TORONTO

Councillor Mike Layton

City Councillor - Ward 19 Trinity-Spadina



May 6, 2012

Re: Solid Waste Management Service 2011 operating surplus and unfair waste fees for charities and religious organizations

Dear Budget Chief and Committee members,

In November 2011, with a vote of 21-20, City Council voted to charge for the first time 1,100 not-for-profit organizations for solid waste collection and tipping fees. Organizations are to be charged beginning July 1, 2012 at 25% of the total cost, with full implementation by 2015. Many organizations are only now receiving notice of the new fees.

Unfortunately, organizations were not informed of the proposed changes in time to speak at Budget Committee in November. They were not provided with the opportunity to calculate the financial impact or provide feedback to the City. They were also not provided the opportunity to incorporate these costs into their 2012 budgets and are now being forced to assume this unanticipated cost into their operating budgets.

These charges will have a significant impact on organizations' abilities to continue to operate and provide vital services to Toronto's vulnerable populations. Community organizations are indicating costs for 2012 ranging from $1,000 to $20,000. The full costs by 2015 in some cases are equivalent to the totals the same organizations receive from the City in support for their programs and in one case in the hundreds of thousands. On May 2, the Toronto Star reported that some charities are facing upwards of $20,000 in 2012. The Star also recently profiled the impact on St John The Compassionate, which feeds, clothes and employs low-income residents.

This new fee will only place another financial burden on organizations' already stretched budgets. This impacts major organizations such as Good Will, Daily Bread Food Bank, women's shelters, religious institutions, and many more.

Many of the 1,100 organizations help our city by delivering services to our communities by leveraging private sector support and funding from other levels of government. They serve youth, seniors, families, and other vulnerable communities in Toronto. They need our support, not a new fee. There are better ways to get these organizations to divert waste from landfill, which we must explore first.

The charities, institutions, and religious organizations do not know enough about how this will impact their budgets and therefore their ability to provide vital services. As Councillors, we also do not know enough about the impact. To ensure that these service-focused organizations are

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able to continue to support Toronto families, while finding savings through promotion of waste diversion, I recommend the following:

1. That City Council request the Acting General Manager, Solid Waste Management Services to postpone implementation of the Waste Fee for Charities, Institutions & Religious Organizations until City Council has a better understanding of the impact on these organizations and the services they deliver to Toronto residents.

2. That the $258,000 anticipated revenue be offset by the Solid Waste Management Services' 2011 operating surplus of $37.236 million.

3. That City Council instruct the Acting General Manager, Solid Waste Management Services to report during the 2013 Solid Waste Management Rates and Operating and Capital Budget approval process, with a proposed strategy to address implementation concerns regarding the solid waste management rates applied to charities, institutions and religious organizations. And that this report will include efforts Solid Waste Management Services staff will make to increase diversion rates of these organizations.

Sincerely,

Mike Layton
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Ward 19, Trinity-Spadina

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