Information Items



Week Ending December 6, 2019

Reports

- 1. 2019 Sale of Emission Reduction Credits (Carbon Credits) and Next Steps
- 2. Solid Waste Management Master Plan Update

Intergovernmental Consultations

- 1. Water Use and Energy Consumption Reporting Consultation
- 2. Water Bottling Moratorium
- 3. Public Health Modernization
- 4. Paramedic Services Consultation RE: Emergency Health Services Modernization

Correspondence

1. City of Guelph Response to Intergovernmental Consultation RE: Bill 138, the Plan to Build Ontario Together Act, 2019

Boars and Committees

1. None

Items Available in the Clerk's Office

1. None

Information Report



Service Area Infrastructure, Development and Enterprise Services

Date Friday, December 6, 2019

Subject **2019 Sale of Emission Reduction Credits**

(Carbon Credits) and Next Steps

Report Number IDE-2019-120

Executive Summary

Purpose of Report

This report provides an update for Council with respect to the sale of Carbon Credits generated through Solid Waste Resources methane collection and destruction and source separated organics composting operations.

Key Finding

As part of the 2019 budget process, revenue associated with the sale of carbon credits (\$525,000) was removed from the Solid Waste Resources budget due to expiration of the sales contract and the intermittent nature of the carbon credit revenue stream. An opportunity to sell carbon credits in Fall 2019, resulted in \$592,000 revenue to support the 100RE capital funding strategy. In the future, staff will be working to leverage Guelph's experience with respect to voluntary carbon market to develop a policy for Council regarding how best to utilize carbon credits moving forward

Financial Implications

In 2019, \$592,000 in unbudgeted revenue was received from the sale of carbon credits. Following a similar practice used previously for such credits, staff have transferred the revenues to the new 100RE Reserve Fund to support the 2020 capital budget funding strategy.

Report

Details

In April 2010, City Council authorized staff to enter into a contract with The Greening Canada Fund and L21 Financial Solutions to sell Greenhouse Gas credits and use the funds to fund infrastructure replacements/site upgrades associated with improving and securing the Eastview Landfill Methane Collection system, with the balance to be used to reduce the tax-supported operating budget.

The contract with BMI expired in 2018, and since that time, due to legislative changes, the market for carbon credits has declined significantly. For that reason,

this contract has not been extended/renegotiated. However, staff have followed this practice in order to execute this transaction.

The City of Guelph currently generates carbon credits through Solid Waste Resources methane collection and destruction and source separated organics composting operations.

A carbon credit is a credit for greenhouse emissions reduced or removed from the atmosphere from a qualifying emission reduction project. Governments, industry or private individuals can use carbon credits to compensate for emissions that are generated through their operations. A carbon credit is typically expressed in term of tonnes of carbon dioxide equivalent, or CO_2e .

There are two primary categories of carbon markets in which carbon credits are exchanged, called the compliance market and the voluntary market. The compliance market is backed by regulations. The regulations may stipulate timelines for compliance, emission limits, and the types of qualifying projects that may earn offsets. Within the compliance scheme, entities that are subject to the regulation can meet compliance by reducing their own emissions, trading emission allowances with entities that have a surplus of credits and/or purchasing carbon credits. Qualifying credits in the compliance market typically have a higher value than those in the voluntary market due to the restrictions and processes imposed though regulation.

The voluntary market is separate from the compliance market. Due to the voluntary nature of the market, demand is much smaller when compared to compliance market and as a result credits on the voluntary market do not command the same price when compared to the compliance market. The voluntary market has several benefits, however, as the market can serve as a testing ground for new approaches and technologies and help create an affordable alternative source of carbon offset for corporate entities, Governments and individuals interested in achieving sustainability goals. One potential draw back of the voluntary market is the lack of quality control through regulation and the potential for low quality credits to enter the field. Guelph maintains the integrity and value of its credits through a dual and independent quantification and verification process that mirrors that of the compliance market.

Guelph's experience in the carbon market stems from Guelph's participation in Environment Canada's Pilot Emission Removals, Reductions and Learnings (PERRL) program that ran from 2004 through to 2007. Subsequent to the conclusion of the pilot program, Guelph has continued to participate in, and demonstrate the potential of the voluntary carbon market.

There is a need to refresh Guelph's relationship with carbon credits and bring forward a report for the consideration of Council that helps to position the sale of carbon credits relative to and in alignment with the City's Corporate 100% Renewable Energy by 2050 (100RE) goal, as well as the Community's Net Zero Carbon by 2050 goal.

Next Steps:

Staff will be working to leverage Guelph's experience with respect to voluntary carbon market to develop a policy for Council regarding how best to utilize carbon credits moving forward, specifically:

- 1) Continue to sell carbon credits on the voluntary market on an ad-hoc basis to support Council and community priorities as opportunities arise, such as in the case of the seed funding in support of the 100RE goals;
- 2) Utilize carbon credits to offset the City's current carbon footprint in support of the community's 2050 Net Zero Goals;
- 3) A blend of the above options.

Financial Implications

In 2019, \$592,000 in unbudgeted revenue was received from the sale of Emission Reduction Credits. Following previous practice for such credits, staff have transferred the revenues to the 100RE reserve to be allocated in support of 100RE goals.

Consultations

Tara Baker, General Manager, Finance

Antti Vilkko, General Manager, Facilities Management

Barbara Swartzentruber, Executive Director, Smart Cities Office

Strategic Plan Alignment

Powering our future

Sustaining our future

Working together for our future

Building our future

Departmental Approvals

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Information Report



Service Area Infrastructure, Development and Enterprise Services

Date Friday, December 6, 2019

Subject Solid Waste Management Master Plan Update

Report Number IDE-2019-128

Executive Summary

Purpose of Report

This report provides an overview of the work completed to date on the Solid Waste Management Master Plan (SWMMP) including responses to Council resolutions regarding the investigation into strategies to reduce or eliminate single-use plastics..

Key Findings

The current work on the initial stages of the Solid Waste Management Master Plan include the formation of the Public Advisory Committee, the development of surveys for the municipal comparator review, engagement with the Downtown Advisory Committee to solicit ideas for membership on the Downtown Stakeholder Group for the master plan and the scheduling of the first open house.

The engagement and partnership with the University of Guelph Ideas Congress (ICON) for the 2019 fall semester is nearly complete. Findings will be shared with the Public Advisory Committee for review and incorporation into the final report.

Solid Waste Resources is engaging with internal departments to investigate opportunities related to the reduction and elimination of single-use plastics, and strategies related to current agreements that may present challenges. Some progressive actions have already been taken and are underway, including:

- Adoption of a Corporate Sustainability Waste Management Policy
- Water Wagon utilized at public events and expansion of water fountains and filling stations for reusable containers
- Elimination of plastic straws and switching from plastic bags in gift shops and retail operations
- Moving to larger reusable bulk containers for some fluids related to vehicle maintenance and operation, such as windshield washer and brake fluids
- Adoption of guiding principles in the Procurement By-law for consideration of Environmental Sustainability
- Provision in the Waste Management By-law, strengthening three-stream sorting that are intended to improve the capture of, among other recyclables, single-use plastics.

Civic Accelerator – The potential application of the Civic Accelerator is currently being explored. A decision to employ the Civic Accelerator will be determined following the completion of the ICON program.

Financial Implications

Funding for the Solid Waste Management Master Plan Review is included in the Council approved Solid Waste Resources capital budget.

Any recommendations and funding requirements for implementing strategies to reduce or eliminate single-use plastics across Guelph will be brought forward for Council's consideration as part of future budgets..

Report

Details

In July 2018 Council moved the following resolution:

"That staff, through the recommendations of the Solid Waste Management Master Plan 2018/2019, in particular recommendation number five [from the business service review], ensure the scope of activity includes investigating a strategy for the elimination of single-use plastic grocery bags in Guelph and report back to Council with this strategy by the end of Q2, 2019."

At the May 27th 2019 Meeting of Council, staff reported back and recommended that due to the complexities and rapidly evolving nature of the single use plastics discussion, that this work be expanded from plastic bags to single use plastics and included in the planned Solid Waste Management Master Plan scope of work.

At that meeting Council also moved the additional resolutions:

"That staff partner with the University of Guelph Ideas Congress (ICON) Program to explore viable solutions to reduce single-use plastics across Guelph, and report back to Council with updates or further recommendations as part of Solid Waste Management Master Plan update.

That the following be referred to and considered as part of the Solid Waste Master Plan process and scope of activity:

- a) That staff investigate any required changes to the current agreements between the City and/or vendors/leaseholders resulting from the sale of single-use plastics.
- b) That staff facilitate further engagement internally on reducing or eliminating single-use plastics through the Solid Waste Management Master Plan process.
- c) That staff explore the issue of single-use plastics and packaging as an opportunity to leverage the Civic Accelerator, to help realize further options to reduce waste in the City of Guelph."

In response to Council's resolutions, staff included a task in the scope of the Solid Waste Management Master Plan Review to investigate strategies to reduce or eliminate single-use plastics across the community.

The Solid Waste Management Master Plan Review is now underway, following the selection of a consultant based on a Request for Proposals that was issued in late spring, 2019. Dillon Consulting was selected to perform the work and was officially engaged by the City in August. Work related to single-use plastics elimination was prioritized and initiated in August, followed immediately with the engagement of the ICON program.

The formal launch of the engagement program will occur in December 2019, coincident with the formation of the project Public Advisory Committee.

Solid Waste Management Master Plan - Activities Taken to Date

The Solid Waste Management Master Plan Review is now underway, following the selection of a consultant based on a Request for Proposals that was issued in late spring, 2019. Dillon Consulting was selected to perform the work and officially engaged by the City in August. Work related to single-use plastics elimination was prioritized and initiated in August, followed immediately with the engagement of the ICON program.

In addition, the Review includes a number of other concurrent tasks underway.

- Council has approved the Public Advisory Committee members with meetings beginning in the new year.
- The official launch of the community engagement program will be held on the
 evening of December 9, 2019, with a public address by Dr. Dianne Saxe at
 the River Run Centre. Attendees will be engaged as part of the session to
 share their thoughts on what is important to them with respect to the City's
 solid waste management program, and also on how they would like to be
 engaged through the process.
- Pre-engagement calls have been made to better understand the consultation needs of several community partners. Calls are being placed to representatives of social or business associations or organizations connected to various sectors in the Guelph community.
- Research has also begun to support sub-reports outlining the City's Current State, and also to project our Future State and Growth. In addition, a survey questionnaire has been developed and will be used to obtain benchmarking information from comparator municipalities.
- Interested businesses, institutions, and individuals have also been contacted from those that expressed interest in participating on the Downtown Stakeholder Group, which will inform the development of the Downtown Service Review report. The first meeting will be organized in January, 2020.
- In support of the IC&I Collection Service Standards report, a second survey questionnaire has been developed in order to obtain policy and service information from comparator municipalities. It is expected that this survey will be forwarded in Q4 2019 with follow up to occur in Q1 2020.

ICON

In accordance with Council's direction, the City's project team and the University of Guelph's ICON program group partnered to engage with students as part of the 2019 fall semester.

The City's project team attended two ICON sessions. In the first session, held in September 2019, the City project team provided a series of research questions to be undertaken by ICON students, under the supervision of the teaching team. The project team then attended an October meeting to answer questions arising from the original research areas, allowing the students to have developed follow-up questions and clarification requests. ICON students are supporting the following areas of inquiry:

- Best practice procurement policies and programs;
- Opportunities for collaboration with private sector with respect to alternatives to single-use plastics;
- Using on-campus examples as a model for broader application in the City of Guelph;
- Local business success stories;
- Current education efforts and engagement on the issue by local Environmental Non-Governmental Organizations (ENGOs); and
- New technologies, innovations and products that may address the issue.

The project team received presentations from the ICON participants on November 22, 2019. The ICON engagement will conclude in late Fall 2019, with findings to be shared with the Public Advisory Committee, and incorporated into the Review's final report.

Required changes to current agreements resulting from the sale of products packaged in single-use plastics

Solid Waste Resources staff are collaborating with internal departments to fully understand the implications associated with current agreements resulting from the sale of products packaged in single-use plastic, and to track actions already taken to reduce or eliminate the use of single-use plastics.

The City has contractual implications related to the reduction or elimination of products packaged in single-use plastics. In particular, given the responsibilities of the City's Culture, Tourism, and Community Investment department for public facing facilities such as the Sleeman Centre and the Farmers Market, there are operational, revenue and sponsorship impacts related to single-use water bottles in particular. This department has already taken some progressive steps with respect to waste reduction and diversion, however, based on approaches taken in other municipalities, if a ban of single-use plastics is enacted, it may be prudent to provide an exemption period to allow for further development of options and actions that address contractual, revenue and sponsorship issues.

Internal engagement as part of the Solid Waste Management Master Plan

Solid Waste Resources and internal partners have developed an inventory of current activities related to single-use plastics to inform policy and operational recommendations, and to ensure the full spectrum of City corporate operations are considered and accommodated in the discussion.

The adoption of a corporate Sustainable Waste Management Policy, effective October 21, 2019, further supports efforts to promote operational and procurement efforts that minimize single-use items. On this subject, the Policy advises to:

- Give preferential consideration to reusable, recyclable, refillable, returnable and repairable products; and,
- Avoid single-use food and beverage items including coffee pods, plastic water bottles, disposable coffee cups and cutlery where possible.

The Policy provides a foundation on which individual City operations can build and considers not only single-use plastics but single-use items in general.

The reduction of single-use plastics internally has been implemented proactively. Actions are summarized below:

Infrastructure, Development and Enterprise

Environmental Services

- Water Services: At the direction of City Council's 2009 Public Promotion Action Plan for City Drinking Water Consumption, Water Services initiated a tap water provision service for large outdoor community events utilizing a water tanker filled with Guelph tap water. In 2013 the water tanker was replaced by the Guelph Water Wagon. The intent of these efforts help achieve the goals of promoting Guelph's safe, reliable municipal tap water and waste reduction targets of the 2008 Solid Waste Management Master Plan. Steadily growing in popularity since the start, 2019 saw the highest number of events attended by the Water Wagon 31 community events distributing 22,332 litres of water. This is the equivalent of 44,664 500ml water bottles in one year alone. Since 2013, the Water Wagon has provided a total of 156,204 litres of water, the equivalent of 312,408 500ml water bottles.
- Water Services has an annual budget for facility upgrades to expand access
 to municipal drinking water, where feasible, in public spaces through
 installation of tap water fountains and bottle filling stations. By doing so, the
 City is encouraging the "Bring, Fill, Drink" message, reducing Guelph's
 dependence on single-use plastics for drinking water.
- Solid Waste Resources: Solid Waste Resources recently updated the Waste Management By-law, strengthening provisions related to proper three-stream sorting that are intended to improve the capture of, among other recyclables, single-use plastics. Additionally, all City facilities are invited to reach out to Solid Waste staff to re-invigorate waste reduction and diversion programs at their facilities as part of the new corporate Sustainable Waste Management Policy

• The elimination of single use dishes and cutlery has been implemented across the department for in house events.

Public Services

Culture, Tourism and Community Investment

 Culture, Tourism, and Community Investment has decreased the use of plastics, where possible, for instance eliminating straws, and increased capture of plastics. They have also moved away from plastic bags in gift shops and retail operations, using paper instead, and continuously work with facility rentals to reduce single-use plastics being brought in from outside sources.

Parks and Recreation

- Parks and Recreation currently has five outdoor filling stations located at Riverside, Exhibition, Margaret Greene, Larry Pearson, and Eastview parks. Additional fountains will be installed where there is current infrastructure to support it and will be carried out through scheduled upgrades over the next three years. Recreation facilities have water filling stations located throughout their facilities and City camps have implemented a "one reuseable water bottle for each participant policy" in an attempt to eliminate plastic water bottles and aseptic drinking boxes. In addition, the Evergreen Seniors' Centre Restaurant has taken steps to reduce and phase out singleuse plastics.
- Through the Energize Guelph project, two reusable water bottle vending machines, along with floor decals marking a trail to nearby bottle filling stations, have been placed at the Victoria Road Recreation Centre and West End Community Centre. Initially funded through the Province's Healthy Kids Community Challenge, one of the initiative's objectives was to find meaningful ways to get kids to choose water over sugar sweetened drinks (e.g. juice, pop, energy drinks) and encourage healthy hydration. A related benefit has been the supply of over 3300 refillable bottles that now, on an ongoing basis, displace single-use plastic bottles. The program also aligns with the goals of promoting Guelph's tap water and waste reduction.

Fire Services

 Fire Services have moved to larger reusable bulk containers for some fluids related to vehicle maintenance and operation, such as windshield washer and brake fluid.

Operations

- Operations have moved to larger reusable bulk containers for some fluids related to vehicle maintenance and operation, such as windshield washer and brake fluid.
- To reduce single use plastic bottles, Operations replaced their water fountain with one that could fill refillable water bottles.

Transit

 Transit has added two water fountains for their operators, and to date have eliminated the equivalent of 2050 disposable plastic bottles. Transit continues to work with Solid Waste Resources to improve sorting at both Transit facilities and in public-facing areas.

Corporate Services

Finance

 Finance has included guiding principles in the Procurement By-law that govern the City's procurement of Goods and Services to consider Environmental Sustainability and Environmentally Responsible Goods and/or Services, consisting of 15 characteristics, one of which is for durable and reusable products, in lieu of single-use or disposable products.

Civic Accelerator

Based on interactions with internal departments, the diverse nature of operations and services with each having very distinct business models and needs, suggests that a ban of single-use plastics represents a different assortment of packaging, products and actions for each internal group. As part of this process, departments have identified opportunities for which there is a need to find affordable and safe alternatives that meet the specific needs of the user department. Specific opportunities range from distribution of water in the field (heat waves, emergency services) to product-specific packaging applications such as parts used by Fleet, Operations and Transit. These types of requirements are also leading internal departments to seek procurement solutions that would allow them to explore options to reduce and/or eliminate single-use plastics.

The Civic Accelerator provides an opportunity for departments to explore novel solutions to their challenges, through open innovation with companies, as well as scoping of pilots that can lead to outcome-driven results. At this point, the Civic Accelerator will wait for the work of the ICON program to be completed before exploring the challenge further to ensure research efforts are not duplicated.

Outcomes from the Civic Accelerator approach could include:

- A better understanding for staff about possible alternatives and solutions to consider for future purchasing;
- Selection of a challenge that is released as a Request for Proposal that opens the door for alternative solutions emerging in the market; and
- Scoping a pilot with an emerging company.

A decision to begin exploring single-use plastics using the Civic Accelerator will be made no later than in Q1, 2020 following the completion of the ICON program.

Next Steps

The Single-use plastics issue is rapidly evolving and it is expected that there will be a need to evaluate and incorporate newer information prior to finalization of the final report.

The newly appointed Public Advisory Committee for the Solid Waste Management Master Plan will review findings from the ICON program, along with, up to date benchmarking information from leading jurisdictions to form the final recommendations for Council's consideration.

The final report will include policy from senior government in Canada and leading international jurisdictions, as well as, information from progressive municipalities and state jurisdictions throughout North America and the European Union, advanced producer reduction measures, emerging compostable single-use plastics, and plastic bag bans and fees.

Concurrently, the internal working group will continue to meet and update actions with respect to single-use plastics, as well as confirm the applicability and employment of the Civic Accelerator to further the process of reducing or eliminating single-use plastic.

Financial Implications

Funding for the Solid Waste Management Master Plan Review is included in the Council approved Solid Waste Resources capital budget.

Any recommendations and funding requirements for implementing strategies to reduce or eliminate single-use plastics across Guelph will be brought forward for Council's consideration as part of future budgets.

Consultations

Environmental Services

Culture Tourism & Investment

Parks and Recreation

Fire Services

Operations

Transit

Finance

Strategic Plan Alignment

Sustaining our future: Plan and design an increasingly sustainable city as Guelph grows.

Attachments

None

Departmental Approval

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Proposed amendment to O.Reg 506/18 (Reporting of Energy Consumption and Water Use) to stop further rollout to buildings under 100,000 square feet.

Ministry

Ontario's Ministry of Energy, Northern Development and Mines

Consultation Deadline

12 December 2019

Summary

The province is proposing to make a regulatory amendment to stop the further rollout of energy consumption and water use reporting requirements to buildings under 100,000 square feet.

Proposed Form of Input

A written submission to Ontario's Regulatory Registry.

Rationale

Water use consumption can potentially impact City of Guelph operations. City staff will review the proposal and respond where necessary.

Lead

Environmental Services

Link to Ministry Website

https://www.ontariocanada.com/registry/view.do?postingId=30347&language=en

Contact Information

Intergovernmental Services:

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519-37-5602



Proposal to extend the current moratorium on water bottling permits

Ministry

Ontario's Ministry of the Environment, Conservation and Parks (MECP)

Consultation Deadline

18 December 2019

Summary

MECP is proposing to amend Ontario Regulation 463/16 to extend the current moratorium on new or increased permits to take groundwater for water bottles for 9 months until 1 October 2020. This extension will allow the MECP time to complete a review on water quantity and to hold public consultations on how water is managed moving forward.

Proposed Form of Input

A formal submission to the Environmental Registry of Ontario consultation posting.

Rationale

Protecting water sources and the environment is important to the City of Guelph and our residents.

Lead

Environmental Services

Link to Ministry Website

https://ero.ontario.ca/notice/019-0913

Contact Information

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Discussion Paper: Public Health Modernization

Ministry

Ontario's Ministry of Health

Consultation Deadline

10 February 2020

Summary

The Ministry of Health is holding consultations on transforming Public Health Services across Ontario to inform provincial decision-making on public health service delivery and restructuring. A discussion paper has been posted online alongside a survey that is open for public input.

Proposed Form of Input

That the City of Guelph respond to the Ministry's discussion paper survey, write a letter with interested partners to Municipal Advisor Jim Pine and prepare to participate in in-person consultations should a session be held in the region.

Rationale

The City of Guelph is a co-funder of the Wellington-Dufferin-Guelph Public Health Unit and has representation on the Board of Health.

Lead

Finance/Intergovernmental Services

Link to Ministry Website

http://health.gov.on.ca/en/pro/programs/phehs consultations/docs/dp public heal th modernization.pdf

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City Hall, 1 Carden Street, Guelph ON N1H 3A1

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Discussion Paper: Emergency Health Services Modernization

Ministry

Ontario's Ministry of Health

Consultation Deadline

10 February 2020

Summary

The Ministry of Health is holding consultations on modernizing municipal land ambulance services. A discussion paper has been posted online alongside a survey that is open for public input.

Proposed Form of Input

That the City of Guelph respond to the Ministry's discussion paper survey, write a letter to Municipal Advisor Jim Pine and prepare to participate in in-person consultations should a session be held in the region.

Rationale

Any provincial reforms arising from the consultation will have a direct impact on the finances and operations of Guelph-Wellington Paramedic Services.

Lead

Public Services - Guelph Wellington Paramedic Services

Link to Ministry Website

http://health.gov.on.ca/en/pro/programs/phehs consultations/docs/dp emergency health services modernization.pdf

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2 December 2019

Sent via email to: comm-financeaffairs@ola.org

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Committee Clerk
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To the Standing Committee on Finance and Economic Affairs:

RE: Bill 138, the Plan to Build Ontario Together Act, 2019

The City of Guelph is pleased to make a written submission to the Ontario Legislature's Standing Committee on Finance and Economic Affairs for Bill 138, *the Plan to Build Ontario Together Act*, 2019. The City's submission focuses on schedules of the legislation of interest to the municipality, namely:

- Schedule 4 Amendments to the Cannabis License Act, 2018
- Schedule 10 Amendments to the Development Charges Act, 1997
- Schedule 14 Amendments to the Gasoline Tax Act, 1990; and
- Schedule 31 Amendments to the Planning Act, 1990

Schedule 4 - Amendments to the Cannabis License Act, 2018

While the City of Guelph is not currently directly impacted by proposed amendments affecting the legal sale of cannabis, Guelph nonetheless has an interest in proposing further amendments to the *Cannabis License Act* and related regulatory changes that would enable a greater municipal say in cannabis storefront siting should a legal retailer apply to open within Guelph's boundaries. This is especially important if the province moves towards an openmarket retail system.

Currently, the licensing process established under the *Cannabis License Act* and O. Reg. 468/18: General prevent municipal governments from using business licensing by-laws under *the Municipal Act* and zoning-related bylaws under *the Planning Act* to regulate the location of local cannabis retail stores. Instead, municipal governments, along with the general public, have 15 days to submit comments to the Alcohol and Gaming Commission of Ontario (AGCO) once an application for retail store authorization has been made. To date, there is concern that the AGCO has not meaningfully considered municipal input on cannabis retail siting location when making a licensing decision, including municipal concerns related to storefront location near sensitive use areas such as childcare centres and recreational facilities.

The Cannabis License Act should be amended through Bill 138 to allow municipalities, like the City of Guelph, the unrestricted ability to control cannabis storefront location via zoning or

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business licensing. This would require the repeal of Section 42 of the Cannabis License Act and its replacement with enabling provisions for municipal governments.

It is also important to note that there is a need for a renewed provincial commitment on cannabis excise tax funding for municipal governments. The current agreement which distributes \$40 million to municipalities and 50% of any excise tax collected by Ontario over \$100 million will soon expire and will require renegotiation. We encourage members of the committee to advocate for a continued municipal share of the cannabis excise tax once these discussions between the province and the municipal order of government begin.

Schedule 10 - Amendments to the Development Charges Act, 1997

Schedule 10 of the Bill proposes to amend the Development Charges (DC) payment schedule for commercial and industrial properties. If the legislation is passed, DCs for these property types will now be payable, in full, at occupancy. Bill 108, *the More Homes, More Choices Act*, 2019, had made DCs payable through six installments over a five-year period starting at occupancy instead of at building permit as historically done.

The City of Guelph supports this legislative proposal. The administrative requirement to track and bill development charges owing by industrial and commercial developers over a five year period previously established by Bill 108 would have been onerous for municipal governments once implemented. The proposed change also provides for a better alignment of DC collections with growth related expenditures and somewhat reduces the risks associated with time, value of money, inflation, payment default and lost interest.

The Municipal Finance Officers' Association of Ontario (MFOA) has provided written comments to the Standing Committee on Bill 138 and has previously commented on amendments to the *Development Charges Act* contained in Bill 108, *the More Homes, More Choices Act*, 2019. The City of Guelph supports the positions advanced by the MFOA in these various submissions. It is important that development charges and the new community benefits charge regime pay for 100% of growth-related costs.

Schedule 14 - Amendments to the Gasoline Tax Act, 1990

Proposed amendments to the *Gasoline Tax Act* under Schedule 14 of Bill 138 will not have a direct impact on the City of Guelph. However, the opening of the legislation provides an opportunity to discuss municipal interests in the Gas Tax Program – a key provincial funding program financed with taxes obtained under the *Gasoline Tax Act*.

Ontario's Gas Tax Program is currently under review by the Ministry of Transportation. The review creates financial uncertainty for municipalities like Guelph that rely on the provincial gas tax to fund public transit infrastructure. The Gas Tax program is critical to the City of Guelph's public transit funding needs. It is important that funding levels to Guelph increase or at a minimum remain the same to ensure the program continues to be a reliable funding source for the City's transit system. Additional funds would help expand and enhance public transit services for Guelph's residents. As part of the review, the provincial government should ensure that the level of funding is sufficient to meet the level of need. If the Gas Tax Program is to be extended to other communities, the funding envelope must also increase to

RE: Bill 138, the Plan to Build Ontario Together Act, 2019

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ensure no municipal government experiences negative financial impacts because of the program review.

Schedule 31 – Amendments to the Planning Act, 1990

Schedule 31 of Bill 138 proposes to preserve the alternative parkland provision (of 1 hectare for every 300 dwelling units) during the transition period to the community benefits charge regime established by Bill 108. As well, Bill 138 amendments propose to make the community benefit charge calculation appealable through the Local Planning Appeal Tribunal (LPAT).

Proposed changes to the Planning Act will allow the City and other municipalities to collect a provision for parkland for the period between January 2020 and January 2021 while the new Community Benefit Charge By-law is being developed. The City supports this legislative proposal. It will help ensure there are funds available to provide parks to new and redeveloping communities during the transition period.

The proposal to make the community benefit charge calculation appealable to the LPAT represents a potential administrative burden for the City and other municipal governments as an appeal consumes staff time and resources and will have a financial impact on the municipality. The City of Guelph advises the committee to reject this legislative proposal.

The MFOA has also provided comments on Schedule 31 of Bill 138 and on the community benefits charge regime currently under development. The City of Guelph supports these municipal perspectives.

Conclusion

The City of Guelph appreciates this opportunity to provide comments on Bill 138 to the Standing Committee on Finance and Economic Affairs. Should you have any questions or comments about this submission, you can contact Leslie Muñoz, Manager, Policy and Intergovernmental Relations, for the City of Guelph at leslie.munoz@guelph.ca.

Sincerely,

Jodie Sales, General Manager, Strategy, Innovation and Intergovernmental Services

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CC MPP Amarjot Sandhu, Chair, Standing Committee on Finance and Economic Affairs; Scott Stewart, Chief Administrative Officer, City of Guelph.