



Regional Municipality of Waterloo

Administration and Finance Committee

Minutes

Tuesday, August 13, 2019

11:40 a.m.

Regional Council Chamber

150 Frederick Street, Kitchener, Ontario

Present were: Vice Chair H. Jowett, L. Armstrong, E. Clarke, J. Erb, S. Foxton, T. Galloway, M. Harris, D. Jaworsky, K. Kiefer, G. Lorentz, J. Nowak, K. McGarry*, K. Redman, S. Shantz, S. Strickland* and B. Vrbanovic

Declarations of Pecuniary Interest under the “Municipal Conflict of Interest Act”

None declared.

Request to Remove Items from Consent Agenda

There were no requests to remove items from the Consent Agenda.

Regarding Item 4.6, PDL-CAS-19-08, Changing Committee and Council Agenda Release Times, Mike Murray, Chief Administrative Officer noted this report is in response to requests from Councillors and community members to have more time between agenda release dates and Committee and Council meetings to be able to review reports. This scheduling will run for meetings throughout the rest of the year, and staff welcome any feedback from Councillors and the public.

In response to a question from the Committee, Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer, noted that while all tenders are available to view on the Region's website, staff would follow up with proactive communication to ensure all vendors are aware of new legislation approved by the Province that could open up tender opportunities to those who may have previously been unable to bid on projects, and will report back to the next Council meeting.

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Motion to Approve Items or Receive for Information

Moved by S. Foxton

Seconded by T. Galloway

That the following items be approved:

- That the Regional Municipality of Waterloo approve the pre-budget procurement of 20 vehicles and pieces of equipment which are scheduled for replacement in 2020, with funding from the appropriate vehicle/equipment reserves, as set out in report COR-FFM-19-10/COR-TRY-19-86 dated August 13, 2019.
- That the Regional Municipality of Waterloo adopt the 2020 Council and Committee Meeting Schedule attached to Report PDL-CAS-19-09 dated August 13, 2019.
- That the Regional Municipality of Waterloo approve the policy statement for the following amended Human Resources policy, as outlined in Report HRC-ERE-19-05 dated August 13, 2019:
 - Reservist and Military Leave (HR III-36)

And that the following items be received for information:

- **COR-TRY-19-84**, Quarterly Summary of Tenders/Quotations, Requests for Proposals and Consultant Selections Approved by the Chief Administrative Officer
- **COR-TRY-19-85**, Investment Position at June 30, 2019
- **COR-FSD-19-38**, Periodic Financial Report – Year End Projections Based on Financial Results to June 30, 2019
- **COR-FSD-19-39**, Regional Development Charges By-law 19-037 - Appeal to the Local Planning Appeal Tribunal (LPAT) by St. John's - Kilmarnock School
- **PDL-CAS-19-08**, Changing Committee and Council Agenda Release Times

Carried

Regular Agenda Resumes

COR-FSD-19-40, St. John's-Kilmarnock School Request for Deferral of Regional Development Charges

Moved by G. Lorentz

Seconded by K. Kiefer

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That the Regional Municipality of Waterloo take no action with respect to the request from St. John's-Kilmarnock School for a deferral of payment of Regional Development Charges until the facility is sold to a third party for its proposed athletics facility in the approximate amount of \$340,000 as described in Report COR-FSD-19-40 dated August 13, 2019.

Carried

* K. McGarry joined the meeting at 11:50 a.m.

COR-FSD-19-41, Bill 108, More Homes, More Choice Act, 2019 – Draft Regulations

C. Dyer summarized the report, noting the Province is now working on regulations regarding changes to the Development Charges Act (DCA) and the Community Benefits Authority (CBA), but nothing is yet in place. He said the Region is looking for the Province to provide more clarification regarding deferred development charge payments for non-residential and non-profit housing developments and identify who is responsible for making these payments. The impact of this change over the next 5 years of the current Development Charges By-law is expected to be approximately \$80-95 million, and will significantly impact the Region's ability to provide adequate infrastructure for growth. There are also many issues and questions around how municipalities will be able to collect for soft services through community benefits charges, how the rates will be calculated, how phased-in developments will be handled, and how the CBA will work in a two-tier system. Region staff have formed a working group with staff in the 7 Area Municipalities to share information and going forward to work out how administration of the new community benefits charges would take place.

In answer to questions from the Committee about the impact of freezing development charges, C. Dyer said currently development charges are calculated and paid when the building permit is issued. In the proposed legislation development charges would be frozen at the time of a zone change or site plan application and would not include any increase due to indexing or updating of the Development Charge By-law. Development sites can be zoned well in advance of any construction taking place, resulting in less revenue for the municipality to fund growth related infrastructure. He noted the Province is not currently planning to regulate interest charges the municipality could charge on frozen development charges, and Region staff would want to work with Area Municipalities to ensure consistency.

C. Dyer also said staff are looking to the Province for more clarity around the administrative requirements for collection of development charges, how to track deferred payments, what happens when property ownership changes and other administrative issues.

Moved by K. McGarry

Seconded by J. Nowak

That the Regional Municipality of Waterloo endorse and submit to the Minister of Municipal Affairs and Housing the input and recommendations on the draft regulations related to “Bill 108, More Homes, More Choice Act, 2019” as it relates to development charges and the proposed community benefits charge, as set out in report COR-FSD-19-41 dated August 13, 2019.

Carried

COR-FSD-19-42, 2020 Budget Guideline and Timetable

Councillor G. Lorentz suggested the Committee amend the recommendation for staff to develop the 2020 Regional operating budget to achieve a targeted tax impact in the range of 2.5%, exclusive of the Police Services Board budget, instead of 3.5%. The Committee acknowledged they expect to have to make decisions regarding service cuts in the coming budget but would like to see an increase that reflects the cost of inflation. The Committee noted that most expected service enhancements come from various master plans that have already been approved by Council and discussions would take place to review adjusting service levels these master plans contain, as well as to consider the full spectrum of services the Region delivers.

* S. Strickland joined the meeting at 12:10 p.m.

M. Murray noted that due to provincial funding reductions the Region can expect to need \$10-12 million in budget reductions and staff would bring back options for the Committee to consider at budget time.

G. Lorentz requested a recorded vote.

Moved by G. Lorentz

Seconded by K. Kiefer

That the Regional Municipality of Waterloo take the following action with respect to the 2020 Budget as set out in report COR-FSD-19-42 dated August 13, 2019, as amended:

1. Direct staff to develop the 2020 regional operating budget to achieve a targeted tax impact in the range of 2.5% for regional programs, inclusive of an estimated 0.9% impact from provincial funding reductions;

2. Direct staff to develop the 2020 user rate operating budgets using projected rate increases for Water Supply (2.9%) and Wastewater Treatment (4.9%) established in the 2019 user rates model;
3. Approve the 2020 Budget Process timeline as set out in Option 2 of Appendix A; and
4. Forward a copy of Report COR-FSD-19-42 to the Waterloo Region Police Services Board.

Yays: L. Armstrong, J. Erb, S. Foxton ,T. Galloway, M. Harris, D. Jaworsky, H. Jowett, G. Lorentz, J. Nowak, K. McGarry, K. Redman, S. Shantz, S. Strickland and B. Vrbanovic

Nays: E. Clarke

Carried

Information/Correspondence

Council Enquiries and Requests for information Tracking List – No items pending

Next Meeting – Tuesday, September 10, 2019

Motion to go into Closed Session

Moved by K. Redman

Seconded by K. Kiefer

That a closed meeting of the Planning and Works and Administration and Finance Committees be held on Tuesday, August 18, 2019 immediately following the Administration and Finance Committee meeting in the Waterloo County Room in accordance with Section 239 of the “Municipal Act, 2001”, for the purposes of considering the following subject matters:

- a) receiving of advice subject to solicitor client privilege and proposed or pending acquisition of land in the City of Waterloo
- b) labour relations
- c) labour relations
- d) personal matters about identifiable individuals regarding an agreement

Carried

Adjourn

Moved by K. Kiefer
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Seconded by J. Nowak

That the meeting adjourn at 12:30 p.m.

Carried

Committee Vice Chair, H. Jowett

Committee Clerk, T. Plummer