

Request for Decision

Preventative Plumbing Subsidy Program

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| Presented To: | Operations Committee |
| Presented: | Monday, Oct 05, 2015 |
| Report Date | Thursday, Sep 17, 2015 |
| Type: | Managers' Reports |

Recommendation

THAT the City of Greater Sudbury supports and approves the 2016-2017 extension of the Preventative Plumbing Subsidy Program as outlined in this report and that previously allocated funding of approximately \$577,000 be approved for the years 2016 and 2017 from the Capital Financing Reserve Fund - Wastewater.

Finance Implications

If approved, there will be no budget implications as the funding for the 2016 and 2017 program will be provided for from the Capital Financing Reserve Fund - Wastewater. The remaining program funds of approximately \$577,000 would be available for the years 2016 and 2017. Staff will review the community participation rate of the Program and provide a recommendation to Council for future funding allocations

Signed By

Report Prepared By

Dave Brouse
Compliance Supervisor
Digitally Signed Sep 17, 15

Division Review

Nick Benkovich
Director of Water/Wastewater Services
Digitally Signed Sep 17, 15

Recommended by the Department

Tony Cecutti
General Manager of Infrastructure
Services
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Recommended by the C.A.O.

Bob Johnston
Interim Chief Administrative Officer
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Background

At the Operations Committee Meeting of May 5, 2014 Staff provided a status update on the progress of the development of the Preventative Plumbing Subsidy Program and approval was given to utilize the remaining program funds to extend this program for the years 2014 and 2015.

The original Program was initiated in 2010 and was available to citizens of Greater Sudbury for three years, ending in 2012. During that time period 48 applications for the Program were received by Staff; 32 applications were approved; and a total of \$39,571.57 was issued through the Program. The Program was unavailable to the Public in the year 2013.

Since the extension of the program was approved by Council in 2014 a total of 85 applications have been received by Staff; a total of 56 applications were approved; and a total of \$65,791.16 has been issued through the Program.

Staff feels that the key improvements made to the Program in 2014 have produced more interest in the Program, as indicated by the increased number of received applications, and hence more City residential properties are now protected from flooding.

Key Improvements

- To continue offering the Preventative Plumbing Subsidy Program to residential property owners using the funds from the Capital Financing Reserve Fund - Wastewater
- To better promote the Program through Education and Outreach i.e. Real Estate Companies, Home Inspection Companies, schools, etc.

Financial Contribution

It is recommended that the City follow the same funding formula previously approved by Council in 2014. The remaining contribution of approximately \$577,000 would be appropriate for 2016 and 2017. If the program continues to be successful, staff will recommend that the funding for the program in 2018 and the future be considered to be included in the future operating budget proposals.

Conclusion

That the City of Greater Sudbury support and approve the extension of the Preventative Plumbing Subsidy Program as outlined in this report and that the funding to be continued from the Capital Financing Reserve Fund - Wastewater

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|---------------|----------------------|
| Presented To: | Operations Committee |
| Presented: | Monday, May 05, 2014 |
| Report Date | Friday, Apr 04, 2014 |
| Type: | Managers' Reports |

Request for Decision

Preventative Plumbing Subsidy Program

Recommendation

THAT the City of Greater Sudbury support and approve the 2014 -2015 extension of the Preventative Plumbing Subsidy Program as outlined in this report and that the previously allocated funding be approved for the years 2014 & 2015 from the Capital Financing Reserve Fund - Wastewater.

Financial Implications

If approved, there are no budget implications as funding for the 2014 and 2015 program will be provided for from the Capital Financing Reserve Fund - Wastewater. Remaining funds from the previous subsidy program allocations were placed in reserves at the end of the original program. Staff will review the community participation rate of the Program and provide a recommendation to Council for future funding allocations.

Signed By

Report Prepared By

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Division Review

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Recommended by the Department

Tony Cecutti
General Manager of Infrastructure
Services
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Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
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Background

At the Policy Committee Meeting of February 24, 2010 Council passed Resolution 2010-87 directing staff “to more fully develop a Preventative Plumbing Subsidy Program which, if approved and funded, would be effective retroactively to July 25th, 2009 for those who experienced flooding due to the July 26, 2009 storm and subsequently to residents in flood regions, as identified in the policy; and to identify a potential funding source for the program, and present the draft policy to Council at its April 21, 2010 Policy Committee meeting”.

At the July 14th, 2010 Policy Committee meeting, Staff provided a status update on the progress of the development of the Preventative Plumbing Subsidy Program and approval was given to utilize \$700,000 (\$350,000 per year) for this program. In 2010 through 2012 approximately \$55,000 of the approved funding was utilized towards communication and subsidy payments. The unspent funds were credited back to the reserve fund.

Staff believes that there are a number of residents who did not qualify for the previously approved subsidy. These applicants are waiting for approval of this report which proposes to change the application process and allow **all existing** residential property owners a chance to participate in the program.

This report satisfies Council's request for an update on the subsidy program and explains the staff recommendations to the program for future applications.

Key Improvements

- **To re-establish** the Preventive Plumbing Subsidy Program using the funds from the Capital Financing Reserve Fund - Wastewater;
- **To extend the eligibility requirements to all existing residential** property owners in the CGS;
- To streamline the application approval process in order to **encourage** wider participation
- To continue with the City's initiative in **reducing inflow and infiltration**

OBJECTIVES OF PROGRAM

The objective of the proposed program is to broaden the financial assistance available to **all residential** property owners in the City of Greater Sudbury that have experienced or could potentially experience flooding of their basements as a result of sewer system backups during wet weather events. The proposed financial assistance would assist those property owners in the cost of disconnecting their weeping tile system / rain gutters from the sanitary sewer system and install a sump pit/pump that would discharge the collected ground water to the outside area of their property and/or install a backwater valve in their sanitary sewer discharge line to help minimize the risk of a potential sewer backup into their residence. This initiative will also help reduce the inflow and infiltration of storm water into the sanitary sewer system.

ELIGIBILITY CRITERIA (amended)

The proposed program will be available to **all existing residential** property owners whose properties are located in the City of Greater Sudbury and connected to the CGS sanitary sewer system.

The application for assistance will be approved on a first-come, first-served basis and will continue until all approved annual funding has been exhausted. Once the approved funding levels have been spent, any future applications will be placed on the next year's list on a similar first-come, first-served priority basis.

As a condition of approval for financial assistance from the City, property owners must provide a disclaimer absolving the City of Greater Sudbury from any responsibility as a result of the property owner installing any protective devices and/or discharged water adversely impacting on any abutting property either private or public (municipal sidewalks, laneways, roadways, sewers). The waiver will be registered on the title of each property.

FINANCIAL CONTRIBUTION

It is recommended that the City follow the same funding formula previously approved by Council in 2010. A total contribution of \$300,000 would be appropriate for 2014 and 2015. If successful, staff will recommend that funding for the program in 2016 and the future funding would be included in future operating budget proposals.

IMPLEMENTATION AND ADMINISTRATION

Residents interested in applying for the subsidy would contact either Water/Wastewater staff at Frobisher St., or any Community Service Centre to receive an information package and application form or simply download the same information and application from the City's website.

The property owner would obtain three quotes from licensed plumbing contractors. The property owner will be permitted to hire any of the three contractors but the subsidy amount will be based on the lowest quote. A confirmation letter will then be issued to the property owner/applicant, indicating the amount of the **pre-approved subsidy**.

Subsidy values will remain as previously approved by Council at 50% of the total cost for installation as follows:

- a maximum of \$1,000 for installation of a backwater valve;
- a maximum of \$1,250 for the installation of a sump pit/pump;
- and a maximum of \$2,250 for the installation of the combination installation of a backwater and sump pit/pump.

Upon receiving the letter of approval from the City, the owner/applicant will then have up to and including six (6) months from the date of the letter to obtain a plumbing permit and complete the work and submit all the required documentation. If the required information is not received by the City within the allotted six (6) months the property owner will be required to re-apply for the subsidy program. Upon successful completion of the work and it has been confirmed complete according to all relevant codes (Building Code) the subsidy payment will be made to the property owner.

It is anticipated that the program can be implemented upon approval from Council. Regular information and update reports will be provided to Council during the implementation period.

CONCLUSION

That the City of Greater Sudbury support and approve the extension of the Preventative Plumbing Subsidy Program as outlined in this report and that it be funded from the Capital Financing Reserve Fund - Wastewater.

Request for Decision

Preventative Plumbing Subsidy Program

Presented To: Policy Committee

Presented: Wednesday, Jul 14, 2010

Report Date Thursday, Jul 08, 2010

Type: Presentations

Recommendation

That Council support and approve the Preventative Plumbing Subsidy Program as outlined in this report and that funding Option 2(a) be approved from the 2010 and 2011 Wastewater Capital Annual Rehabilitation Program.

Finance Implications

If approved, the funding for 2010 and 2011 will come from the Wastewater Capital Sewer Annual Rehabilitation Program. For 2012 and future years, staff will review the success of the Program and provide a recommendation to Council to possibly fund the Program in future years from an increase in the wastewater operating budgets. This will allow the entire approved Capital Budget to be used for necessary wastewater capital programs.

BACKGROUND

At the Policy Committee Meeting of February 24, 2010, Council passed Resolution 2010-87 directing Staff "to more fully develop a Preventative Plumbing Subsidy Program which, if approved and funded, would be effective retroactive to July 25th, 2009 for those who experienced flooding due to the July 26, 2009 storm and subsequently to residents residing in flood regions, as identified in the draft policy; and to identify a potential funding source for the program, and present the draft policy to Council at its April 21, 2010 Policy Committee meeting".

At the April 21, 2010 Policy Committee meeting, Staff provided a status/update on the progress of the development of the Preventative Plumbing Subsidy Program.

Following the Policy Committee meeting of February 24, 2010, Staff worked diligently in reviewing the best practices and similar experiences of other Canadian cities that have developed similar Flood Prevention Assistance Programs (FPAP). Table 1 (attached) summarizes the similar programs provided in five (5) Canadian municipalities including St. Catharines, Ottawa, Peterborough, Edmonton and Toronto.

INTRODUCTION

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Report Prepared By

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Division Review

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Recommended by the C.A.O.

Doug Nadorozny

Chief Administrative Officer

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This report provides a description of the key elements of the proposed program which are as follows:

- Objectives of the program
- Eligibility criteria
- Financing
- Implementation schedule and administration of program

OBJECTIVES OF PROGRAM

The objective of the program is to provide financial assistance to property owners that have either experienced or could potentially experience flooding of their basements as a result of sewer system backups during times of heavy precipitation. The financial assistance would be to assist the property owners in the cost of disconnecting their weeping tile system from the sanitary sewer system and installing a sump pump that would discharge rain water outside the property and/or installing a backwater valve in the sanitary discharge line to minimize the potential for the municipal sewer from backing up into their residence.

ELIGIBILITY CRITERIA

This program will be available to all property owners whose properties are located in low-lying areas that have either experienced or could potentially experience flooding of their basements as a result of a municipal sewer system backup.

The priority for financial assistance will be to property owners that have experienced flooding in 2009 followed by those that experienced flooding earlier and then those that could potentially experience flooding.

The application for assistance will be approved on a first come-first served basis and will continue until all approved annual funding has been exhausted. Once the approved funding levels have been spent, any future applications will be placed on the next year's list on a similar first come-first served priority basis. It is envisaged that there will be a large number of applications in the first several years of the program and that the numbers of applications will decrease with time.

As a condition of approval for financial assistance the property homeowner, as part of the application, must provide a disclaimer absolving the City of any responsibility as a result of the property owner installing any protective devices and/or discharged water adversely impacting on any abutting property either private and/or municipal infrastructure including sidewalks, laneways and roadways. The waiver will be registered on the title of each property.

FINANCIAL CONTRIBUTION

It is recommended that the City follow a funding formula consistent with the other municipalities with similar programs.

It is proposed that funding be provided for property owners wishing to install protective devices such as either sump pump and/or backwater valve. A condition for receiving funding assistance is that the property owners would have to comply with the program requirements as outlined in **Appendix A** attached.

Table 2 (attached) outlines several funding options including annual percentage of contribution and contributions from the Wastewater Annual Capital Rehabilitation Program Budget for 2010 and 2011 Council's consideration.

Option 1 does not suggest financial assistance but only an education program to educate residents on how to protect their basement from flooding. Options 2(a), 2(b), 3(a) and 3(b) indicate either 50 or 75 percent contributions and an annual program contribution of either \$175,000 or \$350,000 with the number of property owners who could benefit from each option and funding level.

Based on similar other municipal cost sharing initiatives, as shown in Table 2, an annual contribution of \$350,000

would be appropriate for 2010 and 2011.

As Council is well aware, the City has an increasing "gap" in necessary infrastructure funding for all municipal infrastructure. Therefore, staff propose to report back to Council in 2012 on the success of this program including anticipated funding requirements to maintain the program in future years. It is anticipated that if the program is very successful, that staff will recommend that funding for the program in 2012 and beyond come from an increase in the Wastewater Operating Budget.

IMPLEMENTATION AND ADMINISTRATION

As outlined in **Appendix A** attached, it is proposed that residents wishing to apply for financial assistance would contact either Engineering Services Staff at Tom Davies Square or any Community Centres to receive an information package and application form. They can also download the information from the City's website. The homeowner would then obtain a Plumbing Permit from the Building Services Division. Upon successful completion of the works and submission of completed backup documentation, the City will pay the property owner in accordance with the approved subsidy and funding availability.

It is proposed that the program will be administered by existing Engineering and Water/Wastewater staff located at Tom Davies Square. Staffing requirements will be monitored and expanded as necessary based on the success of the program. We will come back to Council for approval for any additional staffing.

It is anticipated that the program can be implemented by August 1, 2010.

Regular information and update reports will be provided to Council during the implementation period.

RECOMMENDATION

That Council support and approve the Preventative Plumbing Subsidy Program as outlined in this report and that funding Option 2(a) be approved from the 2010 and 2011 Wastewater Capital Annual Rehabilitation Program .

Proposed Preventative Plumbing Subsidy Program

Table 1: Sample of Preventative Plumbing Programs

| | St Catharines | Ottawa | Peterborough | Edmonton | Toronto |
|--------------------------------|--|--|--|---|---|
| Program Name and starting date | -Flood Alleviation Program (FLAP) - Started in 1998 and still ongoing | Grants for Protective Plumbing Devices 2005 and ongoing | Sanitary Backflow Prevention Subsidy Program. 2005 and ongoing | Flood Prevention Program, 2006 and ongoing | Basement Flooding Protection Subsidy Program. 2006, ongoing |
| Protective devices included | - Backwater valve - Sump pump - Downspout disconnections | Inspector determines the required work (backwater valve, sump pump) | - backwater valve - Sump pump | Backwater valve | -Backwater valve - Sump pump - Pipe severance and capping |
| Subsidy | Max \$3000 | -100% of the work up to max \$4000 (if experienced backup due to surcharging of City Sewers) - 50% and up to 2500 (didn't have a backup but located in areas with history of blockage or surcharging of City sewers) | - 100% up to \$800 max for backwater valve - 100% up to \$800 max for sump pump - 100% for both up to \$1800 | -Max 1200 for backwater valve | -80% up to \$1250 for backwater valve - 80% up to \$1750 for sump pump |
| Responsible department/ | Environmental Services | Environmental Services | Building Services | Drainage Services Branch | Toronto Water |
| City's role | -Pre -inspection -Recommend required work | -Pre-inspection -Provide info for protective plumbing requirements - Final inspection of work performed | -Building permit -Application review | Information & communication Application review | -Building permit -Application review |

Proposed Preventative Plumbing Subsidy Program

TABLE 2: FINANCING OPTIONS

| | Option 1 Status Quo | Option 2(a) 50% Subsidy to max of | Option 2(b) 75% Subsidy to max of | Option 3(a) 50% Subsidy to max of | Option 3(b) 75% Subsidy to max of |
|--|------------------------|---|---|---|---|
| Backwater/Back-up Valve | N/A | \$1,000 | \$1600 | \$1,000 | \$1,600 |
| Sump Pump | N/A | \$1,250 | \$2,000 | \$1,250 | \$2,000 |
| Combined (BWV+ SP) | N/A | \$2,250 | \$3,600 | \$2,250 \$2,250 | \$3,600 |
| Annual Contribution from Wastewater Capital Budget | \$10,000 ¹ | \$350,000 | \$350,000 | \$175,000 | \$175,000 |
| Number of properties who could benefit from each option at maximum funding on an annual basis. | | | | | |
| Backwater valve | N/A | 350 | 219 | 175 | 109 |
| Sump pump | N/A | 280 | 175 | 140 | 88 |
| Combined (BWV+ SP) | N/A | 156 | 97 | 78 | 49 |

¹ Cost for communication and education plan.