



STAFF REPORT ACTION REQUIRED

Residential Units Above Commercial Premises and Revisions to Particular Solid Waste Management Rates

Date:	May 20, 2009
To:	Public Works and Infrastructure Committee
From:	General Manager, Solid Waste Management Services
Wards:	All
Reference Number:	p:/2009/swms/June/011PW

SUMMARY

This report sets out Solid Waste Management Services plan to introduce and establish the solid waste rate structure to Residential Units Above Commercial (RUAC) establishments.

This report also requests authority to amend the solid waste rate for non-bulk multi-unit residential units that receive weekly or twice weekly curbside collection by use of only extra large bins for collection.

RECOMMENDATIONS

The General Manager, Solid Waste Management Services recommends that:

1. City Council authorize the General Manager, Solid Waste Management Services to expand organics collection, where possible, to all residential units above commercial premises;
2. City Council approve the solid waste rates set out in the attached Table 1 for all residential units above commercial premises, beginning November 1, 2009;
3. City Council approve the solid waste rate for non-bulk multi-unit residential buildings, who receive a more frequent (weekly or twice weekly) curbside collection service and that exclusively use curbside extra large bins for collection as set out in the attached Table 2;

4. That the approved rates in recommendation 3 begin immediately upon Council approval;
5. Property owners with commercial tenants currently enrolled in the Yellow Bag Program and receiving curbside collection be permitted to participate in the City's volume-based rate bin collection system in lieu of the yellow bag program and be subject to the solid waste rates as set out in attached Table 1, beginning November 1, 2009.

Financial Impact

There will be no material financial impact on the 2009 Operating Budget for Solid Waste Management Services as a result of implementing the recommended policy in this report. RUAC customers are part of the overall customer base assumed in the determination of the overall 2009 solid waste rate structure. As well, non-bulk multi-unit customers are already paying solid waste fees through the purchase of yellow tags. It is expected that incremental actual revenue in the amount of approximately \$200,000.00-\$250,000.00 will be generated in 2009 after currently budgeted fees for RUAC customers are implemented.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

City Council at its meeting on June 19, 20, and 22, 2007 adopted, as amended, Executive Committee Report 9.1 (EX9.1) entitled "Proposed Initiatives and Financing Model to Getting to 70% Solid Waste Diversion by 2010".

As part of adopting the motions in EX 9.1, Council directed the General Manager to report back to the Public Works and Infrastructure Committee on the following motion from Councillor Palacio:

- “3. the Acting General Manager of Solid Waste Management Services bring forward a report on a plan for bringing residential units above commercial establishments along commercial strips into the City's recycling programs;”.

City Council Decision document can be viewed from Page 2:

<http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-06-19-cc10-dd.pdf>

City Council at its special meeting on March 31, 2008 adopted Executive Committee Report 18.1, which at Motion 30 contained recommendations from the February 4, 2008 report from the General Manager, Solid Waste Management Services, and the Deputy City Manager and Chief Financial Officer, entitled "Final 2008 Fees – Getting to 70% Diversion by 2010".

City Council Decision document can be viewed as Motion 30 starting from Page 10:
<http://www.toronto.ca/legdocs/mmis/2008/cc/decisions/2008-03-31-cc18-dd.pdf>.

ISSUE BACKGROUND

Residential Units Above Commercial Premises

As part of the overall 70% diversion initiative, set out in EX 9.1, all residential properties (single-residential and multi-unit residential properties) are to be charged for their garbage disposal on a volume-based rate system – either through the use of the bin system or through the use of paid garbage tags. However, implementation of the volume-based rate system for residential above commercial units was deferred pending the results of several pilot programs due to the unique operational challenges associated with these units.

There are approximately 12,000 RUAC units located throughout the City. RUAC units are typically located on the City's main arterial roads and the number of residential units per building varies from a single unit to multiple units.

The City is currently providing weekly garbage and recycling collection to the RUAC units, however the City does not provide the Green Bin Program at this time.

Commercial tenants in a building receiving City waste collection services currently participate in the Yellow Bag Program. There are specific criteria (e.g., size) that commercial tenants must satisfy in order to participate in the Yellow Bag Program, thus not all commercial tenants would qualify and could alternatively receive private sector waste collection.

Multi-Unit Residential Buildings who receive more frequent curbside collection

The City has approximately 1,200 multi-unit residential buildings receiving curbside style garbage collection (non-bulk), either a weekly or twice weekly. These multi-unit residential buildings are typically older and constructed without adequate indoor or outdoor garbage storage facilities for bulk lift garbage containers and, as such, they were not suitable to receive bulk collection from front or back end collection vehicles. These multi-unit residential buildings historically placed their garbage at the curb in piles, but have recently been converted to curbside extra-large bins for collection by Solid Waste Management Collections staff. Given the amount of waste these buildings generate and the lack of storage, these multi-unit residential buildings require more frequent collection than would typically be received in common curbside collection situations. Normal curbside collection customers receive collection every two weeks. These multi-unit residential buildings have garbage collected either weekly or twice weekly. The solid waste rate schedule in the February 4, 2008 and October 9, 2008 reports did not establish rates for the above mentioned situations or provide for a more frequent collection service (i.e., weekly or twice weekly).

COMMENTS

Pilot Projects for Residential Units Above Commercial Premises

Staff conducted pilot projects for the RUAC units on Spadina Avenue (from College Street to Queen Street), and in Etobicoke on Bloor Street West (Kingsway BIA), the Queensway (Queensway BIA) and on Dundas Street West (Dundas/Islington BIA).

The Spadina Pilot Project was undertaken to assess the potential for applicability of the Bin Program to the commercial sector and opportunities for sharing of storage volume between commercial and residential above commercial neighbours. The Etobicoke Apartment Above Commercial Pilot Project was undertaken to determine the best approach to bring RUAC units into the Bin or Tag Program.

The pilot project on Spadina Avenue comprised of approximately 220 RUAC units and 180 commercial customers and those RUAC units were offered the opportunity to utilize bins for their disposal of organics, recycling and garbage products. Staff worked closely with the local Business Improvement Area (BIA) to implement/co-ordinate the program. Businesses enrolled in the City's Yellow Bag Program were also offered the opportunity to utilize bins for their garbage disposal. Eighty (80) commercial businesses (or 44%) took part in the pilot. As a means of cleaning up the garbage set out at the curb and creating efficiencies with the RUAC units, staff allowed garbage from both properties to be set out at the same time. A common collection night (Monday) was also established for both RUAC units and commercial customers.

The Etobicoke pilot project in the Kingsway BIA, Queensway BIA and Dundas/Islington BIA offered RUAC units the choice of either a bin system or a bag system. This area comprised of 370 locations and we received a 65% response rate after several mail outs. The rationale for offering both bins/bags was that a majority of these locations had access to rear laneways for collection/storage and RUAC unit owners preferred the bag option for the rental units. The access to rear laneways is somewhat unique to this particular BIA area.

The pilot projects identified a number of benefits including:

1. Feasibility to harmonize RUAC and commercial tenants' collections onto the same schedule. This would reduce the total number of set outs per week from three to one in most cases and provide individual or shared containment of materials.
2. Bin sharing would also reduce the overall number of bins required in dense areas of the City. Containment of materials provides cleaner storage and tends to discourage illegal dumping and set out and promote participation in recycling and organics programs.

3. Enforcement capability is improved with the collection harmonization. The Pilots enabled identification of challenges and refinement of procedures prior to City wide implementation.

The pilot projects identified a number of challenges including:

1. Poor response rate back from the owners of the buildings. Staff attempted to contact owners through mail, but was generally unsuccessful. Many buildings are owned by absentee owners which made it extremely difficult to communicate with them. Staff are unable to deal with tenants ordering bins as charges are the responsibility of the owners.
2. Limited storage space for bins. Staff recognizes the need for the bag option for RUAC units because of the challenges with storing the bins.

Revised Collection Service and Solid Waste Rate for RUAC

In attempting to offer the same services to the RUAC units, as currently provided to single-residential units, the following general principles will apply:

- Property owners of RUAC units will be contacted by mail offering choice of either participating in the bin system (volume-based rate program) or through the use of paid garbage tags placed on the bags.
- If the owner does not make a selection, the default option will be that the tenants of the RUAC units will set out their garbage for collection in garbage bags affixed with the City's garbage tag (\$3.10/tag) and will also set out recycling for collection in clear plastic bags. Organics collection will not be offered to RUAC units in the default option.
- Organics collection will only be offered to RUAC units that have adequate storage space for the green bin.
- The frequency for collection of garbage, recycling and organics will be weekly.
- It is necessary to amend the solid waste rates to reflect the higher collection frequency (i.e., weekly) of garbage, recycling and organics. Table 1 identifies the amended rates.
- Since the RUAC units would receive curbside collection, the property owner for the individual buildings will be eligible for a rebate of \$209.00 per building – similar to single-family residential units. The utility bill will be sent to the property owner.

- Commercial businesses sharing premises with the RUAC units can also participate in the bin system (volume-based rate program) in lieu of the Yellow Bag Program if the RUAC units select bins and not bag tags. Table 1 identifies the rates.

Revised Solid Waste Rate for Non-Bulk Collection Multi-Unit Residential Customers

Certain older multi-unit residential buildings using curbside bins (as opposed to front end collection containers) have required curbside collection at a greater frequency than other multi-unit residential customers who are able to utilize larger, compacting bulk containers. As such, it is necessary to modify the solid waste rate structure to suit these unique conditions. Table 2 identifies the proposed solid waste rates schedule for the aforementioned multi-unit residential customers.

These buildings typically range from 7 units upwards to +100 units. Staff are proposing that the property owners select and purchase a set number of Extra Large garbage bins, and the owners would subsequently be billed for the selected number of bins at each collection frequency. Exclusively offering extra large garbage bins will ensure consistency and address any potential waste storage issues. The “subscription” billing system should eliminate disputes on whether a bin was set out and emptied. Property owners can reduce garbage fees by increasing recycling, thus eliminating unneeded garbage bins or reducing frequency of collections.

These buildings are eligible for the \$157.00 rebate per unit which is the same rebate as multi-unit residential customers in buildings receiving bulk collection. These buildings are receiving more than once a week collection and are entitled to the traditional bulk collection credit of \$157.00 per unit rebate.

CONTACT

Robert Orpin, Director, Solid Waste Collections Operations, Solid Waste Management Services, Telephone: 416-392-8286, Fax: 416-392-4754, E-mail: rorpin@toronto.ca

SIGNATURE

Geoff Rathbone
General Manager
Solid Waste Management Services

ATTACHMENTS

Table 1 and Table 2