

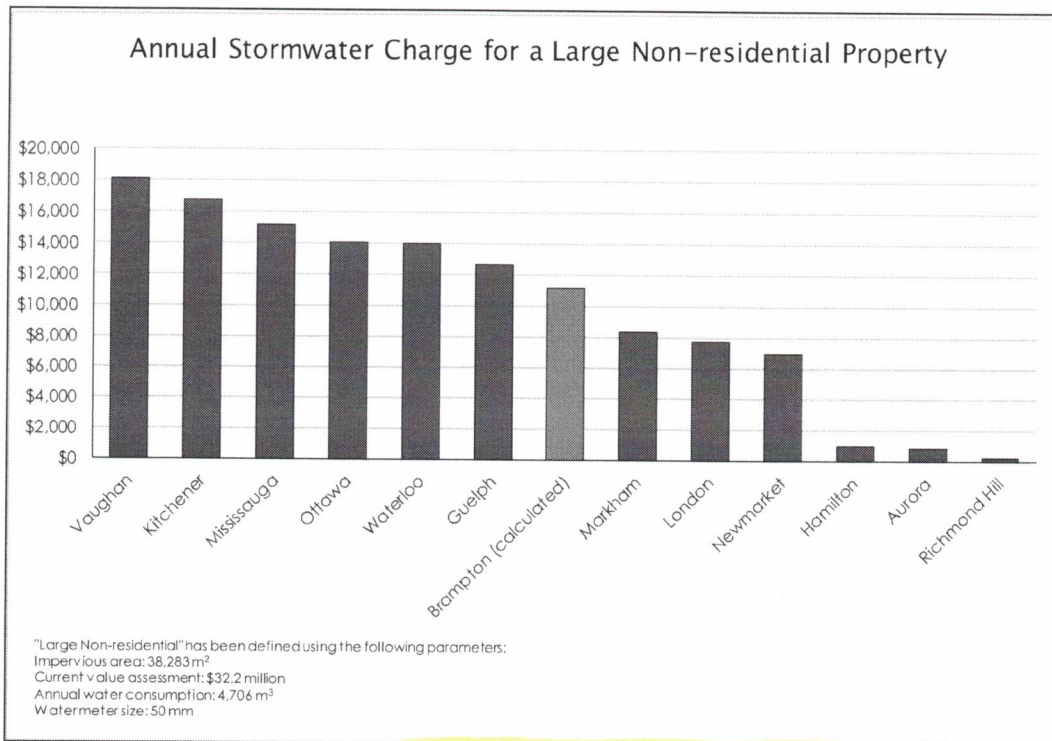


Figure 2: Comparison of municipal non-residential stormwater charges

Exemptions and Adjustments

The stormwater fee structure as proposed is preliminary, and will ultimately be refined by the results of detailed parcel analysis and measurement of impervious areas, and by removal of billing units through exemptions, credit policies or other reason. The Study looked at effect of removing anticipated exempted categories (schools, government buildings except City of Brampton facilities, rail), and this resulted in a 3.25% reduction in the total amount of billable units. This number will increase if credit programs are established whereby the stormwater charge billed to a property can be reduced through stormwater management measures implemented on the property.

Implementation and Billing

The stormwater charge is proposed for introduction in the first quarter of 2020. A Stormwater Charge Implementation team will be assembled using City resources, and work in conjunction with the City's consulting team of Wood PLC/Watson & Associates to refine parcel analysis, develop billing and administrative databases, develop administration and exemption policies, prepare or update bylaw(s) to include a stormwater charge and create pre-implementation communications for City-wide distribution.

9.2.2-4

estimated future program costs under several levels-of-service scenarios including maintaining status quo, meeting regulatory minimum standards, meeting accepted asset management and municipal best practices, and projected municipal growth. The Study recommended a future level-of-service that balanced regulatory requirements, accepted best practices and program costs. The future recommended level-of-service requires \$22 million per year, an additional \$16 million per year over customary funding levels. Tables A2 and A3, Appendix A presents the various future levels-of-service, and identifies the recommended future level-of-service.

The required annual funding of \$22 million per year includes contributions to a pipe reserve fund that would provide the source for future repairs to the storm sewer system as components reach the end of service life, or experience structural or operational failure, and incorporates programs to ensure levels of service and resiliency in the face of climate change.

Funding Approaches

The Study investigated a number of approaches to address the stormwater infrastructure funding gap. These included:

- Property taxes
- Flat rates
- Utility rates
- Rates based on property size
- Rates based on impervious area

Of prime importance in selecting an approach would be fairness in apportioning costs, transparency, and defensibility. The core principles informing evaluation of the various approaches were:

- Linkage between amount paid and benefit derived from services
- Ease of calculation
- Cost of administration
- Users' control over charging mechanism

Property taxes were characterized as being an inequitable approach, as the basis on which property taxes are calculated (market value assessment) bears little connection to the volume of stormwater flowing from the property. Further, 78% of property tax revenue comes from the residential taxpayer, but they are responsible for only 44% of the stormwater that enters the system whereas non-residential properties contribute 22% of tax revenues but are responsible for 56% of the stormwater that enters the system as shown below.