenges	The cost, resulting delay and impact of potential appeals and challenges to a licensing by-law are unknown. It is suspected that a licensing by-law may be challenged. A decrease in affordability may be an aspect to be challenged.
4. Enforcement of Existing By-Laws	The problems of tenant safety that a licensing program could have addressed may be improved through additional enhanced enforcement and education.
5. Community Engagement	Most community engagement participants did not think that a rental licensing program would resolve the identified issues and did not support an operationally effective licensing program.
6. Only Support was for a Minimal Licensing Program	Given the feedback through public consultation, if a licensing option was to proceed, it would have to function with minimal resources in order to keep costs low and palatable to stakeholders. It is believed that a program with such low resources would have difficulty in effectively addressing the identified issues associated with rental housing.
7. Further Education, Engagement and Partnership with Stakeholders	Education, engagement and partnership opportunities with Stakeholders have not been exhausted and may further assist in addressing many of the key issues identified with rental housing.
8. Housing Supply	There are approximately 900 units within multi-unit residential projects that have been recently constructed or are coming on stream that appear to target the rental market. The addition of these units may lessen the pressure on existing low density neighborhoods and increase competition among rental housing providers (potentially resulting in better overall conditions).
9. Licensing is a New Tool	Licensing rental housing is a new tool and its effectiveness in other municipalities where it is being implemented should continue to be monitored. The recommended approach builds on known tools.

Attachment 3

Rental Housing Issues and Tools

Rental Housing Issue	Limitations of Existing Tools	Advantages of Recommended Approach	Disadvantages of Recommended Approach
<p>1. Tenant Health, Safety and Well-being</p> <ul style="list-style-type: none">Rental units may pose a health and safety hazard to the occupantsSafety issues commonly found include, but are not limited to, construction without permit; basements containing bedrooms that have either no windows or windows not large enough to provide a means of escape; smoke alarms not provided or not working; required fire separations missing, etc.	<ul style="list-style-type: none">Access challenges to properties suspected of non-compliance with current requirementsEvidentiary issues (see Rental Housing Issue 5 – Enforcement Challenges)Regular inspections not availableTenants of properties are generally not responsible for and/or may not be able to make repairs to their plumbing, heating & electrical systems, fire separations, closures, smoke alarms, egress doors & windows and required maintenance to the building structure they are living in, as these are the responsibilities of the owner of the building. All of these systems and components of a building may affect the health, safety & well-being of a tenant in the event of a breakdown in equipment or systems, a fire or substandard living conditions.	<ul style="list-style-type: none">Tenants will be better informed of basic safety hazards and may initiate an inspection or reconsider an inspection requestSearch warrants may assist in overcoming current access challenges for properties suspected of non-complianceAn additional staff resource will be able to accommodate additional tenant requests and further identify and resolve safety issuesStreamlined enforcement methods and increased fines may further deter the circumvention of safety regulationsCommunication improvements will make it easier for stakeholders to advise city staff of potential safety issues	<ul style="list-style-type: none">There may still be some access challenges for properties suspected of non-complianceRegular inspections of building safety systems, fire safety systems, and mechanical systems would not occurFloor plans would not be required to assist in identifying safety concerns (e.g. identification of bedrooms located in basements or attics without proper exits)Electrical Safety Authority inspections cannot be required for all rental units to ensure safety of electrical systemsConfirmation of appropriate property and liability insurance for the rental business could not be required

Rental Housing Issue	Limitations of Existing Tools	Advantages of Recommended Approach	Disadvantages of Recommended Approach
<p>2. Neighbourhood Destabilization and Deterioration</p> <ul style="list-style-type: none">• Concentration and intensity of non-owner occupied rental housing• Residential neighbourhoods losing diversity and in some instances becoming exclusive investment areas, which may create affordability issues for people trying to purchase a home as a principal residence• Short-term tenants or absentee landlords without vested interest in the neighbourhood or community• Lack of property maintenance• Parking issues	<ul style="list-style-type: none">• Often difficult to contact or locate absentee rental business owners• Current tools do not differentiate between tenant-occupancy and owner-occupancy of property• Requirements cannot be grandfathered to apply to existing uses if requirements are modified• Resource intensive - staff typically address issues after violation has occurred	<ul style="list-style-type: none">• An additional staff resource will be able to further improve the identification and resolution of zoning, parking and property standards issues• Improved education initiatives may assist in the identification and prevention of zoning, parking and property standards issues• Tenants will be better informed of basic safety, property maintenance and parking standards, which may influence decisions and/or result in the initiation or reconsideration of an inspection• Streamlined enforcement methods and increased fines may further deter the circumvention of zoning, property standards and parking issues• Opportunity to build rapport amongst stakeholders through increased contact, collaboration and partnership	<ul style="list-style-type: none">• There may still be difficulty contacting or locating absentee rental business owners• Will not have the ability to be in direct contact with property manager or rental business owner to proactively and/or reactively inform him/her of issues and request assistance• Zoning of every rental property could not be reviewed and confirmed• A parking plan would not be required to prevent potential parking issues• A property maintenance plan would not be required to proactively encourage proper care of the property

Rental Housing Issue	Limitations of Existing Tools	Advantages of Recommended Approach	Disadvantages of Recommended Approach
<p>3. Disruptive Behaviour</p> <ul style="list-style-type: none">Repeat or ongoing behavioural issues such as furniture on roofs, noise, parties, litter, etc.	<ul style="list-style-type: none">Often difficult to contact business owners or property managers to assist with addressing issue(s) when tenants are not responsive (could also include proactive contact to prevent further occurrence or at time of incident or complaint)Typically address issues after behaviour has occurred	<ul style="list-style-type: none">Communication improvements will make it easier for stakeholders to advise city staff of disruptive behaviorIncreased community partnerships may assist in deterring disruptive behaviourImproved communication and social media campaigns may assist in reducing disruptive behaviour	<ul style="list-style-type: none">Not able to require contact information of property manager or owner to proactively and/or reactively inform him/her of issues and request assistance
<p>4. Lack of Information about Rental Housing Stock/Inequality among Rental Housing Providers</p> <ul style="list-style-type: none">Renters may not be able to verify that a unit meets codes, by-laws and other legislation designed to ensure the unit is safeCompliant business owners competing with non-compliant business owners	<ul style="list-style-type: none">No cost effective way to verify safety/compliance of specific rental propertiesBusiness owners who invest in and provide safe and suitable rental accommodations may be competing with non-compliant business owners who may be offering units at lower rates	<ul style="list-style-type: none">Tenants will be better informed of basic safety hazards and may choose not to live in unsafe units or may initiate inspections or reconsider inspection requests to verify their units are safe and legalStreamlined enforcement methods, search warrants and increased fines may further reduce the inequality amongst rental housing providers	<ul style="list-style-type: none">Not able to create a registry of licensed rental properties that could allow tenants to easily find and verify legal and safe living accommodationsThe lack of a registry could also cause compliant owners to continue to compete with non-compliant property owners

Rental Housing Issue	Limitations of Existing Tools	Advantages of Recommended Approach	Disadvantages of Recommended Approach
<p>5. Enforcement Challenges</p> <ul style="list-style-type: none"> Staff have experienced difficulty locating landlords to serve them a summons to attend court – if the owner is not served, a trial cannot proceed Many tenants are unwilling to commit to attending a trial in the future Current methods are resource intensive, with results that often appear to be viewed by some landlords as merely the cost of doing business 	<ul style="list-style-type: none"> Current methods do not require updated detailed ownership information to be provided by landlords (at present the city has to use tax records or a third party database to obtain contact information – this information is not always accurate or complete) Current enforcement tools often require that a business owner be served with an offence document in person or that the document be left at the owner's last known address with a person who appears to be over the age of 16 To obtain a conviction, some violations require testimony from tenants, many of whom are unwilling to commit to attending a trial in the future 	<ul style="list-style-type: none"> Tenants will be better informed and may be more cooperative Search warrants may assist in overcoming current access challenges of properties suspected of non-compliance Additional staff resource will be able to further assist with the identification and enforcement of non-compliant properties Streamlined enforcement methods, search warrants and increased fines may further deter the circumvention of regulations 	<ul style="list-style-type: none"> There still may be difficulty contacting or locating absentee rental business owners In many cases, testimony from tenants would still be required
<p>6. Funding Implications</p> <ul style="list-style-type: none"> Sustainable financing for programs to address rental housing issues 	<ul style="list-style-type: none"> Rental housing enforcement costs related to the business of rental housing are currently entirely paid for by all taxpayers If successful in prosecutions, the courts have been imposing minimal fines 	<ul style="list-style-type: none"> No potential for incurring costs to defend challenges to the new by-law Costs will be known – both existing and those requested through the 2015 budget process 	<ul style="list-style-type: none"> The cost of working to resolve the key issues associated with rental housing will continue to be paid for by the general tax base

Proposed Licensing of Rental Housing

Summary of Community Engagement Results



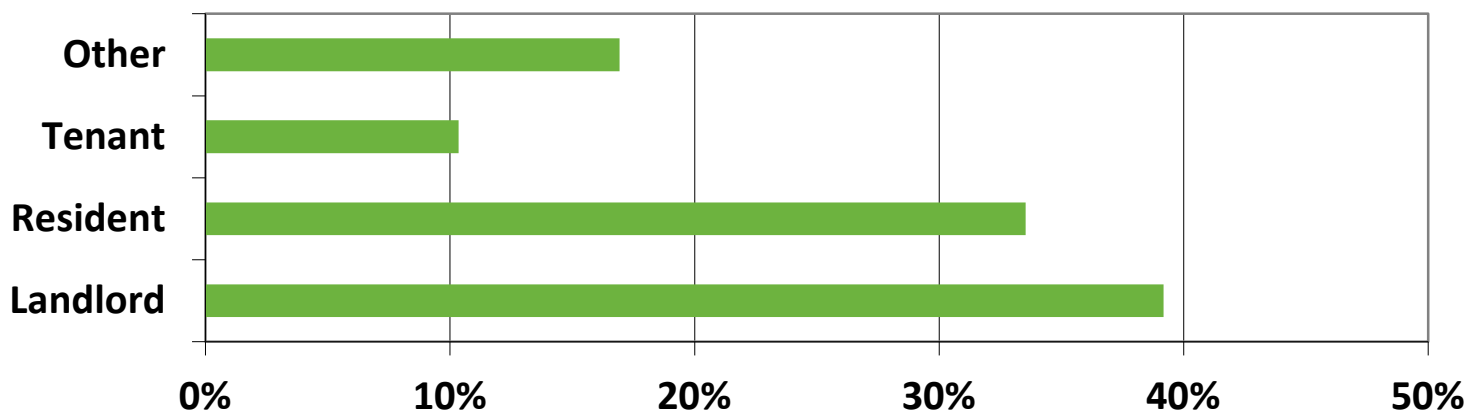
Community Engagement Results are based on the following sources:

Community Engagement Session November 19, 2013; Questions 1 – 6 (87 Respondents)

Community Engagement Session November 21, 2013; Questions 1, 7-19 (43 Respondents)

Online Questionnaire November 20 – 30, 2013; Questions 1 – 19 (199 Respondents)

1. I am a:



	Landlord	Resident	Tenant	Other	Total
Count	125	107	33	54	319
Percentage	39%	34%	10%	17%	100%

Other responses include:

- Multiple selection, e.g. Landlord/Community
- University of Guelph
- Neighbourhood Group
- Realtor
- Potential Landlord

Proposed Licensing of Rental Housing

Summary of Community Engagement Results



2. Please identify any other issues with rental housing that are not listed below.

- Tenant health, safety and well-being
- Neighborhood destabilization and deterioration
- Disruptive behavior
- Lack of information about housing stock
- Inequality among rental housing providers
- Enforcement challenges
- Funding implications

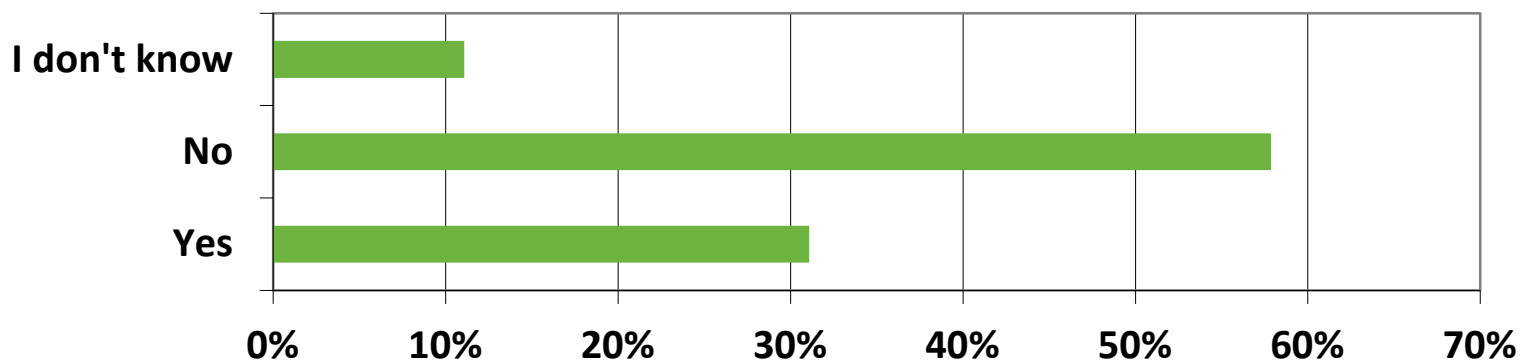
Other Issues:

- Tenant Registration
- Underground housing
- Realtors selling illegal rental properties and stating they are legal
- Affordability
- Parking issues
- Privacy
- Cash grab for the City
- Rent increase

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

3. In your opinion, could rental housing licensing assist in addressing the identified issues with rental housing?



	Yes	No	I don't know	Total
Count	87	162	31	280
Percentage	31%	58%	11%	100%

Proposed Licensing of Rental Housing

Summary of Community Engagement Results



4. Please identify any other benefits/advantages of licensing that are not listed below.

- Apply specifically to rental housing
- Apply equally to new and existing rental housing
- Require regular inspections to ensure safety is maintained
- Require proof of appropriate insurance
- Paid for by the housing provider
- Enhance safety of tenants
- Reduced competition from non-compliant properties

Other advantages/benefits:

- No advantages/benefits

Proposed Licensing of Rental Housing

Summary of Community Engagement Results



5. Please identify any other costs/disadvantages of licensing that are not listed below.

- Financial costs associated with license
- Financial costs associated with insurance
- Financial costs associated with bringing property into compliance
- Potential loss of rental income due to enforcement
- Potential loss of affordable housing stock

Other costs/disadvantages:

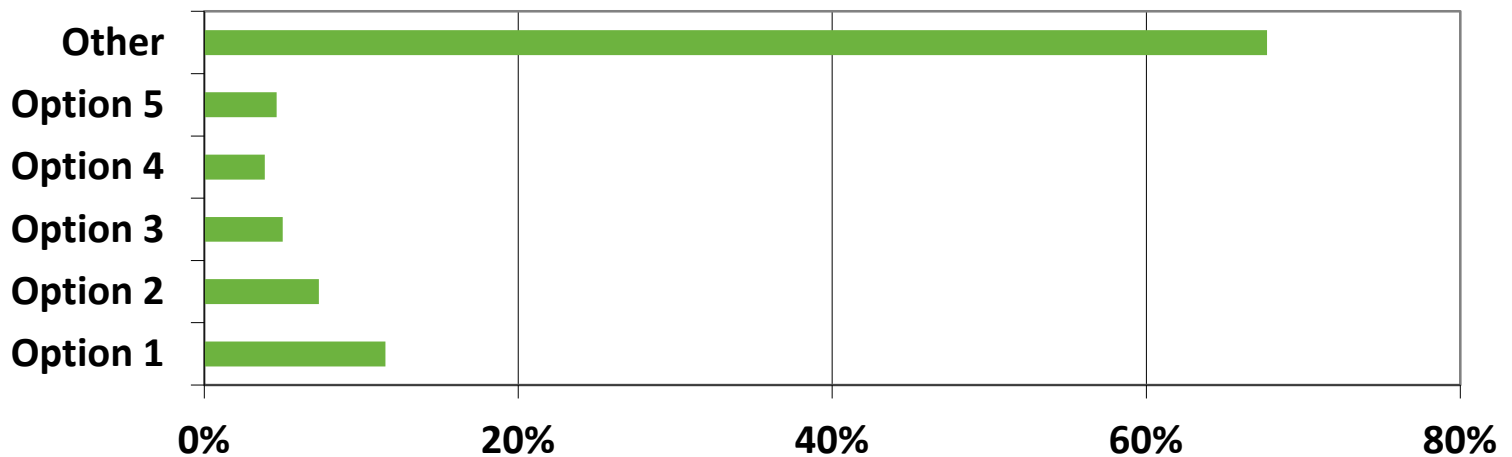
- Doesn't address behavior issues
- Condos and apartments aren't being addressed
- Large admin unit required
- Rich get Richer – small renters get left behind and large renters increase due to properties for sale
- Punishment
- Increase in rent on tenants
- Inequality
- Fixed income
- Prejudice to tenants
- Tax increase
- No enforcement on the "slum landlords"
- Discrimination
- Time consuming
- Increase in rental properties - properties will reduce to 4 bedrooms rented and then more properties purchased to fill the gaps
- Privacy
- Stress – tenant and landlord

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

6. Please identify your preferred rental housing licensing option.

- Option 1: Annual renewal, Annual inspection (\$132/bedroom/year est.)
- Option 2: Two year renewal, Inspect every two years (\$90/bedroom/year est.)
- Option 3: Annual renewal, Self certification, Risk-based inspection (e.g. properties with complaints and/or history of non-compliance) (\$62/bedroom/year est.)
- Option 4: Two year renewal, Self certification, Risk-based inspection (\$53/bedroom/year est.)
- Option 5: Two year renewal, Self certification, Risk-based approach (fewer inspections than option 4) (\$45/bedroom/year est.)
- Other: Self Regulate, Varying Time, No Licence, Misc.

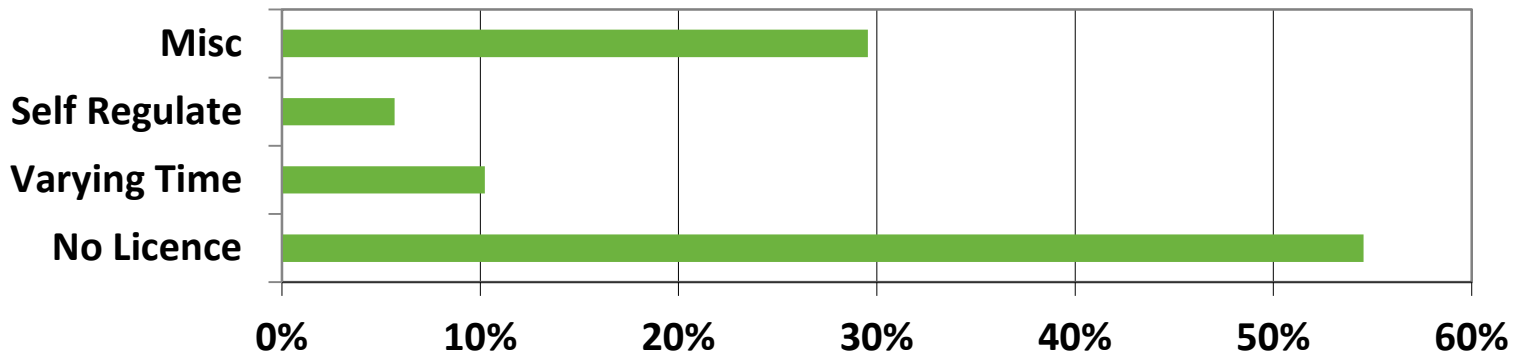


	Option 1	Option 2	Option 3	Option 4	Option 5	Other	Total
Count	30	19	13	10	12	176	260
Percentage	12%	7%	5%	4%	5%	68%	100%

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

Question 6 - Breakdown of Other Response



	No Licence	Varying Time	Self Regulate	Misc.	Total
Count	96	18	10	52	176
Percentage	55%	10%	6%	30%	100%

Misc. responses include:

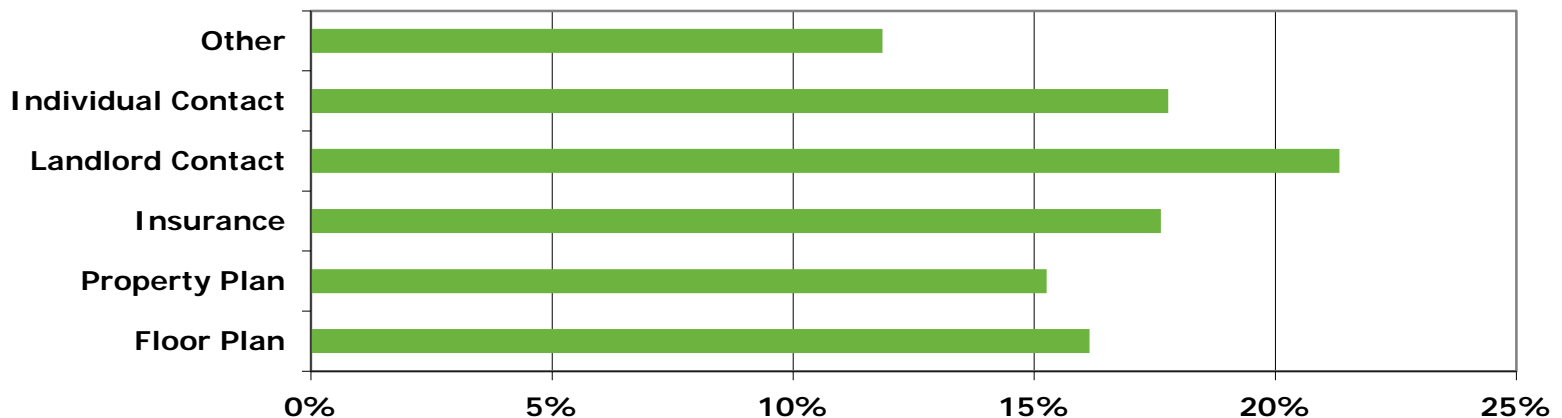
- One time licence, no renewal
- No cost if no complaints
- Comments made on licensing program elements, e.g. exclude owner occupied properties, revoke licence if requirements not met, large fines

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

7. Please select all items that should be required as part of a rental housing licence.

- Floor plan (number and location of all bedrooms to be rented, other rooms identified and location of fire exits)
- Property plan (parking spaces, solid waste containers)
- Insurance (Proof of insurance)
- Landlord Contact (Name and contact information of a landlord)
- Individual Contact (Name and contact information of an individual residing within the City authorized to respond to management issues regarding the rental living accommodation (if different from above))
- Other



	Floor Plan	Property Plan	Insurance	Landlord Contact	Individual Contact	Other	Total
Count	109	103	119	144	120	80	675
Percentage	16%	15%	18%	21%	18%	12%	100%

Other Items that should be required as part of a rental housing licence:

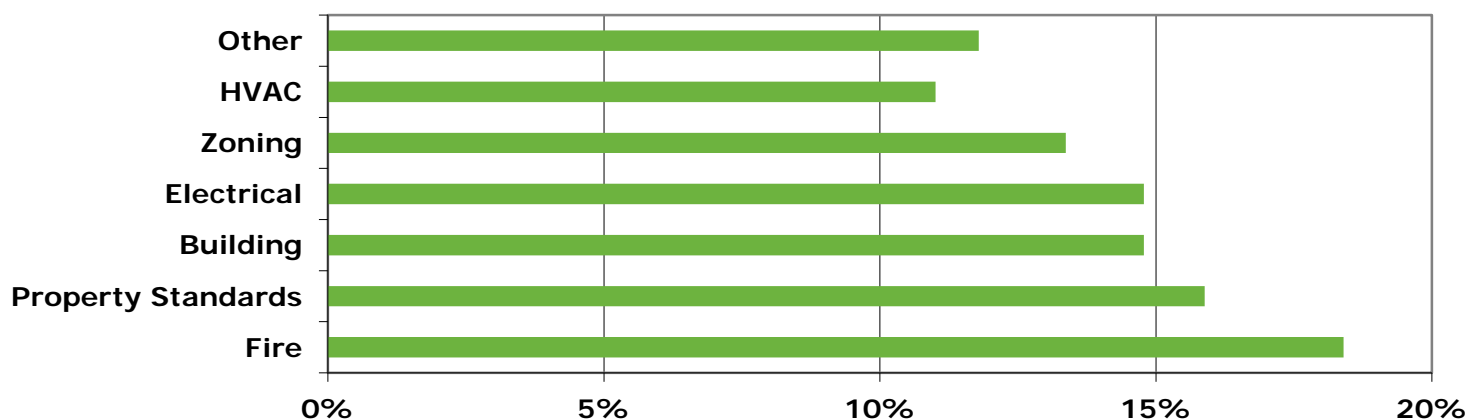
- A required manual for each house – providing various bylaws and contact info for departments in the City and will contain owner info
- Owner contact info up to date each year
- Code of behaviour for tenants
- Annual meetings with residents and stakeholders
- Should not be required for owner occupied dwellings
- No subletting
- Garbage storage/removal plan
- Damage deposit
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

8. Please select all inspections that should be required as part of a rental housing licensing program.

- Electrical - Electrical Safety Authority or Qualified Electrician
- Zoning
- Property Standards
- Building
- Fire
- HVAC (Heating and Ventilation - Qualified Contractor)
- Other



	Fire	Property Standards	Building	Electrical	Zoning	HVAC	Other	Total
Count	117	101	94	94	85	70	75	636
Percentage	18%	16%	15%	15%	13%	11%	12%	100%

Other Inspections that should be required as part of a rental housing licence program:

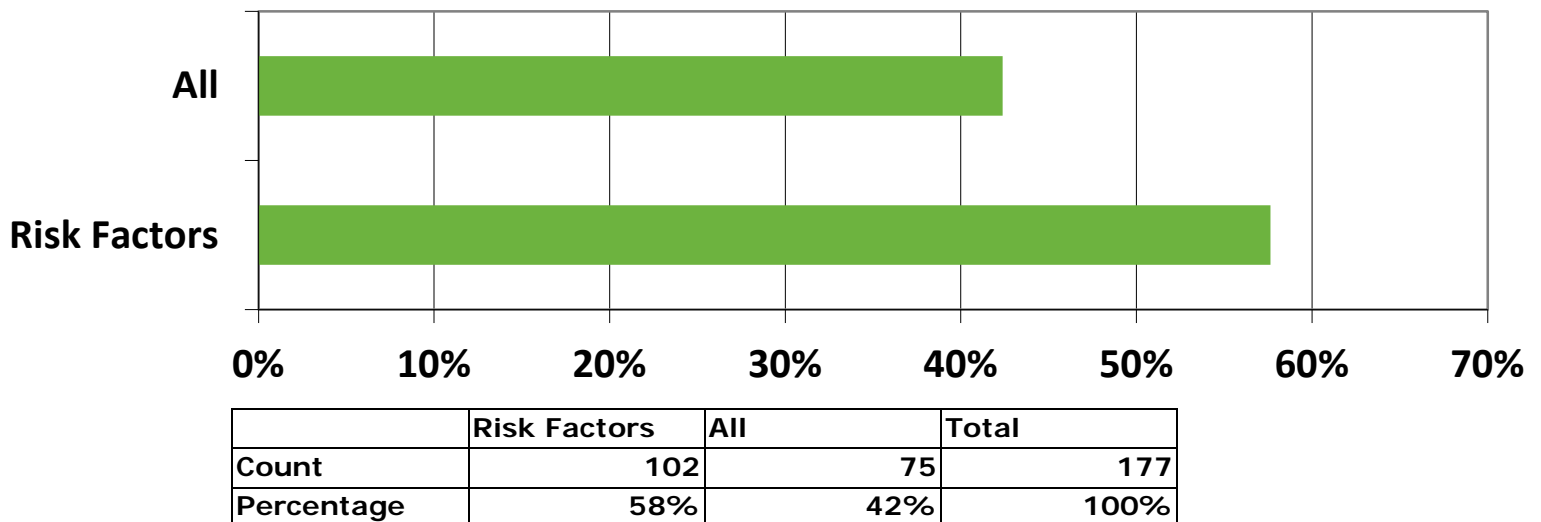
- Parking Inspection
- Health Inspection (mold)
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

9. Please identify which applications should be inspected.

- Risk Factors - Applications with risk factors (e.g. properties with complaints and/or history of non-compliance)
- All



Comments on which applications should be inspected:

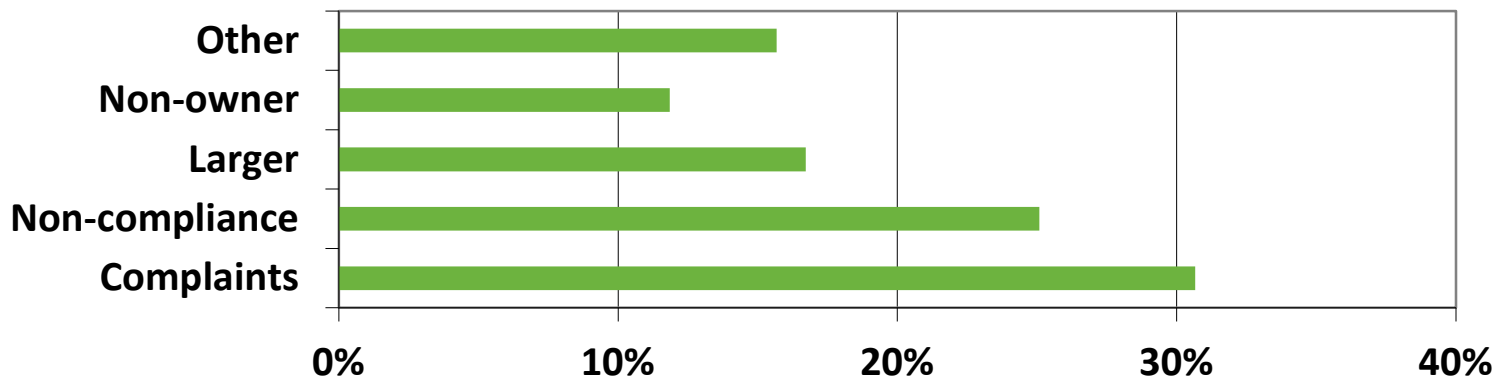
- Only initial inspections
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

10. Please select all risk factors that should apply to determine which units should be inspected.

- Complaints – Applications with a history of complaints
- Non-compliance – Applications with a history of non-compliance
- Larger – Applications with a larger number of bedrooms rented and/or with larger occupant loads
- Non-owner – Non-owner occupied dwellings
- Other Option



	Complaints	Non-compliance	Larger	Non-owner	Other	Total
Count	88	72	48	34	45	287
Percentage	31%	25%	17%	12%	16%	100%

Other risk factors that should be applied to when determining which units should be inspected:

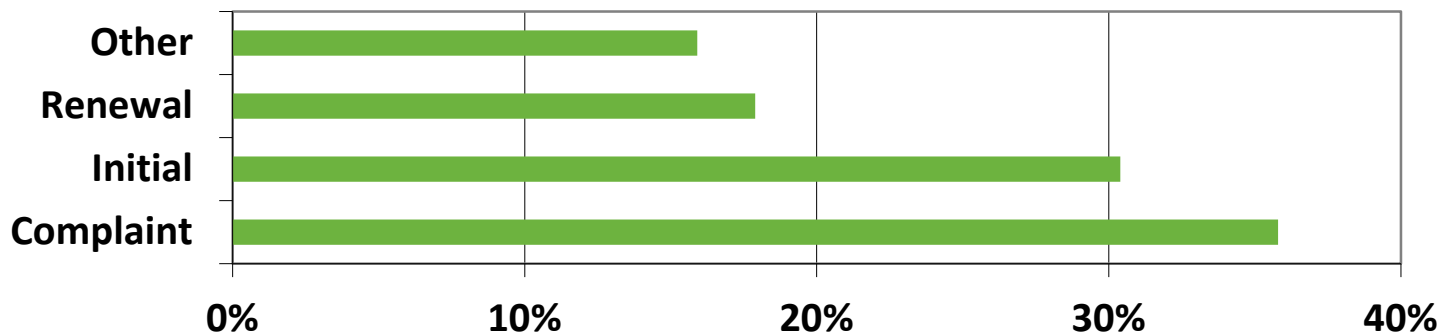
- Properties with a history of safety concerns
- Properties where the owner lives away from Guelph – distance may be used
- Properties with 4 or more rooms
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

11. Please identify when inspections should be required.

- Complaint (When a complaint is received)
- Initial (At the time of the initial licence)
- Renewal (Upon renewal of the licence)
- Other



	Complaint	Initial	Renewal	Other	Total
Count	126	107	63	56	352
Percentage	36%	30%	18%	16%	100%

Other responses concerning when inspections should be done:

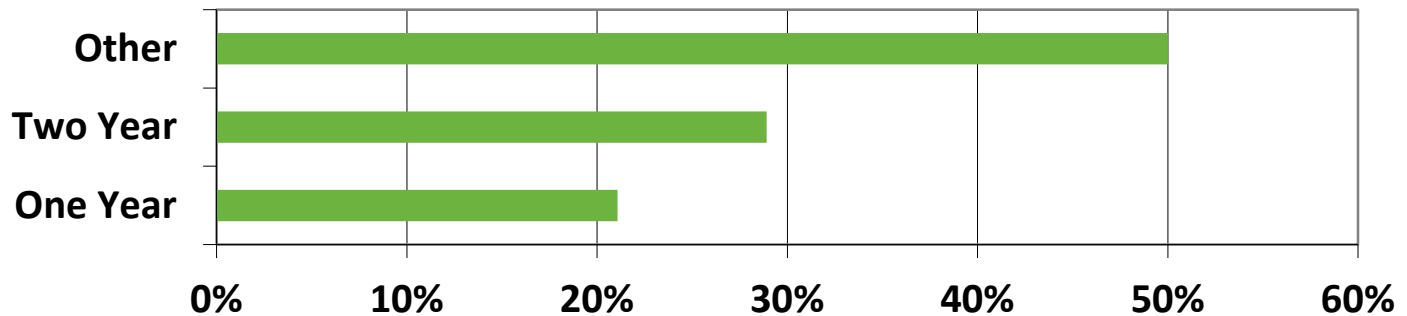
- Depends on type and duration of complaint, not just noise, perhaps property damage
- Initial inspections all-encompassing but reduced (based on risks) for renewals
- When ownership changes
- When inspection requested
- All initial licences inspected
- Random sample
- Never or only on complaint
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

12. Please identify how long the initial licence should apply.

- One year
- Two year
- Other Option



	One Year	Two Year	Other	Total
Count	43	59	102	204
Percentage	22%	29%	50%	100%

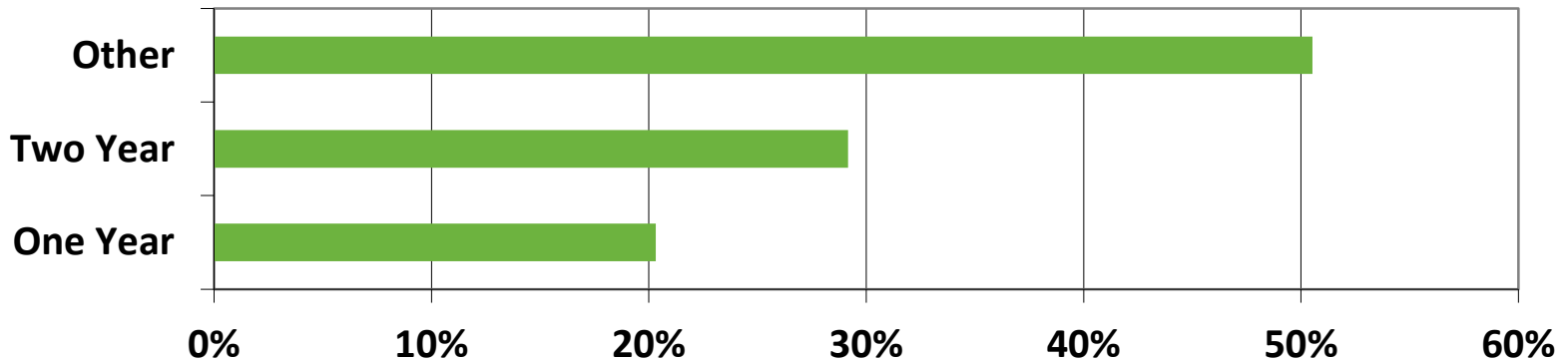
Other responses concerning how long the initial licence should apply:

- History of complaints
- Every 2 years
- Lodging houses only
- Change of tenants
- Every 4 months
- Random
- Every 4 - 5 years
- Forever
- Change of ownership
- Every 1 – 2 years depending on history of all complaints
- Every 3 years – unless there is a complaint then annually
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

13. Please identify how long the renewal licence should apply.



	One Year	Two Year	Other	Total
Count	39	56	97	192
Percentage	20%	29%	50%	100%

Other responses concerning how long the renewal licence should apply:

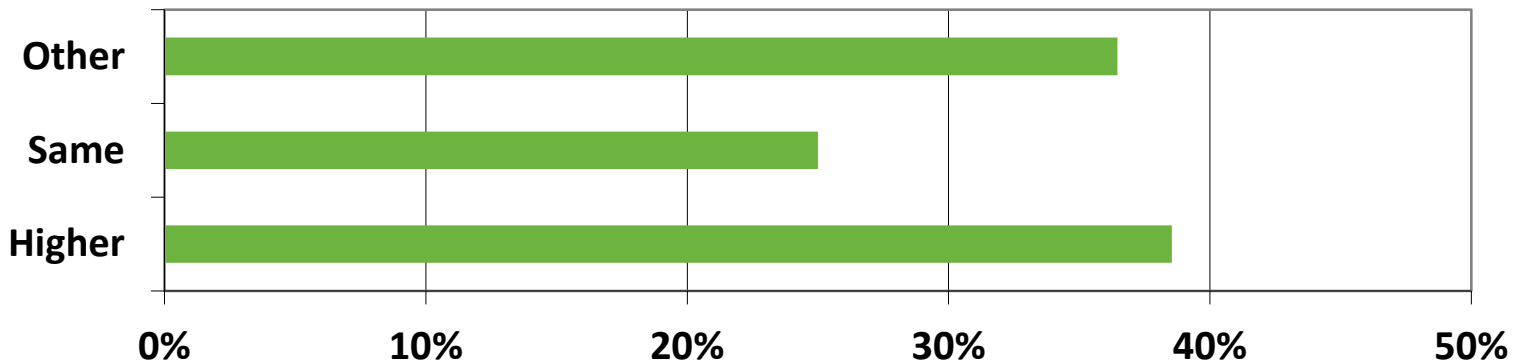
- Defer licence renewal until complaint resolved if serious complaints made
- Tier out in longer intervals as landlord proves compliance
- Three years
- Apply indefinitely if no new landlord or tenant or both
- Five years or until ownership changes
- Every 3 – 5 years
- Four years
- Lodging houses only
- Initially 2 years then 5 years based on no complaints
- For the length of the tenants' lease
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

14. Please identify how rental housing licence fees should be distributed.

- Higher – Higher for initial licence and lower for renewal
- Same – Same for initial licence and renewal
- Other



	Higher	Same	Other	Total
Count	74	48	70	192
Percentage	39%	25%	36%	100%

Other responses concerning how rental housing licence fees should be distributed:

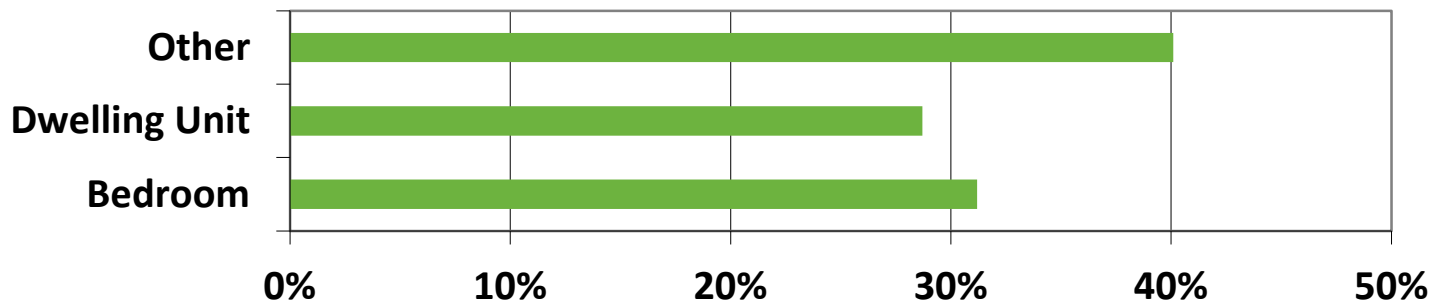
- Objective is a self financing scheme
- Low cost as possible
- Lower after initial
- One time fee, only renew upon ownership change
- Paid by tax base
- Higher fees for properties with complaints
- Fees for lodging house only
- Higher fee for initial licence and lower fee for renewal
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

15. Please identify what rental housing licence fees should be based on.

- Bedroom – Fee per bedroom
- Dwelling Unit – Fee per dwelling unit (self contained unit, e.g. house with an accessory apartment would be two dwelling units)
- Other



	Bedroom	Dwelling Unit	Other	Total
Count	63	58	81	202
Percentage	31%	29%	40%	100%

Other responses concerning what rental licensing fees should be based on:

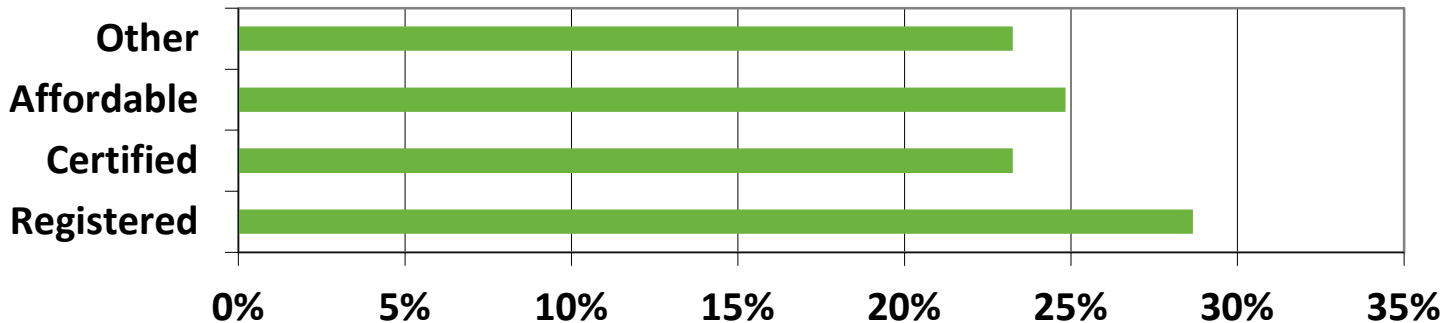
- Demographics
- Cost per unit
- Complaints
- Lodging house
- Number of non-related people in household
- Fee per occupant
- Square footage
- Landlord type – exempt small scale landlord if helping to pay off mortgage
- Fee per kitchen
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

16. Please select all reasons for reducing the initial rental housing licence fee.

- Registered – Accessory apartments previously registered with the City
- Certified – Lodging houses previously certified with the City of Guelph
- Affordable – Affordable housing (social housing, subsidized/rent-geared-to-income housing is excluded from by-law)
- Other



	Registered	Certified	Affordable	Other	Total
Count	90	73	78	73	314
Percentage	29%	23%	25%	23%	100%

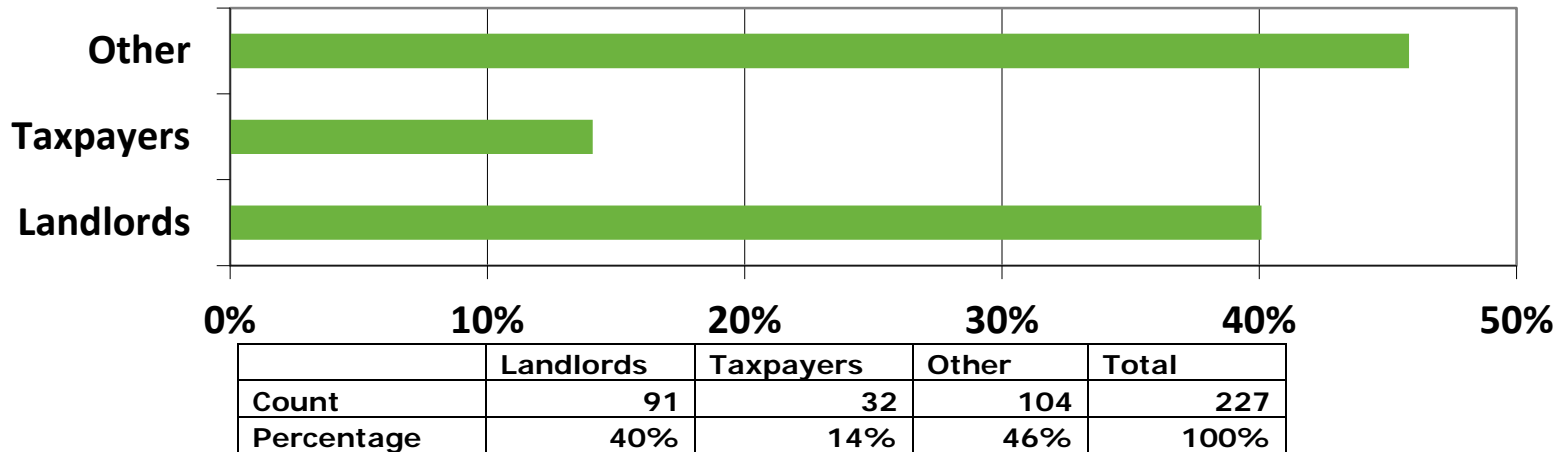
Other reasons for reducing the initial rental housing licence fee:

- No fee for already registered properties
- No fee for already certified properties
- Reduction due to history of no complaints
- No fee for legal non-conforming properties
- Should be no reduction in fees
- Disagree with exclusion of social housing
- Owner lives at the property
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

17. Please identify how a rental housing licence should be funded.



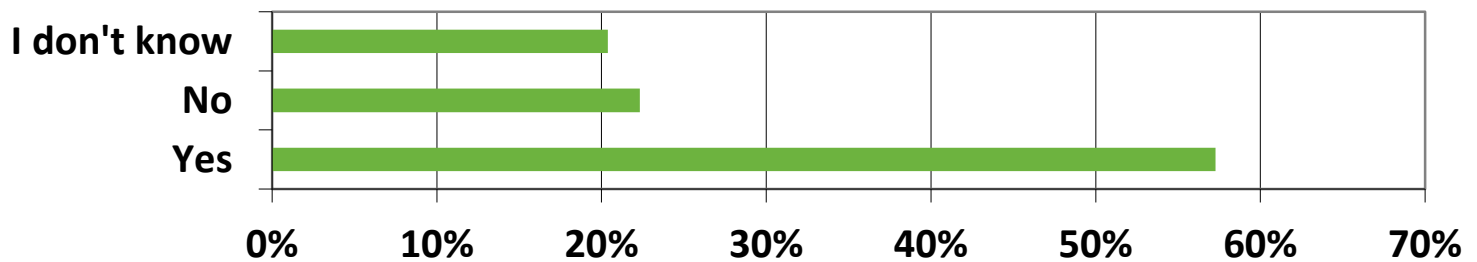
Other ways a rental housing licence should be funded:

- It is a business, landlords bear the costs
- Society bears responsibility for safe housing
- One third each – tenants, landlords, taxpayers
- City of Guelph
- Nominal fee for landlords
- Already paying taxes
- Mayor and council
- Penalties from properties which are in violation
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

18. Should penalties apply for breaking the rental housing licensing by-law?



	Yes	No	I don't know	Total
Count	118	46	42	206
Percentage	57%	22%	20%	100%

Comments on whether penalties should apply for breaking the rental housing licensing by-law:

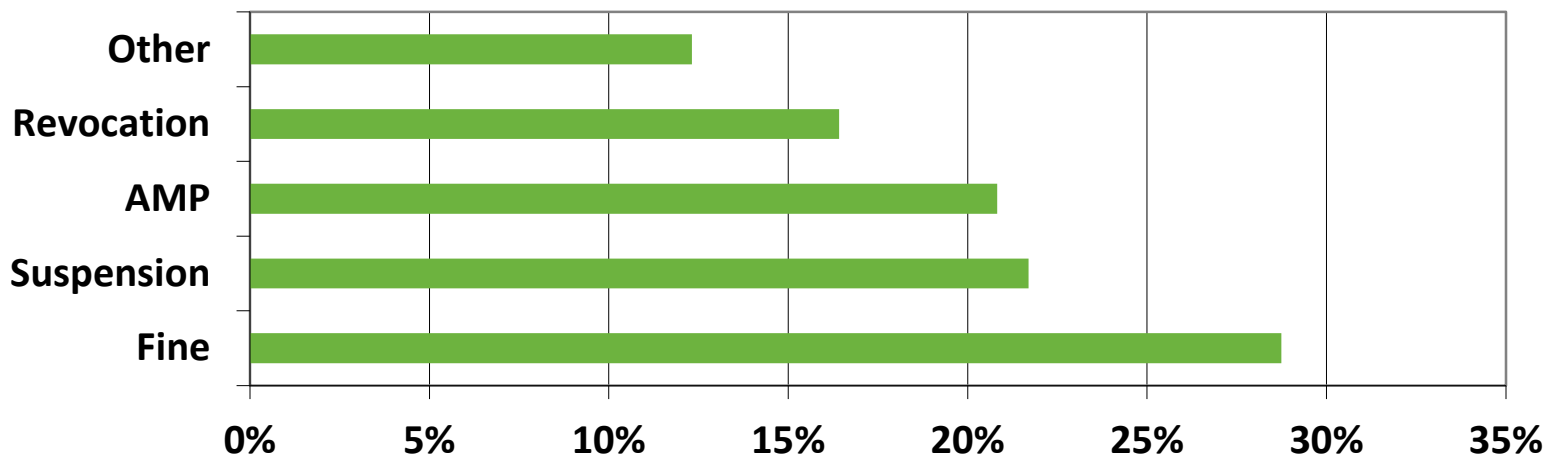
- Need monetary penalties
- Make an illegal snitch line
- Not enough information
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

19. Please select all of the penalties that should apply for breaking the rental housing licensing by-law.

- Fine – Fine as provided in the Municipal Act
- Suspension – Suspension of licence
- AMP – Administrative Monetary Penalties
- Revocation – Revocation of licence
- Other



	Fine	Suspension	AMP	Revocation	Other	Total
Count	98	74	71	56	42	341
Percentage	29%	22%	21%	16%	12%	100%

Other penalties for breaking the rental housing licensing by-law:

- Three tiered punishment system, i.e. suspension, revocation, fine
- Penalty based on severity of the violation
- Demerit point system
- Applied to taxes of property
- Revocation of licence after compliance notice
- Fine for both tenant and owner
- No licensing

Proposed Licensing of Rental Housing

Summary of Community Engagement Results

20. Other Comments

- Downsize City Employees
- Provide citizens the peace of mind that properties are being monitored and kept up to par
- Licencing doesn't deal with illegal properties. Will drive them further underground.
- Survey steered to get certain responses
- More fees for students
- Licencing shows rental properties are a business. All businesses need to be licenced.
- University of Guelph needs to pay a part in the fees
- Will address problem areas where noise violations are constantly taking place
- Help protect vulnerable students from renting properties with deficiencies
- Survey is biased and misrepresented
- Enforce current by-laws
- Disaster waiting to happen
- Help maintain unsafe properties
- Rich get Richer
- Increase fines instead of licencing
- No Licensing

Rental Housing Licensing Recommended Approach



Background- since July 15, 2013 PBEE Meeting

- **Further staff analysis of options and alternatives**
- **Further Community Engagement**
 - Two public engagement meetings held (November 2013)
 - Online feedback forms posted (November 2013)
 - Results of the public meetings and online feedback forms reviewed and analyzed (January 2013)
 - Two meetings held with the Rental Housing Licensing Community Working Group (January 2013)
 - Third meeting held with the Rental Housing Licensing Community Working Group (February 2013)

Recommended Approach

1. Continue the enhanced enforcement program and improve the Building Services proactive enforcement program.
2. Research, develop and begin implementing a comprehensive education/communications plan.
3. Continue to support community partnerships, explore strategies and support the development of further community based responses to rental housing issues.

Considerations:

1. Potential increased costs to tenants.
2. Licensing does not address behavioural issues.
3. Potential challenges.
4. Enforcement of existing by-laws.
5. Community Engagement.
6. Only support was for a minimal licensing program.
7. Opportunities for further education, engagement and partnerships with stakeholders.
8. Housing supply.
9. Licensing is a new tool.

Next steps

Thank you.

Sent: May 1, 2014 11:51 PM

To: Mayors Office; Jim Furfaro; Bob Bell; Ian Findlay; Andy VanHellemond; Maggie Laidlaw; June Hofland; Gloria Kovach; Cam Guthrie; Lise Burcher; Leanne Piper; Todd Dennis; Karl Wettstein; Clerks

Subject: Proposed Rental Licensing in Guelph

Importance: High

May 1, 2014

Guelph City Council

Re: Proposed Rental Licencing in the City of Guelph

Dear Staff and Guelph City Council:

As an experienced Property Manager with over 20 consecutive years of experience and as a Guelph home owner, I have researched the contentious topic of Rental Licensing and I've attended the public meetings that have been held within the last several months at City Hall regarding this issue. The information presented at these meetings leaves me and many others with a belief that this potential program would be a significant waste of ALL tax payers' money in the City of Guelph, and not just rental property owners. This same program in the City of London has already proven to be a huge expense for all citizens there and has gone severely over budget to the tune of over 1.5 MILLION dollars. In the end, the subsidization of this program is costing ALL taxpayers and ALL tenants in London, as it would in Guelph. As you probably already know, City Council for the city of Hamilton REJECTED a proposed Rental Licensing Program. They had the common sense to realize that the program would have offered little value to the Hamilton taxpayers and most likely would have been an administrative nightmare for the City.

A major concern that I have regarding this potential licencing program is that it would not apply to tenants in apartment buildings, group homes, and especially student residences operated by the University, among other types of properties. **If the safety and security of all tenants is supposed to be the major factor in this proposed licencing law, then why are Tenants living in the above described residences being ignored and not "protected" by this licensing law? Is the safety of Tenants living in apartment buildings, group homes and student residences not as important as the safety of Tenants living in houses or basement apartments?** One could argue that this would be discrimination and the City could leave itself open to significant legal ramifications and expensive legal bills, which again of course would cost ALL taxpayers in Guelph.

An important point to remember and an issue that has been brought to Council's attention in previous public meetings and discussions is that the increased costs for this Program would ultimately be paid for by Tenants through regular and sustained rent increases, especially at tenant turnovers. Not only that, even with the implementation of this Licensing program, there is no certainty that unruly behaviour from Tenants would even be addressed or corrected. Again, common sense would dictate that **the**

City should utilize existing bylaws and actually enforce them DIRECTLY and ONLY with problem Tenants and Landlords. The fact of the matter is that good Landlords would be punished through unnecessary fees and bureaucracy and as a result, all Tenants' cost of living will ultimately increase through higher rents and ultimately because of the City not enforcing existing bylaws. If a Tenant is behaving in an unruly way, or a Landlord has failed to provide safe living accommodations, for example, then why wouldn't these individuals at fault be dealt with (ie. fined) directly? If there are bylaws that "don't go far enough" as one councillor has publically stated, then surely these bylaws can be amended.

In my opinion, and apparently in the opinion of many other citizens in Guelph, the best and most cost effective solution would be to modify (if necessary) and enforce existing bylaws to address the issues that are associated with rental housing. This Licensing program would surely be cost prohibitive to the already highly taxed Guelph home owners and trying to implement a blanket solution like this is not the answer. I believe that the only real and logical solution is to deal directly with the people causing the problems in rental accommodations.

Aldo Martone

From: Andrew Arklie

Sent: May 2, 2014 8:51 AM

To: Clerks

Subject: Landlord Licensing (Info for P, B, E & E Committee meeting, May 5th, 2pm)

To Whom It May Concern:

I am both a homeowner and landlord and am writing in regards to the proposed landlord licensing that Guelph is considering.

I agree that proactive enforcement of rental units will have a positive effect on my community and neighbourhood; however we already have the tools (zoning bylaws, property stands and fire code) in place to deal with these issues. Licensing only duplicates the existing Building Code Act and Residential Tenancies Act – adding another layer of administration into the mix.

The most common concerns among supporters of licensing seem to be noise and garbage violations. For many landlords, this can be a problem as well. However, when a problem tenant makes excessive noise, it can take up to two months to go through the eviction process. In the meantime, the City plans to charge the Landlord for the noise complaint? The solution could be as simple as a knock on the door and an ‘education’ for the tenant(s) living in the home. If this ‘education’ does not work, follow it up with a large fine. Surely the troublemakers will take notice when their actions affect their pocketbook. Going after the landlord will not get to the root of the problem - tenant education and awareness.

Another concern among the supporters of licensing is the inability to gain access to inspect these ‘illegal’ and ‘unsafe’ rental units. If this is a real problem – why not request legislation to permit more reasonable access by designated public authorities? Simply forcing inspections on landlords and tenants alike will be in contravention of the Residential Tenancies Act and Human Rights Code – both of which will take precedence over any form of municipal licensing.

You do not have to look far to see the problems caused by landlord licensing. In London, the program has the following to show for its program after three years:

- Operated at a net loss of \$1.6 million (all costs paid by taxpayers).
- Extra costs to landlords have ultimately been passed onto tenants.
- Under 3000 license applications were received from an estimated 12,500 rental units.
- Only 15 violations were found – all of which could have been dealt with under the fire code (two violations) or the zoning bylaw (13 violations), not the licensing bylaw.

Instead of going to a licensing regime, cities like Ottawa, Toronto and Regina are beefing up their ***existing*** property standard enforcement. The City of Hamilton has also decided against rental licensing *on the advice of their own planning director*.

As a landlord, I would welcome additional inspectors and enforcement through our existing by-law program. Doing so would shed positive light on responsible landlords, like myself, that truly care for their properties and tenants. Please do not implement a cumbersome licensing program that will likely have costly and long term negative effects on tenants, landlords and taxpayers alike.

In closing, I ask that you please review the enclosed documents which should serve to assist in making an informed decision on this matter:

1. **“A Review of the Effectiveness and Implications of Municipal Licensing of Residential Apartments”** – Written By Michael Fenn (former Deputy Minister of Municipal Affairs and Housing).

2. **Hamilton and District Apartment Association (HDAA) Licensing Report** – While intended for Hamilton City Council members, the arguments that Mr. Pathak put forward relate very closely to the situation in Guelph.
 3. **Excerpt from London Property Management Association (LPMA) newsletter, March 2013** – Outlines the findings of Cohen Highley lawyer, Joe Hoffer, regarding the statistics behind rental licensing in London, Ontario.
 4. **University of Guelph "St. Paddy's Day Poster"** - Example of how proactive enforcement (and partnership between the City of Guelph and U of G) can have a positive impact on the rental licensing 'target market'
- Yours Truly,

Andrew Arklie



A Review of the Effectiveness and Implications of Municipal Licensing of Residential Apartments

*Using evidence of best-practices to determine the impact of apartment
licensing on good quality affordable housing, responsible tenancy and
apartment ownership, and good neighbourhoods.*

September 2013

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A Research Report for the Federation of Rental-Housing Providers of Ontario (FRPO)

*Prepared by Michael Fenn of **StrategyCorp Inc.** using evidence-based findings and documents provided by municipal governments, supplemented by data and commentary from rental housing sector stakeholders and sources.*

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Executive Summary

Some Ontario municipalities have identified an apparent need for a licensing system to manage aspects of the municipal rental housing sector and to generate additional municipal revenues. However, a growing collection of evidence suggests that apartment licensing is in fact not the best solution, instead creating its own set of problems. In this report, we examine the arguments that are often put forward by the proponents of licensing, including licensing's alleged ability to:

- Provide a revenue source to the municipality;
- Manage off-campus student housing, poor landlords and problem tenancies;
- Manage new rental units in existing neighbourhoods;
- Enforce general municipal and provincial property-related regulations;
- Perform better than adjudication at the Landlord and Tenant Board; and
- Aid municipalities in managing and sustaining the rental housing marketplace.

Evidence in the field suggests that apartment licensing is not the best solution to any of the major issues that it is meant to resolve. Cities such as Toronto, Ottawa, Regina, Milwaukee, and others have carefully examined the experience in a number of jurisdictions and then decided against licensing. Their research and findings are illustrative and generally support the conclusions of this Report.

Municipal licensing is sometimes seen as a comprehensive solution for a wide range of rental housing problems. This can make licensing seem attractive for administrative and political convenience, but this perceived comprehensiveness does not equate to its effectiveness.

Apartment licensing is not an efficient source of new 'net' municipal revenues. It creates unintended negative effects on the local economy, especially on the rental housing marketplace, both for owners of major apartment buildings, as well as for those individual property owners or investors who create up to a half-dozen rental housing units in an existing community.

More importantly, apartment licensing does not necessarily offer added protection to tenants and prospective tenants. In fact, it tends to add to the eligible costs that can be charged by landlords and to reduce the options for tenants in the rental housing market. Examining apartment licensing, however, has been demonstrated in various jurisdictions that there are better ways to address the impact of student housing and other 'supplementary units' on communities.

Within the existing range of municipal and provincial powers, there is an extensive set of tools for addressing the problems in the rental housing sector, although effective implementation has required 'new learning' in some cases. A number of progressive municipalities are taking new and creative approaches to monitoring, inspection and enforcement by targeting problem areas and issues in the rental housing field. The evidence demonstrates that the existing regulatory regime can work well and at a more reasonable cost to taxpayers, especially if implemented effectively and in collaboration with apartment owners, tenants, neighbours and post-secondary institutions, and with support from local elected representatives.

1. Introduction

Economic and Fiscal Context for the Apartment Licensing Discussion

On January 1, 2007, as part of its response to municipal concerns about the municipal fiscal position, the Ontario Government gave municipalities across Ontario the authority to impose a range of new levies on residents and businesses. The levies allowed for municipal taxes on car registrations and residential home sales, and a variety of new licensing fees. These new 'revenue tools' were designed to offset the increasing burden of property taxes on businesses and residents, including the tax burden borne by tenants through their monthly rental payments. In fact, one 'revenue tool' directly affected those tenants: the new ability of municipal governments to impose a fee-based licensing regime on the owners of residential apartment units.

In practice, many of these "revenue tools" proved to be of limited fiscal value and a number proved to be both controversial and without much prospect of community acceptance. In some instances, the fees and regulatory regimes that they imposed would have had the effect of discouraging investment or raising costs to businesses. Despite the prospect of new revenues, municipal councils were eager to see increased economic activity in communities hard-hit by the 2008 economic 'crash' and its aftermath. Municipalities understand that private investment decisions respond to incentives and disincentives, especially when investors have other options. In the case of rental housing investments, whether by individual home-owners with one or two rental units, or by commercial rental housing corporations, added cost and regulation in one municipality has predictable effects on investment decisions and on allowable business-related costs imposed on tenants.

An important consideration by many municipal councils was the rising cost of housing, especially for those most affected by the recession and the 'jobless recovery'. Municipal councils wanted to see investment in new housing construction and residential redevelopment, as well as in regenerating existing housing stock. High on the list of many municipal councils was maintaining and refurbishing the inventory of social housing projects for which they were now financially responsible. Both apartment owners and municipalities were facing the same economic realities, but municipal councils wanted to invest in their aging social housing portfolio and to encourage similar investments by those serving tenants within the larger, private-sector rental housing portfolio.

More recently, some municipal councils have looked beyond simply refurbishing social housing to identify ways in which social housing assets could be leveraged to offer greater diversity, choice and economic sustainability through redevelopment. Recognizing the need to evolve with the economy and the market it serves, the private-sector has been looking at

similar opportunities, as it has done historically, to try to meet the rental housing needs of the full-range income groups and the diverse needs of tenants.

The Regulatory Context

In the turbulent, unregulated *laissez-faire* economy of 19th century Ontario, the ability to regulate and license markets and commercial activity was one of the first pieces of legislative authority granted to municipal governments. The law governing tenants and landlords is much older, but over time, municipal councils have been drawn into that legal arena on various levels, from broad planning and zoning policy, to councillors being asked to resolve individual and neighbourhood complaints relating to residential tenants or landlords. Indeed, municipalities currently find themselves not only as market ‘referees’, but indirectly and directly playing the role of ‘landlord’ and apartment owner for their social housing portfolio.

Despite this history of commercial licensing and municipal landlord-tenant involvement, Ontario’s economy and its regulatory environment have dramatically evolved since the 1970s. For their part, the Governments of Canada and Ontario and their agencies developed a tight network of regulations that overcame the patchwork of municipal regulation that matured in the last century (for example, with every city having its own distinct building code and separate regime of trades licensing). A universal Ontario building code and fire code, and standardized rules on everything from electrical and plumbing installations to workplace safety and technical qualifications now ensure broad-based predictability, evidence-based standards, and economies of scale for business and consumers whose daily lives are not constrained by municipal boundaries. Ontario landlord-tenant legislation is well established and generally more consistent in its application, particularly with a recent bolstering of tenants’ rights.

In this environment, many municipal governments have reduced their costly and diminished role in commercial regulation and other previously licensed matters – from barbers to bicycles. Municipalities across Ontario now license fewer trades and commercial activities, thereby reducing the red-tape and costs associated with doing business in their communities. In developing their de-regulation agenda, many municipalities also discovered that the original case for regulation may have had more to do with reducing unwelcome local commercial competition than any protection to the public.

To add incentive to this ‘disentangling’ of responsibilities, municipalities found that despite the Province’s offer of ‘revenue tools’, few licensed commercial activities could support a level of fees sufficient to recover the municipal costs incurred to administer them effectively. In many cases, they found that the cost-benefit equation for licensing worked well only where the municipality administered Provincial or Federal regulations, such as the Ontario Building Code, or enforced provincial offences under the Provincial Offences Act, or as part

of a broader development control and inspection process under the *Planning Act* and the *Development Charges Act*. Only where the underlying reason for the licensing has little to do with the revenue from fees – such as adult-entertainment licensing or taxi licensing – have municipal councils seen a continuation or expansion of licensing to serve a public purpose, regardless of municipal cost-recovery.

The Housing and Community Context

Despite the broader trends away from licensing, in the field of residential tenancy, licensing may be seen as a potential solution to one of a range of challenges facing a municipal councillor.

In some communities, apartment buildings form a concentrated and significant part of a neighbourhood's population. These large and medium-sized residential apartment buildings and complexes produce a predictable 'menu' of community and tenant complaints – some directed at landlords, others directed at other tenants, and some directed by other, neighbouring community members at both tenants and landlords. Condominium buildings with extensive absentee-investor ownership seem destined to follow a similar pattern.

In other neighbourhoods, smaller-scale residential apartments and rented 'flats' in single-family homes generate a different range of concerns. Often, concerns relate to overburdening the parking arrangements or generating noise and traffic. In some cases, the tenants represent a concentration of a particular type of clientele, like post-secondary students, or those regularly dependent on community health or social support services, or tenants who are in some form of transitional housing – and these specialized clienteles may generate specific types of neighbourhood concerns, ranging from adequacy of public transit and disability accommodation, to fire safety and police-calls.

In some cases, individual municipal councillors may hope that municipal licensing will be a way to address shortcomings they perceive in the existing municipal and governmental regulatory network, or as a vehicle to raise the local standard above the universal Provincial standard. From an administrative perspective, licensing may be seen by some as a mechanism to create a 'funnel' or 'gateway' to engage other, more diffuse or less aggressively enforced regulatory activities (both local and beyond). Financially, some see licensing requirements as a 'net' to capture development charges, zoning levies, and building permit fees that might otherwise go uncollected.

Some who oppose rental housing of a particular type or in a particular location may view licensing as a potential tool to stop it altogether. In Ontario, however, the municipal licensing power is understood to be a tool for regulating a legitimate business activity – not for banning it outright. Past efforts to use licensing as a substitute for land-use planning tools or to preclude, rather than regulate, legitimate commercial activity have generally been unsuccessful when challenged.

Finally, we all recognize that a healthy rental housing market is an important community resource and economic asset. But since the time of Dickens, landlords know that they must earn respect and understanding from an often disengaged and sceptical public, as well as directly from their tenants.

To other players within the civic domain, apartment licensing might seem like a way to more fully deploy existing municipal inspectors and clerical staff (or to add to their numbers or their job-security), or to interpose municipal regulation in order to gain leverage to press community or tenant complaints being fielded by municipal council members. To some less-reflective analysts, apartment licensing fees may even seem to be a source of money for municipal coffers from a commercial sector which appears to have few choices and few supporters.

What problems are we trying to solve?

While apartment licensing is a single prescription, the symptoms apartment licensing attempts to address are quite varied. Evidence-based analysis suggests that a single solution that addresses a range of complex and often unrelated problems may not be the best solution for any one of them, as well as creating unintended consequences. As H.L. Mencken famously said to New Yorkers in 1917: *“There is always a well-known solution to every human problem — neat, plausible, and wrong.”*

Which apartments are we discussing – big buildings, small-scale units, or everyone?

The “*what problem are we trying to solve?*” question is particularly notable in the discussion of apartment licensing and in looking at the experience of municipalities throughout the Province and beyond. In a number of cases, municipal councils have recognized that licensing is a ‘big gun for small prey’ and have attempted to narrow its focus.

A number of municipalities have seen the issue of apartment regulation as an issue of managing complaints related to large, multi-unit apartment buildings and apartment-complex communities. The City of Toronto, for example, focused its attention on buildings with more than six residential units. Other cities, such as those concerned with the neighbourhood impact of off-campus student housing, were not concerned about multi-unit apartment buildings: their focus was on a policy examination of single rental units, boarding houses, and small-scale (“walk-up”) apartment blocks, such as six-plexes and four-plexes.

Not surprisingly, the type of licensing that aims at apartment complexes (and the issues that such buildings generate) may not be appropriate for in-home supplementary rental units, and vice versa. However, like anyone in business, apartment owners understand the

significance of ‘precedent’ and policy ‘creep’ in any discussion of new regulation and new fees. Assurances that the target is elsewhere may not be sustained over time and in the hands of successor decision-makers – or where rising costs can be recovered from a wider group. Responsible municipalities recognize that it is important to ensure that any encroachment on the rights and opportunities enjoyed by property owners are fully justified.

It is important to ensure that any encroachment on the property rights and business opportunities enjoyed by apartment owners are fully justified by evidence, restrained in their reach, and sustainable for landlords, tenants and taxpayers.

What’s the case for apartment licensing?

On examination, there are a number of different arguments put forward for municipal apartment licensing, reflecting the ambiguity of the case for a comprehensive licensing regime. Looking at the evidence from a variety of communities across Ontario, there are a number of reasons (not all mutually exclusive), why municipal councils have considered apartment licensing. Among those reasons, seven appear to be the most prominent.

New Revenues

1. A municipality needs new revenues to offset the burden of increasing property taxation on residential taxpayers and businesses. It is anticipated that licensing will generate new municipal revenues, and may prove effective in capturing ‘missed’ development charges, building permit fees and planning levies associated with creating new (or ‘discovered’) apartments in existing residences. Discovering ‘new’ units would also allow new units to be reported to the Municipal Property Assessment Corporation (MPAC), adding taxable assessment to the municipal and school board tax rolls.

Off-campus student housing

2. In some cities, the impact of student housing on the neighbourhoods surrounding post-secondary institutions requires special attention. Off-campus student housing generates complaints that run the gamut from noise, parking infractions and police-calls, to concerns about the uncontrolled creation of informal or even sanctioned supplementary residential units, or the conversion of single-family homes into rooming houses and multiplex residences without adequate approvals or safety inspections.

Poor landlords and problem tenancies

3. The pattern of complaints from residents in some major apartment buildings seems to argue for more municipal standards, or at least more vigorous enforcement of existing and potentially new municipal regulations. Some municipalities feel they are unable to address the few 'bad actors' among major apartment landlords and tenants. Many small-scale units and older apartment buildings seem to have physical shortcomings that landlords are unable or unwilling to address to the satisfaction of neither tenants nor those to whom tenants bring their concerns (e.g., municipal authorities). Despite property-standards by-laws and a network of construction-related codes, enforcement often appears ineffective.

Landlords and civic authorities also seem to have problems dealing effectively with dangerous, disruptive or extreme-nuisance tenancies (including fire-safety problems associated with hoarding; the spread of pest infestations, like bed-bugs; chronic noise complaints; exotic and problem pets; prohibited or illegal activities; etc.).

New rental units in existing neighbourhoods

4. In some parts of a municipality, there may be an extensive and / or rapid increase in the volume of supplementary apartment units in single-family homes and in-filling with new duplex and multiplex units (e.g., "quads" and six-plexes). Other neighbourhoods are seeing non-residential buildings re-purposed for residential use, either legally or informally. All of these patterns have an impact on adjacent single-family neighbourhoods, some of which were not designed to support this intensity of residential use.

Ineffective local enforcement

5. While there are many municipal and provincial regulations and policies in the housing and property-standards field, too often they seem to be ignored in practice or inadequately enforced. Civic inspection and enforcement seems to be on a 'complaints' basis and enforcement appears to be largely ineffective against persistent or repeat offenders. (It is also claimed that the *Residential Tenancies Act, 2006* restrictions on access to units by landlords and others make civic inspections uncertain, episodic and time-consuming). Some suggest that inspection staff could be deployed more effectively, or even supplemented, to 'police' these problems and to enforce regulatory standards, but many municipalities claim they have insufficient staff or are cutting back on staffing

levels.

Enforcement by the Landlord Tenant Board – too costly for tenants?

6. The *Residential Tenancies Act* and the Landlord Tenant Board (LTB) processes are seen by some as expensive and inaccessible to tenants as a remedy.

Existing rental housing marketplace not working for tenants

7. Finally, despite low interest rates, some municipalities are concerned that they are not seeing enough 'new supply' of rental housing – especially affordable rental housing – in their communities, thereby justifying increased regulatory 'protection' to existing rental stock. Many city governments are also worried about the negative 'Vital Signs' impacts of segregating low-income households in those areas where the limited supply of older, less-expensive rental housing is often concentrated.

2. Analysis: What does the evidence say?

1. *New revenues?*

Does apartment licensing really represent a significant new net revenue source? Is it “profitable” for the municipality?

In weighing a decision on any new tax or revenue-producing scheme, such as licensing, responsible public decision-makers try to meet certain basic tests.

First, the revenues should justify the expenditure incurred to collect them. If the cost of implementation and administration consumes a substantial portion of the realized or projected gross revenues, other measures should be considered. In some instances, it is possible to reduce costs by shifting a substantial part of the burden of administering the tax regime from the taxing authority to the taxpayer, as in the case of individual and corporate income tax filing. In other cases, the general cost of enforcement can be avoided by being applied selectively. This occurs where there is little cost to establish the regime, but substantial fine-revenues for specific non-compliance or repeat offences, such as parking by-laws or traffic offences.

Unlike other ‘taxes’, however, licensing is usually comprehensive by its nature and therefore requires individual processing by licensing and inspection staff and an equivalent fee from each applicant to cover the overhead cost of administration and enforcement. As a result, licensing cannot usually achieve these tax-efficiency goals, unless it is targeted on activities that are narrowly focused and commercially profitable. Licensing becomes more profitable if there is an annual renewal fee, for which little processing or assurance is required. Such annual fees are difficult to justify if most of the ‘value’ in licensing is created at the point of the initial application. Most fees for residential purposes – development charges, building permits, zoning applications – are paid once, for the initial approval.

Second, a licensing regime should avoid side-effects that increase costs elsewhere, or create negative incentives or unwanted disincentives. Taxes and fees that are economically damaging ultimately undermine the fiscal basis of government activities. They can also defeat other policy goals, like producing affordable housing, attracting new economic activity, or supporting low-income families.

Third, a licensing regime should place the financial burden on those that it targets. If a tax, a licensing fee or a compliance cost can readily be passed along to another party, it creates unintended costs for members of society who, in many cases, are not in the best position to absorb them. Some types of licensing permit the costs imposed on the licensee to be passed along to a wide customer base, so the individual impact is not great (like taxi passengers). However, in the case of apartment licensing, an annual per-unit fee is predictably passed along directly, in the form of increased rents to individual tenants.

Fourth, broad-based licensing should not be an indirect surrogate for direct action on matters or parties that require specific monitoring and enforcement. ***Unless the consequences are grave, a public authority should not impose burdens on the many to 'capture' the few.*** Licensing has the effect of requiring a more comprehensive approach than might otherwise have been required; its inherently higher costs and lower net-revenues will generally result from that comprehensive approach.

The analysis (or subsequent experience) of municipalities appears to suggest that with all-in costs, apartment licensing is a break-even proposition at best, and then often only if applied with recurring high fees and light or very selective enforcement.^{i/} Additionally, some municipalities (which adopted licensing) have conducted cost-benefit analyses that have completely ruled out the option of using existing tools and have chosen simply to analyze different methods of implementing a new municipal licensing program. This obviously avoids a more productive discussion and public debate of the best solution, including alternatives to licensing.

The recent experience of the City of London ON is illustrative. Since 2010, the City has spent an average of \$400,000 per year in administrative staff costs, for total of \$1.2 million over past three years. The fees collected from the licensing program were just less than \$80,000, resulting in part from phasing needed to overcome community opposition and from widespread non-compliance. Of the estimated 12,500 London rental housing units requiring a license under the bylaw, fewer than 2,000 were registered. Evidently, many have gone “underground”, based on the City staff’s evaluation. To respond to this mismatch between original projected licensing revenues and actual fee-paying compliance, City staff sought a 13.9% increase in the by-law enforcement budget in 2013, as well as an increase in landlord licensing fees.^{ii/} A similar pattern emerged in the City of Waterloo. Low compliance and fixed-costs for expanded inspection staffing seem to lead to steady pressure on councillors to increase the fees and to widen their application, in order to reduce the budgetary burden of the new licensing regime.

There is some potential for licensing to generate additional indirect municipal revenues by triggering other levies and fees, to comply with existing ordinances (both new and

retroactive). Licensing processes, including inspections, can lead to capturing 'missed' development charges, building permit fees and planning levies associated with creating new apartments in existing residences or in small-scale properties, where re-zoning is required. Discovering 'new' units would also allow them to be reported to MPAC, adding taxable assessment to the municipal and school board tax rolls, if in fact a licensing system increases the reporting of new units. These financial risks to small-scale apartment owners may account for the municipal staff reports indicating that apartment licensing has 'evasion' rates of at least 35% and perhaps close to 50%.

However, there are significant public policy questions associated with confronting existing and prospective small-scale apartment owners with significant costs. Rather than producing more revenue, an equally likely outcome might be widespread discontinuation or abandonment of small-scale apartment units, and an incentive to condominium conversion, with a resulting loss of rental accommodation and increased costs to tenants. Given the non-fiscal objectives of apartment licensing, including protecting tenants and the supply of affordable rental accommodation, the 'treatment' may well be worse than the 'ailment'.

2. Off-campus student housing

The impact of student housing on the neighbourhoods surrounding post-secondary institutions often requires special attention. Complaints run the gamut from noise, parking and police-calls, to concerns about the creation of informal supplementary residential units, or the conversion of single-family homes into rooming houses and multiplex residences without adequate approvals or safety inspections.

However, targeting specific populations or specific types of housing with licensing has legal and policy risks. In the cities of North Bay and Oshawa, targeting students through a rental-unit licensing regime was seen as a potentially discriminatory practice by the Ontario Human Rights Commission. In response, those municipalities are developing licensing by-laws that are confined to the neighbourhoods surrounding their post-secondary institutions, which may or may not obviate the fairly obvious criticism that they are still directed at students and at student housing. Student representatives have been active with the Human Rights Commission, challenging such 'targeting' of students.ⁱⁱⁱ However, to avoid these criticisms and legal risks, the alternative may be to propose wider options that will catch in the net of licensing many communities or types of rental housing that do not need to see this regime imposed on them.

Many cities have developed a more sophisticated and multi-faceted approach to neighbourhoods affected by student-accommodation pressures. Success has been achieved through so-called 'town-and-gown' community committees, involving

neighbourhood leaders, landlords, municipal representatives and university / college officials and students. These directly affected groups can more readily identify specific problems. With the support of the municipality, they try to ensure that ordinance-enforcement and other resources available to the community are brought to bear – to avoid problems and to deal with issues promptly when they occur (including problem properties).

In practice, vigorous enforcement and intensive municipal staff involvement prove to be both less costly and more effective in a defined community, than would comprehensive, geographically extensive, bureaucratic measures like licensing. Custom-tailored results, supported by direct community engagement, inevitably work better than a generic apartment-licensing regime, even if applied to selected geographic areas within the municipality.

3. Poor landlords and problem tenants

Although some would argue for higher physical standards in major apartment buildings, generally the problems are those associated with aging infrastructure and an apparent inability or unwillingness to enforce existing municipal and provincial regulations, particularly against the relatively small fraction of major apartment owners who seem to draw the majority of the complaints. Authorities claim to be unable to address effectively the problems caused by the few ‘bad actors’ among major apartment landlords and tenants. Landlords and civic authorities also seem to have problems dealing with dangerous, disruptive or extreme-nuisance tenancies (fire-safety problems associated with hoarding; spread of pest infestations (bed-bugs); chronic noise complaints; exotic and problem pets; prohibited and illegal activities; etc.), all of which are governed by existing legislation.

On balance, and with the benefit of pilot-projects (‘enforcement blitzes’) in several municipalities, these issues appear to have more to do with access and successful, targeted enforcement (against conditions that reflect real risk to tenants and properties), rather than merely inventorying recommended refurbishments to costly, aging infrastructure and similar pro-forma violations. Non-directed, pro-forma licensing and code inspections run the risk of focusing on deficiencies and non-compliance of the sort that many responsible homeowners would innocently find in our own homes. Frequently, broad-scale enforcement devotes too much attention to the easily enforced elements of the regulatory regime, rather than to the difficult, time-consuming and often frustrating pursuit of the more serious cases.

Trade associations can do much to promote standards for their members and to support public authorities in cost-sensitive efforts to ensure compliance with important regulations and ordinances, provided an opportunity to comply or appeal is in place. Voluntary certification programs have been successful in some cities, allowing tenants to discriminate

in favour of landlords who meet industry standards and advertise their apartments accordingly. In any healthy marketplace, an informed consumer can be a powerful incentive to improve the product offering. If tenants can demand good-quality accommodation for a rent reflective of its cost, responsible apartment owners will respond to that business imperative, rather than leaving units unrented or embracing problematic tenancies.

Industry-sponsored training programs for landlords, along with industry-managed member-compliance / voluntary certification regimes have proved useful. They help to ensure that the reputation of the industry – always a self-interested concern for landlords – is protected from poor performance by the few, who not surprisingly are frequently not members of responsible and reputable rental property owners' organizations.

The 'right-of-access' and other legal issues

Staff reports considering apartment licensing in several municipalities note the challenges associated with gaining entry to rental units for the purpose of ensuring compliance with existing regulations. Licensing was periodically suggested by municipal staff, such as in Guelph, as a deft, pre-condition mechanism that would help to get around the existing restrictions in statute law and common law.^{iv}/

Since many municipalities have seen inability to gain access as a significant barrier to effective enforcement, licensing is often seen as a mechanism to compel access as a precondition for offering an apartment for rent. In Hamilton's case, however, staff have pioneered the use of search warrants to ensure their ability to act on complaints or evidence of illegal conversions. Once a rarely used aspect of existing legislation, search warrants have been incorporated into Hamilton's regular enforcement program, as a periodically employed 'last resort'. Even when search warrants are not used, the fact that they are secured on a regular basis has likely encouraged compliance with access requests, and thus enhanced the capacity of enforcement authorities to inspect premises suspected of being non-compliant.

Regardless of this 'process' question, the right-of-access issue may be one that requires review by the Province and municipal authorities, as well as by representatives of landlords and tenants. Among others, the experience of Toronto Community Housing's devastating St. Jamestown fire (arising from a "hoarder" situation) suggests that more needs to be done to allow reasonable access for investigation and enforcement purposes. While no-one wants to have intrusions into their home, multi-unit residential dwelling residents share a common responsibility to ensure that their buildings and their units do not present a risk to the health or safety of their neighbours. If the real problem is not having reasonable access to apartments for legitimate purposes, requesting legislation to permit more reasonable

access by designated public authorities – rather than an elaborate “work-around” using licensing legislation as a pretext – is the more appropriate course.

The underlying assumption is that access would be a precondition to licensing, where inspection is demanded or required. It is important to note that the prevailing law governing access is not altered under a licensing regime. It is only the need to have a license to continue to operate that leads to suggestions that voluntary compliance – at least by landlords, if not by tenants – would be easier to secure.

Another legal issue that was not specifically addressed by public reports of municipalities, but bears considering, is whether licensing apartments has the effect of exposing municipal corporations to damage actions and other litigation. As the St. Jamestown fire experience also demonstrates, claims can be substantial and litigants will seek “deep pockets”, like municipalities, with predictable consequences for municipal insurance premiums. Using building code case law as an example, it is unclear whether an alleged failure to adequately enforce a licensing regime, once one is put in place, would result in municipalities being added to the list of defendants in actions related to liability for negligence or property losses.

4. Rental units in existing neighbourhoods

In some municipalities, there is a local or city-wide pattern of creating supplementary apartment units in single-family homes and in-filling with new duplex and multiplex buildings. Other neighbourhoods are seeing non-residential buildings re-purposed for residential use, either legally or informally. All of these patterns have an impact on adjacent single-family neighbourhoods that were often not designed to support this intensity of residential use.

Municipal experience in this area may, in part, be a problem innocently created by municipal processes themselves. Where municipal zoning provides for an “as-of-right” additional residential unit in virtually any residential property, irrespective of zoning, a percentage of property owners will inevitably create those units. Even without the implicit encouragement of permissive zoning, if they are in areas of high apartment demand, such as close to services, or near post-secondary institutions or major employers, the proportion of home-owners adding units will rise accordingly. The incentive to ‘convert’ single-family homes to duplexes or four-plexes (“quads”) will be similarly strong.

The key for municipalities is to ensure that building permits are secured for each of these projects. Of course, large-scale apartment developments run as commercial enterprises will routinely secure the requisite permits. The problem area is in creating small-scale apartments.

If applying for a building permit is perceived as imposing unwarranted costs or triggering intrusive, protracted, expensive processes, the property-owner may well be tempted ignore the requirements, particularly if most of the work is interior to the house / building and unobtrusive. That dynamic is unlikely to change where the requirement is a license, rather than a building permit or a rezoning application.

The solution is to ensure an easy, quick, low-cost permitting process where these modest projects are allowed – but where the permits are not sought, to ensure a vigorous and coordinated enforcement of the building, fire and electrical codes, by monitoring complaints and problem areas and by working with the contractors and neighbourhoods. Rather than imposing further regulatory requirements and costs, such as apartment licensing, municipal decision-makers need to ensure that the administrative cost to the homeowner or small-time apartment property owner is commensurate with the economic opportunity of offering affordable rental accommodation.

5. *Ineffective local enforcement*

While there are many municipal and provincial regulations and policies in the housing and property standards field, some may feel that they are ignored in practice or inadequately enforced. Much civic inspection and enforcement is on a 'complaints' basis and enforcement often appears to be largely ineffective against persistent or repeat offenders. (Restrictions in the *Residential Tenancies Act, 2006* on access to units by landlords and others appear to make civic inspections uncertain, episodic and time-consuming). Despite this, the City of Toronto's detailed analysis of licensing regimes points-out the problems inherent in enforcing an apartment licensing by-law, which appear equally daunting.^{v/}

Some municipalities that have considered apartment licensing began with intensive, targeted enforcement of existing rules and regulations, to see if the issue was more one of implementation rather than a need for additional legislation. The experience of those municipalities appears to be that vigorous, priority-based inspection and prosecution is quite effective in dealing with the situations that generate most complaints. The limitation appears to be related to the ability of the municipality and related authorities to marshal the enforcement process, notably through right-of-access to individual units to identify deficiencies and to develop the case for prosecution. It is also affected by the volume of non-compliance that has accumulated over time and dealing responsibly and sensitively with the cost and relocation issues generated by enforcement, for landlords but especially for tenants.

In the past, an inability to secure access to individual apartments and / or a scofflaw approach by some property owners and tenants had the effect of frustrating otherwise

adequate regulatory regimes. In some major cities, widespread evasion of planning approvals for individual apartment units has produced thousands of “informal” apartment units, and made amnesties more likely than zoning convictions. It appears unlikely that additional licensing would affect these behaviours. Evidence is clear that licensing does little to increase compliance, given the small percentage of converted units that appear to secure licenses in those municipalities where licensing has been adopted. Another reason is that a licensing regime does not provide any substantive additional enforcement tools for non-compliance. Successful and conspicuous prosecution sends a clearer and more results-based message to the market than does the prospect of licensing. In practice, the threat of shutting-down apartment accommodation or evicting innocent tenants for a landlord’s licensing violations or non-compliance proves difficult to carry through and attracts predictable media attention.

As previously noted, many municipalities have seen inability to gain access as a significant barrier to effective enforcement, licensing is often seen as a mechanism to compel access as a precondition for offering an apartment for rent. In Hamilton’s case, however, staff have pioneered the use of search warrants to ensure their ability to act on complaints or evidence of illegal conversion. Although it was once a rarely used aspect of existing legislation, Hamilton has incorporated search warrants into its regular enforcement program, as a periodically used ‘last resort.’ Even when search warrants are not used, the recognized fact that they are indeed secured on a regular basis has likely encouraged voluntary compliance with access requests. This ‘induced’ voluntary compliance enhances the capacity of enforcement authorities to inspect premises suspected of being non-compliant with existing provincial and municipal health, safety and property-related codes and standards.

Another innovation in Hamilton is that persistent offenders among the otherwise generally compliant major apartment owners have been targeted for special ‘blitzes’. In these exercises, enforcement staff set-up a special enforcement program for an apartment building, circulating information and soliciting input from tenants and neighbours. A phased approach, perhaps beginning with fire-code compliance and moving on to other standards, ensures a comprehensive result and addresses the chronic sources of tenant complaints. This more coordinated but targeted approach also avoids the specific-complaint response by enforcement staff, which vulnerable tenants may avoid for fear of either eviction or compliance costs contributing to increases in rents.

The litigious and difficult implementation experience of the City of Oshawa’s apartment licensing by-law is an interesting case-study in using a comprehensive approach to achieve a specific result. As of August 2013, there were 358 properties with apartment licenses (“residential rental housing license” or RRHL). This contrasted with 75 RRHL inspections in the first quarter of 2013, although the 2010-2012 average was 56 per quarter. To achieve

this level of coverage, the City's cost to process an initial license application was \$533 and the renewal cost was \$393. Although the fee is a substantial \$325 per license, the general taxpayer must obviously subsidize the program. Despite all this cost and effort, the licensing-related non-compliance appears low. The above-noted 56 first-quarter inspections yielded only set of infractions.

6. Enforcement by Landlord Tenant Board – too costly for tenants?

The Ontario Landlord Tenant Board (LTB) has jurisdiction to issue Orders that impose compliance obligations and fines or rent reductions on landlords that fail to meet the requirements of the *Residential Tenancies Act*.

Some have argued that the LTB is an ineffective forum for dealing with tenant complaints dealing with such matters as maintenance concerns, tenants rights, rent rebates, etc. The LTB is, it is argued, is too expensive, and therefore out of reach for tenants as a remedy. It is therefore necessary and desirable to use licensing, it is argued, to make up for this gap.

In fact, data from the LTB demonstrates that the LTB does in fact deal with a significant body of tenant-initiated cases relating to such matters.

The Chart below is reproduced from the Landlord and Tenant Board's Annual Report. It breaks down the over 6,000 tenant-filed applications by subject matter – over 1200 of which dealt with maintenance and 3,500 of which dealt with tenant rights. Clearly, with this volume of cases, the LTB is accessible for many tenants.

Tenant Initiated Application (2009-10)	
Description	No. of Cases
Determine whether the Act Applies	33
Sublet or Assignment	43
Combined Application	1,114
Vary Rent Reduction Amount	2
Rent Rebate (e.g., illegal rent)	574
Tenant Rights	3,517
Rent Reduction	43
Failed Rent Increase Above Guideline	2
Bad Faith Motive of Termination	115
Maintenance	<u>1,215</u>
Total	6, 885

Landlord and Tenant Board, *Annual Report 2009-2010*, at p. 17.

7. Existing rental housing market not working for tenants

Despite low interest rates, some municipalities are not seeing enough new supply of rental accommodation. The “Vital Signs” project in Toronto, Hamilton and other communities has raised the alarm over the effect of segregating low-income households in those areas where the limited supply of older rental housing tends to be concentrated.

One of the consequences of licensing residential rental units in single-family homes or in buildings with (say) fewer than six units is the resulting “business decision” taken by the property owner either to comply with new licensing requirements, or to discontinue the rental use.

Many owners of units in smaller properties or within single-family homes are not “absentee landlords”. Traditionally, supplementary rental units outside “student housing” districts, have been used to earn rental income to offset the cost of purchasing a home and carrying a mortgage, a vehicle through which many working families gradually achieved their goal of home-ownership. Historically, supplementary rental units in single-family homes, or the purchase of small multi-unit residential buildings (e.g., duplexes, four-plexes, etc.) have also enabled new immigrants to accommodate extended kinfolk, while sharing the cost of housing and while the tenants saved for home ownership or a better rental unit. CMHC reports that in the decade ending in 2006, fully 90,000 tenants have purchased homes.

It is estimated that there are as many as 23,000 such individual “unregistered” rental units in a city like Hamilton. If licensing contributes to a loss of these units in the regional housing market (Hamilton City staff estimated a 30% “shrinkage”), the consequences are significant for the volume of rental units available to serve low-income individuals, couples and families, and university and college students, as well as for the rental rates demanded for the remaining units. If being “captured” by an apartment licensing by-law also entails consequential, retroactive planning approvals or development-related levies, there would be an even greater incentive to discontinue the apartment unit, or to join the unregulated “underground economy” in lower-cost rental units, as documented by the City of London’s staff report on the topic [*referenced in Hamilton District Apartment Association’s Report to Planning Committee of Hamilton City Council, December 11, 2012*].

If a licensing bylaw has the effect of reducing the number of rental units, the reduced supply will put pressure on rents to rise, especially for affordable units. If, as is the experience in other municipalities, most units go underground, then the outcome of penalizing law-abiding owners with fees and compliance costs is questionable. In all likelihood, the least problematic units will be the ones to come forward and get licenses.

The purpose of this review was not to identify a specific solution. However, given all considerations, the best answer to the issues facing both small and large rental-apartment properties appears to be a time-limited, concentrated 'blitz', using experienced, existing civic staff, ideally with the collaboration of industry associations and local communities, that focuses on addressing the 'bad actors'.

Other Concerns and Observations

According to the CMHC, real rents in every municipality in Ontario over the past ten years have dropped, in part in response to a migration to home ownership. For a variety of reasons, it continues to be a good market for tenants. Corporations seem willing to invest in new rentals – 5,000 units in Ontario last year, and interest continues to build in this investment. However, the economics of new rental construction remains difficult, given that rents, overall, are declining.

It is interesting to note the experience of Hamilton enforcement staff with illegal units or non-compliant supplementary units in residential neighbourhoods. Although specific enforcement typically corrects the non-compliance that was the source of the complaint, the conspicuous presence and inspection activity of the enforcement authorities is said to have generated a collateral response of voluntary compliance and property upgrades in nearby rental properties with similar issues. Targeted inspection and enforcement can make economical use of existing staff teams, while generating a disproportionate volume of remedial action by small-scale apartment owners.

Hamilton's targeted inspection and a solutions-oriented approach by enforcement staff working with landlords have resulted in a significant drop-off in hearings under the City's property standards bylaw. In fact, although a Property Standards Committee is appointed by City Council to hear cases of landlord-tenant disputes over property standards violations there have been virtually no cases brought to the Committee in recent years, since the approach was adopted.

3. Conclusion: If apartment licensing is not the answer, what is?

Overall, the evidence appears to suggest that apartment licensing is not the best solution to any of the seven major ills it aims to resolve. The detailed analysis done by cities like Toronto, Ottawa, Regina, Milwaukee, and others, each of which concluded that apartment licensing should not be enacted, is illustrative.^{vi}/

Apartment licensing is not an efficient source of ‘net new’ municipal revenues.

It creates unintended negative effects on the local economy, and especially on the rental housing marketplace, for owners of major apartment buildings, as well as for the individual property owner or investor creating up to a half-dozen rental housing units in an existing community.

Far from protecting tenants and prospective tenants, licensing tends to put pressure on rents and to reduce housing choices.

For the broader community, there are demonstrated, superior ways to address the impact of student housing and ‘supplementary units’ on neighbourhoods.

On balance, the existing skein of municipal and provincial regulations and authorities provide a full “toolbox” for addressing problems in the rental housing. Better results in using that “toolbox” lie in more efficient targeting of civic and industry resources and in better legal and expert support for effective, exemplary prosecution of those who give rise to the majority of the complaints.

Appendices

About the author:

Michael Fenn is a Senior Advisor at StrategyCorp with extensive experience in leadership positions at the municipal and provincial levels of government, including seven years as an Ontario Deputy Minister (including at the Ministry of Municipal Affairs and Housing) as well as eleven years as chief municipal administrator in Burlington and Hamilton-Wentworth Region. He wishes to acknowledge the advice and support of a number of contributors, as well as the staff of StrategyCorp, in the production of this review.

About the Federations of Rental-Housing Providers of Ontario

The **Federation of Rental-Housing Providers of Ontario (FRPO)** is the largest association in Ontario representing those who own, manage, build and finance residential rental properties. Our membership includes a diverse group of owners and managers, from those with one small building or a single rental unit, up to the largest property management firms and institutional owners and managers. The association also includes our colleagues and partners in industry, including service providers, suppliers, and industry consultants. With more than 2200 members in every area of Ontario, and with over 350,000 homes, we represent the full spectrum of the industry in Ontario.

See more at: <http://www.frpo.org/>

What are FRPO's objectives?

FRPO works to promote a balanced and healthy housing market with a vital rental-housing industry, choice for consumers, adequate government assistance for low-income households, and private sector solutions to rental-housing needs. Owners and investors recognize that belonging to FRPO is one of the smartest investments they can make for their business.

Our **mission** is to provide the highest quality services to our members through education, policy development and advocacy.

We do this through:

- Upholding public policies that support the availability of quality housing;
- Protecting the rights of private sector landlords and property managers while helping them profit from their investment in multi-residential real estate;

- Informative and educational training sessions on regulatory issues and industry best practices;
- Promoting industry best practices, fair conduct and professional standards of our members;
- Fostering better communication and information sharing among members; and
- Educating government, the media and general public on the critical role of the private sector in the supply of well-managed and maintained rental accommodation.

See more at: <http://www.frpo.org/Objective#sthash.gj86D5cw.dpuf>

Appendix 1

Analysis of Costs for London Municipal Licensing Program	
Total Costs 2012	\$1,260,000.00 [Orest Katolyk, London Manager of Bylaw Enforcement, 2013]
Total Revenue 2010-Sept 13, 2012	\$91,400.00
Net Loss to Tax Payers	\$1,100,000.00 [cost per violation \$84,000.00]
License Fees (2-3 bedroom, non-owner occupied)	\$25.00 application/yearly renewal \$0 appeal \$95.00 inspection if required
Proposed License Fees ["Tenant Tax"]	\$230.00 new applications \$80.00 yearly renewal

**Sourced from London Property Management Association presentation to London (ON) City Council*

In the following endnotes, ***bold italics*** has been added to the original text by the author to highlight findings:

ⁱ/ City of Toronto Regulatory Strategy for Multi-Residential Apartment Buildings (MRAB), October 27, 2008:

"The revenue collected from landlords through the City of Vancouver's Rental Residence Licensing program covers all of the City's administration costs and most, if not all, of the enforcement costs related to the Rental Residence Licensing program." [pages 31-32]

London Property Management Association presentation to London (ON) City Council, June 2013 [slide 7]: *Initial operating cost of licensing exceeds \$1 million, net of revenue.*

Joe Hoffer, LLB, Kitchener: 2012 Submission to Guelph City Council: *Net loss on apartment licensing in City of London (2010 to date) exceeds \$1 million [slide 3]; net loss on apartment licensing in City of Waterloo for implementation year ~\$375K [slide 4], in part due to widespread non-registration in both municipalities.*

ii/ From Hamilton and District Apartment Association (HDAA) Report: OBJECTIONS TO ANY LANDLORD LICENSING BY-LAW: Dec. 11, 2012.

iii/ From newsdurhamregion.com, Feb. 12, 2008:

“Contentious student housing bylaw passes”

“The Student Association at Durham College and UOIT [University of Ontario Institute of Technology, in Oshawa] will be encouraging students to file complaints with the Ontario Human Rights Commission after city council voted Monday night to bring in a controversial bylaw regulating rental housing near campus...”

From City of Hamilton Staff Report, Sept. 18, 2012 [page 8]:

“...The City of Hamilton also needs to be careful that the by-law is not focused or directed at the type of person renting, which was one of the challenges faced by the City of Oshawa, drawing unfavourable comment from the Human Rights Commission as targeting students. In 2009, Hamilton was also cautioned by the Ontario Human Rights Commission when the Neighbourhood Residential Rental Housing Community Liaison Committee began to investigate the feasibility of licensing rental housing. The City of North Bay has placed a geographical limit on its rental housing licensing bylaw; staff is closely monitoring this situation to see what the response of the Human Rights Commission will be”.

Report on the inquiry into rental housing licensing in the City of North Bay, May 9, 2013:

“...1. Summary

“The City of North Bay’s rental housing licensing bylaw was enacted on January 1, 2012 and came into effect on May 1, 2012. Among other things, this bylaw imposed a bedroom cap, gross floor area requirements and a licensing fee on certain rental units.

“The Ontario Human Rights Commission (OHRC) was concerned that the bylaw might reduce the availability of low-cost rental housing and in turn disadvantage groups protected under the Ontario Human Rights Code (the Code) who rely on that housing. As a result, the OHRC initiated an inquiry to learn more.

“During the inquiry, North Bay residents reported a number of concerns to the OHRC, including:

- Students felt targeted by the bylaw and the process involved (including at a public meeting about the bylaw, and because it was rolled out into student areas first).*
- The gross floor area requirement, bedroom cap and costs associated with licensing may reduce availability of housing for students, large families and other people protected by the Code.*
- The City’s bylaw exemption process may discriminate against people who are not living as*

a “traditional family”...”

^{iv}/ City of Guelph staff Report 13-32, July 15, 2013, page 4.

^v/ City of Toronto Regulatory Strategy for Multi-Residential Apartment Buildings (MRAB), October 27, 2008:

“Being licensed and meeting the requirements of the licence would be a condition of being able to operate as a rental provider in the City of Toronto. Rental providers who did not comply with the terms of their licences would be brought up for review before the Licensing Tribunal, or some similar body set up for the purpose. This body would have the power to suspend a licence, place conditions on a licence or, ultimately, revoke it.

“A suspended licence, for example, would have to prevent a rental provider from renting any further units until all substantial outstanding matters were resolved. A revoked licence could be much more problematic, as it suggests that the landlord should no longer be allowed to operate the building. On the other hand, if it is not revocable then the point of a licence would seem highly questionable. And if it is, a clear process to manage the consequences of revocation would be necessary. A business licence would also raise a number of other questions. How would a revocation be applied to a provider that operates a number of properties? What would be done with the properties owned or managed by a rental provider whose licence had been revoked? Would the owner or operator be given an opportunity to divest the property? If this were the case, proper measures would have to be in place to ensure the tenants are protected. What if the offending licensee is not able, or refuses, to divest? What actions would the City be willing to undertake and at what cost? Finally, how would a licensing system be applied to City-administered social housing? With complex funding agreements for social housing providers, how might non-compliance affect multi-party funding relationships?

“The substantive enforcement issues make this option, in the view of staff, considerably problematic...”

^{vi}/ City of Toronto Regulatory Strategy for Multi-Residential Apartment Buildings (MRAB), October 27, 2008:

*“...Through its consultations with both external and internal stakeholders, [Toronto City] staff have concluded that **any option that significantly raises capital or operating costs for rental providers, without taking into account offsetting revenue streams, could have a negative impact on the long-term availability of rental units throughout the City, and it will do so disproportionately on the stock of affordable housing...**” [page 4]*

*“...In 2003 Milwaukee’s Department of Management and Budget (DMB) and Department of Neighbourhood Services (DNS) undertook a study of rental unit licensing in **fifteen American cities**. The analysis found that **rental unit licensing has very uncertain benefits and can create negative effects on housing markets and the availability of affordable housing**. Those negative effects would be likely to occur if rental unit licensing was implemented. Furthermore, the program would likely be met with substantial opposition in Milwaukee. It was concluded that **Milwaukee should not implement rental unit licensing because the policy would be expensive, meet strong political opposition, and cause more problems for Milwaukee’s rental market than it would remedy**.” [page 31]*

“In 2004, the [City of Regina SK] North Central Community Association (NCCA) undertook a study of regulating rental housing through a licensing regime. The NCCA identified the area of Regina North Central as the target area for possible further regulation to preserve and enhance the availability of affordable housing. Through public consultations the NCCA determined that the major concerns of residents were inadequate housing and a prevalence of crime in the area. Regina North Central’s population was approximately 35% aboriginal and this number was on the rise. Also, Regina North Central had a disproportionate number of old rental units which were in need of repair.

“The Rental Registry Steering Committee, comprised of staff from the City of Regina along with other municipal and provincial agencies, was formed and began researching options for enhancing the regulation of rental properties in the area. These options were identified as:

- 1) Rental unit licensing (RUL) which focused on the condition of the individual properties being offered for rent;*
- 2) Landlord licensing which focused on a landlord’s conduct rather than the condition of the rental properties alone;*
- 3) Rental registry and public disclosure;*
- 4) A complaint system coupled with rent withholding;*
- 5) Landlord training and certification; and*
- 6) Public disclosure of code offenders.*

*“The [Regina SK] Rental Registry Steering Committee looked at a **number of cities across North America that implemented some sort of rental unit licensing regime** to enhance the inspection of rental units in their jurisdictions...*

“In 2005, the Rental Registry Steering Committee published a report titled Research

Report on Rental Housing Regulations outlining their research and setting out options for enhanced inspection and enforcement regarding substandard housing. The City of Regina's City Manager **recommended that a rental unit or landlord licensing regime not be implemented due to estimated start up costs** of \$320,000 for new staff and equipment. Furthermore, Regina's City Manager reported that the costs recoverable for the first year of implementing the proposed licensing regime would be \$162,000, based on an estimated annual license fee of \$360 for the 450 sub-standard rental properties to be targeted. Consequently, the net cost for the first year of implementing the licensing regime would be \$158,000.

"To date the City of Regina has not implemented a rental unit or landlord licensing regime and continues to inspect and enforce against deficient properties through its property standards bylaw." [pages 32-33]



"Enforcing the current by- laws ensures compliance. Licensing adds nothing"

RE: PROPOSED LICENSING OF RENTAL HOUSING IN HAMILTON

Hamilton and District Apartment Association is an association of Landlords and Suppliers. Our members manage in excess of 30,000 units throughout Hamilton and surrounding areas. HDAA supports the City's efforts to ensure there are safe, affordable rental accommodations for all Hamilton Residents.

***This report outlines HDAA's opposition to licensing of Hamilton's Rental housing.** We have created the report to point out 5 main reasons why we feel licensing should not be accepted in Hamilton. Included as well, are alternate suggestions that we feel would benefit the City and resolve the issues that affect Hamilton residents.*

Our position as outlined in this report is to establish that licensing is a redundant, momentum killer that if accepted, will drain the City funds, put the City into an economic decline, force marginal tenants further into financial distress and have an overall negative effect on Hamilton. Licensing will in no way fix the issues we face with bad Landlords and Tenants and so we want to stress the need to find a better solution.

Arun Pathak

HDAA President

490 Nelson Avenue Burlington ON L7S 1X3

289-440-3185

info@hamiltonapartmentassociation.ca

or on the web at: www.hamiltonapartmentassociation.ca

SUMMARY

5 Reasons why Licensing should not be accepted in Hamilton

1. Licensing will become a momentum killer for investment growth in Hamilton. *(examples on page 2)*
2. Hamilton will feel an economic decline from loss of consumer purchasing power. This decline will send more tenants to the food banks, shelters and further into poverty. *(see how on page 3)*
3. Licensing creates redundant bureaucracy, and may contravene human rights & privacy legislation. Why use a sledge hammer to kill a fly? *(turn to page 4)*
4. The cost to enforce property standards should not sit solely on the backs of the tenants when it improves the entire neighbourhood for all city residents. *(page 5)*
5. Licensing fails to deal with problem Tenants and bad Landlords. *(learn why on page 6)*

5 Suggestions and alternate solutions to Licensing in Hamilton

- A. Continue with Current enforcement; work on improving the Tenant/Landlord/City Relationship. *(see how on page 7)*
- B. HDAA volunteers wish to work with City Councillors to proactively address potential issues, with the objective of creating a direct line of communication between landlords and the City. *(let us help on page 8)*
- C. The City currently has resources to gather contact information of Owners to deal directly with them. *(learn how on page 9)*
- D. Work with the “hot spot” off campus student housing neighbourhoods (Mohawk & McMaster) to better educate tenants to be respectful neighbours. *(for more suggestions turn to page 10)*
- E. Zoning is an issue that licensing will not fix. With a new comprehensive zoning bylaw scheduled for the near future, a new licensing measure would be unnecessary. *(on page 11)*

1. LICENSING WILL BE A MOMENTUM KILLER FOR INVESTMENT GROWTH IN HAMILTON.

MYTH:

- The investment climates will not change simply because of licensing.

REALITY:

- Investors are not interested in purchasing properties with licensing complications; this is proven in Waterloo and other Cities who have accepted licensing. If we lose the “# 1 place to invest in Ontario” status, we lose any momentum we have to grow. If we lose the investors, we lose the attraction to live and work here.

Don't stop the momentum: Investors are finally recognizing Hamilton as a destination. If their investment goes well, they will look to do it again, or improve the property to increase the revenue. Time spent in the city they invest in means more economic spin-off for Hamilton. The number of owners that have moved into Hamilton to be closer to their investment is on the rise.

Don't lower property value: The demand for properties for Investors is what helps drive the property values up, in turn allowing for greater tax revenue. Lose the interest in Hamilton and you lose revenue coming into the city. Neighbourhoods with desirable rentals are enjoying higher property value because there is interest in Hamilton as an investment opportunity. If property values drop for rental properties because of lack of interest after licensing, the city will either have to raise the tax on the surrounding homeowner or the city will have to learn to live with lower income from taxes with an overall reduction of property values.

Don't stop improvements: Better properties get better revenue from tenants, they enjoy less turn over, less maintenance cost and more profits. A good Landlord will re-invest in a property when they feel their profits will continue and have no fear of added costs and hassle.

Beware of hidden agendas: Is there a push to turn back the time, change neighbourhood to the 50's nuclear family look & lifestyle? Does this agenda fit this generation, or is it living in the past?

“To try disguising a new tax as a solution to a local by-law issue would be an insult to the intelligence of current and prospective investors. They will leave Hamilton”

as stated in the September 18th Planning committee meeting Jordin Neumann, Pudddy Properties Ltd.

2. **Hamilton will feel an economic decline from loss of consumer purchasing power. This decline will send more tenants to the food banks, shelters and further into poverty.**

MYTH:

- Licensing only affects the Landlords, that can afford the extra cost.

REALITY:

- For many Landlords there simply isn't enough extra money per unit leftover at the end of the month. The cost will be passed onto the tenant that in many cases can't afford the extra monthly fee either.

Don't take away consumer purchasing power: This cost of licensing will be passed on to the tenant either in above guide line increases, upon turnover or simply by the loss of available funds for unit upgrades. Some tenants can't afford the cost that will be passed onto them. This decrease in extra money means less spending by tenants and Landlords alike. If the Landlords feel the strain of added expense, they may not hire that roofer this year, or upgrade the landscaping. This affects the Companies that depend on the rental industry.

The City needs more affordable housing: Hamilton is providing one of the few locations for affordable rents (with over 40% of the population renting). It has been previously stated by the City of Hamilton's Housing and Homeless Action Plan (Oct 2011) that Hamilton is looking for 629 new affordable rental units per year for the next 20 years. Rental increases will decrease the current stock of affordable housing. Some renters will be displaced and forced into the city shelters.

Don't ignore the additional costs this will have: More time and money property managers have to spend with the additional administrative expense the more tenants lose in services or timeliness of services. The application fee does not reflect the actual cost. There may be multiple inspections with related costs; this is money & time spent on fighting claims & waiting for inspections.

Beware of hidden agendas: Is this a money grab? Are tenants an easy target to get money from because they won't see how this licensing fee will end up coming out of their pockets? If tenants really understood how much this would affect their disposable income, they would rise against Licensing.

"If a licensing regime is in the works, the city needs to ensure inspection, and that means more inspection resources. If licensing doesn't result in measurable results, it will be seen as just a cash grab and with good reason."

Spec article "Apartment licensing an Incomplete Solution" Aug 23 2012

3. Licensing creates a redundant bureaucracy and may contravene human rights & privacy legislation. Why use a sledge hammer to kill a fly?

MYTH:

- Licensing is the only way to make sure Hamilton's renters live in safe housing & ensure Landlords really understand how to provide proper housing.

REALITY:

- Landlords already face penalties if they do not abide by the current by-laws, building codes, fire codes and the RTA. Groups like the HDAA already provide information for Landlords so they can provide safe, affordable housing to their Tenants.

Don't duplicate: Licensing only duplicates the existing Building Code Act and the Residential Tenancies Act through the powers of the Landlord tenant Board and Enforcement Unit of the Ministry of Housing. Separating owner occupied & rental housing for by-law issues adds another layer of administration. The City and Province already have tools to deal with complaints. Insurers and lenders already require a high degree of due diligence, and inspection.

The City's perceived benefits from licensing are;

1. Gaining the ability to override Tenant's right to privacy by forcing entry into their homes and obtaining confidential & personal information.
2. The ability to obtain the contact information of the Owner.
3. The extra income from licensing.

Have they thought about? ...

- How the tenant's privacy rights are violated (PIPEDA & human rights)?
- Would the City become liable if they licence properties that are later found to be unsafe?
- Will there be a possible shifting of blame and responsibility between municipal staff when complaints continue?
- Will things get back logged when the wrong person is called to a "rental issue" not a "homeowner issue"?

Beware of hidden agendas: Are the councillors simply trying to appease certain groups by saying they are doing "something"

"Regardless of how Council decides to implement licensing, investors will see it as a tax and an unknown and the result will be less investment in Hamilton"

as stated in the September 18th Planning committee meeting Jordin Neumann, Pudddy Properties Ltd.

4. The cost to enforce property standards should not sit solely on the backs of the tenants when it improves the entire neighbourhood for all city residents.

MYTH:

- All the poorly maintained properties are rental units.

REALITY:

- 43 % of the orders from the Pilot Project are owner occupied, the orders on garbage issues are higher on owner occupied properties than rentals.

Don't focus on one group of people: All residents, renters and home owners benefit from well maintained properties and so the cost to maintain property standards should not be targeted at rental properties alone. Why are Churches & individual homes not licensed? They should be protected from unsafe environments too. If rental properties need to be licensed because they are owned and managed by people who do not live there, than all business, schools and churches should be licensed.

Don't lay the blame solely on the Landlords: Many years of neglect by the City to enforce bylaws has resulted in unmaintained properties by both renters and homeowners.

Beware of hidden agendas: Targeting specific demographics which are protected under the human rights code (including students) is illegal. Knowing this, the City has to work around the system to achieve their hidden agenda of displacing students by creating a system that will encompass them while maintaining the façade of helping all Tenants.

"Using licensing to move tenants out of an area is immoral, unethical and reprehensible."

- HDAA member

5. Licensing fails to deal with problem Tenants and problem Landlords.

MYTH:

- Licensing will force bad Landlords to comply.

REALITY:

- Good ones will buy a licence, but others will wait until they are physically inspected.

How licensing does NOT change a bad Tenant: When a bad Tenant makes excessive noise, it can take up to 2 months (sometimes longer) to go through the eviction process. In the mean time the City charges the Landlord for the noise complaint. The Landlord cannot change bad behavior and even when they successfully evict the Tenant, it simply becomes another Landlord's problem, who will in turn encounter the same issues.

How licensing does NOT increase the number of available choices the Tenant has to report bad Landlords: Under the current system, if a Landlord fails to maintain a property the Tenant can;

- Withhold rent, ask for rent abatement at LTB
- File application with LTB (Landlord Tenant Board)
- Phone City's by law enforcement
- Contact the Health Department
- Contact the Fire Department (if relevant)
- Contact Electrical Safety Authority (if relevant)
- Contact the Enforce Department of the Ministry of Municipal Affairs and Housing
- Contact the Technical Standards and Safety Authority (if relevant)

If licensing is introduced, the Tenant's actions for reporting a bad Landlord are the same, with NO extra options to help them.

"181 Jackson St and 95 Hess are frequently visited by Hamilton police, so much so, that the police have started tracking stats on the number of police calls"

"The Hamilton spectator article of Sept 26th 2012. "drug plagued apartment keep cops hopping" is a great indication of how difficult it is even for a City run building to effectively control Tenant's behaviour."

- HDAA member

A. Continue with Current enforcement; work on the Tenant/Landlord/City Relationship.

MYTH:

- Only an extra Licensing fee will stop by law infractions & ensure safe housing for Tenants.

REALITY:

- The proactive by-law enforcement team is working. Allow them to help clean up the bad properties, added licensing is only doubling up.

Make the City /Tenant/Landlord relationship stronger. We all have a common goal for better living conditions of renters in Hamilton. If we can improve our communication and focus on understanding where all 3 groups are coming from (i.e., time frames, costs, ability) it will go a long way in helping create a consistent and reliable system to deal with issues that arise. It is the respect of all three groups that will improve the working relationship with each other.

We support proactive enforcement. In spirit the program works well, however there should be greater caution when using overly aggressive methods for entry. The common complaint received from tenants during the pilot has been the approach taken for gaining access to their homes.

Who is really afraid of who? The City seems to think there is a large number of Tenants who are afraid of their Landlord, when the truth is, the Landlord has limited real power or control over the Tenants.

"We have to be strategic, to start with the worst of the worst," Glyn Wide (Manager of Municipal Law Enforcement for the City of Hamilton) said. "But I think more aggressive enforcement is working. We just have to be persistent."

Spec article: 'It's driving families out of the neighbourhood' by Matthew Van Dongen Thu Aug 30 012

B. HDAA volunteers wish to work with City Councillors to proactively address potential issues, with the objective of creating a direct line of communication between landlords and the City.

MYTH:

- Landlord don't care about the rules, Tenant quality of life or neighbourhood appeal. They don't want to do anything extra if its going to cost them money

REALITY:

- Every Landlord wants to stay in business. The best way for them to do that is to follow rules and invest in educating themselves so they don't have to pay extra money in fines and unexpected expenses. Any money spent that will increase the quality of Tenant and property value is always money well spent

Find solutions with Landlord groups: HDAA will be expanding its seminars, workshops and special education programs. We welcome the City's participation in helping to develop and deliver the information to our members.

Formalize a committee: The HDAA would like to create a stronger working relationship with the City by having regular meetings with Councillors and officials to discuss rental property issues.

Don't use a sledge hammer to kill a fly – Take a different approach to solving the rental issue;

- Work with groups & create incentive programs to help build more 'purpose built' rental properties within the high demand areas.
- Offer incentives to multi-plex/commercial Landlords (downtown incentive program style) to beautify front facades and properties outside downtown area (some European cities already do this and in fact lower taxes on properties that do it).

C. The City currently has resources to gather contact information of Owners to deal directly with them.

MYTH:

- Licensing will provide information on owners for the City

REALITY:

- Licensing is not the only way to get contact information, the City already knows the legal owners and has the ability to contact them already

Owners want to deal with issues: Landlords would rather deal with work orders than have them registered against title. Landlords invest huge amounts of money in investment properties; they don't want to lose that investment because things weren't maintained properly. It is in their best interest to hear about issues.

The City already has the ability to get owner information: On the tax roll the city already has the legal owners name and address. If the city wants further information they can attach a questionnaire to the tax bill to obtain items like the phone numbers, email addresses details on the contact person for by-law issues.

Allow Landlords to fix the problems: Contact the owners, let them know what the problem is. Give them time to fix it and allow a working relationship with Landlord.

"This a tenant tax on the tenants. The cost is going to flow right through to them," said Cameron Nolan, the president of a Realtors Association of Hamilton-Burlington, who called on the city to consult more with landlords before implementing a licensing scheme.

Spec Article: Hamilton landlords in uproar over licensing City council aims to crack down on 'deplorable' rental unit conditions by Matthew Van Dongen Wed Sep 19 2012

D. Work with the “hot spot” off campus student housing neighbourhoods (Mohawk & McMaster) to better educate tenants to be respectful neighbours.

MYTH:

- Landlords don't care about the neighbourhood, only how much money they make from their property.

REALITY:

- A better balanced, and well maintained neighbourhood increases the value & desirability of a rental unit.

Licensing will not change the mix: Students will need to live close to their school. Licensing will not reduce the student populations around the campuses, unless more purpose built student housing is build on or near the campus.

Find solutions with the Schools: The University and College invest millions in Hamilton; work with the schools to help educate student Tenants. Work with the stressed areas to find a solution to unbalanced neighbourhoods. Incentive programs for student rental housing around McMaster & Mohawk, such as an interest free loan, waiver or deferral of development charges for people building student rentals may help reduce the student population in the surrounding areas.

Find solutions with the students: Students who study in Hamilton greatly boost Hamilton's economy. Without them the city will feel the economic decline. Help create a campaign that promotes pride in Hamilton to educate the students on how to integrate into the city. These students can impact how a city feels and looks and in turn decrease the student rental issues we face.

E. Zoning is an issue that licensing will not fix. With a new comprehensive zoning bylaw scheduled for the near future, a new licensing measure would be unnecessary.

MYTH:

- Licensing will bring out the "illegal" units without any extra cost for the City

REALITY:

- The "non-conforming" units (which are in most cases safe) will only be found with a physical inspection. The physical inspections can be done now without having to bring licensing.

Illegal vs. Unregistered: When the units don't conform to antiquated zoning laws, they are condemned as "illegal" when the truth is they are simply non-conforming. A great example of this is the majority of vehicles traveling the QEW are traveling at a speed over the legal limit, however due to non-enforcement, it is an accepted practice.

To zone or not to zone: A related but separate issue of licensing is zoning, which in itself is a greater issue. Zoning needs considerable study and discussion because it is estimated that there are 23,000 unregistered units in Hamilton. Nothing should be done that might displace 23,000 families when the cost of shelters is \$1,200 a month and we don't have housing for them. We believe that tabling the licensing issue until the planned zoning review next year is the most productive solution for now. Use the options mentioned in this summary until the city can clean up the illegal units and rezone the legal-non conforming units.

"And what happens to people displaced by apartment licensing? What happens to the family in the illegal third unit when the house is scaled back to a legal duplex? There are 5,700 people looking for affordable housing in the city. As important, 15,000 renters spend at least half their income on shelter. Fewer rental units overall means more demand and probably higher prices, which will impact the people who can afford it least "

-Spec article: "Apartment licensing an incomplete solution" Aug 23 2012

Landlord Licensing: The Challenge Continues!

As part of the 2013 city budget, city staff recommended an 800-per-cent increase to landlords for the Residential Rental Licensing Bylaw fees. City staff recommended that the landlord licensing fees be increased from the current \$25 per building per year to \$230 per year for new applications and \$80 for renewals. As many of you already know, the licensing fee applies to rental properties with one to four units. This means tenants of single-family homes, duplexes, triplexes and fourplexes must pay the increase.

LPMA retained the legal services of Joe Hoffer of Cohen Highley to speak to council during a public participation meeting on the budget. Joe obtained information from the city through a Freedom of Information request and showed members of council that staff failed to provide council with the following information:

- The licensing program has been in operation for three years and has operated at a loss of \$1.6 million, all of which has been paid for by taxpayers.
- 3,000 license applications were received, only 15 were refused, and none were for "substandard housing." This means it cost taxpayers \$84,000 for each violation and 15 tenant households were evicted.
- All 15 violations could have been dealt with by the city under the fire code (two violations) or the zoning bylaw (13 violations), not the licensing bylaw.
- Staff want increased fees to hire two more staff members, which will cause ongoing annual operating losses of \$400K because the increase in fees will barely cover the cost of two new staff members.
- The license is not like those issued to taxis, retail stores and other businesses where license fees are passed on to hundreds of customers; these fees are passed on directly to tenants living in buildings with one to four units, period!
- Staff proposals are "empire building" with no benefit to tenants or taxpayers and taxpayers will continue to fund the annual \$420K loss.



An 800-per-cent increase is recommended.

After Joe's presentation to council, we encouraged all of you to speak to your city councillor. For those of you who did, thank you!

On Feb. 28, city council met to pass the budget. Included in the budget was the proposed licensing fee increase. The issue was debated and a link to the video from council's meeting can be found on LPMA's website. The licensing fee increase was supported by council on an eight to six vote. The eight councillors who supported increasing the landlord licensing fee are: Joe Fontana, Joe Swan, Joni Baechler, Nancy Branscombe, Paul Hubert, Harold Usher, Judy Bryant, and Sandy White.

However, it does not end here. The motion to increase the fee indicated that the increase is subject first to a public participation meeting and then it is to be sent back to council for a final decision.

Therefore, if ever there was a time for each and every landlord in this city to talk to their city councillor it is now! The only way we can try and get this program kicked out of city hall is by contacting city councillors and by appearing at the future public meeting. It was a close vote to pass this increase at the Feb. 28 budget meeting. LPMA encourages each of you to speak to your city councillor and especially if you live in one of the wards of the eight councillors who supported the increase. Make sure your councillor understands that the licensing bylaw adds no value to the city, imposes a hardship on tenants, and costs taxpayers hundreds of thousands of dollars in annual losses: Just quote the bullet points above. Councillors' contact information can be found on the City of London website, www.london.ca. If you have any questions, feel free to contact the LPMA office.



**Though you may have
the luck of the Irish,
try not to push it
on St. Patrick's Day.**

Party Tips

1. Party with people you know
2. Tell your neighbours about the party and give them your contact info (But remember, the noise bylaw is still in effect!)
3. Designate a sober host
4. Clean up immediately, especially outside
5. Avoid partying in the same house repeatedly



Common Fines

Urinating out-of-doors:	\$365
Using a fake ID or drinking underage:	\$125
Open alcohol in public:	\$125
Public intoxication:	\$65
Littering:	\$365
Noise:	\$365
Nuisance Party:	\$750

University Centre, Main Floor (beside Information Desk)

519-824-4120 x56276

studentlife.uoguelph.ca/ocl

ocl@uoguelph.ca



OCL.guelph



GuelphOCL

student
LIFE
Off Campus
Living

From: Imad Syed
Sent: April 28, 2014 11:24 AM
To: Clerks
Subject: PBEE Committee meeting on May 5th

Good Morning

I would like to send a message in support of the City Staff's recommendation for not implementing licensing of rental housing at this time. Please let the committee know that i support the City Staff's view.

Thanks

Imad Ali Syed

From: Dave Neill
Sent: April 27, 2014 7:23 PM
To: Clerks
Subject: licensing program for SRH

Hello,

I'd like to voice my support for the city staff's recommendation NOT TO PURSUE licensing at this time. I think better enforcement of current by-laws is the best way to handle the problematic issues that the city is currently facing. I think moving forward with licensing would be foolish and economically dangerous for the city to do at this time.

Thanks,

Dave

--

Dave Neill

From: Anne McKinnon
Sent: April 27, 2014 8:29 AM
To: Clerks
Subject: Landlord Licensing Fee

*I am writing in order to support the City of Guelph staff recommendation against a landlord licensing fee **and that it is accepted by the P, B, E& E Committee.** Enforcement of existing by-laws makes more sense.*

Sincerely,

Robert G McKinnon
Landlord

From: Kim King
Sent: April 26, 2014 9:51 PM
To: Clerks
Subject: Please vote Yes to the Staff's...

recommendation not to impose licensing at your May 5th and 23rd meetings.

I am a realtor and a homeowner that has a legal basement apartment in my home. I have followed code and the bylaws. Paying and caring to follow the city's criteria and restrictions. I continue to pay after my new assessment value via my property tax.

The city can find money focusing on those property owners that have ignored residential codes, bylaws and continue to fill residences without accountability to the city.

We who have done right by the city should not pay for those who continue to lie and hide.

It is no wonder people hide. If you do not stop focusing on charging the people who have identified themselves, you are creating a bigger problem with those that will continue to hide and lie.

I encourage all Councillor's to accept the Staff's recommendation NOT to impose licensing at their May 5th and 23rd meetings.

.
Sincerely,

Kim King

From: Terri Ann Ford

Sent: April 26, 2014 8:15 PM

To: Clerks

Subject: say NO to rental licensing from a Realtor/Broker

This email is to encourage the P,B, E & E Committee and all Councillor's to accept the Staff's recommendation not to impose licensing at their May 5th and 23rd meetings.

With Kind Regards,

TerriAnn Ford

From: Bill Green
Sent: April 28, 2014 11:35 AM
To: Clerks
Subject: Licensing of rental housing

Dear Sir or Madam:

I just wanted to let you know the decision on not going ahead with licensing of "some of" Guelphs rental housing is a good one.

Property taxes in Guelph have been reported in various surveys to be amongst the highest across Canada. We do not need any more expensive "experiments" for only a select number of rental housing facilities that will further increase what is already reportedly the highest property taxes in the country...

Yours truly: Bill Green

April 29, 2014

To: the councilors of our City of Guelph

Re: Registration of Rental houses.

Dear Representatives,

There exists a disconnect between a temporary residents of Guelph and those more permanently employed in the region. Each comes from a different head-space, but the Human Rights Commission insists that both groups are equal before the law. More importantly, both are essential to our City's economy, reputation and prospects for future growth.

The gap in behavior and income between these two groups has been brought to the front with student housing and neighbourhoods becoming the main focus.

It is, in fact, an ever changing and very small minority of our students who occasionally cause their neighbour's blood to boil. It is a pity that no one keeps statistics on the overwhelming number of very happy coexistances in our neighbourhoods nor the anger which exists between neighbours in which everyone is over 40.

The question is, "How do we live well together" Not, "How can we better label and identify each other".

I applaud the City's staff in recommending not to enter into a housing registration process at this time. They are recognizing that it will become an expensive cat and mouse game with compliant landlords coming forward immediately and the un-declared landlords being reticent.

In time, I believe the City may indeed discover a number of safety or zoning concerns which could be remedied, but these remedies would not change the relationship landscape among our varied population.

Enforcing building standards will not remedy poor behavior while drunk. And that is the one central irritant dividing our citizens. Occasional irresponsible, immature or unseemingly behavior. It looks bad on the students, on the neighbourhoods and on our city. But complaints will continue on this front despite any of our initiatives targeting buildings. In fact, new complaints will come alongside the old deploring the new room taxes being collected and deployed to little effect.

Let's learn from the mistakes of cities who have gone this route and not get caught up in a new drag on our city budget.

I reiterate my offer to sit with councilors to work on ways to improve both the standard of housing and to render our existing 'bad behaviour' by-laws more effective without creating a new layer of dissatisfaction.

Sincerely

Pierre Sandor

From: Paul & Judy MacEachern
Sent: April 26, 2014 10:49 PM
To: Clerks
Cc: Karl Wettstein; Todd Dennis
Subject: Re: Report 14-29 – Rental Housing Licensing

Thank you kindly for sending out a summary of city staff's report.

I have several rental housing issues that I'm confident city staff are addressing:

- 1) Property standards for rental properties are not being enforced on a routine basis
- 2) Parking by-laws are not being enforced on a routine basis

These are two key issues that plague my neighbourhood of Southcreek Trail. I have only been successful once in having the by-law enforcement officer address the issues. I've left messages and actually asked for my calls to be returned, yet this was not successful despite three previous complaints over the past year. As well, I've never been able to directly talk to a by-law enforcement officer regardless of the reason for my call. I think staff should look at the number of city by-law complaints relative to the actual follow-up investigations. I certainly would support, with my taxes, increased by-law staff if that is required.

Lastly, I think it is shameful that the University of Guelph feels it is doing any useful in addressing issues pertaining to student rental housing. The University has opposed new development, targeted to students, that is in close proximity to the university. Rather, their complacency in not addressing their students' needs has only left investors to continue what I refer to as the "urban student sprawl" that has turned neighbourhoods like my own into rental properties.

Thank you again for keeping me abreast of developments as we move forward in finding the right balance between residential and rental properties.

Best regards,

Judy MacEachern

Date: April 30, 2014

To: Planning, Building, Engineering and Environment Committee for May 5, 2014

To Mayor Farbridge and Members of Guelph City Council

From: Donna and Morris Haley; Guelph, Ontario

RE: Rental Housing Licensing Recommended Approach. Report No 14-29.

We are long-time SRH Landlords and so have a vested interest in the resolution of this issue.

Much effort has been incurred over several years by all Stakeholders to influence a resolution of how the SRH issues in Guelph might be resolved.

There have been missteps along the way, in our opinion, but this time City Staff got it right to not recommend a licensing program but to continue enhanced enforcement to deal with rental housing issues. Up to now the general consensus of Staff, including elements of Council & the public supported a form of licensing, even though licensing is not good public policy. City Staff's decision to change course took courage and Staff should be commended for that.

We hope the P,B, E & E Committee and Council in turn will support the recommendations contained in Report No 14-29.

The concerns surrounding the licensing debate can be summarized as behavioural issues, zoning issues, safety concerns and impact on tenants. Each of those concerns as noted by Report 14-29 can be dealt with by using current by-law enforcement tools and by continuing the current level of enhanced enforcement without adding a costly layer of bureaucracy.

Several of the following comments we have made in previous submissions on this topic, but they still warrant repeating. In addition, the acronym "SRH" to us means "student rental housing" since this licensing issue is still all about "student rentals."

1) Behavioural Concerns:

SRH issues are focused primary with behavioural issues that occur predominantly in Wards 5 & 6 relating to the high density of student housing. Staff is correct to state that licensing would not address behavioural complaints.

It is behavioural issues, mostly caused by a small number of Tenants that cause the vast majority of complaints from residential neighbourhoods. Behavioural issues cannot be controlled by any Landlord. Application of existing by-laws, charging the people responsible, is the only way to control such infractions.

With recent enhanced by-law enforcement, the introduction of the nuisance by-law and with new University neighbourhood outreach programs behavioural type complaints have declined materially in adjacent University neighbourhoods. As stated in Report 14-29 "these initiatives could be built upon" and given additional time to work.

2) A Potential License Program & Related Cost Would Only Correct Past Lack of Previous Zoning Enforcement:

During the last 20 years University enrollment doubled to 23,000 students and the City's overall population grew by at least 25%. During this time, prior to 2012, Inspection Staffing levels did not increase even though the student and general populations had increased. We believe the by-law enforcement areas have been understaffed for many years. Why was this allowed to occur? No doubt Fire and Police Department Staffing levels kept pace with population growth.

Most of the off-campus student population were accommodated in house type accommodations, including many unlicensed lodging houses & unregistered basement apartments, predominantly located in Wards 5 & 6. This in part gave rise to neighbourhood complaints about behavioural, parking and housing concentration issues.

During this time the City did not proactively enforce zoning by-laws. For example, during 2008 and 2009 only 13 unregistered house apartments and 13 unlicensed lodging houses (renting 5+ bedrooms) were removed and then only on a complaint basis. Those numbers are insufficient when Staff currently estimate there are 1,000 + unregistered basement apartments & given the large number of unlicensed lodging houses (5+ bedrooms).

No wonder improper rental zoning uses (and behavioural issues) became concerns in Ward 5 & 6 neighbourhoods.

However, a license by-law, if implemented, would fund additional staffing resources to provide a zoning by-law enforcement function on a catch-up basis. That enforcement action should have been implemented many years ago as part of normal City operations and funded by property taxes. License fees would only represent an additional form of property taxes or double taxation to Landlords and their Tenants, especially to compliant Landlords.

Today, we are now dealing with rental housing issues due to lack of past enforcement. However, it is unfair to expect compliant landlords and their tenants to pay licensing fees to rectify past mistakes.

For this reason alone, Staffs recommendations contained in the Report should be accepted.

3) Proposed Building Services Staffing Cost of \$135,000 is necessary and reasonable:

Based on our comments in Item 2 this cost item only represents a "catch-up" on many years of underfunding the Inspection Staff in Building Services while student and general populations increased dramatically. We understand one (1) Staff was added in 2012 and this proposal would represent the second staff addition.

Prior to 2012 we understand only 2, maybe 3, Building Services Inspectors were on staff for the previous 20 years. We believe Staff should be requesting even more Inspectors.

We hope Council will approve the requested \$135,000 amount. That amount is insignificant and only represents a rounding error on the City's budget. In addition, This cost component is much

cheaper than creating a license program bureaucracy with 4 to 8 staff with fixed salary, overhead and future legacy costs.

4) Licensing Is Not required To Resolve Safety Concerns:

For several years comments have been made by some Councillors and by the public at large referring to their concerns about health and safety of tenants who are living in "unsafe conditions" and who also refer to "slum landlords".

No quantitative studies have ever been provided to show that there is a rampant infestation of at risk SRH rental properties in Guelph. We suggest that old & larger purpose rental properties constructed to currently out of date building code standards pose a greater safety risk then the newer SRH properties currently rented in the South End.

Of course there are sub-standard rental properties of all classes. However, Tenants are protected by City zoning, property standards and other existing municipal by-laws, and are further protected under the Building Code, Fire Code and Residential Tenancies Act. These enforcement tools already exist without requiring a licensing program. In addition, City Staff and the University will continue to educate students about their rights to safe accommodations & options available to remedy unsafe conditions.

The best guarantee to provide safe rental accommodation is to encourage a plentiful housing supply at competitive prices. That way the "slum landlords" are forced out of business. Presently, there is an excess supply of SRH in Guelph even without considering the 900 + purpose built student high units that will be soon entering the market. The Report acknowledges that licensing would have a negative impact on the supply and affordability of SRH.

We agree with the Report that continuing enhanced enforcement by use of current by-laws, streamlining the search warrant process and increasing fines is a more cost efficient alternative to licensing to both renters and taxpayers.

5) Licensing would negatively impact affordability and supply of rental accommodations to the general population equal to at least 13,836 bedrooms:

Using MPAC data, City Staff identified 8,700 one and two unit houses containing 9,600 rental units that would be subject to a potential licensing program. Properties containing 3 or more rental units were excluded. Those 8,700 houses represented 28,836 rented bedrooms of which 15,000 bedrooms at most would be rented to students. The remaining 13,836 available bedrooms are currently rented to the general population.

A license program, if implemented, would impact the affordability and supply of rental housing to the whole City and not just to students congregated in Wards 5 and 6.

City Staff is correct to understand this impact. By not recommending a license program the negative impact to the general public can be avoided. Instead, a program of enhanced enforcement presumably targeted to specific problem areas would be a more effective use of resources.

6) Licensing Does Not Create A Level Playing Field To Landlords:

License programs in London and Waterloo have been characterized by:

- A lack of self-registration compliance. London and Waterloo have 20% and 31% respective Landlord registration rates after 3 to 5 years from implementing their license programs.
- A lack of enforcement to force Landlords to register. In Waterloo & London Staffing resources are used in Administration & not enforcement. Waterloo did not hire sufficient Staff (hired 6-9 only).
- As at February 2014, after 2.5 years Waterloo had only achieved 3 court convictions with 20 cases currently outstanding. However there are at least 6,683 unlicensed properties presently in Waterloo (3,000 properties are licensed).
- In Waterloo, we understand compliant Landlords presently complain to Enforcement Staff about the high rate of unlicensed properties because it creates a greater unlevel playing field for them.

License programs currently in place only creates a greater unlevel playing field between compliant and non-compliant landlords given the low rate of registration in other cities.

Again, Staff is correct to state that using existing by-law with greater enforcement presumably targeted to higher risk areas is a more cost effective approach then creating a license program.

Should Staff's recommendations be rejected and a license program proceed then we, as compliant landlords, would expect a program be structured to achieve a 90% or greater compliance rate and to cover all rental properties. A level playing field would then be created. However the cost and staffing levels to implement a high compliance rate would much higher then what the 2013 Cost Benefit Analysis anticipated.

7) Conclusion:

For the reasons noted above we urge the P, B, E & E Committee to accept & Council in turn to also accept this Report.

Respectively Submitted,

Morris Haley

Donna and Morris Haley.

Donna Haley

From: Chris Cairns
Sent: May 1, 2014 9:57 AM
To: Clerks
Subject: Support for non licensing decision

Hello,

I would just like to express my support and commend the council in their decision to not move forward with a rental licensing program. It is apparent they did their diligence and took all factors into account in reaching their decision.

As has been discussed, the main concerns would not be addressed in implementing a licensing program and would lead to new detrimental issues (dampened real estate market, non compliance, punitive for some residents of Guelph etc). The main issues can be addressed under its current by-law format.

Thank you for hearing all perspectives on the topic.

Chair and Members of the PBEE Committee,

Please consider my comments with regards to the Shared Rental Housing Report.

I am very disappointed to hear of staff's recommendations to not license rental housing in the City of Guelph, which will include lodging houses, accessory apartments and separate rooms in houses for rent. The idea of just doing more of the same, which is basically a reactive based solution (lets wait until we see a problem then fix it) is irresponsible and allows irresponsible landlords/investors to continue their behavior unless they get caught or worse yet until a fire claims a life or two in an unlicensed, unregulated and therefore not inspected rental accommodation. The idea of the recommendation of enhanced enforcement and education puts all the responsibility on residents/tenants of the neighbourhoods inflicted with inadequate, unsafe and nuisance properties, as they will have to make complaints in order for anything to be triggered. This pits one neighbor against another, which can and has cause much angst and even retaliation from landlords/tenants complained upon. It is not the job of residents to police, this it is the responsibility of the city to ensure safe housing and neighborhoods through the power of building codes, fire codes, property standards and licensing.

Since May 2003, I have been involved with studies, workshops, surveys and public meetings with regards to shared rental housing only to watch each episode end with pressure from landlords guiding the final decision by staff and council, with the end result being reactive based enforcement and not push forward with a proper system to address this issue. I am once again astounded and dismayed that nothing concrete nor tangible is being recommended by staff, but enhanced enforcement and education and that these costs will be borne by residents. Why should residents be made to pay for the profits of landlords?

On March 20, 2014, two people died and eight others were taken to hospital after fire broke out in a second floor unit in an illegal lodging/rooming house in Toronto. **Ken Hale of the Advocacy Centre for Tenants Ontario is quoted "there are thousands of illegal rooming houses across the city and that Thursday's deadly blaze serves as a dire warning of the dangers - in large part because they are not subjected to annual safety inspections that having a license would require." "We know that they are in every community," said Hale, adding that while not all illegal rooming houses are dangerous, there is always the potential for disaster because of lack of inspection. "They focus on the low end of the market for people who can't afford to rent an apartment...Many of these groups don't have a lot of money, so they don't have a choice." Hale said city zoning for rooming houses/lodging houses is antiquated, and hasn't kept up with the changing face of poverty, which includes more single people and seniors living alone, as well as new immigrants and students. "If you create a legal channel for this need to be met, there isn't quite as much of a need for the illegal(aspect)," Hale said "You've heard these arguments about the legalization of marijuana. Is making things illegal the best way to control the dangers that we are trying to protect people from? It doesn't seem to be working."**

Michael Shapcott and Councilor Adam Vaughan both stated that even though rooming houses/lodging houses sometimes operate illegally that having a set of regulations has cut down on wayward landlords and made such accommodation a safer option for people who need cheap housing.

I guess the real choice is: Do we continue to turn our heads away, or take some sensible, responsible action and effectively regulate the sector?

I am beginning to question the whole point of Community Engagement. Over the last number of public consultations I feel that residents are not being heard and really wonder the purpose of being involved at all.

Guelph has been targeted as a growth centre, we are expected to increase density. It is more important now than ever for the city to do the responsible thing and regulate and license this industry for the safety and quality of life for all residents of this city. Please do not support staff's recommendation and instead push forward with the licensing and regulating of Shared Rental Housing.

Lorraine Pagnan

CONSENT AGENDA

May 26, 2014

Her Worship the Mayor
and
Members of Guelph City Council.

SUMMARY OF REPORTS:

The following resolutions have been prepared to facilitate Council's consideration of the various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with immediately. The balance of the Consent Agenda will be approved in one resolution.

A REPORTS FROM ADMINISTRATIVE STAFF

REPORT	DIRECTION
CON-2014.32 9 WOODLAWN ROAD – FORCEMAIN ON CITY RIGHT-OF-WAY 1. That the Mayor and Clerk be authorized to execute an agreement between the City of Guelph and Mappi Ltd., Brampton allowing a private forcemain to be constructed on the City right-of-way for the 9 Woodlawn road development site.	Approve

attach.

STAFF REPORT

TO **City Council**

SERVICE AREA Planning, Building, Engineering and Environment

DATE May 26, 2014

SUBJECT **9 Woodlawn Road – Forcemain on City Right-of-Way**

REPORT NUMBER

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To prepare a By-law for the placement of a private forcemain on the City right-of-way.

KEY FINDINGS

- The property located at 9 Woodlawn Road is currently under review through the Site Plan process with a commercial/office building being proposed by Mappi Ltd, Brampton.
- The existing site is not connected to municipal sewer or water.
- Due to the elevation of the site and the lack of a sanitary sewer on this portion of Woodlawn Road, a forcemain and lift station are required.

FINANCIAL IMPLICATIONS

Funding for this proposed forcemain and its maintenance is fully developer funded.

ACTION REQUIRED

That Council approve the report authorizing the Mayor and Clerk to execute an agreement.

RECOMMENDATION:

1. That the Mayor and Clerk be authorized to execute an agreement between the City of Guelph and Mappi Ltd., Brampton allowing a private forcemain to be constructed on the City right-of-way for the 9 Woodlawn Road development site.

BACKGROUND

The property located at 9 Woodlawn Road is currently under review through the Site Plan process with a commercial/office building being proposed by Mappi Ltd, Brampton. The existing site is not connected to municipal sewer or water. This report is in response to the Developer's request to place a forcemain on a City right-of-way.

STAFF REPORT

REPORT

Mappi Ltd. is developing the 9 Woodlawn Road site for commercial/office use. Due to the elevation of the site and the lack of a sanitary sewer on this portion of Woodlawn Road, a forcemain and lift station are required. A 75mm forcemain has been designed to run west within the City right-of-way on Woodlawn Road into the existing sanitary manhole located at the intersection of Woodlawn Road and Woolwich Street.

The site will also be retrofitted with an approved sewage lift station in order to pump to the intersection manhole.

CORPORATE STRATEGIC PLAN

3.1 Ensure a well-designed, safe, inclusive, appealing and sustainable City.

FINANCIAL IMPLICATIONS

Under the Agreement, all costs pertaining to the installation of the forcemain and its appurtenances including any future maintenance will be borne by Mappi Ltd.

DEPARTMENTAL CONSULTATION

The Finance, Legal Services and Planning Services departments have been consulted during this process and are in agreement with the recommendation.

COMMUNICATIONS

N/A

ATTACHMENTS

Attachment 'A' – Map

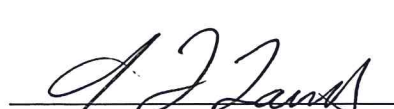
Report Author

Grant Ferguson, C.E.T.
Manager of Technical Services



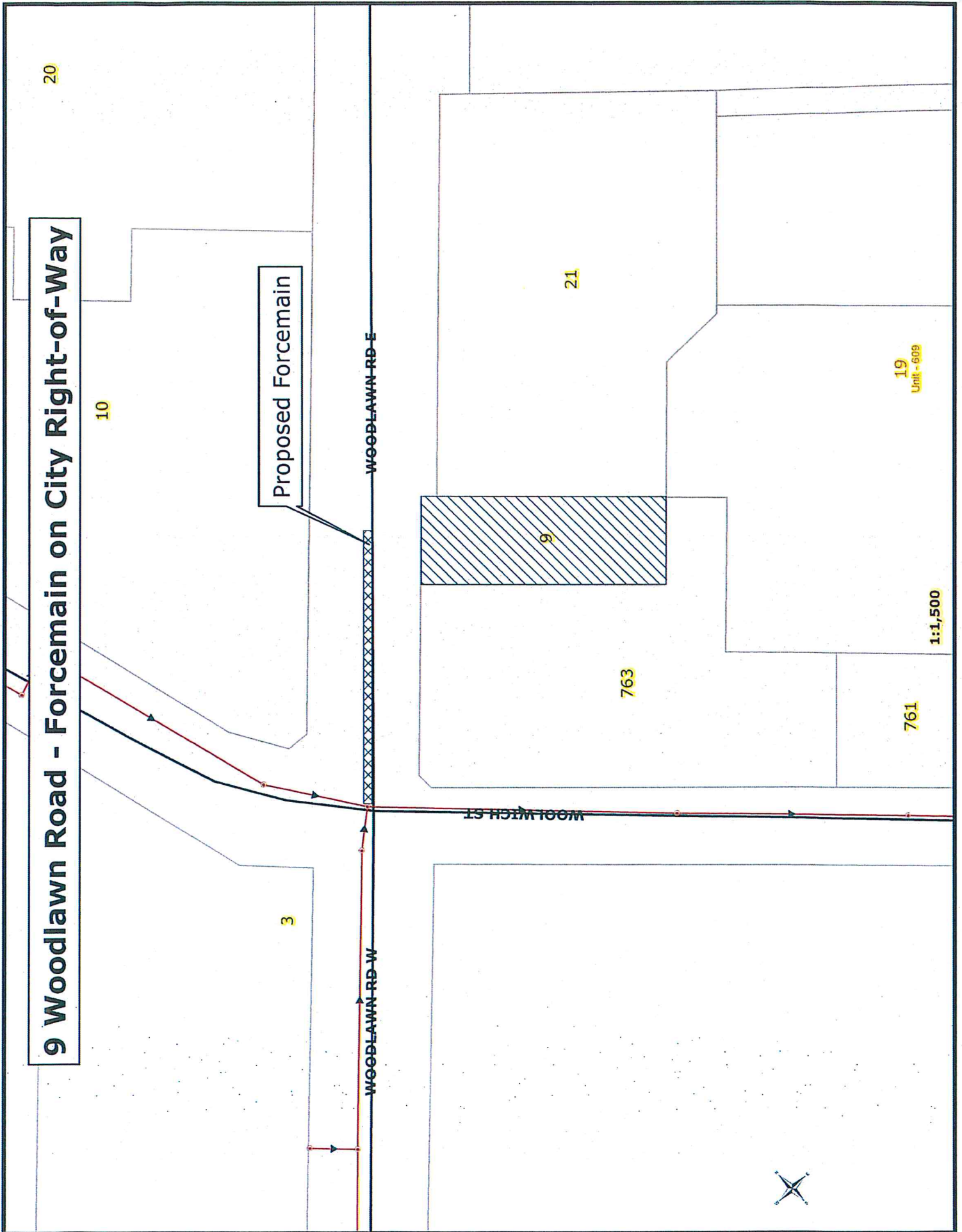
Approved By

Kealy Dedman, P.Eng.
General Manager/City Engineer
Engineering Services
519-822-1260, ext. 2248
kealy.dedman@guelph.ca



Recommended By

Janet L. Laird, Ph.D.
Executive Director
Planning, Building, Engineering
and Environment
519-822-1260, ext. 2237
janet.laird@guelph.ca



Please recycle!

- BYLAWS -

- May 26, 2014 -	
By-law Number (2014)-19753 A by-law to appoint Stephen O'Brien as the City Clerk effective May 26, 2014, and to repeal By-law Number (2011)-19321.	To appoint Stephen O'Brien as the City Clerk.
By-law Number (2014) – 19754 Being a By-law to amend By-law Number (2002) – 17017 (to remove the No Parking Anytime zone on Woolwich St., east side from Norwich St. to 23m south thereof; to remove the No Parking Anytime zone on Woolwich St., east side from Suffolk St. to Baker St.; to add a No Parking Anytime zone on Woolwich St., east side from 14m south of Suffolk St. to 24m north thereof in the No Parking Schedule XV; and to temporarily lower the speed limit on Stone Rd. E., from Village Green Dr. to Victoria Rd. from 50m and 60 km/h to 40 km/h during the reconstruction of Stone Rd. E. in the Speed Limits Schedule XII) and adopt Municipal Code Amendment #514, amending Chapter 301 of the Corporation of the City of Guelph's Municipal Code.	To amend the Traffic By-law.
By-law Number (2014)-19755 A by-law to impose user fees or charges for services or activities relating to Planning, Building, Engineering & Environment and to authorize the execution of an Agreement between Mappi Ltd. and the Corporation of the City of Guelph regarding certain sanitary sewer forcemain work.	To impose user fees or charges for services and to execute an agreement.