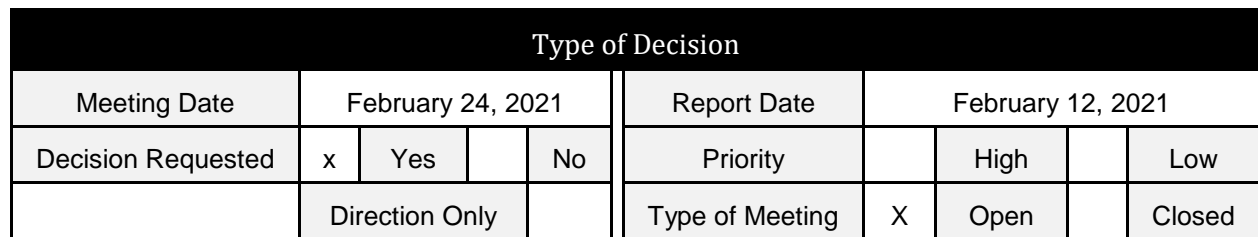




## Finance & Administration Committee

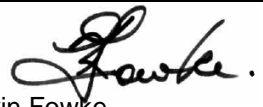




## Finalization of the 2021 Budget

1

Report Summary	Financial Implications
This report provides a summary of the 2021 Budget.	If approved, the taxation levy increase for 2021 will be 3.9%.

Report Prepared By	Division Review
 Name: Steve Facey Title: Manager of Financial Planning & Budgeting	 Name: Ed Stankiewicz Title: Executive Director of Finance, Assets & Fleet

Recommended By the Department	Financial Implications
 Name: Kevin Fowke Title: General Manager of Corporate Services	 Name: Steve Facey Title: Manager of Financial Planning & Budgeting

Recommended by the C.A.O.
 Ed Archer Chief Administrative Officer

## Resolutions

Resolution #1: THAT the water/wastewater operating budget be approved in the gross expenditure amount of \$86,407,809, representing a user rate increase of 4.8%.

Resolution #2: THAT the water/wastewater 2021 capital budget be approved in the amount of \$45,030,952 funded as follows:

Contributions from Water/Wastewater User Fees \$34,220,982

Contributions from Federal Grants \$960,000

Contributions from the City of Greater Sudbury's Reserves and Reserve Funds \$9,399,970

Third party recoveries of \$450,000

Resolution #3: THAT the City's share of the tax supported budget for the Nickel District Conservation Authorities (Conservation Sudbury) 2021 budget in the gross expenditure amount of \$1,088,919 and a net property tax levy requirement of \$1,088,919, be approved.

Resolution #4: THAT the City's share of the tax supported budget for the Public Health, Sudbury & Districts 2021 budget in the gross expenditure amount of \$7,297,256 and a net property tax levy requirement of \$7,297,256, be approved.

Resolution #5: THAT the City's share of the tax supported budget for the Sudbury Airport Personnel 2021 budget in the gross expenditure amount of \$3,341,096 and a net property tax levy requirement of \$0, be approved.

Resolution #6: THAT the City's share of the tax supported budget for the Greater Sudbury Public Library, inclusive of Citizen Services Centres, 2021 budget in the gross expenditure amount of \$9,068,156 and a net property tax levy requirement of \$8,386,521, be approved.

Resolution #7: THAT the City's share of the tax supported budget for the Police Services 2021 budget in the gross expenditure amount of \$71,627,707 and a net property tax levy requirement of \$65,726,611, be approved.

Resolution #8: THAT the 2020 City of Greater Sudbury's tax supported base operating budget for municipal operations, inclusive of fees and charges and excluding the City's share of the Outside Boards' budgets be approved in the gross expenditure amount of \$460,653,610 and the net amount of \$227,931,398.

Resolution #9: THAT the City of Greater Sudbury's 2021 tax supported capital budget be approved in the gross amount of \$88,912,216 funded as follows:

Contributions from the Operating Budget \$41,716,030

Contributions from Federal Grants \$11,688,400

Contributions from Provincial Grants \$12,454,435

Contributions from the City of Greater Sudbury's Reserves and Reserve Funds  
\$10,258,449

Contributions from the City of Greater Sudbury's Obligatory Reserve Funds \$2,444,902

External debt financing of \$10,000,000

Third party recoveries of \$160,000

Development Charges \$190,000

Resolution #10: THAT a special capital levy of 1.5% be used as an investment towards the City's aging infrastructure.

Resolution #11: THAT pursuant to Ontario Regulation 284/09, this report serve as the method for communicating the exclusion of the following estimated expenses from the 2021 Budget:

a) Amortization expense - \$72.7 million

b) Post-employment benefit expenses – \$3.7 million

c) Solid waste landfill closure and post-closure expenses - \$1.2 million

## **EXECUTIVE SUMMARY**

The purpose of this report is to finalize the City of Greater Sudbury's 2021 Budget. Following budget directions established by the Finance and Administration Committee in November 2020, staff reviewed service adjustment options in December that would be required to produce a draft budget that followed Council's budget directions. Based on the Committee's direction regarding service adjustments, a draft budget was tabled on January 19, 2021. The recommended draft budget follows the Committee's budget directions.

## **BACKGROUND**

On January 19<sup>th</sup>, Staff presented a draft budget for Council's consideration that is shaped not only by services and costs, but by the priorities outlined in Council's Strategic Plan (2019-2027) and the principles in the organization's guiding documents. The 2021 draft budget recommends a property tax levy increase of 3.9% after accounting for assessment growth. The draft budget is a result of extensive collaboration that included a number of Council and Committee meetings, coordinating service plans within the administration and opportunities for public review and comment. Below is a chronological timeline of how staff were able to develop the budget that is currently being deliberated:

1. August 11, 2020 - 2021/22 Forecast & Long-term Financial Plan Update

In 2017, Council was presented with a Long-term Financial Plan prepared by KPMG. The Plan highlighted a 10 year strategy with included projected financial performance and position utilizing a number of assumptions, such as inflation and changes in funding from senior levels of government. This plan has since been updated on an annual basis and continues to be guiding document used to prepare multi-year forecasts seek budget direction targets from Council.

2. September 15, 2020 – 2021 Budget Update

This report discussed 2021 pressures and recommended additional meetings

3. October 13 and 20, 2020

Additional meetings that highlighted priorities, strategies and service level expectations

4. November 3<sup>rd</sup>, 2020 – Revised Budget Direction

This report sought direction to build a draft budget with a maximum property tax levy increase of 3.9%. The Finance and Administration Committee provided direction to present alternatives to achieve a 3.0% and 2.2% property tax levy increase.

5. December 8, 2020 – 2021 Operating Budget Update

The purpose of this report was to receive feedback and further direction from the Finance and Administration Committee. Service plans, at this time, reflected a property tax increase of approximately 9.0% before accounting for assessment growth and funding one-time expenditures with one-time sources (COVID-19). In order to present a

draft budget within the direction provided by Council, service level adjustments and financing adjustments that involved accepting increased risk were required.

6. December 21, 2020 – 2021 Operating Budget Update

This meeting continued the December 4 discussion and produced several directions to staff. The Committee approved financing adjustments to apply reserve funds that would finance one-time COVID-19 related costs in the 2021 Budget. It also approved user fee principles that would guide a review of all fees and inform a User Fee business case in the 2021 Budget.

7. January 19, 2021 – Budget Presentation

Based on the feedback and direction received at the above meetings, staff were able to prepare a draft budget that meets Council's target.

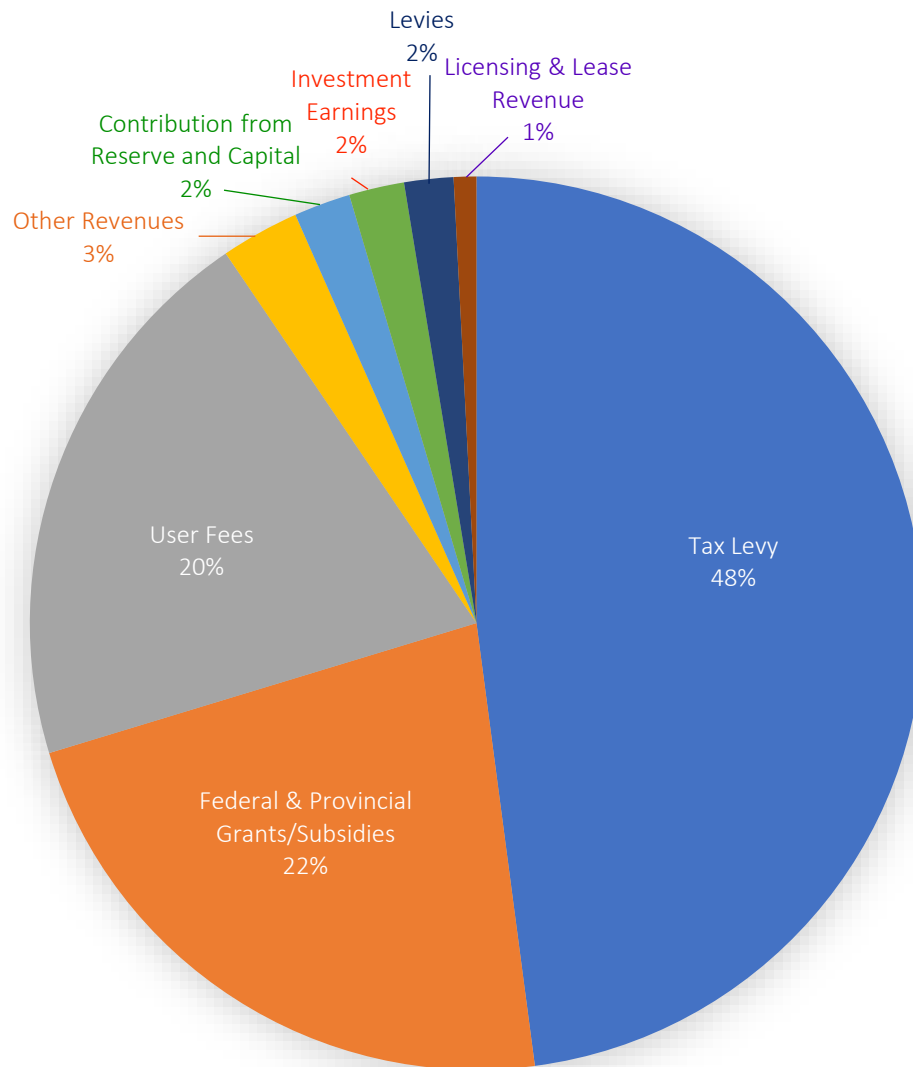
**2021 BUDGET HIGHLIGHTS**

The organization continues to face a number of pressures that require flexibility and adaptation. The draft budget reflects the implications of these ongoing pressures, and addresses new pressures as a result of COVID-19. The proposed 2021 budget includes the following highlights:

*Operating Budget - \$630 million (page 85 of the budget document)*

A draft budget has been presented for Council's consideration which meets the directed 3.9% property tax levy increase. This budget funds the organization's 58 lines of service, which are predominantly funded by property taxes. Approximately 48% of the City's overall budget is funded from the property

tax levy. Below is a graphic which provides the breakdown of the operating budget funding sources:



Both 2020 and 2021 have been challenging from a financial perspective. The municipality continues to experience budget pressures from contractual obligations, increasing benefit costs, rising insurance costs and the result of previous budget approvals, such as additional staffing and software costs. In addition to these pressures, COVID-19 has substantially lowered the amount of revenues that the organization can generate, specifically in Parking, Leisure and Transit Services. Similarly, it increased the corporation's requirement for Personal Protective Equipment. As a result, the 2021 draft budget includes the following to achieve the directed 3.9% target (highlighted on pages 86-87 in the budget document):

- Funding from one-time sources for COVID-19 - \$4.7 million
  - Due to the Provincial Stay-at-home order, revenue targets may not materialize to what is included in the draft budget. Staff continue to analyze the impact of this, however, an estimate of \$745,000 of additional lost revenue has impacted Leisure Services. These lost revenues will increase the draw from one-time sources to offset the impact.
- Additional COVID-19 Funding - \$1.8 million
- Service Level Changes - \$5.1 million

The service level adjustments included within the budget are as follows (page 61 of the budget document):

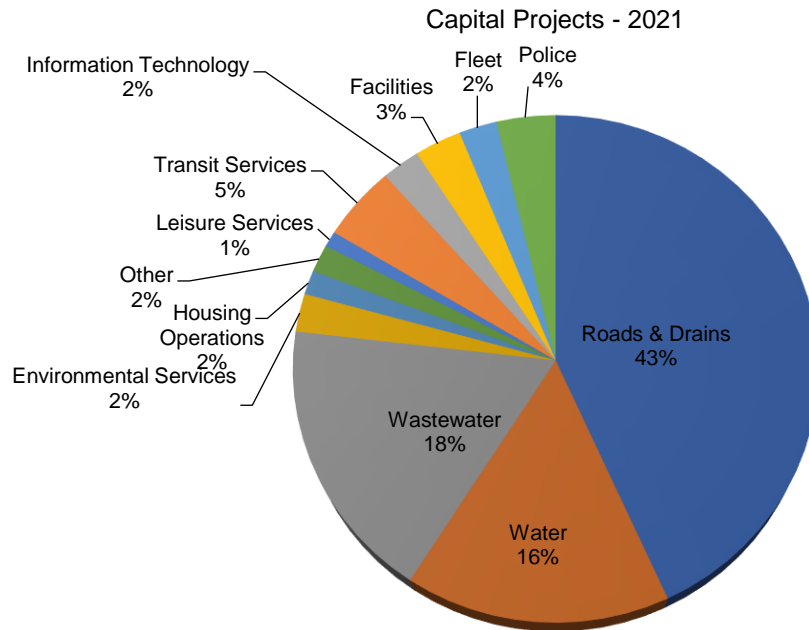
1. Enterprise-wide service level adjustments, such as not hiring summer students
2. Selected service level adjustments, such as museums, pools and arenas
3. Accepting increased risk, such as debt repayment deferrals and reduced capital recoveries for fleet

*Capital Budget - \$134 million (pages 401-402 of the budget document)*

The 2021 Budget includes a recommended \$134 million of capital investments, primarily in roads infrastructure at 43% of the total budget and water/wastewater infrastructure at 34% of the total budget. Therefore, the draft budget has 77% allocated to roads, water and wastewater infrastructure, with the remaining 23% has been allocated to other areas that provide services throughout the community such as police, leisure, environmental services, corporate fleet and facilities, paramedic services.

Of the \$134 million, approximately \$73.5 million relate to projects continuing in 2021 (and later years), which are referred to as previous council approvals. The remaining \$55.4 million relates to requests towards new projects, as well as another \$5.0 million for Police and Communication Infrastructure projects from related reserve funds and the tax levy. The graphic below reflects the allocation of the 2021 Capital Budget:





The following table describes financing requirements in future periods as a result of projects recommended in the 2021 capital budget as well as previous Council approvals. For example, in 2022, \$28 million of next year's contribution to capital will be required for projects approved in prior periods. It is important to note that \$10 million is required to balance the 2021 capital budget. The debt highlighted for years 2022 through 2025 is the cash flow spending of The Junction project and not additional debt. The main purpose for including this chart is to reflect implications of projects approved in previous years and projects included in the 2021 draft budget.

Funding Source	2021	2022	2023	2024	2025	Total
Annual Contribution to Capital	41,716,030	27,956,388	17,576,798	10,239,448	7,230,717	104,719,381
User Fees	34,220,982	13,158,285	2,593,285	963,038	963,038	51,898,628
Reserves – Capital	19,658,419	3,675,000	780,000	780,000	450,000	25,343,419
Reserves – Obligatory	2,634,902	1,040,000	1,040,000	1,040,000	1,040,000	6,794,902
Government Grants	25,102,835	36,345,575	26,108,514	32,749,794	23,262,530	143,569,248
Debt Financing	10,000,000	7,883,875	18,635,827	18,635,827	15,819,718	70,975,247
Third Party Recoveries	610,000	-	-	-	1,500,000	2,110,000
<b>Total Funding = Total Capital Budget Expenditures</b>	<b>133,943,168</b>	<b>90,059,123</b>	<b>66,734,424</b>	<b>64,408,107</b>	<b>50,266,003</b>	<b>405,410,825</b>

Pages 383-450 of the budget document provide details of the projects proposed in the 2021 capital budget, as well as a 2022-2025 capital outlook.

The approval of the 2021 capital budget as tabled would, over the next five years, produce future annual changes to the operating budget of approximately \$478,000, which is outlined on page 396 of the budget document.

### **Proposed Budget**

The following chart reflects the impact of the 3.9% tax increase for taxpayers in 2021 (page 50 of the budget document).

<b>Current Value of Your Home</b>	<b>\$230,000</b>	<b>\$350,000</b>	<b>\$450,000</b>
<b>Annual</b>			
2021 Property Tax Increase - 3.9%	\$120	\$183	\$235
2021 Property Tax Increase with special capital levy - 5.4%	\$166	\$253	\$325
<b>Monthly</b>			
2021 Property Tax Increase - 3.9%	\$10	\$15	\$20
2021 Property Tax Increase with special capital levy - 5.4%	\$14	\$21	\$27

A 3.9% municipal property tax increase represents an increase of approximately \$120 annually or \$10 monthly to the typical homeowner that has a property assessed at \$230,000. These increases may vary marginally based on the geographic location of a property due to area rating implications which are subject to change with the development of the 2021 Property Tax Policy.

### **Options to Reduce Tax Levy Increase**

Council directed staff to provide alternatives to reduce the property tax levy increase to 3.0% and 2.2%. Each 0.1% is worth approximately \$290,000 which means that in order to reduce the levy increase from 3.9% to 3.0%, a net reduction of approximately \$2.6 million would be required. In order to achieve a levy increase of 2.2%, a net reduction of approximately \$4.9 million is required.

Included in Appendix A are the alternatives to reduce the property tax levy. Each of these adjustments produces a change in service levels.

### **Business Cases**

On November 3<sup>rd</sup>, the Finance and Administration Committee provided direction to include a list of business cases to be considered within the budget document. These can be reviewed at pages 297-382 of the budget document. Due to either production timelines or subsequent decisions by Council for additional business cases after the budget production deadline, additional business cases were requested but not included within the document. These additional business cases are included with this report in Appendix B, or they will be provided as supplemental material as soon as they are finalized:

- Facility Rationalization – At the October 20, 2020 Finance and Administration Committee Meeting, direction was given to develop a business case for rationalizing facilities to improve utilization levels.
- User Fees – At the October 20, 2020 Finance and Administration Committee Meeting, direction was given to develop a business case for adjustments to user fees that, among other details, reflect the following features:
  - Includes allowances/offsets to allow for continued support to low income citizens such that fees do not become a barrier to access;
  - Provides estimates, where applicable, of projected usage rates to identify both maximum and most likely revenue levels.
- Transitional Housing
- Sudbury Shared Harvest – At the November 10, 2020 City Council meeting, direction was given to prepare a business case for consideration of a grant to the Sudbury Shared Harvest in the sum of \$30,000.

The following three business cases are included within this report:

- LED Streetlighting – Downtown
- LED Streetlighting – Parks
- St. Joseph's Villa

#### *Outstanding Motions*

There are two outstanding motions on the February 16<sup>th</sup> Finance and Administration Committee meeting. These motions include the following:

- Sudbury Curling Club Grant – Staff may be directed to prepare a business case to provide a grant from the City, equivalent to the property tax liability to the Sudbury Curling Club.
- Enhanced Winter Sidewalk Maintenance – Staff may be directed to prepare a business case that reviews winter sidewalk maintenance standards and identify approaches for enhancing the existing service level, including but not limited to addressing/considering a decrease in snow accumulation to initiate the implementation of a staff response.

#### **Special Capital Levy (page 399 of the budget document)**

Staff recommends a 1.5% special capital levy to address infrastructure funding requirements. This special capital levy is in addition to the 1.5% levy approved during 2020 budget deliberations and is consistent with the options presented in the Long-Term Financial Plan approved by Council in April 2017.

As part of the 2020 Budget, Council approved a special capital levy of 1.5 per cent, but due to the COVID-19 pandemic, the funds were allocated to fund potential COVID-19 pressures. On approval of the special capital levy in 2020, the \$4.1 million was a permanent allocation to capital in 2021 and in future years.

The approval of an additional capital levy in 2021 would enable the completion of infrastructure renewal work worth \$4.3 million. Numerous municipalities across the country use some form of special levy, typically to address long-standing infrastructure renewal or replacement needs. Greater Sudbury's infrastructure renewal requirements are significant and, without some infusion of additional funds like those provided by a special capital levy, will not be adequately addressed to sustain service levels or meet expected service demands.

If approved, it is recommended that the \$4.3 million be used to fund specific road capital projects during 2021.

#### **City's Share of Outside Boards (Service Partners) – Pages 479-492 in the budget document**

The City provides funding to the three Outside Boards and provides staffing to the Sudbury Airport Community Development Corporation. The cost of staffing is recovered from the Airport.

The Nickel District Conservation Authority (Conservation Sudbury) requested a 2.9% increase to its operating grant with a 16.7% increase to the capital grant; thus reflecting a 7% increase overall, which is reflected in the 2021 budget. This was presented at the January 19, 2021 Finance and Administration meeting. Approximately 54% of the Conservation Sudbury budget is funded by the property tax levy.

The Public Health, Sudbury & Districts are scheduled to present a 5% increase to their annual allocation at the February 16, 2021 Finance and Administration meeting. Approximately 30% of the Public Health, Sudbury & Districts budget is funded by various municipal levies. Approximately 26% of the budget is funded by the City of Greater Sudbury property tax levy with the remainder being funded from a number of municipalities.

The Greater Sudbury Public Library (GSPL), inclusive of Citizen Services Centres, presented its budget on January 19, 2021 to the Finance and Administration Committee. The budget reflects an increase of 5.7% to address unique needs for GSPL and is currently presented in the City's base budget. Approximately 92% of the GSPL budget is funded by the property tax levy.

The Greater Sudbury Police Services (GSPS) presented its budget January 19, 2021 to the Finance and Administration Committee. The Police Services budget reflects a 4.8% increase and is currently presented in the City's base budget. Approximately 92% of the GSPS budget is funded by the property tax levy.

The impact to the budget from the Outside Boards represents 1.2% of the municipal property tax increase.

## **Municipal Act - Ontario Regulation 284/09**

In accordance with Ontario Regulation 284/09, municipalities are required to disclose amounts that are expensed in their financial statements but not included in budgeted figures prior to Council passing the annual budget. For the City of Greater Sudbury, this includes three expenses for the 2020 Budget:

- a. Amortization expense - \$72.7 million
- b. Post-employment benefit expenses – \$3.7 million; and
- c. Solid waste landfill closure and post-closure expenses - \$1.2 million

The effect of including these expenses for a net total of \$77.6 million in the budget would be to increase the tax levy and user fee requirements. By not including these expenses, the annual contribution to capital and reserves are lower than they will likely need to be to maintain assets in a state of good repair. Similarly, as obligations for post-employment benefits or landfill closure costs become due, future levies would be impacted if the expenses are not budgeted for.

## **SUMMARY**

The 2021 Budget produces a number of results that demonstrate the progress Council anticipated when it created its Strategic Plan. In addition to providing numerous programs and services that residents rely on every day, the 2021 Budget makes significant investments that improve residents' quality of life. Not only does it address key priorities like road infrastructure and winter road maintenance services, but it also enhances community safety and the environment. It maintains Greater Sudbury's position as a community with one of the lowest property tax levels in Ontario.

The recommended 2021 Budget document reflects a 3.9% municipal property tax change alongside a recommended 1.5% special capital levy to fund specific 2021 road projects. The 3.9% tax increase is in accordance with the budget direction provided by the Finance and Administration Committee in November 2020, while the recommended special capital levy is consistent with the direction provided by the Long-term Financial Plan.

## REFERENCES

1. August 11, 2020 - 2021/22 Forecast & Long-term Financial Plan Update -  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=1513>
2. September 15, 2020 – 2021 Budget Update -  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=6&id=1514>
3. October 13 and 20, 2020 -  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=1515>  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=1563>
4. November 3<sup>rd</sup>, 2020 – Revised Budget Direction -  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&attachment=33566.pdf>
5. December 8, 2020 – 2021 Operating Budget Update -  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=1520>
6. December 21, 2020 – 2021 Operating Budget Update -  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=2598>
7. January 19, 2021 – Budget Presentation -  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&attachment=34120.pdf>

**Appendix A - Service Level Reductions (3.0% and 2.2%)**

Department	Division	Amount	Description	Comments
Growth & Infrastructure	Linear Infrastructure Services	1,658,545	Various LIS Activities	<p>This reduction would propose reductions in materials, labour and equipment rental costs to perform a number of summer roads maintenance activities, such as asphalt patching, mechanical sweeping, roadside ditching etc. This represents an approximate 9% reduction in the budgets allocated for summer maintenance.</p> <p>Overall, the City does not meet Industry Best Practice, therefore the funding reductions will result in a significant reduction in service levels of area roads. Reduced maintenance also represents increased risk of compliance with Minimum Maintenance Standards.</p>
Growth & Infrastructure	Linear Infrastructure Services	500,000	Winter Control - Increased Risk	<p>This option represents taking additional risk with respect to Winter Control above and beyond what has been included with removing winter control averaging. It is possible to reduce the Winter Control budget by up to \$500,000, however, this could result in a deficit position by the end of 2021 as the Winter Control Reserve has a \$0 balance.</p>
Community Development	Leisure Services	500,000	Elimination of remaining HCI funds	<p>On average, the HCI capital fund support 35 community level parks and recreation capital projects on an annual basis. The elimination of HCI funding would require these projects to be considered through the capital prioritization process.</p> <p>The HCI grants also support 100 neighbourhood and community level events on an annual basis. If these funds were eliminated, event organizers are to seek other sources of funding, change the scope of events, or in some cases cancel events.</p>
Growth & Infrastructure	Environmental Services	500,000	Gate Fee (Flat Fee per visit)	<p>This budget options represents charging a flat fee to all visits to the City landfill sites to dispose domestic waste in addition to maintaining the fee structure for disposal on a tonnage basis. The change if approved, could be implemented in about 2 months. The proposed fee is \$5 per visit and is estimated to generate approximately \$500,000 per year. The amount that is can be realized for 2021 is approximately \$292,000. This is a preliminary estimate and is not without risk. It assumes that less users will use the sites and residents will use their roadside collection services more, especially for large furniture and appliances. This change could lead to an increase in collection costs for curbside pick of large items.</p>
Growth & Infrastructure	Linear Infrastructure Services	350,000	Winter Control - Increased Risk	<p>This budget option represents an average work volume calculation that would not consider the winter events in 2019. The winter of 2019 represented an anomaly in winter precipitation and there is a reasonable risk that a similar series of precipitation events is unlikely to occur so soon after the 2019 event.</p>

Community Development	Leisure Services	234,000	Lifeguard service level reduction	<p>The City provides supervision at 7 municipal waterfront areas. These areas would be deemed unsupervised beaches which would follow guidelines from the National Lifesaving Society.</p> <p>Parks services staff would still maintain change rooms and washrooms at these locations.</p> <p>2019 Statistics:</p> <ul style="list-style-type: none"> <li>- 15,138 total bathers</li> <li>- 5 rescues</li> <li>- 1 missing person</li> <li>- 52 first aid responses</li> <li>- 12 incidents (by-law, police etc.)</li> </ul>
Growth & Infrastructure	Environmental Services	200,000	Sale of Recyclables (net)	The revenue generated from end markets has been in a depressed state since 2018. There are indications in the market that the value of recyclables is trending upwards. This option represents taking risk that the sale of recyclables could reflect an additional \$400,000 in revenue which is split evenly with the contractor for a net of \$200,000 to the City.
Corporate Services	Legal & Clerks Services	200,000	Eliminate access to the archive collection	This service could be suspended to produce a reduction that lowers staffing costs and most of its current operating expenditures. This amount is the amount that could be realized for 2021 based on the timing of budget approval.
Economic Development		200,000	Reduce CGSCDC transfer by 20%	The CED programs fund Employment Lands Strategy, CIP projects, RNIP and the Business Incubator. Removal of these funds reduces opportunity to leverage provincial and federal support. This ratio was 1:7.4 in 2019.
Outside Boards	Greater Sudbury Public Library	144,200	Reduce contribution to Library Board	This reduction reflects the salaries and benefit costs included in the Library draft budget for the addition of a new director-level CEO position. Should the GSPB board wish to proceed with the position, they could adjust the existing program and staff budgets to identify the required financial resources.
Economic Development		120,000	Reduce Tourism Event Support	This funding supports local events that generate significant visitation and ROI for the Community. In 2019, the grant went to 62 events that brought in approximately 68,700 visitors with a local spend of \$14 million.
Growth & Infrastructure	Environmental Services	85,000	Elimination of residential exemption	If a resident delivers a load of waste that is 50 kg or less in a one week period, no tipping fees are charged. This budget option reflects the removal of this exemption.
Community Safety	Paramedic Services	73,266	Close 3 helipad night landing sites	A review of the three sites (Capreol, Dowling and Vermillion Lake) demonstrated low utilization of once per year for Capreol and Dowling and no use by Vermillion Lake site from 2016-2020. The Kukigami site would remain operational.
Growth & Infrastructure	Environmental Services	65,000	Remove subsidy from Big Blues and only provide free blue boxes to new homes	This budget option proposes to cut the allocation for free distribution of blue boxes by \$80,000 to a total of \$225,000. The remaining budget will continue to fund the purchase of green carts and blue boxes for new homes. The subsidy was designed to encourage more recycling, however it could be argued that there are widely available sources for blue box containers at reasonable commercially available outlets throughout the City.
Growth & Infrastructure	Environmental Services	65,000	Full Cost Recovery of Special Events	This budget option would see charges for recovery of waste collections services at Special Events increase to full cost recovery. Currently Special events are partially subsidized to support the community value of the Special Events and to encourage the use of City Waste Management Services.
Growth & Infrastructure	Environmental Services	60,000	Elimination of Free Week (Spring)	This budget option would see the elimination of the free visits and tippage fees at City Landfill Sites in the Spring.



Economic Development		54,287	Eliminate Market Program	This funding supports the Greater Sudbury Market Association which provides the market program on behalf of the City of Greater Sudbury.
Growth & Infrastructure	Environmental Services	40,000	Elimination of Free Week (Fall)	This budget option would see the elimination of the free visits and tippage fees at City Landfill Sites in the Fall.
Community Development	Leisure Services	29,750	Elimination of maintenance at Beaver Lake and Coniston Welcome Centres	Washrooms would not be maintained and facilities would be closed.  These facilities are used by individuals traveling to and from Greater Sudbury. Individuals would utilize other washroom facilities offered at commercial establishments.
Corporate		TBD	Estimated impact of User Fee Business Case	
Corporate		TBD	Facility Rationalization Business Case	
		<u>5,079,048</u>		

# Business Case for Service Level Change

**Request/Project Name:** Supplemental LED Lighting Downtown

**Department:** Corporate Services

**Division:** Assets and Fleet

**Council Resolution (if applicable):**

CC2021-22

## I. Executive Summary

### Overview of Proposal

On January 12th, 2021 Council meeting a Member's motion was presented and approved that requested 2 separate business cases for LED lighting. The first was for supplemental LED lighting in the downtown core and the second was for the replacement of existing High Pressure Sodium (HPS) lighting with Light Emitting Diode (LED) in all City parks and pathways. This business case will detail the supplemental lighting in the downtown core.

## II. Background

### Current Service Level

In 2020 all the remaining HPS streetlights were changed to LED streetlights, including the downtown of the City of Greater Sudbury. This was a one for one replacement that did not include and additional lighting.

### Drivers for Proposed Course of Action

A members motion was approved at the January 12th meeting of Council. The motion called for the implementation of supplemental LED lighting in the downtown core. As a result, the Manager of Security and By-Law in conjunction with the Greater Sudbury Police Service identified a number of locations where increased lighting would assist patrons and businesses of the downtown core. The locations identified and reflected in this business care are increased lighting in Memorial Park, additional streetlights along Elgin Street adjacent to the railway tracks between Durham and Larch streets, the alley off Grey street, and Old City Hall lane.

## III. Recommendation

### Categorize your specific request (mark an 'X' for all that apply):

<input checked="" type="checkbox"/>	Change to base operating budget		Change to base FTE allocation
	Change to fees (unit price)		Change to revenues (volume change)
	Investment in project (Operating)	<input checked="" type="checkbox"/>	Investment in project (Capital)

### Recommendation

The recommended change is to increase LED lighting in Memorial Park, install additional LED streetlights along Elgin Street adjacent to the railway tracks between Durham and Larch streets, add LED lighting in the alley off Grey street, and increase LED lighting on Old City Hall Lane.

### How does this align with Council's Strategic Plan?

<input checked="" type="checkbox"/>	Asset Management and Service Excellence		Business Attraction, Development and Retention
	Climate Change		Economic Capacity and Investment Readiness
	Housing		Creating a Healthier Community
	Strengthen Community Vibrancy		

The project aligns with the principle of asset management and service excellence as the introduction of additional lighting will provide for the will of citizens to create a safer, more welcoming environment for patrons of downtown utilizing LED's that have a lower lifecycle cost than HPS lighting.

#### IV. Impact Analysis

##### Qualitative Implications

The additional LED lighting in the downtown will seek to deter illicit activities and enhance confidence for pedestrians and business owners.

##### Quantifiable Implications

The estimated capital cost of the additional lighting will cost approximately \$88,000 and have an annual operating cost of approximately \$4,100 in energy over the next five years.

##### Operating Revenue - Incremental

###### Detail

Description	Duration	Revenue Source		2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
	On-Going			\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time			\$ -	\$ -	\$ -	\$ -	\$ -
Total				\$ -	\$ -	\$ -	\$ -	\$ -

##### Operating Expenditures - Incremental

###### Detail

Description	Duration	Funding Source		2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
Energy	On-going	Tax Levy		\$ 2,050	\$ 2,050			
LED Lighting	One-Time	Tax Levy		\$ 83,545	\$ (83,545)			
	On-Going			\$ 2,050	\$ 2,050	\$ -	\$ -	\$ -
	One-Time			\$ 83,545	\$ (83,545)	\$ -	\$ -	\$ -
Total				\$ 85,595	\$ (81,495)	\$ -	\$ -	\$ -

##### Impact to Capital

The cash flows are reflected in the chart above.

##### FTE Table

Position	Bargaining Unit	Duration	Permanent / Part Time		2021	2022	2023	2024	2025
		Permanent			-	-	-	-	-
		PT Hours			-	-	-	-	-

Net Impact		2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
On-Going		\$ 2,050	\$ 2,050	\$ -	\$ -	\$ -
One-Time		\$ 83,545	\$ (83,545)	\$ -	\$ -	\$ -
Total		\$ 85,595	\$ (81,495)	\$ -	\$ -	\$ -

**Implementation**

The project will require the procurement of various styles of LED lights and requires some construction and electrical connections. The City's Energy Engineer will manage the project and procure the lights and a qualified installer.

**Advantages/Disadvantages**

Advantages	Disadvantages
<ul style="list-style-type: none"><li>Increased lighting has been credited with decreased illegal behaviour</li><li>Increased lighting will provide patrons of the downtown core with a increased sense of safety</li></ul>	<ul style="list-style-type: none"><li>Financial impact</li><li>Lighting is spot improvements and not standardized across the community</li></ul>

**V. Alternatives****Alternatives Considered**

Solution Options	Advantages/Disadvantages	Financial Impact
Status Quo	The same areas will continue to host illicit activities. Conversely, the increased lighting may simply move these activities to a different location.	\$ -

# Business Case for Service Level Change

**Request/Project Name:** Parks Lighting Conversion to LED

**Department:** Community Development

**Division:** Leisure Services

**Council Resolution (if applicable):**

CC2021-22

## I. Executive Summary

### Overview of Proposal

On January 12th, 2021 Council meeting a Member's motion was presented and approved that requested 2 separate business cases for LED lighting. The first was for supplemental LED lighting in the downtown core and the second was for the replacement of existing High Pressure Sodium (HPS) lighting with Light Emitting Diode (LED) in all City parks and pathways. This business case will focus on the replacement of lighting in the City parks and pathways. Due to the timing of the request, staff were unable to analyze the entire park and pathway lighting system throughout the City for the purposes of this business case. Consequently, staff have prepared this business case to reflect the change of HPS lights to LED in all regional parks. Staff will bring business cases forward in future years that seek to fulfill the replacement of HPS lighting at all parks and pathways throughout the City. For reference the regional parks included in this business case are: Moonlight Beach, Coniston Park, Place Bonaventure, A.Y. Jackson, Whitewater, Leslie to St. Joseph Park path, Terry Fox Sports Complex, Queen's Athletic, James Jerome, Adanac, Centennial Park, Howard Armstrong, Fielding Park, Lively Park, and St. Charles Park.

## II. Background

### Current Service Level

In 2020 all the remaining HPS streetlights were changed to LED streetlights. This was a one for one replacement that did not include and additional lighting. Lighting in City parks is predominantly of the HPS variety.

### Drivers for Proposed Course of Action

One of Council's strategic pillars is to combat climate change by reducing green house gases. LED lighting uses significantly less energy than HPS resulting in reduced green house gases. This project will also align with the City's Community Energy and Emissions plan for net zero green house gases by 2050.

## III. Recommendation

### Categorize your specific request (mark an 'X' for all that apply):

<input checked="" type="checkbox"/>	Change to base operating budget		Change to base FTE allocation
	Change to fees (unit price)		Change to revenues (volume change)
<input checked="" type="checkbox"/>	Investment in project (Operating)	<input checked="" type="checkbox"/>	Investment in project (Capital)

### Recommendation

The recommended change is to replace all existing HPS lighting in regional parks. This will be a project that can be completed utilizing internal staff to manage a licensed contractor who will supply and install the LED lighting and ensure proper disposal of existing HPS lights.

### How does this align with Council's Strategic Plan?

<input checked="" type="checkbox"/>	Asset Management and Service Excellence	Business Attraction, Development and Retention
<input checked="" type="checkbox"/>	Climate Change	Economic Capacity and Investment Readiness
	Housing	Creating a Healthier Community
	Strengthen Community Vibrancy	

The change from HPS to LED lighting aligns with Climate change pillar as LED's use less energy and in turn will produce less greenhouse gas emissions. The project also aligns with the principle of Asset Management as LED's have a longer life span, less maintenance and overall lower lifecycle cost.

#### IV. Impact Analysis

##### Qualitative Implications

The change will have a positive impact on the environment and will align with Council's climate change objectives and assist in meeting targets outlined in the Community Energy and Emissions Plan as LED lights use approximately 50% of the energy of HPS lights and have a lifespan that is 3-4 times longer.

##### Quantifiable Implications

The estimated capital cost of the one for one replacement of all HPS lighting in regional parks is approximately \$172,000. Estimated energy savings are approximately \$41,000 annually. This reduction of energy costs provides for a simple payback on the project of slightly over 4 years.

##### Operating Revenue - Incremental

###### Detail

Description	Duration	Revenue Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

##### Operating Expenditures - Incremental

###### Detail

Description	Duration	Funding Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
Energy	On-going	Tax Levy	\$ (20,264)	\$ (20,264)		\$ -	\$ -
Maintenance	On-going	Tax Levy	\$ (250)	\$ (250)			
LED Lighting	One-Time	Tax Levy	\$ 171,812	\$ (171,812)			
	On-Going		\$ (20,514)	\$ (20,514)	\$ -	\$ -	\$ -
	One-Time		\$ 171,812	\$ (171,812)	\$ -	\$ -	\$ -
<b>Total</b>			<b>\$ 151,298</b>	<b>\$ (192,326)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

##### Impact to Capital

The cash flows are reflected in the chart above.

##### FTE Table

Position	Bargaining Unit	Duration	Permanent / Part Time	2021	2022	2023	2024	2025
		Permanent		-	-	-	-	-
		PT Hours		-	-	-	-	-
<b>Net Impact</b>				<b>2021 \$</b>	<b>2022 \$</b>	<b>2023 \$</b>	<b>2024 \$</b>	<b>2025 \$</b>
On-Going				\$ (20,514)	\$ (20,514)	\$ -	\$ -	\$ -
One-Time				\$ 171,812	\$ (171,812)	\$ -	\$ -	\$ -
<b>Total</b>				<b>\$ 151,298</b>	<b>\$ (192,326)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### Implementation

The recommended change is to replace all existing HPS lighting in regional parks. This will be a project that can be completed utilizing internal staff to manage a licensed contractor who will supply and install the LED lighting and ensure proper disposal of existing HPS lights.

### Advantages/Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"><li>• LED lighting uses less energy than HPS lighting</li><li>• LED has longer lifespan than HPS lighting</li><li>• LED lighting is associated with more direct lighting and less light pollution</li><li>• LED lighting has less of an impact on vegetation and wildlife</li><li>• The project has a simple payback of approximately 4 years and the expected lifespan of these LED lights is 15 years.</li></ul>	<ul style="list-style-type: none"><li>• Initial capital cost</li><li>• One for one replacement does not take into account improvements to the existing lighting layout</li></ul>

### V. Alternatives

#### Alternatives Considered

Solution Options	Advantages/Disadvantages	Financial Impact
Status Quo	Advantage is that there would be no capital requirement. Conversely, the City would continue to use higher amounts of energy contributing to global warming and costing the City more in hydro costs each year.	\$ -

# Business Case for Service Level Change

**Request/Project Name:** Funding for St. Joseph's Villa Capital Campaign

**Department:** Corporate Services

**Division:** Finance, Assets and Fleet

**Council Resolution (if applicable):** CC2021-45

## I. Executive Summary

### Overview of Proposal

St. Joseph's Villa submitted a funding request to support their current capital campaign "Caring Beyond". The campaign is required to address capital investment needs given the age of the facility.

## II. Background

### Current Service Level

St. Joseph's Villa provides long term care to 128 residents at their 28.4 acre South Bay Road facility location. It has an annual operating budget of \$10 million and its primary sources of revenue are the Ministry of Long Term Care (MLTC) (approx. 65%) and individual resident fees (approx. 33%). Although St. Joseph's Villa still receives \$10.35 per day, per bed (approx. \$480,000 per year) in construction funding, it does not receive "minor capital" funding from the MLTC as Pioneer Manor does on a per bed basis for older beds.

### Drivers for Proposed Course of Action

The facility on South Bay road is 18 years old and priorities for capital investment include upgrades to mechanical building components, especially heating cooling and ventilation. St. Joseph's Villa initiated the capital campaign: "to make sure we offer the best facility possible...a \$4.1 million, 3-year retrofit program, including \$1.2 million for a new roof, upgrading of our heating, ventilation and air conditioning units, windows, beds and mattresses, kitchen and bathroom equipment, chairs and blanket warmers, among other essential accessories". It is noteworthy that investments in the roof and some of the required equipment purchases have been completed using debt.

## III. Recommendation

### Categorize your specific request (mark an 'X' for all that apply):

<input checked="" type="checkbox"/>	Change to base operating budget	<input type="checkbox"/>	Change to base FTE allocation
<input type="checkbox"/>	Change to fees (unit price)	<input type="checkbox"/>	Change to revenues (volume change)
<input type="checkbox"/>	Investment in project (Operating)	<input type="checkbox"/>	Investment in project (Capital)

### Recommendation

### How does this align with Council's Strategic Plan?

<input type="checkbox"/>	Asset Management and Service Excellence	<input type="checkbox"/>	Business Attraction, Development and Retention
<input type="checkbox"/>	Climate Change	<input type="checkbox"/>	Economic Capacity and Investment Readiness
<input type="checkbox"/>	Housing	<input checked="" type="checkbox"/>	Creating a Healthier Community
<input checked="" type="checkbox"/>	Strengthen Community Vibrancy	<input type="checkbox"/>	



#### IV. Impact Analysis

##### Qualitative Implications

Approving this business case fulfils the request made by St. Joseph's Villa.

##### Quantifiable Implications

The capital funding requirements total \$4.1 million. The total request of the City is \$1 million split over 3 years. Approval of this business case will add 0.12% to the net tax levy increase or will have to be funded from the Capital Reserve Fund General for each of the three years.

##### Operating Revenue - Incremental

###### Detail

Description	Duration	Revenue Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

##### Operating Expenditures - Incremental

###### Detail

Description	Duration	Funding Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
Capital Funding	One-time	Tax Levy	\$ 333,333	\$ -	\$ -	\$ (333,333)	
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ 333,333	\$ -	\$ -	\$ (333,333)	\$ -
Total			\$ 333,333	\$ -	\$ -	\$ (333,333)	\$ -

##### FTE Table

Position	Bargaining Unit	Duration	Permanent / Part Time	2021	2022	2023	2024	2025
		Permanent		-	-	-	-	-
		PT Hours		-	-	-	-	-
Net Impact				2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
On-Going				\$ -	\$ -	\$ -	\$ -	\$ -
One-Time				\$ 333,333	\$ -	\$ -	\$ (333,333)	\$ -
Total				\$ 333,333	\$ -	\$ -	\$ (333,333)	\$ -

##### Implementation

If approved, the City would establish a Contribution Agreement that defines the terms of payment as well as an obligation for St. Joseph's Villa to report to Council on the use of funds.

##### Advantages/Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"><li></li><li></li><li></li><li></li></ul>	<ul style="list-style-type: none"><li></li><li></li><li></li><li></li></ul>

**V. Alternatives****Alternatives Considered**

<b>Solution Options</b>	<b>Advantages/Disadvantages</b>	<b>Financial Impact</b>

# Business Case for Service Level Change

**Request/Project Name:** Facility Rationalization

**Department:** All

**Division:**

**Council Resolution (if applicable):**

FA2020-55

## I. Executive Summary

### Overview of Proposal

As part of 2021 Budget preparations, Staff met with individual Councilors to obtain direction on service level changes for the 2021 budget. During these individual meetings, several Councilors indicated that the rationalization of facilities be explored and a business case presented as part of the 2021 budget process. This business case intends to fulfill this initial request, however, the requirements to recommend closure of facilities in various areas will require much more in-depth analysis than can be provided for in this business case. Staff have made an application to the Audit and Accountability Fund in order to further analyze the rationalization of facilities. If approved, this study will be funded by the provincial government.

The cornerstone of this initiative is that rationalization will assist in reducing the large future capital costs associated with these facilities. This is also in line with Council's strategic plan pillar related to Asset Management and Service Excellence. By reducing assets and future capital liabilities, Council will provide for increased flexibility to align future capital investments in facilities with asset management planning techniques that would call for timely investments that can assist in extending the life cycle of these assets.

To initiate this business case, it is recommended that the Committee approve the suspension of one pool and closure of one ice surface to provide operational savings for the 2021 budget and beyond, along with the mitigation of future capital expenditures. Included for the Committee's review are the implications of closing or suspending any pool or ice surface, which includes information such as 10-year capital requirements, operational savings and facility utilization. Furthermore, additional recommendations will be made to the Committee once further analysis has taken place.

## II. Background

### Current Service Level

At the Finance & Administration Committee meeting of December 21, 2020, Council was advised that analysis was underway for the Facility Rationalization business case. The expected outcome of this analysis is the identification of facility closure recommendations that help avoid future capital costs, but likely to produce minimal operating budget impacts for 2021. Council was advised that the scope of the business case would include the following types of facilities:

- Administrative Facilities
- Arena Ice Pads
- Ball Diamonds
- Community Halls
- Field Houses
- Fire Halls
- Fitness Centres
- Libraries
- Maintained Parkland
- Non-motorized trails
- Outdoor Basketball Courts
- Outdoor Rinks
- Playgrounds (Structures)
- Pools
- Ski Hills
- Soccer Fields
- Splash Pads
- Tennis Courts
- Trailer Parks

### Drivers for Proposed Course of Action

Via the 2021 Budget process, several Councilors requested staff review utilization and types of facilities in order to gauge an ability to rationalize various classes of facilities. The intention of this initiative is to reduce pressures on both operating and future capital budgets in the short to medium term without compromising service delivery.

Additionally, as asset management data and information become more prevalent and useful it has also become clear that a significant capital investment liability exists. In the absence of increasing taxes and funding this liability, the City can reduce this liability by rationalizing existing assets.

### III. Recommendation

Categorize your specific request (mark an 'X' for all that apply):

<input checked="" type="checkbox"/>	Change to base operating budget		Change to base FTE allocation
	Change to fees (unit price)		Change to revenues (volume change)
	Investment in project (Operating)	<input checked="" type="checkbox"/>	Investment in project (Capital)

#### Recommendation

This business case includes a recommendation to close one ice pad permanently and to suspend the operation of one municipal pool for 2021.

##### Arena Ice Pads

The recommended provision for ice pads is 405 youth registrants per ice pad, while the current provision is 368 registered youths per ice pad. This results in a surplus of 1.5 ice pads for the community.

Ice utilization has been declining for a number of years. Long term population growth projections do not translate in to increased demands for ice use.

A permanent closure of one ice pad will bring the City closure towards the recommended provision level without significant impacts to existing users as ice time can be accommodated at other facilities.

Appendix A includes details of arena utilization, operational costs and capital requirements.

##### Pools

In terms of aquatic facilities, the recommended provision is one facility for every 25,000 population. There is currently a 0.5 pool surplus in the community when considering aquatic facilities at Laurentian University and YMC Sudbury in addition to the 5 municipally owned/operated pools.

Both YMCA Sudbury and Laurentian University have suspended the operations of their aquatic facilities as a result of COVID-19 and financial pressures. This business case recommends suspending operations of one City of Greater Sudbury pool for the remainder of the 2021 season to work with other providers on a community approach to aquatics and explore possible alternate service delivery models.

Appendix B includes details of municipal pool utilization, operational costs and capital requirements.

##### Other Facility Types

Appendix C includes an overview of the other facility types identified as part of the Facility Rationalization Business Case and rationale why these types of facilities are not being recommended for closure at this time. Unlike the user fee business case being considered by Finance and Administration Committee during 2021 budget deliberations, the principles for rationalization are unclear and it is recommended that staff develop a set of principles that would assist committee in approving a specific arena and pool for closure.

#### How does this align with Council's Strategic Plan?

<input checked="" type="checkbox"/>	Asset Management and Service Excellence		Business Attraction, Development and Retention
	Climate Change		Economic Capacity and Investment Readiness
	Housing		Creating a Healthier Community
	Strengthen Community Vibrancy		

Planning for, building and maintaining sustainable infrastructure is critically important. The City of Greater Sudbury's Strategic Plan calls for optimizing asset service life through the establishment of maintenance plans while retiring old, costly, uneconomic assets. Facility rationalization supports the strategic goal of Asset Management and Service Excellence through the identification of opportunities to decommission or suspend operations of under-utilized assets while improving use of other facilities.

#### IV. Impact Analysis

##### Qualitative Implications

The divestment of assets with minimal impacts to service delivery aligns with the City's Enterprise Asset Management Policy and demonstrates thoughtful application of the policy principle to "shrink Greater Sudbury's asset footprint".

##### Quantifiable Implications

Rationalization of facilities will reduce the overall asset footprint of the City and as a result provide relief in the form of a reduced requirement for capital expenditures in the future. Recent reports on the state of asset management at the City paint a picture of large scale financial commitments required to keep existing capital assets in service over the next decade. The 10 year capital requirements for the respective facility types are Ice Pads - \$51M, Pools - \$3.1M, Ski Hills - \$4 M, Emergency Services Stations - \$35 M, Administrative - \$ 63 M. Rationalizing facilities may allow for the City to avoid these capital costs and focus future capital dollars on other priorities. The closure of facilities also impacts operating costs and revenue targets. This will form part of the additional analysis that is outstanding and will be reported back to Community Services Committee / City Council in May 2021.

Operational impact:

Estimated average operational saving would be between \$227k to \$250K for closure of one single pad arena from July to Dec in 2021 (part year) and estimated saving for full year 2022 and future would be between \$518K to \$567K if close permanently excluding one time facility re-purpose or decommissioning capital cost and ongoing operational cost.

The estimated average operational savings would be between \$74k to \$285K for closure of one pool from July to Dec in 2021 (part year), which is subject to facility. Estimated saving for full year 2022 and future would be between \$163K to \$596K if close permanently excluding one time facility re-purpose or decommissioning capital cost and ongoing operational cost.

Based on following assumptions-

1. Revenue gain from shift of demand from closed facility to existing facility 40%
2. Salaries and Benefits (S&B) saving from closed facility 100%
3. Operating budget saving considering 60% budget required for general maintenance of building and equipment Pools 54% and Arena 46%
4. Energy saving estimated (95%)
5. Calculation based on 2021 proposed budget, straight monthly allocation for six (6) months and Onping falls operating budget is estimated 50% of onaping community centre budget.
6. Assuming other Pool and arena has the capacity to accommodate demand shift from closed facility
7. Calculation is based on standalone facility & not shared facilities ( e.g. HARC and NDP) and Class 2 single pad arenas
8. No additional expense required to accommodate additional demand on existing facilities.
9. Facility repurpose operational and capital cost ignored as well as decommissioning cost.

##### Operating Revenue - Incremental

###### Detail

Description	Duration	Revenue Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>			\$ -	\$ -	\$ -	\$ -	\$ -

##### Operating Expenditures - Incremental

###### Detail

Description	Duration	Funding Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>			\$ -	\$ -	\$ -	\$ -	\$ -

##### FTE Table

Position	Bargaining Unit	Duration	Permanent / Part Time	2021	2022	2023	2024	2025
		Permanent		-	-	-	-	-
		PT Hours		-	-	-	-	-
<b>Net Impact</b>				<b>2021 \$</b>	<b>2022 \$</b>	<b>2023 \$</b>	<b>2024 \$</b>	<b>2025 \$</b>
On-Going				\$ -	\$ -	\$ -	\$ -	\$ -
One-Time				\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>				\$ -	\$ -	\$ -	\$ -	\$ -

**Implementation**

Subject to Council's direction to decommission one ice pad and/or suspend the operation of one municipal pool for the remainder of the 2021 season, staff will present recommended facilities in a report to the Community Services Committee / City Council by May 2021. Facilities recommended for decommissioning/suspension will be based on a scoring matrix including historic utilization, geographic considerations, operating performance and required capital outlook.

**Advantages/Disadvantages**

Advantages	Disadvantages
<ul style="list-style-type: none"><li>• Reduce facility operating costs at arenas</li><li>• Reduce future capital liabilities for arenas</li><li>• Generate economies of scale at existing arena sites as volumes will move closer to capacity</li><li>• Reduce operating costs for pools for one year</li><li>• Potential to generate economies of scale amongst broader community facilities</li><li>• Potential to reduce future capital liabilities for pools</li></ul>	<ul style="list-style-type: none"><li>• Some users may have to commute a greater distance to an arena</li></ul>

**V. Alternatives****Alternatives Considered**

Solution Options	Advantages/Disadvantages	Financial Impact
Status Quo	All services remain the same and current and future capital liabilities continue to accumulate without a source of funding.	Accumulated Capital liability will continue to grow.

**Appendix 'A'**  
**Facility Rationalization Business Case**  
**Additional Analysis regarding Arena Ice Pads**

**City of Greater Sudbury Pool Inventory**

There are 14 municipal arenas with a total of 16 ice located in the City of Greater Sudbury:

- Cambrian Arena
- Capreol Community Centre and Arena
- Carmichael Arena
- Centennial Community Centre and Arena
- Chelmsford Community Centre and Arena
- Dr. Edgar Leclair Community Centre and Arena
- Garson Community Centre and Arena
- Gerry McCrory Countryside Sports Complex
- I.J. Coady Memorial Arena
- McClelland Community Centre and Arena
- Raymond Plourde Arena
- Sudbury Community Arena
- T.M. Davies Community Centre and Arena
- Toe Blake Memorial Arena

**City Wide Ice Pad Requirements**

The City's Parks, Open Space and Leisure Master Plan and the Arena Renewal Strategy established a market-specific demand target of 1 ice pad per 405 youth registrants. Based on registration data from the last full season (2019-2020) there is a current demand for 14.5 rinks, indicating a surplus of 1.5 pads.

In line with provincial and regional trends, Greater Sudbury is experiencing decreasing participation in organized ice sports. The following chart demonstrates changes in youth registrations over the last five seasons:

	Season				
	2016-2017	2017-018	2018-2019	2019-200	2020-2021*
<b>Number of Youth Registrations</b>	5767	5786	5892	5786	5204
<b>Number of Ice Pads Required (based on 1 pad per 405 youth registrants)</b>	14.2	14.3	14.5	14.3	12.8
<b>Surplus Ice Pads</b>	1.8	1.7	1.5	1.7	3.2

\*COVID-19 restrictions on return to play resulted in an approximate 10% decrease in registrations. However, due to COVID-19 limitations regarding league and team sizes, the actual amount of ice time required resulted in 15 of the City's 16 ice pads operating this season following ice allocation process.

Based on the further contraction of the youth population forecasted over the next ten years, declining registrations in arena activities can be expected barring any increase in participation rates.

As part of the City's participation in the Municipal Benchmarking Network Canada (MBNCanada) partnership, the City has comparator information about number of indoor ice pads operated by municipalities. The average number of operational indoor ice pads per 100,000 population is 5.14 among the 16 reporting municipalities. The City of Greater Sudbury operates 9.91 ice pads per 100,000 population.

### CGS Arena Utilization

The following table represents utilization rates at City of Greater Sudbury arenas. Information is based on weekly ice logs, which represent the hours worked on a weekly basis by ice allocation groups (both youth associations and adult/commercial leagues).

Prime time is defined as 8:00 am to 12:00 am on Saturdays and Sundays and from 5:00 pm to 12:00 am Mondays through Fridays. Overall utilization represents usage for all available hours open.

City of Greater Sudbury Arenas – Prime Utilization Rates					
Arena	2016-2017 Season	2017-2018 Season	2018-2019 Season	2019-2020 Season	2020-2021 Season*
Cambrian	85.1%	87.3%	88.8%	79.1%	81.3%
Capreol (#1)	45.5%	37.3%	37.3%	31.3%	-
Capreol (#2)	61.2%	63.4%	59.0%	46.3%	56.0%
Carmichael	90.3%	90.3%	88.1%	90.3%	87.3%
Centennial	75.4%	61.2%	58.2%	67.9%	64.2%
Chelmsford	79.1%	76.1%	77.6%	79.9%	82.1%
Dr. Edgar Leclair	82.1%	84.3%	83.6%	82.1%	82.1%
Garson	87.3%	91.8%	88.1%	85.8%	83.6%
GM Countryside (#1)	87.3%	85.8%	84.3%	88.1%	86.6%
GM Countryside (#2)	83.6%	84.3%	83.6%	87.3%	87.3%
IJ Coady	58.2%	40.3%	32.8%	33.6%	28.4%
McClelland	85.1%	86.6%	85.1%	80.6%	79.9%
Raymond Plourde	76.1%	81.3%	80.6%	82.1%	76.1%
Sudbury	91.0%	92.5%	91.8%	93.3%	94.8%
TM Davies	87.3%	87.3%	87.3%	86.6%	85.1%
Toe Blake	91.8%	90.3%	91.0%	82.8%	78.4%
<b>Total</b>	79.2%	77.5%	76.1%	74.8%	76.9%

City of Greater Sudbury Arenas – Overall Utilization Rates					
Arena	2016-2017 Season	2017-2018 Season	2018-2019 Season	2019-2020 Season	2020-2021 Season
Cambrian	85.0%	84.0%	79.7%	75.9%	73.3%
Capreol (#1)	32.6%	26.7%	26.7%	22.5%	-
Capreol (#2)	63.1%	58.8%	51.9%	42.8%	49.7%
Carmichael	89.8%	88.8%	80.2%	83.4%	72.2%
Centennial	67.6%	54.9%	51.6%	57.3%	54.0%
Chelmsford	70.1%	69.5%	69.0%	72.2%	73.8%
Dr. Edgar Leclair	70.4%	64.3%	62.0%	62.0%	70.1%



Garson	84.0%	88.7%	83.1%	81.2%	73.2%
GM Countryside (#1)	78.9%	78.4%	76.5%	78.9%	72.8%
GM Countryside (#2)	70.9%	75.1%	73.7%	76.1%	73.2%
IJ Coady	48.5%	33.9%	27.9%	28.5%	24.2%
McClelland	86.6%	85.0%	82.4%	77.5%	73.8%
Raymond Plourde	73.8%	76.5%	72.7%	74.3%	63.1%
Sudbury	89.7%	90.1%	91.5%	93.4%	91.5%
TM Davies	85.9%	82.2%	82.6%	82.2%	77.9%
Toe Blake	79.7%	82.4%	77.0%	71.1%	66.8%
<b>Total</b>	<b>74.0%</b>	<b>71.8%</b>	<b>68.7%</b>	<b>68.2%</b>	<b>68.1%</b>

\*Capreol Ice Pad #1 is not operating for the 2020-2021 season following demand analysis through the ice allocation process.

### Arena Operational Costs and Cost Recovery Information

Revenues, expenses, and resulting cost recovery rates for the operation of community arenas for the year 2019 are provided below. Figures for 2020 are not included as operations were significantly impacted by COVID-19.

Facility	Expense Total	Revenue Total	Cost Recovery
Cambrian	\$451,931.57	-\$344,387.17	76.2%
Capreol	\$544,901.74	-\$269,894.40	49.5%
Carmichael	\$413,644.55	-\$283,234.84	68.5%
Centennial	\$421,183.92	-\$200,897.41	47.7%
Chelmsford	\$493,585.56	-\$275,893.72	55.9%
Dr. Edgar Leclair	\$448,691.88	-\$255,062.67	56.8%
Garson	\$493,000.06	-\$325,430.13	66.0%
GM Countryside	\$1,087,008.25	-\$1,130,976.15	104.0%
IJ Coady	\$293,578.62	-\$75,051.87	25.6%
McClelland	\$454,452.11	-\$298,978.69	65.8%
Raymond Plourde	\$533,025.35	-\$306,466.11	57.5%
TM Davies	\$521,414.92	-\$297,438.60	57.0%
Toe Blake	\$442,117.94	-\$260,929.55	59.0%
Average Cost Recovery Rate for all Community Arenas			65.5%

Notes:

1. Cost recovery rates don't account for facility capital requirements.
2. For arena sites with an attached community hall, operating costs and expenses for the community hall operations are included.

### CGS Arenas Building Condition Assessment Summary

Updated Building Condition Assessments were completed on municipal arenas in 2019. The BCA's provided an overall condition assessment for each arena, as well as opinions of probable repair costs required in the immediate term (1 to 5 years) and long term (6 to 10 years). Figures represent the estimated cost to maintain facilities in a good state of repair and do not include costs associated with enhancements or building improvements (modernization of spaces or full

accessibility improvements). A total of in capital repairs were called for over a 10 year period for CGS community arenas. The following is a summary of the 2019 Building Condition Assessments:

Facility	Construction Date	Building Condition	1 to 5 Year Costs	6 to 10 Year Costs	Replacement Cost
Cambrian	1972	Fair Condition	\$ 2,033,902	\$ 2,253,460	\$ 10,057,836
Capreol	1960 (#1) 1974 (#2)	Fair Condition	\$ 3,118,552	\$ 5,185,261	\$ 22,972,360
Carmichael	1972	Fair Condition	\$ 1,672,289	\$ 2,292,179	\$ 10,000,091
Centennial	1972	Fair Condition	\$ 3,507,105	\$ 3,794,878	\$ 17,188,248
Chelmsford	1970	Marginally Fair Condition	\$ 2,256,449	\$ 5,444,061	\$ 15,444,810
Dr. Edgar Leclair	1968	Fair Condition	\$ 2,823,578	\$ 3,872,185	\$ 12,466,146
Garson	1972	Fair Condition	\$ 2,289,811	\$ 2,679,613	\$ 19,280,374
GM Countryside	1993 (#1) 2011 (#2)	Good Condition	\$ 1,960,324	\$ 2,125,270	\$ 28,363,030
IJ Coady	1976	Fair Condition	\$ 1,403,352	\$ 2,880,884	\$ 10,321,086
McClelland	1977	Good Condition	\$ 1,140,040	\$ 1,883,149	\$ 18,459,932
Raymond Plourde	1974	Fair Condition	\$ 2,907,817	\$ 3,383,624	\$ 11,990,598
TM Davies	1974	Fair Condition	\$ 3,008,015	\$ 3,670,560	\$ 17,639,491
Toe Blake	1970	Fair Condition	\$ 2,993,626	\$ 4,033,011	\$ 11,803,776
<b>Sub Total</b>					

### Potential Repurposing of Arena Facilities

The Parks, Open Space and Leisure Master Plan Review (2014) states that the decision to close any arena should be accompanied by a community engagement process, capital lifecycle analysis, evaluation of alternate uses, and options for the continued delivery of leisure services within the affected community.

In a report titled Valley East Twin Pad Multi Purpose Sports Complex presented to the Community Services Committee on September 16, 2019, several concepts for arena facility repurposing were introduced including:

- Repurposing arena facilities for indoor trampoline parks.
- Repurposing arena facilities for indoor bmx / skateboard parks.
- Repurposing arena facilities for indoor sports courts complexes (basketball, volleyball, pickleball, soccer, ball hockey).
- Repurposing arena facilities for indoor climbing, playing centres.

Arenas may also be ideal facilities for commercial use under a lease arrangement as has been done with the use of the former Barrydowne Arena for the Northern Ontario Film Studio.

As noted above, any repurposing of an existing facilities requires further analysis including a review of demand, a detailed business analysis, review of proposed operating model, understanding of incremental operating and capital costs and implications for zoning.

## **Appendix 'B'**

### **Facility Rationalization Business Case**

#### **Additional Analysis regarding Pools**

#### **City of Greater Sudbury Pool Inventory**

There are five municipal indoor aquatic facilities located in the City of Greater Sudbury:

- Gatchell Pool
- Howard Armstrong Recreation Centre
- Nickel District Pool
- Onaping Pool
- R.G. Dow Pool

#### Onaping Pool

The Onaping Pool was an addition to the Onaping Community Centre in 1967. The pool features a single tank measuring 12 metres long and 5 metres wide; there is no accessibility ramp or chairlift at this pool. The community centre also has change rooms, a gymnasium, library and other community spaces.

#### R.G. Dow Pool

This facility was built in 1971 and offers a single tank that measures 25 metres long and 12 metres wide with supporting change rooms and a pool chairlift. Supporting pool amenities at R. G. Dow Pool include change rooms, stairs, a ladder, and a chairlift.

#### Nickel District Pool

Constructed in 1972, this facility provides a single tank measuring 25 metres by 10 metres wide. Supporting pool amenities include change rooms, stairs, a ladder, and a chairlift.

#### Gatchell Pool

Gatchell Pool was originally constructed in 1975. The facility provides a single tank measuring 25 metres long and 15 metres wide with supporting change rooms and a pool ramp and chairlift. The pool is co-located with the Jean Hanson Public School and several times per week by students.

#### Howard Armstrong Recreation Centre

The Howard Armstrong Recreation Centre was constructed in 1982 and boasts a single tank measuring 25 metres long and 15 metres wide. Other supporting amenities at this facility includes a pool ramp, steps, and change rooms, in addition to a cardio and weight room, squash courts, and indoor walking track.

The municipal supply is supplemented by post-secondary and not-for profit pools that offer varying degrees of public access:

- Finlandia Village (small pool)
- Health Sciences North (therapy pool)
- Laurentian University (50 metre, 8-lane pool with diving platforms)
- YMCA of Sudbury (lap pool and therapeutic leisure pool)

#### **City Wide Aquatic Needs**

The Therapeutic Pool Feasibility Study (2014) suggested a provision standard of one (1) indoor aquatic centre per 25,000 population. Using the 161,531 population figure for the City of Greater Sudbury as per the Canada 2016 Census, the provision standard suggests the requirement for 6.5 aquatic facilities. This results in a surplus of 0.5 facilities when accounting

for the five (5) City of Greater Sudbury facilities plus the YMCA Sudbury and Laurentian University facilities. Both YMCA Sudbury and Laurentian University have suspended the operations of their aquatic facilities as a result of COVID-19 and financial pressures.

The City of Greater Sudbury operates 3.1 indoor pools per 100,000 population. The MBNCanada average is 2.05 indoor pools per 100,000 population.

### CGS Pool Utilization

City of Greater Sudbury pools offer recreational swimming opportunities through adult lane swims, public swims, family swims and aquafit classes through drop-in passes. The pools offer a full catalogue of learn to swim lessons and aquatic leadership courses. Pools are also available for private rentals for birthday parties, etc. The following is a summary of swim visits by facility and type for the years 2016 through 2020:

Swim Visits by Facility 2016-2020						
Facility	2016	2017	2018	2019	2020 <sup>1</sup>	Change (2016-2019) <sup>2</sup>
Gatchell	37,317	30,754	35,588	51,921	9,529	39%
HARC	72,344	63,929	64,247	58,531	21,361	-19%
Nickel District	32,894	36,940	40,032	46,878	14,343	43%
Onaping	7,231	5,532	7,051	7,406	5,395	2%
R.G. Dow	36,704	32,579	29,543	29,652	11,851	-19%
<b>Total</b>	<b>186,490</b>	<b>169,734</b>	<b>176,461</b>	<b>194,388</b>	<b>62,479</b>	<b>4%</b>

Swim Visits by Type 2016-2020						
Facility	2016	2017	2018	2019	2020 <sup>1</sup>	Change (2016-2019) <sup>2</sup>
Lessons	69,376	64,138	75,528	77,264	16,211	11%
Aquafit / Aquacises	24,881	26,011	24,424	24,626	11,245	-1%
Recreational Swim Visits	66,845	52,933	49,993	67,599	23,354	1%
Rentals	25,388	26,652	26,516	24,899	11,659	-2%
<b>Total</b>	<b>186,490</b>	<b>169,734</b>	<b>176,461</b>	<b>194,388</b>	<b>62,479</b>	<b>4%</b>

Notes:

<sup>1</sup>Participation rates significantly impacted by COVID-19 and suspended programs / closed facilities.

<sup>2</sup>2020 participation rates not included with percentage change.

### Pools Operational Costs and Cost Recovery Information

Revenues, expenses, and resulting cost recovery rates for the operation of CGS pools for the year 2019 are provided below. Figures for 2020 are not included as operations were significantly impacted by COVID-19.

	Onaping	RG Dow	Nickel District	Gatchell	HARC
<b>Total Revenues</b>	<b>\$50,839</b>	<b>\$213,997</b>	<b>\$301,539</b>	<b>\$312,099</b>	<b>\$536,833</b>
<b>Total Expenses</b>	<b>\$322,185</b>	<b>\$434,439</b>	<b>\$591,438</b>	<b>\$578,755</b>	<b>\$1,480,577</b>
Salaries & Benefits	\$186,216	\$337,496	\$505,337	\$415,949	\$1,010,865
Operating	\$59,454	\$39,479	\$60,065	\$74,543	\$238,289
Energy	\$76,515	\$57,465	\$26,036	\$88,264	\$231,422
<b>Cost Recovery</b>	<b>15.8%</b>	<b>49.3%</b>	<b>50.9%</b>	<b>53.9%</b>	<b>36.3%</b>

Notes:

1. Revenues and operating costs for the Onaping Community Centre and Howard Armstrong Recreation Centre represent revenues and expenses associated with the operation of the entire facility.
2. Cost recovery rates don't account for facility capital requirements.

### Pool Building Condition Assessment Summary

Updated Building Condition Assessments (BCAs) were completed on municipal pool facilities in 2018. The BCA's provide an overall condition assessment for each pool, as well as opinions of probable repair costs required in the immediate term (1 to 5 years) and long term (6 to 10 years). A total of \$8,365,355 in capital repairs were called for over a 10-year period for CGS pools. Figures represent the estimated cost to maintain facilities in a good state of repair and do not include costs associated with enhancements or building improvements (modernization of spaces or full accessibility improvements). The following is a summary of the building condition assessments:

Facility	Construction Date	Building Condition	1 to 5 year Costs	6 to 10 year Costs	Replacement Cost
Onaping CC	1967	Fair / Poor Condition	\$1,547,200	\$1,247,770	\$11,686,188 to \$14,283,165
R.G. Dow	1971	Fair Condition	\$387,210	\$481,950	\$2,868,299 to \$3,505,710
Nickel District	1972	Fair Condition	\$606,005	\$68,980	\$2,484,912 to \$3,037,125
Gatchell	1975	Fair / Good Condition	\$840,590	\$213,050	\$4,274,049 to \$5,223,855
HARC	1982	Good Condition	\$1,363,750	\$1,608,850	\$14,739,081 to \$18,014,490
<b>Sub Total</b>			<b>\$4,744,755</b>	<b>\$3,620,600</b>	

Note:

1. Expected capital costs and estimated replacement costs for the Onaping Community Centre and Howard Armstrong Recreation Centre represent projected costs associated with the entire facility.

## **Appendix 'C'**

### **Facility Rationalization Business Case**

#### **Information on Facility Types Not Identified for Rationalization as Part of Business Case**

##### Administrative Facilities

The City of Greater Sudbury is commencing a work from home program that will help identify the overall need for office space. Additionally, a large lease is expiring in Q1 2023 that will have an impact on capacity of office space. Staff will be working to utilize both of these large changes to define the office space requirements and the resulting ability to rationalize administrative facilities.

##### Ball Diamonds

Within the 1,400 hectares of maintained parkland, the City maintains 73 ball diamonds (baseball fields). While the City has more baseball diamonds per 100,000 population than MBNCanda comparators, when assessing those classified as “premier” diamonds, the City has fewer than comparator municipalities 1.85 premier ball diamonds per 100,000 population provided in Greater Sudbury as compared to the MBNCanda average of 2.99 per 100,000 population).

The City of Greater Sudbury Core Services Review noted that playfields are currently charged on a per head basis and the City should consider charging on a per hour basis for ease of reporting. The 2021 budget deliberations will include a business case on potential changes for user fees including those associated with playfields.

##### Community Halls

The City identifies 18 community halls which operate within municipal arenas, community centers, recreation complexes, etc. Community halls are recognized as spaces for several purposes including meeting spaces for non-profit groups, recreational programming, private functions and events and community centric locations for clinics and information sharing sessions.

At the Community Services Committee meeting of May 15, 2017, Council received a Community Hall Review report. This report outlined a number of strategies aimed at ensuring community halls remain accessible to the public while being fiscally responsible. Staff continue to implement the strategies recommended. Full report available here:  
<https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=4&id=1202>

The Core Services Review noted that community halls had an average utilization rate of 20% based on an availability assumption of being available for 18 hours per day.

##### Field Houses

The City owns 63 field house buildings located at neighbourhood and community parks across Greater Sudbury. These facilities support recreation programming such as outdoor rinks, neighbourhood playground programs and minor and adult field sports. These field houses were generally built in the 1970's and as such require capital repairs to bring them back to a good state of repair.

Given the interdependency of field houses to support other programs and services, and the need for more utilization data, rationalization of field houses is not being recommended at this time.

### Fire Halls

Emergency services will be undertaking a service review that will endeavour to identify the critical areas of the City for the existence of emergency services stations and reconcile this with the existing station footprint. A report will be presented to Committee in 2021 with recommendations on station rationalization

### Fitness Centres

The City operates fitness centres at the following locations:

- Capreol Millennium Centre
- Dowling Leisure Centre
- Falconbridge Wellness Centre
- Howard Armstrong Recreation Centre
- Rayside Balfour Workout Centre

Generally speaking, fitness centres are spaces within larger recreation complexes or community centres. In 2019 there were a total of 11,154 hours of fitness centers operation offered across the five sites with 462,134 visits from membership and drop-in participation.

The City's Core Services Review noted that given the competition from the private sector, the City should consider whether it should still be in the business of offering fitness center services. The Core Services Review further stated that the City should perform a deep dive of revenue generated vs cost of running fitness centers and assess whether services can be monetized or privatized. The 2021 budget deliberations will include a business case on potential changes for user fees including those associated with fitness centres.

### Maintained Parkland

The City maintains a total of 1,400 hectares of parkland over the municipal district. This service level of 7.3 hectares per 1,000 residents is higher than the provision level of 4.0 hectares per 1,000 residents established by the City's Parks, Open Space, and Leisure Master Plan.

The City of Greater Sudbury has one of the highest maintained parkland ratios of its MBNCanda comparators at 867 hectares per 100,000 population compared to the average of 322.74 hectares per 100,000 population.

The Core Services Review identified opportunities to naturalize a portion of maintained parkland for potential savings. Council direct staff to prepare a report and policy describing minimum utilization rates and other similar criteria to support Council's further deliberations about the Core Services Review recommendations to rationalize facilities and review maintained parkland requirements. This work is included in the Leisure Services 2021 work plan. It is anticipated this information will facilitate future discussions about rationalization of maintained parkland.

### Non-motorized trails

The City maintains 177 km of non-motorized trails throughout Greater Sudbury. While utilization data is not available for this type of amenity, during COVID-19 there has been an observed increase in the amount of individuals on trails and pathways. Asset management plans and capital requirements have not yet been developed for non-motorized trails.

Council has directed staff to prepare a report and policy describing minimum utilization rates and other similar criteria to support Council's further deliberations about the Core Services Review recommendations to rationalize facilities and review maintained parkland requirements.



This work is included in the Leisure Services 2021 work plan. It is anticipated this information will facilitate future discussions about rationalization of maintained parkland, including non-motorized trails.

#### Outdoor Basketball Courts

There are currently 31 outdoor basketball courts in the City's inventory. The Parks, Open Space and Leisure Master Plan recommends a provision level of one outdoor basketball court for every 750 youth (ages 10 to 19) with considerations for providing one court within a 1 kilometer service radius area. Based on this provision level recommendation there is an approximate surplus of 8 courts across the City. The Plan also indicates there is a backlog of deferred maintenance for these amenities.

Recently, the City has applied for Investing in Canada Infrastructure Programming for outdoor sport court revitalization including basketball courts. Should the City be successful with funding, the City will have the opportunity to improve capital outlook for these amenities through senior levels of government investment.

#### Outdoor Rinks

The City currently maintains and operates 56 outdoor rinks. The service is provided by municipal employees with a high volunteer component through Neighbourhood Associations.

The Parks, Open Space and Leisure Master Plan recommends a distribution-based provision target of one outdoor rink within an 1.0 km radius of all urban residential areas noting a service gap in Val Caron with overlaps in outdoor rink distribution within Sudbury (Don Lita and Lebel; Cedar Park and Ridgecrest; Antwerp and Ryan Heights).

The City is providing 34.7 outdoor rinks for every 100,000 population in comparison with MBNCanada benchmarking average of 16.9 for every 100,000 population.

City staff will be conducting condition assessments of these amenities which will help support future decisions relating to facility rationalization. Work on developing utilization rates and other similar criteria for maintained parkland will also support future decisions relating to outdoor rinks.

#### Playgrounds (Structures)

Within the City's 1,400 hectares of maintained parkland, there are 190 playgrounds. The City currently has a larger number of playgrounds per 100,000 population when compared to other municipalities (117.28 per 100,000 population in Greater Sudbury compared to MBNCanada average of 75.13 per 100,000 population).

The Parks, Open Space and Leisure Master Plan recommends a distribution-based provision target of one play structure within an 800-metre radius of every urban residential neighbourhood, without crossing a major arterial road or physical barrier.

In 2017 staff identified 10 playgrounds for potential disposition as they were within a 400-metre distance of another playground (half of the recommended distribution target). Council directed staff to retain the playgrounds in question.

The City has initiated a Playground Revitalization project in partnership with United Way Centraide Northeastern Ontario to invest in those playground structures requiring replacement in the short term.

Work on developing utilization rates and other similar criteria for maintained parkland will also support future decisions relating to playgrounds.

### Ski Hills

The City of Greater Sudbury owns and operates 2 ski hills, Adanac and Lively. As per ANCAM Solutions there is an annual comfortable carrying capacity of 59,430 visits.

- (Adanac Ski Hill 700 users x 70 days)
- (Lively Ski Hill 298 users x 35 days)

Alternatively, the expected annual ski visits for Greater Sudbury is based on 18% of expected participation rate in skiing/snowboarding and average skier/snowboarder visits.

•  $161,531 \times 18\% \times 1.5 \text{ visits} = 43,613 \text{ visits}$

Based on 2018-2019 actual visits (12,802 total visits at the two locations), capacity exceeds demand by 3.4 times.

The Core Services Review noted the opportunity to outsource ski hill operations a private or not-for-profit third party provider. This work has been delayed by the COVID-19 pandemic and restrictions to the operations of ski hills in Ontario. Staff anticipate this work will be explored in late 2021 or early in 2022.

### Soccer Fields

Within the 1,400 hectares of maintained parkland, the City maintains 93 fields used for soccer, football and other turf sports. While the City has more soccer fields per 100,000 population than MBNCanda comparators, when assessing those classified as “premier” fields, the City has fewer than comparator municipalities ( 1.85 premier soccer fields per 100,000 population provided in Greater Sudbury as compared to the MBNCanda average of 3.73 per 100,000 population).

The City of Greater Sudbury Core Services Review noted that playfields are currently charged on a per head basis and the City should consider charging on a per hour basis for ease of reporting. The 2021 budget deliberations will include a business case on potential changes for user fees including those associated with playfields.

### Splash Pads

The Parks, Open Space and Leisure Master Plan recommends a distribution-based provision target of one splash pad within an 1.5 km radius of all urban residential areas.

The City is currently providing 8.64 splash pads (spray pad) per 100,000 population. This compares to the average of 5.22 spray pads per 100,000 population for other MBNCanda municipalities. The majority of splash pad development has occurred within the last 5 to 7 years.

City Council received a Splash Pad Update report at the Community Services Committee of February 10, 2020. The report indicated that the majority of gap areas identified by the Parks, Open Space and Leisure Master Plan have been completed and no further development of these types of assets beyond committed projects is recommended. Full report available at: <https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=2&id=1495>

### Tennis Courts

There are currently 53 outdoor tennis courts in the City's inventory. The Parks, Open Space and Leisure Master Plan recommends a provision level of one tennis court for every 5,000 residents with considerations for providing one court within a 1 kilometer service radius area. Based on this provision level recommendation there is an approximate surplus of 20 courts across the City. The Plan also indicates there is a backlog of deferred maintenance for these amenities.

Recently, the City has applied for Investing in Canada Infrastructure Programming for outdoor sport court revitalization including tennis courts. Should the City be successful with funding, opportunities to convert under-utilized tennis courts for other uses (pickleball, skateboarding) will be explored.

### Trailer Parks

The City operates three seasonal trailer parks located at Centennial Park, Ella Lake Campground, and Whitewater Lake Park. The management of municipal trailer parks is contracted out under purchase of service agreements.

Upon Council's request, a report titled 'Municipal Trailer Park Review' was presented to the Community Services Committee on January 18, 2021. The report provided an overview of existing service levels and information regarding current utilization, operating costs and capital requirements. As requested by Council, the report also included an analysis of the operating costs and capital requirements should Council direct that the lands be converted to regional parkland. The report also provided considerations for a shift from focusing on seasonal campers towards a focus on short-term and overnight campers. The report included proposed user fees that consider full cost recovery. Full report available at <https://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=4&id=2582>.

Council directed staff to issue an Expression of Interest for the full outsourcing of municipal trailer park operations and report back to the Community Services Committee in Q2 of 2021. Fully outsourcing operations over a longer term period would place responsibilities for capital improvements on a third party operator.

# Assumptions

- |  |      |
|--|------|
| 1. Revenue gain from shift of demand from closed facility to existing facility                               | 40%  |
| 2. Salaries and Benefits (S&B) saving from closed facility   | 100% |
| 3. Operating budget saving considering 60% budget required for general maintenance of building and equipment | 54%  |
| 4. Energy saving estimated   | 95%  |
| 5. Calculation based on 2021 proposed budget   |      |
| 6. Assuming other pool has the capacity to accommodate demand shift from closed facility                     |      |
| 7. Standalone Facility & not shared facilities ( e.g. NDP and HARC)  |      |
| 8. Straight allocation for budget amount   |      |
| 9. No additional expense required to accommodate additional demand on existing facilities.                   |      |
| 10. Onaping falls operating budget is estimated 50% of Onaping community centre budget                       |      |

Maintenance budget %									
	Onaping	Dow	Gatchell						
		75%	76%	81%	77%				
Maintenance budget %			60%	46%					
		77%	40%	31%	54%	Saving %			
Supplies %		23%	100%	23%					
	2021 Budget	% pool	Revised allocation	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Total Savings
	Onaping Falls			50%					
Pool Revenue	-\$33,533	100%	\$33,533	\$16,767	\$6,707				
S&B	\$164,149	50%	\$82,074.50	\$41,037		\$41,037			
Materials	\$57,606	50%	\$28,803.00	\$14,402			\$7,708		
Energy	\$78,042	50%	\$39,021.00	\$19,511				\$18,535	
	<b>\$266,264</b>		<b>\$183,432</b>	<b>\$91,716</b>	<b>\$6,707</b>	<b>\$41,037</b>	<b>\$7,708</b>	<b>\$18,535</b>	<b>\$73,987</b>
	R G Dow	% pool	Revised allocation	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Total Savings
Pool Revenue	-\$150,486	100%	\$150,486	\$75,243	\$30,097				
S&B	\$381,814	100%	\$381,814	\$190,907		\$190,907			
Materials	\$46,379	100%	\$46,379	\$23,190			\$12,412		
Energy	\$64,949	100%	\$64,949	\$32,475				\$30,851	
	<b>\$342,656</b>		<b>\$643,628</b>	<b>\$321,814</b>	<b>\$30,097</b>	<b>\$190,907</b>	<b>\$12,412</b>	<b>\$30,851</b>	<b>\$264,267</b>
	Gatchell pool	% pool	Revised allocation	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Total Savings
Pool Revenue	-\$191,275	100%	\$191,275	\$95,638	\$38,255				
S&B	\$421,792	100%	\$421,792	\$210,896		\$210,896			
Materials	\$50,067	100%	\$50,067	\$25,034			\$13,399		
Energy	\$91,310	100%	\$91,310	\$45,655				\$43,372	
	<b>\$371,894</b>		<b>\$754,444</b>	<b>\$377,222</b>	<b>\$38,255</b>	<b>\$210,896</b>	<b>\$13,399</b>	<b>\$43,372</b>	<b>\$305,922</b>
				SD					
Average estimated saving (3 pools)			\$214,726	\$123,650					
Average estimated saving (except Onaping)			\$285,095	\$29,455					
			Min	\$73,987					
			Max	\$305,922					

Therefore, Average saving would be between \$74k to \$285K subject to facility

# Assumptions

%

1. Revenue gain from shift of demand from closed facility to existing facility
2. Salaries and Benefits (S&B) saving from closed facility
3. Operating budget saving considering 60% budget required for general maintenance of building and equipment
4. Energy saving estimated
5. Calculation based on 2021 proposed budget
6. Assuming other arena has the capacity to accommodate demand shift from closed facility
7. Class 2 single pad arenas
8. Straight allocation for budget amount
9. No additional expense required to accommodate additional demand on existing facilities.
10. No operational cost in 2022 ignoring facility repurpose capital and operational cost

40%  
100%  
46%  
95%

	Bldg. repair							
	Cambrian	Carmichael	Chelmsford	Dr Ed	Toe	Centennial	Raymond	McClelland
	89%	91%	88%	92%	94%	90%	82%	89%
Bldg. repair & Maintenance budget %	89%	60%	54%					
others %	11%	40%	36%	46%				
					Saving %			

	2021 Budget	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Equipment rental -Fleet	Total Savings	2022 Savings
<b>Cambrian Arena</b>		50%							
User Fees	-\$299,554	-\$149,777	\$59,910.80						\$119,821.60
S&B	\$238,659	\$119,330		\$119,330					\$238,659
Materials	\$61,540	\$30,770			\$14,298				\$61,540
Energy	\$133,958	\$66,979				\$63,630			\$133,958
Equipment rental -Fleet	\$19,898	\$9,949							\$19,898
	<b>\$154,501</b>	<b>\$67,302</b>	<b>\$59,911</b>	<b>\$119,330</b>	<b>\$14,298</b>	<b>\$63,630</b>	<b>\$0</b>	<b>\$257,168</b>	<b>\$573,877</b>

	2021 Budget	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Equipment rental -Fleet	Total Savings	2022 Savings
<b>Carmichael</b>		50%							
User Fees	-\$231,339	-\$115,670	\$46,267.80						\$92,535.60
S&B	\$257,633	\$128,817		\$128,817					\$257,633
Materials	\$61,527	\$30,764			\$14,295				\$61,527
Energy	\$128,909	\$64,455				\$61,232			\$128,909
Equipment rental -Fleet	\$19,898	\$9,949							\$19,898
	<b>\$236,628</b>	<b>\$108,365</b>	<b>\$46,268</b>	<b>\$128,817</b>	<b>\$14,295</b>	<b>\$61,232</b>	<b>\$0</b>	<b>\$250,611</b>	<b>\$560,503</b>

	2021 Budget	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Equipment rental -Fleet	Total Savings	2022 Savings
<b>Chelmsford</b>		50%							
User Fees	-\$217,284	-\$108,642	\$43,456.80						\$86,913.60
S&B	\$241,877	\$120,939		\$120,939					\$241,877
Materials	\$76,499	\$38,250			\$17,773				\$76,499
Energy	\$140,057	\$70,029				\$66,527			\$140,057
Equipment rental -Fleet	\$25,281	\$12,641							\$25,281
	<b>\$266,430</b>	<b>\$120,575</b>	<b>\$43,457</b>	<b>\$120,939</b>	<b>\$17,773</b>	<b>\$66,527</b>	<b>\$0</b>	<b>\$248,695</b>	<b>\$570,628</b>

# Assumptions

%

1. Revenue gain from shift of demand from closed facility to existing facility
2. Salaries and Benefits (S&B) saving from closed facility
3. Operating budget saving considering 60% budget required for general maintenance of building and equipment
4. Energy saving estimated
5. Calculation based on 2021 proposed budget
6. Assuming other arena has the capacity to accommodate demand shift from closed facility
7. Class 2 single pad arenas
8. Straight allocation for budget amount
9. No additional expense required to accommodate additional demand on existing facilities.
10. No operational cost in 2022 ignoring facility repurpose capital and operational cost

40%  
100%  
46%  
95%

	Bldg. repair							
	Cambrian	Carmichael	Chelmsford	Dr Ed	Toe	Centennial	Raymond	McClelland
	89%	91%	88%	92%	94%	90%	82%	89%
Bldg. repair & Maintenance budget %	89%	60%	54%					
others %	11%	40%	36%	46%	Saving %			
		100%	11%					

	2021 Budget	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Equipment rental -Fleet	Total Savings	2022 Savings
<b>Dr Ed (Azilda)</b>		50%							
User Fees	-\$220,831	-\$110,416	\$44,166.20						\$88,332.40
S&B	\$229,121	\$114,561		\$114,561					\$229,121
Materials	\$73,984	\$36,992			\$17,189				\$73,984
Energy	\$125,301	\$62,651				\$59,518			\$125,301
Equipment rental -Fleet	\$19,898	\$9,949							\$19,898
	<b>\$227,473</b>	<b>\$103,788</b>	<b>\$44,166</b>	<b>\$114,561</b>	<b>\$17,189</b>	<b>\$59,518</b>	<b>\$0</b>	<b>\$235,433</b>	<b>\$536,636</b>

	2021 Budget	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Equipment rental -Fleet	Total Savings	2022 Savings
<b>Toe Blake</b>		50%							
User Fees	-\$216,626	-\$108,313	\$43,325.20						\$86,650.40
S&B	\$325,043	\$162,522		\$162,522					\$325,043
Materials	\$64,137	\$32,069			\$14,901				\$64,137
Energy	\$124,727	\$62,364				\$59,245			\$124,727
Equipment rental -Fleet	\$19,898	\$9,949							\$19,898
	<b>\$317,179</b>	<b>\$148,641</b>	<b>\$43,325</b>	<b>\$162,522</b>	<b>\$14,901</b>	<b>\$59,245</b>	<b>\$0</b>	<b>\$279,993</b>	<b>\$620,455</b>

	2021 Budget	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Equipment rental -Fleet	Total Savings	2022 Savings
<b>Centennial</b>		50%							
User Fees	-\$177,941	-\$88,971	\$35,588.20						\$71,176.40
S&B	\$231,820	\$115,910		\$115,910					\$231,820
Materials	\$70,479	\$35,240			\$16,374				\$70,479
Energy	\$124,309	\$62,155				\$59,047			\$124,309
Equipment rental -Fleet	\$19,898	\$9,949							\$19,898
	<b>\$268,565</b>	<b>\$124,334</b>	<b>\$35,588</b>	<b>\$115,910</b>	<b>\$16,374</b>	<b>\$59,047</b>	<b>\$0</b>	<b>\$226,919</b>	<b>\$517,682</b>

Assumptions	%
1. Revenue gain from shift of demand from closed facility to existing facility	40%
2. Salaries and Benefits (S&B) saving from closed facility	100%
3. Operating budget saving considering 60% budget required for general maintenance of building and equipment	46%
4. Energy saving estimated	95%
5. Calculation based on 2021 proposed budget	
6. Assuming other arena has the capacity to accommodate demand shift from closed facility	
7. Class 2 single pad arenas	
8. Straight allocation for budget amount	
9. No additional expense required to accommodate additional demand on existing facilities.	
10. No operational cost in 2022 ignoring facility repurpose capital and operational cost	

	Bldg. repair	Cambrian	Carmichael	Chelmsford	Dr Ed	Toe	Centennial	Raymond	McClelland
		89%	91%	88%	92%	94%	90%	82%	89%
Bldg. repair & Maintenance budget %		89%	60%	54%					
			40%	36%					
others %		11%	100%	11%	46%	Saving %			

	2021 Budget	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Equipment rental -Fleet	Total Savings	2022 Savings
<b>Raymond Plourde</b>		50%							
User Fees	-\$227,064	-\$113,532	\$45,412.80						\$90,825.60
S&B	\$219,611	\$109,806		\$109,806					\$219,611
Materials	\$72,532	\$36,266			\$16,851				\$72,532
Energy	\$160,191	\$80,096				\$76,091			\$160,191
Equipment rental -Fleet	\$19,898	\$9,949							\$19,898
	<b>\$245,168</b>	<b>\$112,635</b>	<b>\$45,413</b>	<b>\$109,806</b>	<b>\$16,851</b>	<b>\$76,091</b>	<b>\$0</b>	<b>\$248,160</b>	<b>\$563,058</b>

	2021 Budget	Budget for 6 months	Revenue	S&B Savings	Material Savings	Energy Savings	Equipment rental -Fleet	Total Savings	2022 Savings
<b>McClelland</b>		50%							
User Fees	-\$271,399	-\$135,700	\$54,279.80						\$108,559.60
S&B	\$238,403	\$119,202		\$119,202					\$238,403
Materials	\$68,973	\$34,487			\$16,024				\$68,973
Energy	\$157,651	\$78,826				\$74,884			\$157,651
Equipment rental -Fleet	\$19,898	\$9,949							\$19,898
	<b>\$213,526</b>	<b>\$96,814</b>	<b>\$54,280</b>	<b>\$119,202</b>	<b>\$16,024</b>	<b>\$74,884</b>	<b>\$0</b>	<b>\$264,390</b>	<b>\$593,485</b>

		SD
Average estimated saving for 6 months	\$251,421	\$16,441
Min	\$226,919	
Max	\$279,993	

Therefore, Average saving would be between \$227k to \$250K subject to facility for 2021 calendar year

Average estimated saving for 2022 per	\$567,040	\$31,693
Min	\$517,682	
Max	\$620,455	

Therefore, Average saving would be between \$518k to \$567K subject to facility for 2022 onwards

**Note: Facility repurpose operational and capital cost ignored as well as decommissioning cost.**

**Capreol Arena closing one pad as Twin Pad business case \$113,550 ( 1 FTE \$79,692 plus Energy 20% -\$33,859)**

# Business Case for Service Level Change

**Request/Project Name:** Sudbury Shared Harvest

**Department:** Community Development

**Division:** Leisure Services

**Council Resolution (if applicable):**

CC2020-268

## I. Executive Summary

### Overview of Proposal

Sudbury Shared Harvest is a charitable organization, founded in 2015 which coordinates volunteers to plan, establish and maintain edible forest gardens on municipal and school properties, providing valuable educational opportunities for both children and adults. The gardens consist of fruit trees, shrubs and other edible, perennial plants. The group is currently also developing a youth employment and skills development program that will include training in both agriculture and entrepreneurship.

Sudbury Shared Harvest has accomplished its goals thus far through project funding from other levels of government, corporations, foundations and individual donations, but without stable operating funds, the organization is in a precarious financial situation. The municipal support requested would provide sufficient stable operating funds in order to ensure its sustainability.

## II. Background

### Current Service Level

This is an external request from Sudbury Shared Harvest in support of their appeal for stable operating funds. Currently the City does not provide operational funding to Sudbury Shared Harvest. To date the City has provided in-kind contributions including, staff time to co-ordinate locations, and garden requests such as the delivery of wood chips to garden sites.

Sudbury Shared Harvest has established six edible food forests in the following locations:

Delki Dozzi - Ward 1  
Walden (Anderson Farm) - Ward 2  
Chelmsford (Cote Park) - Ward 3  
Elm West Playground - Ward 4  
Ecole secondaire Hanmer - Ward 6  
Twin Forks playground - Ward 8

### Drivers for Proposed Course of Action

On November 10, 2020, Sudbury Shared Harvest delivered a presentation to City Council. The group requested an annual grant of \$30,000, which would provide the necessary financial stability to cover basic operating expenses and would be instrumental in leveraging matching funds from other sources.

The rationale for supporting Sudbury Shared Harvest is to ensure it maintains capacity to coordinate volunteer involvement, to maintain the existing edible forest gardens and to allow expansion of the initiative to other locations. This support will also enable Sudbury Shared Harvest to provide job skills training for at least six youth each year.

The proposal also aligns with the City's commitment to address climate change, through enhancing the natural environment, demonstrating good stewardship and also through the use of drought-tolerant plants. If approved, the grant from the City would help support two of the five pillars of an equitable, dynamic food system as outlined in the Greater Sudbury Food Strategy.

## III. Recommendation

### Categorize your specific request (mark an 'X' for all that apply):

<input checked="" type="checkbox"/>	Change to base operating budget	<input type="checkbox"/>	Change to base FTE allocation
<input type="checkbox"/>	Change to fees (unit price)	<input type="checkbox"/>	Change to revenues (volume change)
<input type="checkbox"/>	Investment in project (Operating)	<input type="checkbox"/>	Investment in project (Capital)

### Recommendation

The recommendation of this business case is to provide a grant of \$30,000 to Sudbury Shared Harvest. The proposed annual community grant will continue to be evaluated each year.



#### How does this align with Council's Strategic Plan?

	Asset Management and Service Excellence		Business Attraction, Development and Retention
x	Climate Change		Economic Capacity and Investment Readiness
	Housing	x	Creating a Healthier Community
x	Strengthen Community Vibrancy		

This proposal aligns with Council's Strategic Plan priorities of creating a healthier community and strengthening community vibrancy. Research shows that gardens have great health and social benefits as well as contributing to quality of life and sense of community. Providing educational opportunities regarding growing local food is important to addressing food security, and is especially crucial given the pandemic.

#### IV. Impact Analysis

##### Qualitative Implications

The annual grant would provide stable operating funding for an executive director, allow them to expand their programming to all the wards in Greater Sudbury, co-ordinate volunteers to maintain the gardens, and deliver workshops in the community. To date, Sudbury Shared Harvest has established six edible forest gardens, five of them on municipal property. This initiative has been very successful, with hundreds of people participating to date. Ongoing support from the municipality will enable the organization to reach its goal of planting at least one edible forest garden in each ward of the city by 2024.

Base funding would also allow Sudbury Shared Harvest to apply for and leverage other funding available from Provincial and Federal programs that require matching funds.

##### Quantifiable Implications

An operational investment of \$30,000 will allow Sudbury Shared Harvest to significantly increase their services. The funding will support the creation of: six new edible forest gardens will be established by the end of 2024; 300 school children per year will be engaged in curriculum-linked activities; 120 adults per year will participate in educational workshops; 6 youth per year will receive job skills training; a market garden grown by youth will produce at least 1,000 pounds of food for soup kitchens and other community food programs; an edible forest gardens maintenance manual will be produced. The funding will also increase existing services: the Fruit for All program will be reinstated resulting in at least 5000 servings per year of produce donated to soup kitchens and other community food programs; ongoing maintenance of existing edible forest gardens will be ensured.

Allow Sudbury Shared Harvest to collaborate with the Greater Sudbury Food Policy Council (GSFPC) to take action to make our community's food system more sustainable. Work with the GSFPC to prepare a report with recommendations to implement the Food Strategy.

#### Operating Revenue - Incremental

##### Detail

Description	Duration	Revenue Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

#### Operating Expenditures - Incremental

##### Detail

Description	Duration	Funding Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
Annual Grant	On-going	Tax Levy	\$ 30,000	\$ -	\$ -	\$ -	\$ -
	On-Going		\$ 30,000	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>			<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

#### FTE Table

Position	Bargaining Unit	Duration	Permanent / Part Time	2021	2022	2023	2024	2025
		Permanent		-	-	-	-	-
		PT Hours		-	-	-	-	-

Net Impact	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
On-Going	\$ 30,000	\$ -	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Implementation

If approved, an operating grant would be issued to Sudbury Shared Harvest with an accompanying Grant Agreement outlining the terms and conditions for use of the funds.

Advantages/Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Support the on-going operational costs of Sudbury Shared Harvest, allowing the organization to remain viable.</li> <li>Support community-based program delivery that serves to improve local food production and food security</li> </ul>	<ul style="list-style-type: none"> <li>Increased impact to the tax levy.</li> <li>Ability to continue with the program will depend on funding.</li> </ul>

V. Alternatives

Alternatives Considered

Solution Options	Advantages/Disadvantages	Financial Impact
Status quo/provide no financial assistance	<p>Advantage: no additional impact on the tax levy.</p> <p>Disadvantage: Reduction of the services that Sudbury Shared Harvest could provide, and inability to realize the quantifiable implications include above.</p>	None
Provide capital funding for one year	<p>Advantages: Allow Sudbury Shared Harvest to enhance their services with new and expanded programs.</p> <p>Sudbury Shared Harvest to collaborate with the Greater Sudbury Food Policy Council to develop recommendations on how the City can better support the community's food systems.</p> <p>Disadvantage: Would not ensure that organization could continue beyond 2021.</p>	Increase tax levy impact by \$30,000 (one-time)

# Business Case for Service Level Change

**Request/Project Name:** Implement Transitional Housing Program

**Department:** Community Development

**Division:** Children and Social Services

**Council Resolution (if applicable):** FA2020-61

## I. Executive Summary

### Overview of Proposal

On November 3, 2020, the City of Greater Sudbury Finance and Administration Committee directed staff to prepare a business case for the creation of transitional housing with wrap around services targeted to house and support homeless individuals with mental health and addictions for the 2021 budget. Council further directed staff to identify the costs and possible sources of funding, including any grant opportunities from Provincial or Federal Ministries.

This Business Case proposes the introduction of an evidence based Assertive Community Treatment Team (ACTT) operated by Health Sciences North (HSN), which would focus on providing targeted clinical interventions in a one site multi-residential building for between 40 and 60 clients. The business case outlines ongoing operating costs that will be needed for wrap around supports along with a capital budget estimate for a location for the program.

The program will be targeted towards the most chronically homeless individuals in the community that would be classified as heavy users of other emergency services such as hospital visits, EMS, and police interactions.

## II. Background

### Current Service Level

There are currently 2 mobile ACT teams managed by HSN that operate within Greater Sudbury and are funded by the North East Local Health Integration Network (LHIN). Both ACT teams can support individuals scattered throughout the City and provide access to ongoing supports; however, a waitlist is currently in place to access services.

HSN has reported that the mobile ACT teams do not have the capacity to meet the needs of the most chronic homelessness individuals in the community, given the intensive supports that would be needed with onsite clinical services. These individuals often end up hospitalized as this is the only option for intensive clinical supports. There is currently no service level associated with this type of service of intensive supports in the community.

### Drivers for Proposed Course of Action

The number of homeless individuals with concurrent disorders has grown within the City of Greater Sudbury and there is no access to transitional or supportive housing for active addictions and mental health supports. Health Sciences North (HSN) has indicated that both ACT teams that are currently providing services on a scattered basis are over capacity and a waitlist has started. Furthermore, HSN has reported that the scattered model ACT team cannot provide the intensive supports that are needed to the most at risk clients in the community. Utilizing the ACT team in conjunction with housing first is an evidence based approach to an intervention that will reduce homelessness in Greater Sudbury.

Anecdotally, service providers have reported an increase in the number of chronically homeless individuals in the community with an estimate of close 100 people requiring intensive supports and services. This has been coupled with reports of worsening mental health and addictions issues in this population. The rate of opioid related deaths in this particular segment is seeing an increase from 2019 where 6 of the 54 (11%) people who died of an opioid-related death in the Sudbury and Manitoulin districts were considered unhoused/homeless. So far in 2020 (up to and including June), 6 of the 41 (15%) people who died of an opioid-related death in the Sudbury and Manitoulin districts were considered unhoused/homeless. (Source: Public Health Ontario). Community partners report that it has been more difficult to engage clients in discussions around housing due to the client focus on addictions. Further data surrounding actual numbers of homeless individuals in the community will be available in 2021 with the introduction of coordinated access for the community.

Housing affordability remains an issue in Greater Sudbury with average market rents for a one bedroom apartment increasing nearly 30% over a ten year period between 2008 and 2018 to \$848. This average climbed further in 2019 to \$904 which has impacted the number of days to place individuals into suitable housing through the housing first program, which saw a significant increase in 2020 to 70 days versus previous years averages of 45 days and 53 days respectively.

## III. Recommendation

### Categorize your specific request (mark an 'X' for all that apply):

<input checked="" type="checkbox"/>	Change to base operating budget		Change to base FTE allocation
	Change to fees (unit price)		Change to revenues (volume change)
	Investment in project (Operating)	<input checked="" type="checkbox"/>	Investment in project (Capital)

## Recommendation

This proposal includes providing 16-Hours per day 7 days per week ACTT intervention at an annual cost of \$1,726,495.00. The breakdown of the staffing model is outlined below with enhancements to the staffing model in the area of addiction support:

	FTE	PTE	Costing
Clinical Manager	0.2		\$ 26,760
Team Leader/Coordinator	1		\$ 117,897
Register Nurse	1		\$ 107,952
Registered Practical Nurse	3	2	\$ 301,262
Social Service Worker	1		\$ 106,256
Vocationalist Specialist	1		\$ 106,256
Addictions Worker	3	2	\$ 425,024
<b>Total Multidisciplinary Clinical Staff (excluding Psychiatrist and Program Assistant)</b>	<b>10.2</b>	<b>4</b>	<b>\$ 1,191,407</b>
Program Assistant	1		\$ 62,069
Psychiatrist	0.4		\$ 136,000
General Physician	0.4		\$ 136,000
<b>Total Staffing costs</b>	<b>12</b>	<b>4</b>	<b>\$ 1,525,476</b>
Benefit costs			\$ 146,019
Equipment & team expenses			\$ 65,000
<b>Total Including Benefits</b>			<b>\$ 1,736,495</b>

Under the proposed staffing model, ACTT would provide the clinical interventions including addictions and mental health care; this would not include security or other operating costs such as heat, hydro, maintenance, renovation or repair. Property management, operating costs and security costs would need to be added as part of the overall budget. Revenue sources to support the operating costs include rent from occupants, which would have access to income support and shelter costs through Ontario Works or the Ontario Disability Support Program (ODSP) and would be at the low end of market rent in the range of \$300 per occupant. The net operating costs are estimated to be approximately \$500,000 a year based on benchmarks from similar social housing operations.

In terms of capital, a multi residential site is needed to house the program and is estimated to be in the range of \$6 million dollars with an upset limit of \$10 million dollars. Given the need for the program, with an anticipated start date in 2021, the recommendation would be to purchase and renovate an existing building in the City to accommodate the program.

HSN has indicated that this particular model could provide intensive services for between 40 and 60 individuals at a time, based on where individuals may be on the spectrum towards becoming stable. It is the intent that individuals would transfer eventually to a community setting with less intensive supports such as the mobile ACTT support over time. Some individuals however may continue to access services through this model for well beyond a one year timeframe.

## How does this align with Council's Strategic Plan?

	Asset Management and Service Excellence		Business Attraction, Development and Retention
	Climate Change		Economic Capacity and Investment Readiness
x	Housing	x	Creating a Healthier Community
	Strengthen Community Vibrancy		

The introduction of an Assertive Community Treatment Team (ACTT) in a residential setting fits with the Strategic Plan aligning with two of the six pillars. The program would help in developing a housing solution for the most chronically homeless in the community and creating a healthier community by effecting change within the community to improve health, economic and social outcomes for all citizens.

The ACCT program also aligns with Greater Sudbury's current focus on population health, including the identified key priority areas below:

- Advance population health agenda through strengthened family and social networks for everyone
- A Compassionate City for all
- Enhance the effectiveness of our community-based response to support people supporting individuals experiencing addictions and mental wellness challenges
- Mental Health: Individual mental health and well-being
- Holistic Health

Finally, the program would fit with the Mayor's Downtown Task Team and would further the supports that have been put in place throughout the pandemic to support chronically homeless individuals in the community.

## IV. Impact Analysis

### Qualitative Implications

Qualitative impacts should be immediately felt by the community as homeless individuals that have mental health and addictions issues will have access to an immediate housing solution with full wrap-around services to remain stably housed.

### Quantifiable Implications

ACTT and housing first has been studied in several peer reviewed articles and a meta-analysis of the research indicates the following outcomes:

"In randomized trials, assertive community treatment subjects demonstrated a 37% (95% CI=18%-55%) greater reduction in homelessness and a 26% (95% CI=7%-44%) greater improvement in psychiatric symptom severity compared with standard case management treatments."

"In observational studies, assertive community treatment subjects experienced a 104% (95% CI=67%-141%) further reduction in homelessness and a 62% (95% CI=0%-124%) further reduction in symptom severity compared with pretreatment comparison subjects."

\*\* Coldwell, Craig & Bender, William. (2007). The Effectiveness of Assertive Community Treatment for Homeless Populations With Severe Mental Illness: A Meta-Analysis. The American journal of psychiatry. 164. 393-9. 10.1176/appi.ajp.164.3.393.

Effectiveness in a smaller Canadian City (Moncton) has noted the following outcomes:

"The primary outcomes were housing stability (as defined by a joint function of number of days housed and number of moves) and improvement in community functioning. Secondary predicted outcomes were improvements in self-rated physical and mental health status, substance use problems, quality of life, community integration, and recovery."

\*\* Aubry, T., Bourque, J., Goering, P. et al. A randomized controlled trial of the effectiveness of Housing First in a small Canadian City. BMC Public Health 19, 1154 (2019).

In terms of other quantifiable impacts on City resources, Emergency Services data indicates that there has been a steady increase (up to 300%) in opioid related calls over the past three years. Providing individuals that have addiction issues the proper clinical environment has the potential to decrease risk to first responders, provide more resources for other emergency call types, and generally add capacity back into emergency service systems.

This program would further build on other community based supports that target chronic homelessness including the Managed Alcohol Program (MAP) operated by CMHA Sudbury Manitoulin. Program Evaluation work that was completed in 2013 indicated that the introduction of the MAP reduced emergency visits by 47%, reduced hospital admissions by 37%, and reduced police encounters by 43%. This research further supports the impact that intensive interventions can have on chronic homelessness and the savings that can be produced to other community services.

### Operating Revenue - Incremental

#### Detail

Description	Duration	Revenue Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### Operating Expenditures - Incremental

#### Detail

Description	Duration	Funding Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
Grant payment	On-going	Levy	\$ 1,736,495				
Operating grant	On-going	Levy	\$ 500,000				
	On-Going		\$ 2,236,495	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>			<b>\$ 2,236,495</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Impact to Capital** A multi residential site is needed to house the program and is estimated to be in the range of \$6 million dollars with an upset limit of \$10 million dollars. Given the need for the program, with an anticipated start date in 2021, the recommendation would be to purchase and renovate an existing building in the City to accomodate the program.

### FTE Table

Position	Bargaining Unit	Duration	Permanent / Part Time	2021	2022	2023	2024	2025
		Permanent		-	-	-	-	-
		PT Hours		-	-	-	-	-
<b>Net Impact</b>				<b>2021 \$</b>	<b>2022 \$</b>	<b>2023 \$</b>	<b>2024 \$</b>	<b>2025 \$</b>
		On-Going		\$ 2,236,495	\$ -	\$ -	\$ -	\$ -
		One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
		<b>Total</b>		<b>\$ 2,236,495</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Implementation

The implementation for this project would start immediately upon approval from Council. HSN would require some time to recruit staffing and city staff would need to explore suitable housing options for the program. It is expected that a location, either through purchase of an existing multi-residential apartment complex or through modular housing would require approximately a year to acquire. Location will need to be considered when looking at available options in the community.

HSN has indicated that as their staff recruitment builds in 2021, those staff could be deployed to assist with community partners such as shelters and warming stations to begin to assess and offer services where possible.

The major dependency for the full implementation of this project is finding a suitable location or complex that can house this number of individuals in a suitable location that fits with proper neighbourhood use.

## Advantages/Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"><li>• ACTT services are long-term and continuous. This allows adequate time for clients to re-compensate, strengthen gains, occasionally slide back, and then take the subsequent steps ahead until they achieve full recuperation.</li><li>• The group of multidisciplinary mental health staff provides treatment, recovery, rehabilitation, and support services for clients to achieve their goals. These teams are an evidence based approach to dealing with the current gaps in service related to addictions and mental health in the community.</li><li>• The ACT team provides 16 hours per day, seven days a week, intensive services based on individual needs and a mutually established plan (independently customized with each client) between the client and ACTT staff.</li></ul>	<ul style="list-style-type: none"><li>• There is currently no model to replicate for an onsite ACT team which presents risks around knowing with confidence the number of individuals that can be served along with proper mix of clinical supports.</li><li>• There is risk associated with being able to find a suitable multi-residential location to house the ACTT program which could lead to risk associated with implementation timelines.</li></ul>

## V. Alternatives

### Alternatives Considered

Solution Options	Advantages/Disadvantages	Financial Impact
Full ACTT team model - 24 hours per day / 7 days per week service	<ul style="list-style-type: none"><li>• Increased clinical attendance (24 hours) provides clinical safety 24 hours a day/365 days a year.</li><li>• Costs are over 2 million dollars per year.</li><li>• The NE LHIN does not currently fund ACT teams to this service standard.</li></ul>	\$ 2,067,588
ACTT team with scattered model with no purchase of one site location	<ul style="list-style-type: none"><li>• HSN currently runs two ACTT teams with a scattered model and have indicated that it does not allow for the intensive interventions that would be needed to keep those with active addictions housed.</li><li>• Would provide relief to current ACTT waitlist.</li><li>• Lack of affordable housing options would have an impact on number of clients supported.</li></ul>	\$ 1,666,871

# Business Case for Service Level Change

**Request/Project Name:** User Fee Framework and 2021 Recommended User Fee Changes

**Department:** Corporate Services

**Division:** Finance, Assets and Fleet

**Council Resolution (if applicable):** FA2020-64

## I. Executive Summary

### Overview of Proposal

This business case recommends changes to certain fees so they align with the User Fee Principles approved by Council December 21, 2020. If approved, the revised fees will be reflected in the miscellaneous user fee by-law and the draft budget will be updated to reflect the revisions. The principles will be incorporated into the by-law to support future decisions about new fees, or revisions to existing fees.

## II. Background

### Current Service Level

Currently, user fees reflect a standard annual adjustment equal to the greater of the September CPI rate or 3%. The City of Greater Sudbury's fee schedule has not been holistically reviewed since amalgamation. There is no consistent relationship between the fee and the level of public or individual benefit provided by the service, and no consistent regard for maintaining a minimum level of cost recovery.

This method for determining user fees produces greater public subsidies than would be expected for some services and this does not maximize the value of public investments. A "best practice" basis for determining user fees would reflect the following approach, which produces the recommendations in this Business Case:

First, assess service benefits according to a standard classification, as follows:

- Community – large portions of the community or the community as a whole benefits from the service,
- Primarily Community / less individual – large portions of the community or the community as a whole benefit but there are individual benefits to the service as well,
- Less Community / primarily individual – individuals or households derive the primary benefit from the service but there is some overall community benefit,
- Individual – consumption of the service is by one person or a household and either prevents consumption by another (it is rivalrous) or we can prevent a non-paying person from consumption (it is excludable).

Second, define the service's full cost as follows:

- Direct Operating Costs – Salaries and benefits, materials, energy costs (fuel, hydro, natural gas), purchased/contract services (rent, janitorial, security services), internal recoveries (interdepartmental chargebacks), equipment expenses, and transfer payments (grants),
- Indirect Operating Costs – Debt service and insurance costs, professional development and training, contributions to reserve and internal recoveries (program support costs)
- Revenue Sources – Government grants, business sponsorships, program grants,
- Current Capital Costs – Capital items associated with providing the service,
- Future Capital Costs – Allocation towards future capital costs and/or replacement costs, whichever may be most reasonable.

Services then are evaluated for their "goodness of fit" to the benefit categories and targets for cost recovery for each category. The application of the above will assist in setting new fees and allows us to evaluate if existing fees are recovering an appropriate percentage of their costs of provision. The fees described below are fees that, after analysis using the criteria and the benefit categories seem to be recovering less than the recommended percentage of their costs of provision. Hence, they are recommended in this business case for change.

### Drivers for Proposed Course of Action

Cost recovery targets have been established for each category of benefits.

Community – no fee, most community services are paid by the tax levy, grants from senior orders of government or development charges,

Primarily Community / less individual – 30-60% operating cost recovery target and  $(1 / \text{Estimated Useful Life of Assets}) \times 50\% \times \text{capital replacement value}$ ,

Less Community / primarily individual – 60-90% operating cost recovery target and  $(1 / \text{Estimated Useful Life of Assets}) \times 75\% \times \text{capital replacement value}$ ,

Individual – 100% operating cost recovery and  $(1 / \text{Estimated Useful Life of Assets}) \times 100\% \times \text{capital replacement value}$ . For simplicity, estimated useful life of forty (40) years has been used for all facilities.

The service fees recommended for change in this business case are not in the acceptable range for the service's categorization. This means that all residents are subsidizing more of the costs of the identified services than is appropriate in the framework.

## III. Recommendation

**Categorize your specific request (mark an 'X' for all that apply):**

	Change to base operating budget	Change to base FTE allocation
X	Change to fees (unit price)	Change to revenues (volume change)
	Investment in project (Operating)	Investment in project (Capital)

## Recommendation

Based on the analysis supporting this business case, staff are recommending the following new fees be implemented:

- High Density Residential / Apartment Building Recycling Fees
- Landfill Gate Fee

In addition, staff are recommending adjustments to the following fees:

- Campgrounds
- Playing fields
- Animal Control (which includes impounding, boarding, licensing, and adoption fees)
- Culvert Subsidy

It is also recommended that staff continue to analyze user fee data and return to Council with proposed user fee changes throughout 2021.

## How does this align with Council's Strategic Plan?

X	Asset Management and Service Excellence	Business Attraction, Development and Retention
	Climate Change	Economic Capacity and Investment Readiness
	Housing	Creating a Healthier Community
	Strengthen Community Vibrancy	

Included in the framework described above is a partial recovery of future capital replacement costs. By recovering a portion of future capital costs, this business case advocates for a new approach to funding assets which provide service which benefits individuals.

## IV. Impact Analysis

### Qualitative Implications

Increasing these fees may result in negative customer satisfaction and/or less overall utilization of facilities.

### Quantifiable Implications

Adjustments to existing user fees and introducing new user fees relieves pressure on the property tax levy. As outlined in the chart below is approximately \$445,000 of increased revenues if all changes are approved by Council for 2021. Using the above framework, the user fee changes are as follows:

- Campgrounds - Increasing fees to a full-cost recovery which equates to approximately \$87,000 increase in fees, however, it is assumed that only 50% of this increase will be realized due to COVID-19.
  - Playing fields - Increasing fees by approximately \$939,000 for the majority of playing fields. If approved, this increase will be phased in over 10 years. It is assumed that only 50% of the increase will be realized due to COVID-19.
  - Animal Control - Impound Fee - Increasing fees by approximately \$22,000 to be phased in over 5 years.
  - Animal Control - Boarding Fee - Increasing fees by approximately \$17,000 to be phased in over 10 years.
  - Animal Control - License Fee - Increasing fees by approximately \$42,000 without a phased in approach.
  - Animal Control - Adoption Fee - Increasing by approximately \$20,000 without a phased in approach.
  - Culvert Subsidy - Increasing fees by approximately \$95,000, which equates to a full-cost recovery, without a phased in approach.
- The impact of each of these changes are reflected in the charts below.

Implementing fees for a landfill gate fee and HDR recycling fees will result in approximately \$553,000 on an annual basis. For 2021, the municipality may be able to realize \$230,000.

The capital renewal portion of the fees will be transferred to the appropriate reserve in the year they are earned, to offset the cost of future asset rehabilitation/replacement.

Due to the timing of the budget, it is assumed that some fees will only be partially realized in 2021, with the remainder to be realized in 2022.



## Operating Revenue - Incremental

### Detail

Description	Duration	Revenue Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
Campground User Fees	On-going	User Fees	\$ (43,672)	\$ (43,672)	\$ -	\$ -	\$ -
Playing Fields User Fees	On-going	User Fees	\$ (46,929)	\$ (93,858)	\$ (93,858)	\$ (93,858)	\$ (93,858)
Impound User Fee	On-going	User Fees	\$ (3,295)	\$ (4,394)	\$ (4,394)	\$ (4,394)	\$ (4,394)
Boarding User Fee	On-going	User Fees	\$ (1,239)	\$ (1,652)	\$ (1,652)	\$ (1,652)	\$ (1,652)
License User Fee	On-going	User Fees	\$ (31,675)	\$ (10,558)	\$ -	\$ -	\$ -
Adoption User Fee	On-going	User Fees	\$ (15,211)	\$ (5,070)	\$ -	\$ -	\$ -
Culvert Subsidy User Fee	On-going	User Fees	\$ (71,066)	\$ (23,689)	\$ -	\$ -	\$ -
HDR Recycling Fees	On-going	User Fees	\$ (22,083)	\$ (30,917)	\$ -	\$ -	\$ -
Landfill Gate User Fee	On-going	User Fees	\$ (208,333)	\$ (291,667)	\$ -	\$ -	\$ -
	<b>On-Going</b>		\$ (443,503)	\$ (505,477)	\$ (99,904)	\$ (99,904)	\$ (99,904)
	<b>One-Time</b>		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>			<b>\$ (443,503)</b>	<b>\$ (505,477)</b>	<b>\$ (99,904)</b>	<b>\$ (99,904)</b>	<b>\$ (99,904)</b>

## Operating Expenditures - Incremental

### Detail

Description	Duration	Funding Source	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
Campground Capital	On-going	User Fees	\$ 27,846	\$ 27,846	\$ -	\$ -	\$ -
Playing Fields Capital	On-going	User Fees	\$ 9,325	\$ 18,650	\$ 18,650	\$ 18,650	\$ 18,650
	<b>On-Going</b>		\$ 37,171	\$ 46,496	\$ 18,650	\$ 18,650	\$ 18,650
	<b>One-Time</b>		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>			<b>\$ 37,171</b>	<b>\$ 46,496</b>	<b>\$ 18,650</b>	<b>\$ 18,650</b>	<b>\$ 18,650</b>

## FTE Table

Position	Bargaining Unit	Duration	Permanent / Part Time	2021	2022	2023	2024	2025
		<b>Permanent</b>		-	-	-	-	-
		<b>PT Hours</b>		-	-	-	-	-

Net Impact	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$
<b>On-Going</b>	\$ (406,332)	\$ (458,981)	\$ (81,254)	\$ (81,254)	\$ (81,254)
<b>One-Time</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ (406,332)</b>	<b>\$ (458,981)</b>	<b>\$ (81,254)</b>	<b>\$ (81,254)</b>	<b>\$ (81,254)</b>

## Implementation

These changes will be reflected in a revised miscellaneous user fee by-law which will be prepared shortly after the conclusion of budget deliberations. The framework elements (the service categories, the cost categories, the principles and the formulae for fee cost recovery) will also be added to the revised by-law for future analysis of existing fees and for setting new user fees.

## Advantages/Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>The fees align (or more closely align) with the cost recovery targets in the framework.</li> <li>There is a new framework available for use in making recommendations regarding existing fees (e.g. For 2022 budget deliberations) or new user fees.</li> <li>Tax fairness and subsidization using the tax levy is optimized in accordance with the framework.</li> <li>For those truly individual services, capital costs receive due consideration in setting fees.</li> <li>Council and the community have a transparent framework to refer to when determining the appropriateness of various user fees.</li> </ul>	<ul style="list-style-type: none"> <li>Increasing fees for services where CGS is not the only provider may result in increased fees for services in the market.</li> <li>Increases in price for a service usually have negative impacts on demand. If that is the case for any of the services identified by the analysis, revenues may not be fully realized.</li> <li>Increases in individual fees may lead to higher use of subsidies and revenues may not be fully realized.</li> <li>Some services may be discontinued if utilization falls as a result of fees that cover greater proportions of cost.</li> </ul>

**V. Alternatives****Alternatives Considered**

<b>Solution Options</b>	<b>Advantages/Disadvantages</b>	<b>Financial Impact</b>
Do not change fees	The fees recommended for change in this business case are not recovering sufficient proportions of their costs at present. While there would be no disruption to existing fee levels, some services would be receiving public subsidy even though they offer individual benefits.	\$ -
Reduce or eliminate certain fees	Reducing or eliminating fees (as opposed to using a framework to more adequately align cost recovery with the benefits received), means more service costs are funded by property taxes. Essentially, services become truly public service regardless of the level of individual benefit. Fees are "socialized" and everyone pays regardless of who derives benefit.	TBD
Consider service level rationalization or cease providing services where fees that recover costs in accordance with the framework result in significantly decreased utilization.	In some instances, fee increases in accordance with the framework would have a significantly negative impact on utilization. If this impact is significant enough, it may lead to service rationalization or closure decisions. This would reduce costs and the net levy, however it may leave areas underserved in terms of traditional services or make them less accessible.	TBD

User Fee Area	Facility/Sub Service	User Fee Schedule	Costing Model	Net Expenses	User Fee Revenue	% of Operating Recovered Through User Fees	Capital Replacement Value	Suggested Fee Recovery Based on Costing Model	Recovery Needed - Operating Portion	Incremental Operating Portion (Column M - Column H)	Recovery Needed - Capital Portion	Increase Required to User Fees	Year 1 Operating	Year 1 Capital	Notes
Camping/Parks	Centennial Park	CD-5	Non Tax Supported, 100% User Fee	\$ 171,007	\$ 139,355	81%	\$ 2,227,696	100%	171,007	31,652	55,692	63%	\$ 15,826	\$ 27,846	Camping/Parks User Fees may see an approximate increase of 63%. For example, a daily rate with full services may increase from \$42 to approximately \$70 which may be subject to change when preparing the Miscellaneous User Fee By-Law. Also included within this proposed user fee increase is a capital recovery portion to help fund future capital requirements.
	Ella Lake Trailer Park														
	Whitewater Lake Trailer Park														
Cemetery	Civic Memorial Cemetery	CD-6	Non Tax Supported, 100% User Fee	\$ 1,295,232	\$ 1,123,337	87%	\$ 6,111,728	100%	1,295,232	171,895	152,793	29%	\$ -	\$ -	Will be part of user fee analysis for 2022
	St John's Cemetery						Unknown								
	Maplecrest Cemetery						Unknown								
	St Joseph's Cemetery						Unknown								
	Valley East Cemetery						Unknown								
	St. Stanislaus Cemetery						Unknown								
	Waters Cemetery						Unknown								
	Whitefish Cemetery						Unknown								
	Beaver Lake Cemetery						Unknown								
	Capreol Cemetery						Unknown								
Fitness and Recreation Centres	Howard Armstrong Recreation Centre	CD-8	Primarily User Fees and some Tax Supported	\$ 1,534,182	\$ 596,920	39%	\$ 23,049,760	75%	1,150,636	553,716	432,183	165%	\$ -	\$ -	Will be part of user fee analysis for 2022. Replacement value is for entire facility (pool, community centre, ect.)
	Falconbridge Recreation Centre		Primarily User Fees and some Tax Supported	\$ 282,181	\$ 34,306	12%	\$ 6,721,182	75%	211,636	177,330	126,022	884%	\$ -	\$ -	Will be part of user fee analysis for 2022. Replacement value is for entire facility (pool, community centre, ect.)
	Capreol Fitness Centre		Primarily User Fees and some Tax Supported	\$ 209,597	\$ 167,986	80%	\$ 5,589,749	80%	167,986	-	112,000	67%	\$ -	\$ -	Will be part of user fee analysis for 2022. Replacement value is for entire facility (pool, community centre, ect.)
	Rayside-Balfour Workout Centre		Primarily User Fees and some Tax Supported	\$ 248,406	\$ 54,370	22%	\$ 15,750,000	75%	186,305	131,935	295,313	786%	\$ -	\$ -	Will be part of user fee analysis for 2022. Replacement value is for the entire LEI facility.
	Dowling Leisure Centre		Primarily User Fees and some Tax Supported	\$ 331,344	\$ 60,853	18%	\$ 14,569,193	75%	248,508	187,655	273,172	757%	\$ -	\$ -	Will be part of user fee analysis for 2022. Replacement value is for entire facility (pool, community centre, ect.)
Playing Fields	James Jerome	CD-11	Primarily User Fees and some Tax Supported	\$ 187,879	\$ 57,004	30%	\$ 5,328,115	75%	140,909	83,905	99,902	322%	\$ 4,195	\$ 4,995	User Fees at the James Jerome Complex is recommended to increase by 322% to be phased in over 10 years. For example, the Adult Prime Time rate would increase from \$55 to approximately \$66 for year one. Due to Covid-19, staff are anticipating a lower utilization rate which decreases the amount that can be realized in year one. These rates may be subject to change when preparing the Miscellaneous User Fee By-Law. Also included within this proposed user fee increase is a capital recovery portion to help fund future capital requirements.
	Delki Dozzi		Primarily User Fees and some Tax Supported	\$ 1,391,585	\$ 375,524	27%	Unknown	75%	1,043,689	668,165	86,601	201%	\$ 33,408	\$ 4,330	User Fees at other Playing Fields is recommended to increase by 201% to be phased in over 10 years. For example, the Adult Prime Time rate would increase from \$55 to approximately \$66 for year one. Due to Covid-19, staff are anticipating a lower utilization rate which decreases the amount that can be realized in year one. These rates may be subject to change when preparing the Miscellaneous User Fee By-Law. Also included within this proposed user fee increase is a capital recovery portion to help fund future capital requirements.
	Terry Fox						\$ 4,618,714								
	Sudbury						Unknown								
	Rayside Balfour						Unknown								
	Walden						Unknown								
	Valley East						Unknown								
	Nickel Centre						Unknown								
	Onaping						Unknown								
	Capreol						Unknown								
Ski Hills	Adanac	CD-12	Primarily User Fees and some Tax Supported	\$ 572,473	\$ 415,611	73%	\$ 5,090,365	75%	429,355	13,744	95,444	26%	\$ -	\$ -	Will be part of user fee analysis for 2022
	Lively		Primarily User Fees and some Tax Supported	\$ 131,357	\$ 10,845	8%	\$ 2,391,527	75%	98,518	87,673	44,841	1222%	\$ -	\$ -	Will be part of user fee analysis for 2022
Animal Care and Control	Impound Fee	CS-8	Primarily User Fees and some Tax Supported	\$ 742,694	\$ 30,514	41%	N/A	72%	52,484	21,970	-	72%	\$ 3,295	\$ -	Staff are recommending increasing the impound fees by approximately 72% to better align with the approved user fee framework. This increase is proposed to be phased in over 5 years. The initial fee would increase from \$58 to \$100.
	Boarding Fee		Primarily User Fees and some Tax Supported		\$ 17,664		N/A	94%	34,180	16,516	-	94%	\$ 1,239	\$ -	Staff are recommending increasing the boarding by approximately 94% to better align with the approved user fee framework. This increase is proposed to be phased in over 10 years. The initial fee would increase from \$31 to \$60.
	Licence Fees		Primarily User Fees and some Tax Supported		\$ 211,170		N/A	20%	253,404	42,234	-	20%	\$ 31,675	\$ -	Staff are recommending increasing the licence fees by approximately 20% to better align with the approved user fee framework. If approved, an example is that the lifetime fee would increase from \$270 to \$324. The amount included in this analysis is a pro-rated amount based on the timing of budget approval.
	Adoption Fee		Primarily User Fees and some Tax Supported		\$ 44,091		N/A	46%	64,373	20,282	-	46%	\$ 15,211	\$ -	Staff are recommending increasing the adoption fees by approximately 46% to better align with the approved user fee framework. This increase would be implemented in year one. The adoption fee for a dog would increase from \$340 to \$500, and from \$220 to \$320 respectively for a cat. The amount included in this analysis is a pro-rated amount based on the timing of budget approval.
Culverts	Culvert Subsidy	G&I-1	Non Tax Supported, 100% User Fee	\$ 166,785	\$ 72,030	43%	N/A	100%	166,785	94,755	-	132%	\$ 71,066	\$ -	The City currently subsidizes approximately 50% of culvert activities for private driveways. The purpose of the culvert is to access the private driveway. It is staff's recommendation to implement a full-cost recovery model. Approving this would result in approximately \$95,000 additional revenue on an annual basis. The amount included in this analysis is a pro-rated amount based on the timing of budget approval. If approved, staff would return to Operations Committee with an implementation plan to consider various methods to allow property owners to complete the work.
													\$ 175,917	\$ 37,171	
New User Fees															
HDR (High Density Residential/Apartment Buildings) Re	\$ 53,000												\$ 22,083	\$ -	The organization currently charges for High Density Residential garbage collection. It is staff's recommendation to introduce a new fee for High Density Residential recycling collection. A 25% recovery is valued at approximately \$53,000 annually. The amount included in this analysis is a pro-rated amount based on the timing of budget approval. The province is transitioning a model where the producer is responsible for the cost of managing all residential blue box materials. The City of Greater Sudbury has been assigned a transition date of 2025. Therefore, the collection of these fees would only be available to the date of transition at some point in 2025. If approved, staff would return to Operations Committee with an implementation plan and strategies to ensure waste diversion remains a priority.
Landfill Gate Fees	\$ 500,000												\$ 208,333	\$ -	A \$\$ landfill fee that is charged upon each visit to landfill sites can be implemented. Included in this analysis is an estimate of revenue for 2021. If this is approved as part of the budget process in March 2021, a 2 month lead time to prepare is necessary after returning to Operations Committee. The annual impact of this user fee is approximately \$500,000. The amount provided is not without risk. It is assumed that less users will use landfill sites and residents will use roadside collection services more, especially for large furniture and appliances. A possible result is increased collection costs. This also does not include any traffic studies that may be required, which could increase capital costs needed to implement this user fee. If approved, staff would return to Operations Committee with an implementation plan.
													\$ 406,334	\$ 37,171	